UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 1-2958

HUBBELL INCORPORATED

(Exact name of registrant as specified in its charter)

Connecticut	**06-0397030**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
40 Waterview Drive **Shelton CT**	**06484**
(Address of principal executive offices)	*(Zip Code)*

(475) 882-4000
(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:		
Title of each Class	Trading Symbol(s)	Name of Exchange on which Registered
Common Stock — par value $0.01 per share	**HUBB**	**New York Stock Exchange**
SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:		
NONE		

Indicate by check mark

•	if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.	**Yes** ☑		**No** ☐	
•	if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.	**Yes** ☐		**No** ☑	
•	if the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such report), and (2) has been subject to such filing requirements for the past 90 days.	**Yes** ☑		**No** ☐	
•	whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).	**Yes** ☑		**No** ☐	
•	whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):				
Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)		Smaller reporting company ☐	
Emerging growth company ☐	If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standard provided pursuant to Section 13(a) of the Exchange Act. ☐				
•	whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).	**Yes**	☐	**No**	☑

The approximate aggregate market value of the voting stock held by non-affiliates of the registrant as of June 30, 2019 was $7,036,079,255*. The number of shares outstanding of Hubbell Common Stock as of February 12, 2020 is 54,434,310.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement for the annual meeting of shareholders scheduled to be held on May 5, 2020, to be filed with the Securities and Exchange Commission (the "SEC"), are incorporated by reference in answer to Part III of this Form 10-K.

**Calculated by excluding all shares held by Executive Officers and Directors of registrant without conceding that all such persons or entities are "affiliates" of registrant for purpose of the Federal Securities Laws.*

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PART I

ITEM 1 Business

Hubbell Incorporated (herein referred to as “Hubbell”, the “Company”, the “registrant”, “we”, “our” or “us”, which references shall include its divisions and subsidiaries as the context may require) was founded as a proprietorship in 1888, and was incorporated in Connecticut in 1905. Hubbell is primarily engaged in the design, manufacture and sale of quality electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. Products are either sourced complete, manufactured or assembled by subsidiaries in the United States, Canada, Puerto Rico, Mexico, the People’s Republic of China (“China”), the United Kingdom (“UK”), Brazil, Australia, Spain and Ireland. Hubbell also participates in joint ventures in Taiwan, Hong Kong and the Philippines, and maintains offices in Singapore, Italy, China, India, Mexico, South Korea, Chile, and countries in the Middle East.

The Company’s reporting segments consist of the Electrical and the Power segments, as described below. See also Item 7. Management’s Discussion and Analysis – “Executive Overview of the Business”, and “Results of Operations” as well as Note 20 — Industry Segments and Geographic Area Information in the Notes to Consolidated Financial Statements.

The Company’s annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports are made available free of charge through the Investor Relations section of the Company’s website at *http://www.hubbell.com* as soon as practicable after such material is electronically filed with, or furnished to, the SEC. The information contained on the Company’s website or connected to our website is not incorporated by reference into this Annual Report on Form 10-K and should not be considered part of this report.

Electrical Segment

The Electrical segment (57% of consolidated revenues in 2019, 59% in 2018 and 69% in 2017) comprises businesses that sell stock and custom products including standard and special application wiring device products, rough-in electrical products, connector and grounding products, lighting fixtures and controls, components and assemblies for the natural gas distribution market, as well as other electrical equipment.

Electrical segment products are typically used in and around industrial, commercial and institutional facilities by electrical contractors, maintenance personnel, electricians, utilities, and telecommunications companies. In addition, certain of our businesses design and manufacture industrial controls and communication systems used in the non-residential and industrial markets. Many of these products are designed such that they can also be used in harsh and hazardous locations where a potential for fire and explosion exists due to the presence of flammable gasses and vapors. Harsh and hazardous products are primarily used in the oil and gas (onshore and offshore) and mining industries. We also offer a variety of lighting fixtures, wiring devices and electrical products that have residential and utility applications, including residential products with Internet-of-Things ("IoT") enabled technologies.

These products are primarily sold through electrical and industrial distributors, home centers, retail and hardware outlets, lighting showrooms and residential product oriented internet sites. Special application products are primarily sold through wholesale distributors to contractors, industrial customers and original equipment manufacturers (“OEMs”).

Hubbell maintains a sales and marketing organization to assist potential users with the application of certain products to their specific requirements, as well as to assist architects, engineers, industrial designers, OEMs and electrical contractors in the design of electrical systems to meet the specific requirements of industrial, non-residential and residential users. Hubbell is also represented by independent manufacturers’ sales agents for many of its product offerings.

The Electrical segment, manufactures and sells thousands of wiring and electrical products, lighting fixtures and controls for indoor and outdoor applications as well as specialty lighting and communications products. The segment also includes businesses that manufacture main-to-meter gas distribution products. The products within the segment have applications in the non-residential, residential, industrial, and energy-related (oil and gas) markets. Fast growing trends within the industry are the adoption of light emitting diode ("LED") technology as the light source, as well as products with embedded IoT technologies. The Company has a broad array of LED-luminaire products within its portfolio and the majority of new product development efforts are oriented towards expanding those offerings. Within the Electrical segment, products include items such as:

Commercial and Industrial		
• Wiring devices & accessories	• Junction boxes, plugs & receptacles	• Cable reels
• Switches & dimmers	• Steel & plastic enclosures	• Datacom connectivity & enclosures
• Ground fault devices	• Pin & sleeve devices	• Electrical motor controls
Lighting		
• Canopy lights	• Parking lot/parking garage fixtures	• Decorative landscape fixtures
• Emergency lighting/exit signs	• Bollards	• Fluorescent fixtures
• Floodlights & poles	• Bath/vanity fixtures & fans	• Ceiling fans
• LED components	• Chandeliers & sconces	• Site & area lighting
• Recessed, surface mounted & track fixtures	• Athletic & recreational field fixtures	• Occupancy, dimming & daylight harvesting sensors
Construction and Energy		
• Mechanical connectors	• Gas connectors and assemblies	• Specialty communications equipment
• Mechanical grounding devices	• Installation tooling	• Mining communication & controls
• Compression connectors	• Specialty lighting	• Cable glands & fittings
• Safety equipment		

These products are sold under various brands and/or trademarks, including:

Commercial and Industrial				
• Hubbell®	• Bell®	• Raco®	• Gleason Reel®	• ACME Electric®
• Kellems®	• TayMac®	• Hipotronics®	• Powerohm™	• EC&M Design®
• Bryant®	• Wiegmann®	• iDevices®		
Lighting				
• Kim Lighting®	• Beacon Products™	• Spaulding Lighting™	• Kurt Versen®	• Litecontrol™
• Sportsliter Solutions™	• Columbia Lighting®	• Alera Lighting®	• Prescolite®	• Dual-Lite®
• Security Lighting™	• Progress Lighting Design®	• Hubbell® Outdoor Lighting™	• Architectural Area Lighting™	
Construction and Energy				
• Burndy®	• Killark®	• GAI-Tronics®	• Gas Breaker®	• R.W. Lyall™
• CMC®	• Hawke™	• Chalmit™	• Vantage Technology®	• Continental®
• Austdac™	• AEC™			

Power Segment

The Power segment (43% of consolidated revenues in 2019, 41% in 2018 and 31% in 2017) consists of operations that design, manufacture and sell transmission and distribution components primarily for the electrical utilities industry. The water utility, telecommunications utility, civil construction and transportation industries are also served. Products are sold directly to utilities, and through distributors, as well as to contractors and construction and engineering firms. The 2018 acquisition of Meter Readings Holding Group, LLC ("Aclara Technologies" or "Aclara") expanded the Power portfolio to include endpoint metering devices and sensors, advanced metering infrastructure communications, and software and installation services sold to electrical, water, and gas utilities. While Hubbell believes its sales in this area are not materially dependent upon any customer or group of customers, a substantial decrease in purchases by electrical utilities would affect this segment.

Hubbell's Power segment manufactures and sells a wide variety of electrical distribution, transmission, substation and telecommunications products. These products and services include items such as:

• Arresters	• Bushings	• Grounding & bonding equipment
• Cutouts & fuse links	• Insulators	• Programmable reclosers
• Pole line hardware	• Cable terminations & accessories	• Sectionalizers
• Helical anchors & foundations	• Formed wire products	• Lineman tools, hoses & gloves
• Overhead, pad mounted & capacitor switches	• Splices, taps & connectors	• Polymer concrete & fiberglass enclosures and equipment pads
• Advanced metering infrastructure	• Meters and edge devices	• Meter installation services
• Utility asset protection equipment		

These products are sold under the following brands and/or trademarks:

• Aclara®	• Chance®	• Anderson®	• PenCell®
• Fargo®	• Hubbell®	• Polycast®	• Opti-loop Design®
• Quazite®	• Quadri*sil®	• Trinetics®	• Reuel™
• Electro Composites™	• USCO™	• CDR™	• RFL Design®
• Hot Box®	• PCORE®	• Delmar™	• Turner Electric®
• EMC™	• Longbow™	• Ohio Brass®	• Meramec®
• Reliaguard®	• Greenjacket®		

Information Applicable to All General Categories

International Operations

The Company has several operations located outside of the United States. These operations manufacture, assemble and/or procure and market Hubbell products and services for both the Electrical and Power segments.

See Note 20 — Industry Segments and Geographic Area Information in the Notes to Consolidated Financial Statements and Item 1A. Risk Factors relating to manufacturing in and sourcing from foreign countries.

Customers

The Company did not have any customers whose annual consolidated purchases exceeded 10 percent of our total net sales in 2019, 2018 and 2017.

Raw Materials

Raw materials used in the manufacture of Hubbell products primarily include steel, aluminum, brass, copper, bronze, zinc, nickel, plastics, phenolics, elastomers and petrochemicals. Hubbell also purchases certain electrical and electronic components, including solenoids, lighting ballasts, printed circuit boards, integrated circuit chips and cord sets, from a number of suppliers. Hubbell is not materially dependent upon any one supplier for raw materials used in the manufacture of its products and equipment and, at the present time, raw materials and components essential to its operation are in adequate supply. However, some of these principal raw materials are sourced from a limited number of suppliers. See also Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Patents

Hubbell has approximately 2,400 active United States and foreign patents covering a portion of its products, which expire at various times. While Hubbell deems these patents to be of value, it does not consider its business to be dependent upon patent protection. Hubbell also licenses products under patents owned by others, as necessary, and grants licenses under certain of its patents.

Working Capital

Inventory, accounts receivable and accounts payable levels, payment terms and, where applicable, return policies are in accordance with the general practices of the electrical products industry and standard business procedures. See also Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Backlog

Substantially all of the backlog existing at December 31, 2019 in the Electrical segment is expected to be shipped to customers in 2020. In the Power segment, the backlog existing at December 31, 2019 includes backlog expected to be shipped during 2020, along with $395 million of backlog of contracts that span multiple years, primarily related to long-term contracts of the Aclara business to deliver and install meters and grid monitoring sensor technology. The backlog of orders believed to be firm at December 31, 2019 was approximately $1,037.0 million compared to $1,250.8 at December 31, 2018. Although this backlog is important, the majority of Hubbell's revenues result from sales of inventoried products or products that have short periods of manufacture.

Competition

Hubbell experiences substantial competition in all categories of its business, but does not compete with the same companies in all of its product categories. The number and size of competitors vary considerably depending on the product line. Hubbell cannot specify with precision the number of competitors in each product category or their relative market position. However, some of its competitors are larger companies with substantial financial and other resources. Hubbell considers product performance, reliability, quality and technological innovation as important factors relevant to all areas of its business, and considers its reputation as a manufacturer of quality products to be an important factor in its business. In addition, product price, service levels and other factors can affect Hubbell's ability to compete.

Environment

The Company is subject to various federal, state and local government requirements relating to the protection of employee health and safety and the environment. The Company believes that, as a general matter, its policies, practices and procedures are properly designed to prevent unreasonable risk of environmental damage and personal injury to its employees and its customers' employees and that the handling, manufacture, use and disposal of hazardous or toxic substances are in accordance with environmental laws and regulations.

Like other companies engaged in similar businesses, the Company has incurred or acquired through business combinations, remedial response and voluntary cleanup costs for site contamination, and is a party to product liability and other lawsuits and claims associated with environmental matters, including past production of product containing toxic substances. Additional lawsuits, claims and costs involving environmental matters are likely to continue to arise in the future. However, considering past experience and reserves, the Company does not anticipate that these matters will have a material adverse affect on earnings, capital expenditures, financial condition or competitive position. See also Item 1A. Risk Factors and Note 15 — Commitments and Contingencies in the Notes to Consolidated Financial Statements.

Employees

As of December 31, 2019, Hubbell had approximately 18,800 salaried and hourly employees of which approximately 10,300 of these employees, or 53%, are located in the United States. Approximately 2,500 of these U.S. employees are represented by 12 labor unions. Hubbell considers its labor relations to be satisfactory.

Information about our Executive Officers

Name [(1)]	Age	Present Position	Business Experience
David G. Nord	62	Chairman of the Board and Chief Executive Officer	Present position since June 6, 2019; previously, Chairman of the Board, President and Chief Executive Officer May 2014 to June 6, 2019; President and Chief Executive Officer January 2013 to May 2014; President and Chief Operating Officer from June 2012 to January 2013, and Senior Vice President and Chief Financial Officer from September 2005 to June 2012. Previously, various positions, including Vice President, Controller, of United Technologies and its subsidiaries, 2000-2005.
William R. Sperry	57	Executive Vice President, Chief Financial Officer and Treasurer	Present position since June 6, 2019; previously, Senior Vice President and Chief Financial Officer June 6, 2012 to June 6, 2019; Vice President, Corporate Strategy and Development August 15, 2008 to June 6, 2012; previously, Managing Director, Lehman Brothers August 2006 to April 2008, various positions, including Managing Director, of J.P. Morgan and its predecessor institutions, 1994-2006.
Gerben W. Bakker	55	President and Chief Operating Officer	Present position since June 6, 2019; previously, Group President, Power Systems February 1, 2014 to June 6, 2019; previously, Division Vice President, Hubbell Power Systems, Inc. (“HPS”) August 2009 - February 1, 2014; President, HPS Brazil June 2005 - July 2009; Vice President, Sourcing, HPS March 2004 - May 2005.
Joseph A. Capozzoli	45	Vice President, Controller	Present position since April 22, 2013; previously, Assistant Corporate Controller of Stanley Black & Decker, Inc. (“Stanley”) April 2011 to April 2013; Global Operations Controller at Stanley 2010-2011; Director of Cost Accounting at Stanley, 2006-2010.
Allan J. Connolly	52	Group President, Power Systems	Present position since July 1, 2019; previously, President, Aclara February 2018 to June 28, 2019; President and Chief Executive Officer of Aclara May 2014 to February 2018; Chief Operating Officer of Culligan International July 2012 to January 2014; Executive Vice President of Operations, Engineering and N.A. Industrial of Culligan International November 2006 to July 2012; Vice President of Research, Development & Engineering of Culligan International April 2006 to November 2006; General Manager Technology, GE Power & Water March 2003 to April 2006.
James M. Farrell	52	Acting Group President, Lighting	Present position since October 2019; previously, Vice President of Finance, Hubbell Lighting, Inc. June 2015 to October 2019; Vice President, Strategic Planning and Investor Relations April 2012 to May 2015; Director of Financial Planning & Analysis June 2004 to May 2008.
Katherine A. Lane	42	Vice President, General Counsel and Secretary	Present position since June 6, 2019; previously Vice President, Acting General Counsel and Secretary March 2019 to June 6, 2019; Vice President, Associate General Counsel June 2017 to March 2019; Vice President, Legal, Hubbell Commercial & Industrial September 2015 to June 2017; Senior Counsel, Hubbell Electrical Systems May 2014 to September 2015; Corporate General Attorney August 2010 to May 2014. Previously, various positions in private practice in law firms based in Massachusetts and Connecticut.
Stephen M. Mais	55	Senior Vice President, Human Resources	Present position since May 3, 2016; previously Vice President, Human Resources, August 2005 - May 2016; Director, Staffing and Capability, Pepsi Bottling Group (“Pepsi”) 2001-2005; Director, Human Resources Southeastern U.S., Pepsi 1997-2001.
Rodd R. Ruland	62	Group President, Construction and Energy	Present position since June 1, 2015; previously, President, BURNDY LLC, Hubbell Canada (HCLP) & Hubbell de Mexico (HdM) 2012-2015; President, BURNDY LLC 2009-2012; Corporate Vice President & General Manager, Electrical Power Interconnect Division, FCI (BURNDY) 2003-2009, Director, Business Development 2001-2003; various positions in Sales & Marketing, Business Development, and General Management and TycoElectronics/AMP Incorporated 1979-2000.
Darrin S. Wegman	52	Group President, Commercial and Industrial	Present position since June 1, 2015; previously, Vice President, General Manager, Wiring Device and Industrial Electrical business, 2013-2015; Vice President, Controller, Hubbell Incorporated, 2008-2013; Vice President and Controller, Hubbell Industrial Technology, 2002-2008; Controller, GAI-Tronics Corporation, 2000-2002.

(1) As of February 14, 2020, there are no family relationships among any of the above-named executive officers and any of our directors. For information related to our Board of Directors, refer to Item 10. Directors, Executive Officers and Corporate Governance.

ITEM 1A Risk Factors

Our business, operating results, financial condition, and cash flows may be affected by a number of factors including, but not limited to those set forth below. Any one of these factors could cause our actual results to vary materially from recent results or future anticipated results. See also Item 7. Management's Discussion and Analysis — "Executive Overview of the Business" and "Results of Operations".

Global economic uncertainty could adversely affect us.

During periods of prolonged slow growth, or a downturn in conditions in the worldwide or domestic economies, we could experience reduced orders, payment delays, supply chain disruptions or other factors caused by economic challenges faced by our customers, prospective customers and suppliers. Depending upon their severity and duration, these conditions could have an adverse impact on our results of operations, financial condition and cash flows.

We operate in markets that are subject to competitive pressures that could affect selling prices or demand for our products.

We compete on the basis of product performance, quality, service and/or price. Competitors' behavior related to these areas could potentially have significant impacts on our financial results. Our competitive strategy is to design and manufacture high quality products at the lowest possible cost. Our strategy is to also increase selling prices to offset rising costs of raw materials and components. Competitive pricing pressures may not allow us to offset some or all of our increased costs through pricing actions. Alternatively, if raw material and component costs decline, the Company may not be able to maintain current pricing levels. Competition could also affect future selling prices or demand for our products which could have an adverse impact on our results of operations, financial condition and cash flows.

Our inability to effectively develop and introduce new products could adversely affect our ability to compete.

New product introductions and enhancement of existing products and services are key to the Company's competitive strategy. The success of new product introductions is dependent on a number of factors, including, but not limited to, timely and successful development of new products, including software development, market acceptance of these products and the Company's ability to manage the risks associated with these introductions. These risks include development and production capabilities, management of inventory levels to support anticipated demand, the risk that new products may have quality defects in the early stages of introduction, and obsolescence risk of existing products. The Company cannot predict with certainty the ultimate impact new product introductions could have on our results of operations, financial condition or cash flows.

We may not be able to successfully implement initiatives, including our restructuring activities that improve productivity and streamline operations to control or reduce costs.

Achieving our long-term profitability goals depends significantly on our ability to control or reduce our operating costs. Because many of our costs are affected by factors completely, or substantially outside our control, we generally must seek to control or reduce costs through productivity initiatives. If we are not able to identify and implement initiatives that control or reduce costs and increase operating efficiency, or if the cost savings initiatives we have implemented to date do not generate expected cost savings, our financial results could be adversely affected. Our efforts to control or reduce costs may include restructuring activities involving workforce reductions, facility consolidations and other cost reduction initiatives. If we do not successfully manage our current restructuring activities, or any other restructuring activities that we may undertake in the future, expected efficiencies and benefits may be delayed or not realized, and our operations and business could be disrupted.

We engage in acquisitions and strategic investments and may encounter difficulty in obtaining appropriate acquisitions and in integrating these businesses.

Part of the Company's growth strategy involves acquisitions. We have pursued and will continue to seek acquisitions and other strategic investments to complement and expand our existing businesses. The rate and extent to which acquisitions become available may affect our growth rate. The success of these transactions will depend on our ability to integrate these businesses into our operations and realize the planned synergies. We may encounter difficulties in integrating acquisitions into our operations and in managing strategic investments and foreign acquisitions and joint ventures may also present additional risk related to the integration of operations across different cultures and languages. Failure to effectively complete or manage acquisitions may adversely affect our existing businesses as well as our results of operations, financial condition and cash flows.

We may fail to realize all of the anticipated benefits of the Aclara acquisition or those benefits may take longer to realize than expected.

The full benefits of the Aclara acquisition, including the anticipated sales or growth opportunities, may not be realized as expected or may not be achieved within the anticipated time frame, or at all. Failure to achieve the anticipated benefits of the Aclara acquisition could adversely affect our results of operations or cash flows and decrease or delay the expected accretive effect of the Aclara acquisition.

We have outstanding indebtedness; our indebtedness has increased as a result of the Aclara acquisition, and will further increase if we incur additional indebtedness in the future and do not retire existing indebtedness.

We have outstanding indebtedness and other financial obligations and significant unused borrowing capacity. The amount of cash required to service our indebtedness following completion of the Aclara acquisition, and thus the demands on our cash resources, is greater than the amount of cash required to service our indebtedness prior to the Aclara acquisition. Our increased indebtedness level and related debt service obligations could have negative consequences, including (i) requiring us to dedicate significant cash flow from operations to the payment of principal and interest on our indebtedness, which would reduce the funds we have available for other purposes, (ii) reducing our flexibility in planning for or reacting to changes in our business and market conditions and (iii) exposing us to interest rate risk since a portion of our debt obligations are at variable rates.

We may incur significantly more indebtedness in the future. If we add new indebtedness and do not retire existing indebtedness, the risks described above could increase.

We manufacture and source products and materials from various countries throughout the world. A disruption in the availability, price or quality of these products or materials could adversely affect our operating results.

Our business is subject to risks associated with global manufacturing and sourcing. We use a variety of raw materials in the production of our products including steel, aluminum, brass, copper, bronze, zinc, nickel, plastics, phenolics, elastomers and petrochemicals. We also purchase certain electrical and electronic components, including solenoids, lighting ballasts, printed circuit boards, integrated circuit chips and cord sets from a number of suppliers. Significant shortages in the availability of these materials or significant price increases could increase our operating costs and adversely impact the competitive positions of our products, which could adversely impact our results of operations. See also Risk Factor, "*Significant developments from the recent and potential changes in U.S. trade policies could have a material adverse effect on us*."

We rely on materials, components and finished goods that are sourced from or manufactured in foreign countries including Mexico, China, and other international countries. Political instability in any country where we do business could have an adverse impact on our results of operations.

We rely on our suppliers to produce high quality materials, components and finished goods according to our specifications, including timely delivery. Although we have quality control procedures in place, there is a risk that products may not meet our specifications which could adversely affect our ability to ship quality products to our customers on a timely basis and, could adversely affect our results of operations.

We are subject to risks surrounding our information technology systems failures, network disruptions, breaches in data security and compliance with data privacy laws or regulations.

We are highly dependent on various software and information technology systems to record and process operational, human resources and financial transactions. The proper functioning of Hubbell's information technology systems is critical to the successful operation of our business. Although our information technology systems are protected with robust backup and security systems, these systems are still susceptible to cyber threats, malware, phishing attacks, break-ins and similar events, breaches of physical security or tampering and manipulation of these systems by employees or unauthorized third parties. Information security risks also exist with respect to the use of portable electronic devices, such as smartphones and laptops, which are particularly vulnerable to loss and theft. Hubbell may also be subject to disruptions of any of our systems and our vendor's systems arising from events that are wholly or partially beyond our control, such as natural disasters, acts of terrorism, cyber-attacks, computer viruses, and electrical/telecommunications outages or failures. All of these risks are also applicable where Hubbell relies on outside vendors to provide services, which may operate in an on-line, or "cloud," environment. A failure of our information technology systems could adversely affect our ability to process orders, maintain proper levels of inventory, collect accounts receivable and pay expenses; all of which could have an adverse effect on our results of operations, financial condition and cash flows. In addition, security breaches could result in unauthorized disclosure of confidential information that may result in financial or reputational damage to the Company, as well as expose the Company to litigation and regulatory enforcement actions.

Hubbell also provides customers with solutions that include software components that allow for the control and/or the communication of data from those solutions to Hubbell or customer systems. In addition to the risks noted above, there are other risks associated with these solutions. For example, control and/or data from these solutions may be integral to a customer's operations. A failure of our technology to operate as designed or as a result of cyber threats could impact those operations, including by loss or destruction of data. Likewise, a customer's failure to properly configure its own network are outside of the Company's control and could result in a failure in functionality or security of our technology.

Hubbell is also subject to an increasing number of evolving data privacy and security laws and regulations that impose requirements on the Company and our technology prior to certain use or transfer, storing, processing, disclosure, and protection of data and prior to sale or use of certain technologies. Failure to comply with such laws and regulations could result in the imposition of fines, penalties and other costs. For example, the European Union's implementation of the General Data Protection Regulation in 2018, the European Union's pending ePrivacy Regulation, and California's implementation of its Consumer Privacy Act of 2018 and Connected Device Privacy Act of 2018 all could disrupt our ability to sell products and solutions or use and transfer data because such activities may not be in compliance with applicable law in certain jurisdictions.

We have continued to work on improving our utilization of our enterprise resource planning system, expanding standardization of business processes and performing implementations at our remaining businesses. We expect to incur additional costs related to future implementations, process reengineering efforts as well as enhancements and upgrades to the system. These system modifications and implementations could result in operating inefficiencies which could adversely impact our operating results and/or our ability to perform necessary business transactions.

System failures, ineffective system implementation or disruptions, failure to comply with data privacy and security laws or regulations, IT system risk arising from the Company's acquisition activity or the compromise of security with respect to internal or external systems or portable electronic devices could damage the Company’s systems or infrastructure, subject us to liability claims, or regulatory fines, penalties, or intervention, harm our reputation, interrupt our operations, disrupt customer operations, and adversely affect the Company’s internal control over financial reporting, business, financial condition, results of operations, or cash flows.

Future tax law changes could increase our prospective tax expense. In addition, tax payments may ultimately differ from amounts currently recorded by the Company.

We are subject to income taxes as well as non-income based taxes, in both the United States and numerous foreign jurisdictions. The determination of the Company's worldwide provision for income taxes and other tax liabilities requires judgment and is based on diverse legislative and regulatory structures that exist in the various jurisdictions where the company operates. Although management believes its estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in its financial statements and may adversely affect the Company's financial results for the period when such determination is made. We are subject to ongoing tax audits in various jurisdictions. Tax authorities may disagree with certain positions we have taken and assess additional taxes. We regularly assess the likely outcomes of these audits in order to determine the appropriateness of our tax provisions. However, there can be no assurance that we will accurately predict the outcomes of these audits, and the future outcomes of these audits could adversely affect our results of operations, financial condition and cash flows.

Tax legislation may materially adversely affect our financial condition, results of operations and cash flows.

On December 22, 2017 Public Law 115-97 “An Act to Provide Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018” was enacted. This law is commonly referred to as the Tax Cuts and Job Act of 2017 ("TCJA"). The TCJA significantly changed the U.S. Internal Revenue Code, including taxation of U.S. corporations, by, among other things, reducing the U.S. federal corporate income tax rate, limiting the availability of previously claimed deductions, taxing certain activities and transactions not previously subject to U.S. tax and imposing a mandatory deemed repatriation tax on certain undistributed earnings and profits of U.S.-owned foreign corporations. Throughout 2018 and 2019, the U.S. Treasury and the Internal Revenue Service (“IRS”) issued numerous and complex proposed and final regulations, and related guidance on various aspects of the TCJA. However, many of the provisions of TCJA remain unclear and subject to interpretation. The legislation also remains subject to potential amendments and technical corrections, any of which could lessen or increase certain impacts of the legislation. Further, state taxing authorities continue to evaluate the impact of TCJA and enact legislation and issue guidance on the state impacts of TCJA. See Note 13 — Income Taxes in the Notes to Consolidated Financial Statements for additional information.

Notwithstanding the reduction in the corporate income tax rate, the overall impact of the legislation remains uncertain and our business and financial condition could be adversely affected.

In addition, foreign jurisdictions may also enact tax legislation that could alter the manner in which corporations are subject to tax in their jurisdictions that could significantly affect our ongoing operations. Aspects of U.S. tax reform could also lead foreign jurisdictions to respond by enacting additional tax legislation that is unfavorable to us.

Significant developments from the recent and potential changes in U.S. trade policies could have a material adverse effect on us.

The U.S. government has announced and, in some cases, implemented a new approach to trade policy, including renegotiating, or potentially terminating, certain existing bilateral or multi-lateral trade agreements, such as the North American Free Trade Agreement ("NAFTA") or its anticipated successor agreement, the U.S.-Mexico-Canada Agreement, which is still subject to formal ratification by the United States and Canada, and proposed trade agreements, like the Trans-Pacific Partnership ("TPP"), from which the United States has formally withdrawn, as well as implementing the imposition of additional tariffs on certain foreign goods, including finished products and raw materials such as steel and aluminum. Changes in the U.S. trade policy, U.S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories and countries where we currently manufacture and sell products, and any resulting negative sentiments towards the United States as a result of such changes, could have an adverse effect on our business.

We rely on materials, components and finished goods, such as steel and aluminum, that are sourced from or manufactured in foreign countries, including China and Mexico. Import tariffs and potential import tariffs have resulted or may result in increased prices for these imported goods and materials and, in some cases, may result or have resulted in price increases for domestically sourced goods and materials. Changes in U.S. trade policy have resulted and could result in additional reactions from U.S. trading partners, including adopting responsive trade policies making it more difficult or costly for us to export our products or import goods and materials from those countries. These measures could also result in increased costs for goods imported into the U.S. or may cause us to adjust our worldwide supply chain. Either of these could require us to increase prices to our customers which may reduce demand, or, if we are unable to increase prices, result in lowering our margin on products sold.

Various countries, and regions, including, without limitation, China, Mexico, Canada and Europe, have announced plans or intentions to impose or have imposed tariffs on a wide range of U.S. products in retaliation for new U.S. tariffs. These actions could, in turn, result in additional tariffs being adopted by the U.S. These conditions and future actions could have a significant adverse affect on world trade and the world economy. To the extent that trade tariffs and other restrictions imposed by the United States increase the price of, or limit the amount of, raw materials and finished goods imported into the United States, the costs of our raw materials may be adversely affected and the demand from our customers for products and services may be diminished, which could adversely affect our revenues and profitability.

We cannot predict future trade policy or the terms of any renegotiated trade agreements and their impacts on our business. The adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs or trade agreements or policies has the potential to adversely impact demand for our products, our costs, our customers, our suppliers, and the U.S. economy, which in turn could adversely impact our business, financial condition and results of operations.

Our success depends on attracting and retaining qualified personnel.

Our ability to sustain and grow our business requires us to hire, retain and develop a highly skilled and diverse management team and workforce. Failure to ensure that we have the depth and breadth of personnel with the necessary skill set and experience, or the loss of key employees, could impede our ability to deliver our growth objectives and execute our strategy.

The uncertainty surrounding the implementation and effect of Brexit and related negative developments in the European Union could adversely affect our business, financial condition and results of operations.

In 2016, the United Kingdom voted to leave the European Union ("EU") (commonly referred to as "Brexit"). As a result of the referendum, a complex and uncertain process of negotiation has taken place which to date has not resulted in a definitive agreement to establish the future terms of the UK's relationship with the EU or other countries. Notwithstanding, the UK exited the EU on January 31, 2020 under a transitional arrangement scheduled to remain in place until the end of 2020. The transitional arrangement is intended primarily to maintain the status quo with respect to UK-EU trade and adherence to EU rules while a definitive exit agreement is negotiated. We conduct business in both the UK and EU and shipments from our UK subsidiaries represented 3% of our total net sales in both 2019 and 2018. The long-term nature of the UK's relationship with the EU is unclear and there is considerable uncertainty when, or if, any withdrawal agreement or long-term relationship strategy, including trade deals, will be agreed to and implemented by the UK and the EU. Brexit could adversely affect European or worldwide political, regulatory, economic or market conditions and could contribute to instability in political institutions and regulatory agencies. Brexit could also have the effect of disrupting the free movement of goods, services, and people between the UK, the EU and elsewhere. There can be no assurance that any or all of these events, or others that we cannot anticipate at this time, will not have a material adverse effect on our business, financial condition and results of operations.

Deterioration in the credit quality of our customers could have a material adverse effect on our operating results and financial condition.

We have an extensive customer base of distributors, wholesalers, electric utilities, OEMs, electrical contractors, telecommunications companies and retail and hardware outlets. We are not dependent on a single customer, however, our top ten customers account for approximately 41% of our net sales. Deterioration in the credit quality of several major customers could adversely affect our results of operations, financial condition and cash flows.

Inability to access capital markets or failure to maintain our credit ratings may adversely affect our business.

Our ability to invest in our business and make strategic acquisitions may require access to the capital markets. If general economic and capital market conditions deteriorate significantly, it could impact our ability to access capital. Failure to maintain our credit ratings could also impact our ability to access credit markets and could increase our cost of borrowing. While we have not encountered significant financing difficulties recently, the capital and credit markets could deteriorate. Market conditions could make it more difficult for us to access capital to finance our investments and acquisitions. This could adversely affect our results of operations, financial condition and cash flows.

If the underlying investments of our defined benefit plans do not perform as expected, we may have to make additional contributions to these plans.

We sponsor certain pension and other postretirement defined benefit plans. The performance of the financial markets and interest rates impact these plan expenses and funding obligations. Significant changes in market interest rates, investment losses on plan assets and reductions in discount rates may increase our funding obligations and could adversely impact our results of operations, cash flows, and financial condition. Furthermore, there can be no assurance that the value of the defined benefit plan assets will be sufficient to meet future funding requirements.

Volatility in currency exchange rates may adversely affect our financial condition, results of operations and cash flows.

Our international operations accounted for approximately 9% of our net sales in 2019. We are exposed to the effects (both positive and negative) that fluctuating exchange rates have on translating the financial statements of our international operations, most of which are denominated in local currencies, into the U.S. dollar. Fluctuations in exchange rates may affect product demand and reported profits in our international operations. In addition, currency fluctuations may affect the prices we pay suppliers for materials used in our products. As a result, fluctuating exchange rates may adversely impact our results of operations and cash flows.

Our reputation and our ability to conduct business may be impaired by improper conduct by any of our employees, agents or business partners.

We cannot provide absolute assurance that our internal controls and compliance systems will always protect us from acts committed by our employees, agents or business partners that would violate U.S. and/or non-U.S. laws, including the laws governing payments to government officials, bribery, fraud, anti-kickback and false claims rules, competition, export and import compliance, money laundering and data privacy. In particular, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business, and we operate in parts of the world that have experienced governmental corruption to some degree. Despite meaningful measures that we undertake to facilitate lawful conduct, which include training and internal control policies, these measures may not always prevent reckless or criminal acts by our employees or agents. Any such improper actions could damage our reputation and subject us to civil or criminal investigation in the United States and in other jurisdictions, could lead to substantial civil and criminal, monetary and non-monetary penalties and could cause us to incur significant legal and investigative fees.

We could incur significant and/or unexpected costs in our efforts to successfully avoid, manage, defend and litigate intellectual property matters.

The Company relies on certain patents, trademarks, copyrights, trade secrets and other intellectual property of which the Company cannot be certain that others have not and will not infringe upon. Although management believes that the loss or expiration of any single intellectual property right would not have a material impact on its operating results, intellectual property litigation could be costly and time consuming and the Company could incur significant legal expenses pursuing these claims against others.

From time to time, we receive notices from third parties alleging intellectual property infringement. Any dispute or litigation involving intellectual property could be costly and time-consuming due to the complexity and the uncertainty of intellectual property litigation. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of infringement or misappropriation. In addition, as a result of such claims, the Company may lose its rights to utilize critical technology or may be required to pay substantial damages or license fees with respect to the infringed rights or be required to redesign our products at a substantial cost, any of which could negatively impact our operating results. Even if we successfully defend against claims of infringement, we may incur significant costs that could adversely affect our results of operations, financial condition and cash flow. See Item 3 “Legal Proceedings” for a discussion of our legal proceedings.

We may be required to recognize impairment charges for our goodwill and other intangible assets.

As of December 31, 2019, the net carrying value of our goodwill and other intangible assets totaled approximately $2.6 billion. As required by generally accepted accounting principles, we periodically assess these assets to determine if they are impaired. Impairment of intangible assets may be triggered by developments both within and outside the Company’s control. Deteriorating economic conditions, technological changes, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of the assets, intensified competition, divestitures, market capitalization declines and other factors may impair our goodwill and other intangible assets. Any charges relating to such impairments could adversely affect our results of operations in the periods an impairment is recognized.

Our business and results of operations may be materially adversely effected by compliance with import and export laws.

We must comply with various laws and regulations relating to the import and export of products, services and technology from the U.S. and other countries having jurisdiction over our operations, which may affect our transactions with certain customers, business partners and other persons. In certain circumstances, export control and economic sanctions regulations may prohibit the export of certain products, services and technologies and in other circumstances, we may be required to obtain an export license before exporting a controlled item. The length of time required by the licensing processes can vary, potentially delaying the shipment of products or performance of services and the recognition of the corresponding revenue. In addition, failure to comply with any of these regulations could result in civil and criminal, monetary and non-monetary penalties, disruptions to our business, limitations on our ability to import and export products and services and damage to our reputation. Moreover, any changes in export control or sanctions regulations may further restrict the export of our products or services, and the possibility of such changes requires constant monitoring to ensure we remain compliant. Any restrictions on the export of our products or product lines could have a material adverse effect on our competitive position, results of operations, cash flows or financial condition.

We are subject to litigation and environmental regulations that may adversely impact our operating results.

We are a party to a number of legal proceedings and claims, including those involving product liability, intellectual property and environmental matters, which could be significant. It is not possible to predict with certainty the outcome of every claim and lawsuit. In the future, we could incur judgments or enter into settlements of lawsuits and claims that could have a materially adverse effect on our results of operations, cash flows, and financial condition. In addition, while we maintain insurance coverage with respect to certain claims, such insurance may not provide adequate coverage against such claims. We establish reserves based on our assessment of contingencies, including contingencies related to legal claims asserted against us. Subsequent developments in legal proceedings may affect our assessment and estimates of the loss contingency recorded as a reserve and require us to make additional payments, which could have a materially adverse effect on our results of operations, financial condition and cash flow.

We are also subject to various laws and regulations relating to environmental protection and the discharge of materials into the environment, and we could incur substantial costs as a result of the noncompliance with or liability for clean up or other costs or damages under environmental laws. In addition, we could be affected by future laws or regulations, including those imposed in response to climate change concerns. Compliance with any future laws and regulations could result in a materially adverse effect on our business and financial results. See Item 3 “Legal Proceedings” for a discussion of our legal proceedings.

Regulations related to conflict-free minerals may cause us to incur additional expenses and may create challenges with our customers.

The Dodd-Frank Wall Street Reform and Consumer Protection Act contains provisions to improve transparency and accountability regarding the use of “conflict” minerals mined from the Democratic Republic of Congo and adjoining countries (“DRC”). The SEC has established annual disclosure and reporting requirements for those companies who use “conflict” minerals sourced from the DRC in their products. These new requirements could limit the pool of suppliers who can provide conflict-free minerals and as a result, we cannot ensure that we will be able to obtain these conflict-free minerals at competitive prices. Compliance with these new requirements may also increase our costs. In addition, we may face challenges with our customers if we are unable to sufficiently verify the origins of the minerals used in our products.

We face the potential harms of natural disasters, terrorism, acts of war, international conflicts or other disruptions to our operations.

Natural disasters, the economic uncertainty resulting from the spread of global epidemics, acts or threats of war or terrorism, international conflicts, and the actions taken by the United States and other governments in response to such events could cause damage to or disrupt our business operations, our suppliers or our customers, and could create political or economic instability, any of which could have an adverse effect on our business. Although it is not possible to predict such events or their consequences, these events could decrease demand for our products, make it difficult or impossible for us to deliver products, or disrupt our supply chain.

Uncertainty about the future of the London Interbank Offer Rate ("LIBOR") may adversely affect our business and financial results.

Our 2018 Credit Facility and Term Loan Agreement use LIBOR as a reference rate, such that the interest due pursuant to such loans may be calculated using LIBOR plus an applicable margin (determined by reference to a ratings based grid) or the alternate base rate. In July 2017, the UK's Financial Conduct Authority, which regulates LIBOR, announced its intent to phase out LIBOR by the end of 2021. It is not possible to predict the effect of this announcement, including whether LIBOR will continue in place, and if so what changes will be made to it, what alternative reference rates may replace LIBOR in use going forward, and how LIBOR will be determined for purposes of loans, securities and derivative instruments currently referencing it if it ceases to exist. If the method for calculation of LIBOR changes, if LIBOR is no longer available or if lenders have increased costs due to changes in LIBOR, we may suffer from potential increases in interest rates on our floating rate debt. Further, we may need to renegotiate our 2018 Credit Facility or Term Loan Agreement to replace LIBOR with the new standard that is established. These uncertainties or their resolution also could negatively impact our funding costs, loan and other asset values, asset-liability management strategies, and other aspects of our business and financial results.

ITEM 1B Unresolved Staff Comments

None.

ITEM 2 Properties

As of December 31, 2019, Hubbell's global headquarters are located in leased office space in Shelton, Connecticut. Other principal administrative offices are in Columbia, South Carolina, Greenville, South Carolina and Manchester, New Hampshire. Hubbell's manufacturing and warehousing facilities, classified by reporting segment, are located in the following countries. The Company believes its manufacturing and warehousing facilities are adequate to carry on its business activities.

		Number of Facilities		Total Approximate Floor Area in Square Feet	
Segment	**Location**	**Warehouses**	**Manufacturing**	**Owned**	**Leased**
Electrical segment	United States	8	20	2,378,000	1,873,000
	Australia	—	1	—	24,000
	Canada	1	2	179,000	3,000
	Mexico	1	4	829,000	174,000
	China	—	1	—	350,000
	Puerto Rico	—	1	162,000	—
	Singapore	1	—	—	12,000
	United Kingdom	2	3	134,000	58,000
Power segment [1]	United States	4	12	3,205,000	203,000
	Brazil	—	1	188,000	—
	Canada	—	2	84,000	—
	Mexico	1	1	167,000	181,000
	China	—	2	—	199,000
	Philippines	—	1	—	19,000
	Spain	—	1	—	11,000
TOTAL		**18**	**52**	**7,326,000**	**3,107,000**

[1] The Power segment shares an owned manufacturing building in Mexico with the Electrical segment. The building is included in the Electrical segment facility count.

ITEM 3 Legal Proceedings

The Company is subject to various legal proceedings arising in the normal course of its business. These proceedings include claims for damages arising out of use of the Company's products, intellectual property, workers' compensation and environmental matters. The Company is self-insured up to specified limits for certain types of claims, including product liability and workers' compensation, and is fully self-insured for certain other types of claims, including environmental and intellectual property matters. The Company recognizes a liability for any contingency that in management's judgment is probable of occurrence and can be reasonably estimated. We continually reassess the likelihood of adverse judgments and outcomes in these matters, as well as estimated ranges of possible losses based upon an analysis of each matter which includes consideration of outside legal counsel and, if applicable, other experts. Based on our experience, current information and applicable law, we do not believe that these proceedings and claims will have a material adverse effect on our business, financial condition and results of operations. Information required by this item is incorporated herein by reference to the section captioned "Notes to Consolidated Financial Statements, Note 15 — Commitments and Contingencies" of this Form 10-K.

ITEM 4 Mine Safety Disclosures

Not applicable.

PART II

ITEM 5 Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The information required by Item 5 with respect to securities authorized for issuance under equity compensation plans is incorporated herein by reference to Part III, Item 12 of this Form 10-K.

The Company's Common Stock trades on the New York Stock Exchange under the symbol, "HUBB".

The number of common shareholders of record on December 31, 2019 was 1,578.

Our dividends are declared at the discretion of our Board of Directors. In October 2019, the Company's Board of Directors approved an increase in the common stock dividend rate from $0.84 to $0.91 per share per quarter. The increased quarterly dividend payment commenced with the December 16, 2019 payment made to the shareholders of record on November 29, 2019.

Purchases of Equity Securities

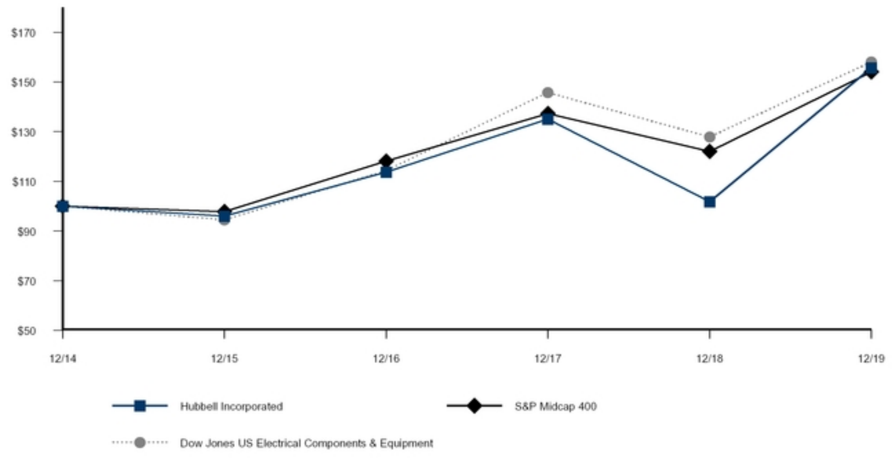
On October 20, 2017, the Board of Directors approved a stock repurchase program (the "October 2017 program") that authorized the repurchase of up to $400 million of Common Stock and expires on October 20, 2020. The Company repurchased $35.0 million and $40.0 million of shares of Common Stock, in 2019 and 2018, respectively. As a result, our remaining share repurchase authorization under the October 2017 program is $325.0 million. Subject to numerous factors, including market conditions and alternative uses of cash, we may conduct discretionary repurchases through open market or privately negotiated transactions, which may include repurchases under plans complying with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended.

There were no share repurchases during the quarter ended December 31, 2019.

Corporate Performance Graph

The following graph compares the total return to shareholders on the Company's common stock during the five years ended December 31, 2019, with a cumulative total return on the (i) Standard & Poor's MidCap 400 ("S&P MidCap 400") and (ii) the Dow Jones U.S. Electrical Components & Equipment Index ("DJUSEC"). The Company is a member of the S&P MidCap 400. As of December 31, 2019, the DJUSEC reflects a group of fourteen company stocks in the electrical components and equipment market segment, and serves as the Company's peer group for purposes of this graph. The comparison assumes $100 was invested on December 31, 2014 in the Company's Common Stock and in each of the foregoing indices and assumes reinvestment of dividends.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Hubbell Incorporated, the S&P Midcap 400 Index, and the Dow Jones US Electrical Components & Equipment Index



In 2015, the Company completed the reclassification of its dual class of common stock into a single class of Common Stock. The Hubbell Incorporated line above uses the weighted average of Hubbell Class A and Class B shares for the annual period ending December 2014.

*Assumes $100 invested on 12/31/14 in stock or index, including reinvestment of dividends. Data points are the last day of each fiscal year ending December 31.

ITEM 6 Selected Financial Data

The following summary should be read in conjunction with the consolidated financial statements and notes contained herein (dollars and shares in millions, except per share amounts).

OPERATIONS, years ended December 31,	2019	2018	2017	2016	2015
Net sales	$ 4,591.0	$ 4,481.7	$ 3,668.8	$ 3,505.2	$ 3,390.4
Gross profit	$ 1,352.7	$ 1,300.4	$ 1,155.1	$ 1,105.1	$ 1,091.6
Operating income (4)	$ 596.6	$ 556.9	$ 518.8	$ 489.8	$ 474.1
Adjusted operating income (1)	$ 668.7	$ 642.3	$ 560.4	$ 522.1	$ 502.3
Operating income as a % of sales	13.0%	12.4%	14.1%	14.0%	14.0%
Adjusted operating income as a % of sales (1)	14.6%	14.3%	15.3%	14.9%	14.8%
Net income attributable to Hubbell (2)	$ 400.9	$ 360.2	$ 243.1	$ 293.0	$ 277.3
Adjusted net income attributable to Hubbell (1)	$ 445.7	$ 428.0	$ 333.9	$ 315.4	$ 313.7
Net income attributable to Hubbell as a % of net sales	8.7%	8.0%	6.6%	8.4%	8.2%
Adjusted net income attributable to Hubbell as a % of net sales (1)	9.7%	9.5%	9.1%	9.0%	9.3%
Net income attributable to Hubbell as a % of Hubbell shareholders' average equity	21.5%	21.1%	15.1%	17.6%	15.1%
Earnings per share — diluted	$ 7.31	$ 6.54	$ 4.39	$ 5.24	$ 4.77
Adjusted earnings per share — diluted (1)	$ 8.12	$ 7.77	$ 6.03	$ 5.64	$ 5.39
Cash dividends declared per common share	$ 3.43	$ 3.15	$ 2.87	$ 2.59	$ 2.31
Average number of common shares outstanding — diluted	54.7	54.9	55.1	55.7	58.0
Cost of acquisitions, net of cash acquired	$ 70.8	$ 1,118.0	$ 184.1	$ 173.4	$ 163.4
FINANCIAL POSITION, AT YEAR-END					
Working capital (3)	$ 729.3	$ 804.4	$ 898.0	$ 961.7	$ 784.7
Total assets	$ 4,903.0	$ 4,872.1	$ 3,720.6	$ 3,525.0	$ 3,208.7
Total debt	$ 1,571.4	$ 1,793.2	$ 1,055.2	$ 993.7	$ 644.1
Total Hubbell shareholders' equity	$ 1,947.1	$ 1,780.6	$ 1,634.2	$ 1,592.8	$ 1,740.6
NUMBER OF EMPLOYEES, AT YEAR-END	**18,800**	**19,700**	**17,700**	**17,400**	**16,200**

(1) The selected non-GAAP measures of adjusted operating income, adjusted operating income as a percent of sales (adjusted operating margin), adjusted net income attributable to Hubbell, adjusted net income attributable to Hubbell as a percent of net sales, and adjusted earnings per share-diluted should be read in conjunction with Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations".
(2) Net income in 2017 includes approximately $57 million, or $1.02 per share, impact associated with the TCJA.
(3) Defined as current assets less current liabilities.
(4) Historical amounts have been adjusted to reflect the retrospective effects from the January 1, 2018 adoption of Accounting Standards Update (ASU) No. 2017-07, Compensation Retirement Benefits (Topic): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost.

ITEM 7 Management’s Discussion and Analysis of Financial Condition and Results of Operations

Executive Overview of the Business

The Company is primarily engaged in the design, manufacture and sale of quality electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. Products are either sourced complete, manufactured or assembled by subsidiaries in the United States, Canada, Puerto Rico, China, Mexico, the UK, Brazil, Australia, Spain and Ireland. The Company also participates in joint ventures in Taiwan, Hong Kong and the Philippines, and maintains offices in Singapore, Italy, China, India, Mexico, South Korea, Chile, and countries in the Middle East. The Company employed approximately 18,800 individuals worldwide as of December 31, 2019.

The Company’s reporting segments consist of the Electrical segment and the Power segment. Results for 2019, 2018 and 2017 by segment are included under “Segment Results” within this Management’s Discussion and Analysis.

The Company's long-term strategy is to serve its customers with reliable and innovative electrical and related infrastructure solutions with desired brands, high-quality service, delivered through a competitive cost structure; to complement organic revenue growth with acquisitions that enhance its product offerings; and to allocate capital effectively to create shareholder value.

Our strategy to complement organic revenue growth with acquisitions focuses on acquiring assets that extend our capabilities, expand our product offerings, and present opportunities to compete in core, adjacent or complementary markets. Our acquisition strategy also provides the opportunity to advance our revenue growth objectives during periods of weakness or inconsistency in our end-markets.

Our strategy to deliver products through a competitive cost structure has resulted in ongoing restructuring and related activities. Our restructuring and related efforts include the consolidation of manufacturing and distribution facilities, and workforce actions, as well as streamlining and consolidating our back-office functions. The primary objectives of our restructuring and related activities are to optimize our manufacturing footprint, cost structure, and effectiveness and efficiency of our workforce.

Productivity improvement also continues to be a key area of focus for the Company and efforts to drive productivity complement our restructuring and related activities to minimize the impact of rising material costs and other cost inflation. Material costs are approximately sixty percent of our cost of goods sold therefore volatility in this area can significantly affect profitability. Our goal is to have pricing and productivity programs that offset material and other inflationary cost increases as well as pay for investments in key growth areas.

Productivity programs affect virtually all functional areas within the Company by reducing or eliminating waste and improving processes. We continue to expand our efforts surrounding global product and component sourcing and supplier cost reduction programs. Value engineering efforts, product transfers and the use of lean process improvement techniques are expected to continue to increase manufacturing efficiency. In addition, we continue to build upon the benefits of our enterprise resource planning system across all functions.

Acquisition of Aclara

On February 2, 2018 the Company acquired Aclara for approximately $1.1 billion. Aclara is a leading global provider of smart infrastructure solutions for electric, gas, and water utilities, with advanced metering solutions and grid monitoring sensor technology, as well as leading software enabled installation services. The acquisition extends the Power segment's capabilities into smart automation technologies, accelerates ongoing innovation efforts to address utility customer demand for data and integrated solutions, and expands the segment's reach to a broader set of utility customers.

For additional information about the Aclara acquisition, refer to Note 3 — Business Acquisitions and Dispositions in the Notes to the Consolidated Financial Statements.

Results of Operations

Our operations are classified into two reportable segments: Electrical and Power. For a complete description of the Company's segments, see Part I, Item 1 of this Annual Report on Form 10-K. Within these segments, Hubbell serves customers in five primary end markets: non-residential construction, residential construction, industrial, energy-related markets (also referred to as oil and gas markets) and utility markets (also referred to as the electrical transmission and distribution (T&D) market). In order of magnitude of net sales, the Company's served markets are electrical T&D, non-residential construction, industrial, oil and gas, and residential construction.

In 2019 we achieved two percent organic net sales growth on mixed end market trends. Our utility facing markets drove strong growth within our Power segment, resulting in organic net sales increasing by approximately 5.5% as compared to the prior year. End market performance within the Electrical segment was mixed, however, as non-residential and residential markets experienced modest growth, gas distribution markets remained solid, while industrial and oil markets were soft, resulting in a modest decline in organic net sales as compared to the prior year.

Operating margins expanded in both the Electrical and Power segments in 2019, driven by effective cost management and price realization. That expansion included the impact of increased investments in restructuring and related activities in 2019 and the effect of Section 301 tariffs on certain of our businesses (the "Tariffs" referred to in the following discussion of results of operations). In 2019, net income attributable to Hubbell grew by 11 percent compared to the prior year and diluted earnings per share grew by 12 percent. Adjusted net income(1) grew by four percent in 2019 compared to the prior year and adjusted diluted earnings per share(1) grew by five percent in 2019, reflecting our strong operating income performance.

Free cash flow was strong in 2019 at $497.7 million as compared to $420.9 million in the prior year(2). In 2019 we paid $186.6 million in shareholder dividends, an increase of eight percent as compared to the prior year, while also reducing our long term debt by $225.0 million and allocating approximately $71 million of capital to acquisitions.

(1) Adjusted net income and adjusted diluted earnings per share are non-GAAP financial measures. See "Adjusted Operating Measures" below for a reconciliation to the comparable GAAP financial measures.
(2) Free cash flow is a non-GAAP financial measure. See "Adjusted Operating Measures" and "Financial Condition, Liquidity and Capital Resources - Cash Flow" below for a reconciliation to the comparable GAAP financial measure.

SUMMARY OF CONSOLIDATED RESULTS (IN MILLIONS, EXCEPT PER SHARE DATA)

	For the Year Ending December 31,					
	2019	% of Net sales	2018	% of Net sales	2017	% of Net sales
Net sales	$ 4,591.0		$ 4,481.7		$ 3,668.8	
Cost of goods sold	3,238.3	70.5%	3,181.3	71.0%	2,513.7	68.5%
Gross profit	1,352.7	29.5%	1,300.4	29.0%	1,155.1	31.5%
Selling & administrative expenses	756.1	16.5%	743.5	16.6%	636.3	17.3%
Operating income	596.6	13.0%	556.9	12.4%	518.8	14.1%
Net income attributable to Hubbell	400.9	8.7%	360.2	8.0%	243.1	6.6%
Less: Earnings allocated to participating securities	(1.5)		(1.3)		(0.8)	
Adjusted net income available to common shareholders	399.4		358.9		242.3	
Average number of diluted shares outstanding	54.7		54.9		55.1	
EARNINGS PER SHARE - DILUTED	**$ 7.31**		**$ 6.54**		**$ 4.39**	

Adjusted Operating Measures

In the following discussion of results of operations, we refer to "adjusted" operating measures. We believe those adjusted measures, which exclude the impact of certain costs, gains and losses, may provide investors with useful information regarding our underlying performance from period to period and allow investors to understand our results of operations without regard to items we do not consider a component of our core operating performance. Management uses these adjusted measures when assessing the performance of the business.

Effective with results of operations reported in the first quarter of 2019, "adjusted" operating measures exclude amortization of intangible assets associated with all of our business acquisitions, including inventory step-up amortization associated with those acquisitions. For comparability, all prior period "adjusted" operating measures as well as management's discussion and analysis have been updated to reflect this change in definition.

Adjusted operating measures in 2019 also exclude a gain on the disposition of the Haefely business, an investment loss as well as a 2019 net charge to recognize certain additional liabilities associated with the Company's previously disclosed withdrawal from a multi-employer pension plan. Those items are reported in Total other expense (below Operating income) in the Consolidated Statements of Income. Refer to Note 3 - Business Acquisitions and Dispositions, and Note 15 - Commitments and Contingencies in the Notes to Consolidated Financial Statements, for additional information.

Our adjusted operating measures also exclude Aclara transaction costs recognized in 2017 and 2018, income tax effects associated with U.S. tax reform recognized in 2017, and the loss on extinguishment of debt incurred in 2017 from the redemption of all of our $300 million outstanding long-term unsecured, unsubordinated notes that were scheduled to mature in 2018. However, the net tax benefit of approximately $6 million related to adjustments made in connection with the Company's accounting for the effects of TCJA during the measurement period in 2018 has not been reflected as an adjustment to the GAAP measures and is therefore not a reconciling item in the adjusted operating measures below.

The following table reconciles our adjusted financial measures to the directly comparable GAAP financial measure (in millions, except per share amounts):

	For the Year Ended December 31,								
		2019	% of Net sales		2018	% of Net sales		2017	% of Net sales
Gross profit (GAAP measure)	$	1,352.7	29.5%	$	1,300.4	29.0%	$	1,155.1	31.5%
Amortization of acquisition-related intangible assets		24.0			29.5			—	
Adjusted gross profit	$	1,376.7	30.0%	$	1,329.9	29.7%	$	1,155.1	31.5%
S&A expenses (GAAP measure)	$	756.1	16.5%	$	743.5	16.6%	$	636.3	17.3%
Amortization of acquisition-related intangible assets		48.1			46.4			34.9	
Aclara transaction costs		—			9.5			6.7	
Adjusted S&A expenses	$	708.0	15.7%	$	687.6	15.3%	$	594.7	17.3%
Operating income (GAAP measure)	$	596.6	13.0%	$	556.9	12.4%	$	518.8	14.1%
Amortization of acquisition-related intangible assets		72.1			75.9			34.9	
Aclara transaction costs		—			9.5			6.7	
Adjusted operating income	$	668.7	14.6%	$	642.3	14.3%	$	560.4	15.3%
Net income attributable to Hubbell (GAAP measure)	$	400.9		$	360.2		$	243.1	
Amortization of acquisition-related intangible assets, net of tax		53.9			57.5			22.0	
Gain on disposition of business, net of tax		(20.5)			—			—	
Multi-employer pension expense, net of tax		6.4			—			—	
Loss on investment, net of tax		5.0			—			—	
Aclara transaction costs, net of tax		—			10.3			6.0	
Income tax expense associated with U.S. tax reform		—			—			56.5	
Loss on early extinguishment of debt, net of tax		—			—			6.3	
Adjusted net income attributable to Hubbell	$	445.7		$	428.0		$	333.9	
Less: Earnings allocated to participating securities		(1.7)			(1.5)			(1.1)	
Adjusted net income available to common shareholders	$	444.0		$	426.5		$	332.8	
Average number of diluted shares outstanding		54.7			54.9			55.1	
ADJUSTED EARNINGS PER SHARE — DILUTED	$	8.12		$	7.77		$	6.03	

2019 Compared to 2018

Net Sales

Net sales of $4.6 billion in 2019 increased by two percent compared to 2018 primarily due to higher organic volume and the contribution of an additional month of net sales in 2019 associated with the Aclara acquisition which closed on February 2, 2018. Organic net sales growth contributed approximately two percentage points, including favorable price realization, and acquisitions added approximately one percentage point, partially offset by an approximately one percentage point decline in net sales from the disposal of the Haefely business and foreign exchange.

Cost of Goods Sold

As a percentage of net sales, cost of goods sold decreased by 50 basis points to 70.5% of net sales in 2019 as compared to 71.0% in 2018. The improvement was primarily driven by favorable price realization and savings from our productivity initiatives that outpaced cost increases as well as lower amortization of acquisition-related intangible assets, partially offset by higher restructuring and related costs, and lower net sales unit volume.

Gross Profit

The gross profit margin in 2019 increased by 50 basis points to 29.5% of net sales as compared to 29.0% in 2018. Excluding amortization of acquisition-related intangible assets, the adjusted gross profit margin was 30.0% in 2019 as compared to 29.7% in 2018 and increased primarily due to favorable price realization and savings from our productivity initiatives that outpaced cost increases, partially offset by higher restructuring and related costs, and lower net sales unit volume.

Selling & Administrative Expenses

S&A expense in 2019 was $756.1 million and increased by $12.6 million compared to the prior year. S&A expense as a percentage of net sales declined by 10 basis points from 16.6% in 2018 to 16.5% in 2019. Excluding amortization of acquisition-related intangible assets and Aclara transaction costs incurred in 2018, adjusted S&A expense as a percentage of net sales increased by 40 basis points from 15.3% in 2018 to 15.7% in 2019 primarily due to higher restructuring and related costs in 2019 partially offset by volume leverage associated with higher reported net sales dollars.

Operating Income

Operating income increased seven percent in 2019 to $596.6 million compared to 2018, and operating margin increased by 60 basis points to 13.0%. Excluding amortization of acquisition-related intangible assets and Aclara transaction costs incurred in 2018, adjusted operating income increased approximately four percent in 2019 to $668.7 million compared to 2018 and adjusted operating margin increased by 30 basis points to 14.6% in 2019. The increase in adjusted operating income and adjusted operating margin is the result of higher gross profit and expanding gross profit margin in 2019, from price realization and productivity in excess of cost increases, partially offset by the effect of lower unit volume, and higher restructuring and related costs.

Total Other Expense

Total other expense decreased by $13.8 million in 2019 to $76.1 million compared to the prior year primarily due to the impact of certain discrete non-operating items, including a $21.7 million gain recognized on the disposal of the Haefely business partially offset by an $8.5 million net charge associated with the withdrawal from a multi-employer pension plan and subsequent execution of a settlement agreement with regard to the withdrawal obligation, and a $5.0 million loss on an investment in an available-for-sale debt security. Interest expense, net of investment income, reported within total other expense for 2019 declined by $4.4 million as compared to the same period of the prior year.

Income Taxes

The effective tax rate was 21.7% in 2019 as compared to 21.6% in 2018. The increase in the effective tax rate is primarily due to the absence of favorable adjustments related to TCJA recorded in 2018, largely offset by the net favorable impact of dispositions, reserve releases related to statute of limitations expiration, and favorable provision to return adjustments recorded in 2019.

Net Income Attributable to Hubbell and Earnings Per Diluted Share

Net income attributable to Hubbell was $400.9 million in 2019 and increased 11% as compared to 2018. Excluding amortization of acquisition-related intangibles, Aclara transaction costs, and the impact of non-operating items within other expense, as described above, adjusted net income attributable to Hubbell was $445.7 million in 2019 and increased 4% as compared to 2018. Earnings per diluted share in 2019 increased 12% compared to 2018. Adjusted earnings per diluted share in 2019 increased 5% as compared to 2018 and reflects higher adjusted net income as well as a decline in the average number of diluted shares outstanding of 0.2 million as compared to the prior year.

Segment Results

Electrical Segment

(in millions)		2019		2018
Net sales	$	2,625.7	$	2,660.6
Operating income (GAAP measure)	$	320.1	$	320.8
Amortization of acquisition-related intangible assets		23.1		23.9
Adjusted operating income	$	343.2	$	344.7
Operating margin		12.2%		12.1%
Adjusted operating margin		13.1%		13.0%

Net sales of the Electrical segment in 2019 were $2.6 billion and decreased 130 basis points as compared to 2018 due to an approximately forty basis point decline in organic net sales growth, as the effect of lower unit volume was slightly greater than sales growth from favorable price realization, a fifty basis point decline in net sales due to the disposal of the Haefely business and a forty basis point decline from foreign exchange.

Within the Electrical segment, the aggregate net sales of our Commercial and Industrial and Construction and Energy business groups were flat in 2019, as net sales growth from favorable price realization offset the effect of lower unit volume, the disposal of the Haefely business, and foreign exchange. Organic net sales growth of our products serving the natural gas distribution market was solid in 2019, while oil related markets were weak, industrial markets were soft and non-residential markets were mixed. Net sales of our Lighting business group decreased by approximately four percent in 2019 as the effect of lower unit volume outpaced favorable price realization. Within the Lighting business group, net sales of residential lighting products increased by approximately one percentage point and net sales of commercial and industrial lighting products declined by approximately five percentage points compared to 2018.

Operating income of the Electrical segment in 2019 was $320.1 million and was slightly lower compared to 2018. Operating margin in 2019 increased by 10 basis points to 12.2%. Excluding amortization of acquisition-related intangibles, adjusted operating margin also increased by 10 basis points to 13.1% primarily due to favorable price realization and productivity that were greater than cost increases (including Tariffs), partially offset by the impact of lower unit volume and higher restructuring and related costs. The operating margin decreased slightly in 2019 as compared to the prior year due to the disposal of the Haefely business.

Power Segment

(in millions)	2019	2018
Net sales	$ 1,965.3	$ 1,821.1
Operating income	$ 276.5	$ 236.1
Amortization of acquisition-related intangible assets	49.0	52.0
Aclara transaction costs	—	9.5
Adjusted operating income	$ 325.5	$ 297.6
Operating margin	14.1%	13.0%
Adjusted operating margin	16.6%	16.3%

Net sales in the Power segment in 2019 were $2.0 billion, an increase of approximately 8% as compared to 2018, due to 5.5% of organic growth and approximately 3% of growth from acquisitions, partially offset by approximately 0.5% from foreign currency translation. Organic net sales growth was primarily driven by the transmission and distribution (T&D) market.

Operating income in the Power segment increased by 17% to $276.5 million in 2019 and operating margin in 2019 increased by 110 basis points to 14.1%. Excluding amortization of acquisition-related intangibles and Aclara transaction costs, the adjusted operating margin increased by 30 basis points to 16.6% primarily driven by favorable price realization and productivity which outpaced cost increases (including Tariffs), and a benefit from higher net sales volume, partially offset by one additional month of operating results of the Aclara business in 2019 and higher restructuring and related costs.

2018 Compared to 2017

Net Sales

Net sales of $4.5 billion in 2018 increased 22.2% percent compared to 2017 due to the contribution of net sales from acquisitions, higher organic volume and favorable price realization. Acquisitions added 17.8% to net sales, primarily from the acquisition of Aclara, while organic volume, including favorable price realization, contributed 4.4%. The effect of foreign exchange was flat compared to the prior year.

Cost of Goods Sold

As a percentage of net sales, cost of goods sold increased by 250 basis points to 71.0% of net sales in 2018 as compared to 68.5% in 2017. The increase was primarily driven by acquisitions, as 2018 includes $29.5 million of Aclara acquisition-related costs as well as the effect of adding the operating results of Aclara, which carries a relatively higher cost of goods sold as a percentage of net sales (and lower gross margin) as compared to the legacy Hubbell business. The increase also reflects an unfavorable net impact of price and material costs, as rising material costs and the impact of Tariffs outpaced favorable price realization.

Gross Profit

Gross profit margin in 2018 compared to 2017 declined by 250 basis points to 29.0% of net sales, driven by costs of goods sold discussed above. Excluding amortization of acquisition-related intangible assets, the adjusted gross profit margin was 29.7% in 2018 as compared to 31.5% in 2017.

Selling & Administrative Expenses

S&A expense in 2018 was $743.5 million and increased by $107.2 million compared to the prior year primarily due to the addition of S&A costs of Aclara, including $20.8 million of Aclara acquisition-related and transaction costs. S&A expense as a percentage of net sales declined by 70 basis points to 16.6% in 2018. Excluding amortization of acquisition-related intangible assets and Aclara transaction costs, adjusted S&A expense as a percentage of net sales declined by 200 basis points to 15.3% in 2018 primarily due to volume leverage associated with higher net sales.

Operating Income

Operating income increased seven percent in 2018 to $556.9 million, primarily driven by the operating results of the Aclara business, including acquisition-related and transaction costs. The increase in operating income from higher net sales volume was largely offset by rising material costs and the impact of Tariffs, which together, outpaced favorable price realization.

Operating margin decreased by 170 basis points to 12.4% due to higher amortization of acquisition-related intangible assets and Aclara transaction costs in 2018 as well as the operating results of the Aclara business, which carries a relatively lower gross margin as compared to the legacy Hubbell results. The decrease in operating margin also reflects the impact of material costs, tariffs and price realization noted above, which together were only partially offset by the benefit from higher net sales volume.

Excluding amortization of acquisition-related intangible assets and Aclara transaction costs, adjusted operating income increased 14.6% percent in 2018 to $642.3 million and adjusted operating margin declined by 100 basis points to 14.3% in 2018.

Total Other Expense

Total other expense in 2018 was $89.9 million and increased by $14.2 million compared to the prior year, primarily due to higher interest expense from the issuance of $450 million of 2028 Notes and placement of the $500 million Term Loan, each in the first quarter of 2018, to finance the Aclara acquisition, partially offset by the loss on extinguishment of debt recognized in 2017 (which did not repeat in 2018).

Income Taxes

The effective tax rate was 21.6% in 2018 as compared to 43.6% in 2017. The decrease is primarily attributable to the absence of the $56.5 million provisional income tax expense associated with the TCJA recognized in the 2017 financial statements, the reduction of the federal income tax rate from 35% to 21% and net favorable adjustments to the 2017 provisional income tax expense associated with TCJA recognized in 2018 of approximately $6 million.

Additional information related to the Company's effective tax rate is included in Note 13 — Income Taxes in the Notes to Consolidated Financial Statements

Net Income attributable to Hubbell and Earnings Per Diluted Share

Net income attributable to Hubbell was $360.2 million in 2018 and increased 48% as compared to 2017. The increase reflects a lower effective tax rate, higher operating income and the loss on extinguishment of debt in 2017 (which did not repeat in 2018), offset partially by higher interest expense. Adjusted net income attributable to Hubbell was $428.0 million in 2018 and increased 28% as compared to 2017. Earnings per diluted share in 2018 increased 49% compared to 2017. Adjusted earnings per diluted share in 2018 increased 29% as compared to 2017.

Segment Results

Electrical Segment

(in millions)	2018	2017
Net sales	$ 2,660.6	$ 2,532.8
Operating income	$ 320.8	$ 294.0
Amortization of acquisition-related intangible assets	23.9	24.8
Adjusted operating income	$ 344.7	$ 318.8
Operating margin	12.1%	11.6%
Adjusted operating margin	13.0%	12.6%

Net sales in the Electrical segment were $2.7 billion, up five percent in 2018 as compared with 2017 due to approximately five percentage points of net sales growth from higher organic volume, including favorable price realization for the segment. Acquisitions increased net sales by less than one percentage point and the effect of foreign currency translation was flat.

Within the segment, the aggregate net sales of our Commercial and Industrial and Construction and Energy business groups increased by seven percentage points, due to approximately six percentage points of organic growth, and approximately one percentage point of net sales growth from acquisitions. Organic net sales growth of these businesses was driven primarily by our products serving the energy-related markets as well as the non-residential and residential construction markets. Net sales of our Lighting business group increased approximately two percent in 2018 due to higher organic volume, partially offset by pricing headwinds. Within the Lighting business group, net sales of residential lighting products increased by 12%, driven by strong unit volume growth, while net sales of commercial and industrial lighting products declined by 2% as a result of lower volume and pricing headwinds.

Operating income in the Electrical segment for 2018 was $320.8 million and increased nine percent compared to 2017. Operating margin in 2018 increased by 50 basis points to 12.1%. The increase in operating margin is primarily due to incremental earnings on higher net sales, as discussed above, and productivity gains in excess of cost increases, partially offset by material cost headwinds (including the impact of Tariffs) that outpaced price realization. Excluding amortization of acquisition-related intangibles, adjusted operating margin increased by 40 basis points to 13.0%.

Power Segment

(in millions)		2018		2017
Net sales	$	1,821.1	$	1,136.0
Operating income	$	236.1	$	224.8
Amortization of acquisition-related intangible assets		52.0		10.1
Aclara transaction costs		9.5		6.7
Adjusted operating income	$	297.6	$	241.6
Operating margin		13.0%		19.8%
Adjusted operating margin		16.3%		21.3%

Net sales in the Power segment were $1.8 billion, up approximately 60% as compared to 2017, primarily due to the addition of net sales of the Aclara business as well as higher organic volume. Acquisitions contributed 56.6% to net sales growth and higher organic volume contributed 4.1%, including favorable price realization. Organic net sales growth was driven by the transmission and distribution (T&D) and telecommunications markets. Foreign exchange reduced net sales as compared to the prior year by less than one percentage point.

Operating income in the Power segment for 2018 increased by five percent to $236.1 million as compared to the prior year. Operating margin in 2018 decreased to 13.0% as compared to 19.8% in 2017 and reflects an approximately 2% decline from higher amortization of acquisition-related intangibles and Aclara transaction costs in 2018, as well as approximately 2% attributable to the lower margin operating results of the Aclara business. The decrease in operating margin also reflects a net headwind from material cost increases (including the impact of Tariffs) that outpaced price realization, and the absence of a one-time benefit in the fourth quarter of 2017. Excluding amortization of acquisition-related intangibles, adjusted operating margin in 2018 decreased to 16.3% as compared to 21.3% in 2017.

Financial Condition, Liquidity and Capital Resources

Cash Flow

	December 31,					
(in millions)		2019		2018		2017
Net cash provided by (used in):						
Operating activities	$	591.6	$	517.1	$	379.0
Investing activities		(128.9)		(1,201.4)		(245.6)
Financing activities		(471.0)		506.5		(214.3)
Effect of foreign currency exchange rate changes on cash and cash equivalents		1.3		(8.2)		18.3
NET CHANGE IN CASH AND CASH EQUIVALENTS	**$**	**(7.0)**	**$**	**(186.0)**	**$**	**(62.6)**

The following table reconciles our cash flows from operating activities to free cash flows for 2019, 2018 and 2017:

	December 31,					
(in millions)		2019		2018		2017
Net cash provided by operating activities (GAAP measure)	$	591.6	$	517.1	$	379.0
Less: Capital expenditures		(93.9)		(96.2)		(79.7)
Free cash flow	$	497.7	$	420.9	$	299.3
Free cash flow as a percent of net income attributable to Hubbell [1]		124.1%		116.9%		123.1%

[1] Free cash flow as a percent of net income attributable to Hubbell, includes the approximately $57 million impact of the TCJA in 2017. Free cash flow as a percentage of net income attributable to Hubbell excluding the impact of the TCJA is approximately 100% in 2017.

Free cash flow is a non-GAAP measure that we define as cash flow from operations less capital expenditures. Management believes that free cash flow provides useful information regarding Hubbell's ability to generate cash without reliance on external financing. In addition, management uses free cash flow to evaluate the resources available for investments in the business, strategic acquisitions and further strengthening the balance sheet.

2019 Compared to 2018

Cash provided by operating activities for 2019 increased compared to 2018 primarily due to improvements within working capital. Cash provided by working capital was $22.2 million in 2019 as compared to cash used for working capital of $25.6 million in 2018, primarily due to lower accounts receivable and inventories, partially offset by lower accounts payable and other current liabilities.

Cash used for investing activities of $128.9 million in 2019 decreased compared to cash used of $1,201.4 million in 2018. This decrease is primarily due to approximately $70.8 million paid for acquisitions in 2019 compared to $1.1 billion paid for the acquisition of Aclara in 2018. Additionally, 2019 included $33.4 million of proceeds from the disposal of a business, as compared to none in 2018, and an $8.0 million decrease in the proceeds from sales of available-for-sale securities in 2019.

Cash used from financing activities was $471.0 million in 2019 compared to $506.5 million of cash provided in 2018. The change in cash flows from financing activities reflects the proceeds of the $450 million public debt offering in February 2018 and $500 million Term Loan issued in February 2018 to fund the acquisition of Aclara, compared to zero additional long term debt in 2019. Long-term debt repayments in 2019 were $56.2 million higher than in 2018 due to a $200 million discretionary payment in December 2019, partially offset by lower short term debt repayments of $37.2 million compared to 2018. Dividend payments to shareholders increased $14.3 million in 2019 compared to 2018.

The favorable effect of foreign currency exchange rates on cash was $1.3 million in 2019 as compared to an unfavorable effect of $8.2 million in 2018. The favorable effect in 2019 was primarily related to the U.S. dollar weakening against the Canadian dollar and Mexican peso.

2018 Compared to 2017

Cash provided by operating activities for 2018 increased compared to 2017 primarily due to a higher contribution from net income and the related non-cash adjustments for depreciation and amortization, partially offset by $26.2 million of additional pension funding in 2018 compared to 2017. Cash used for working capital was $25.6 million in 2018 compared to $29.0 million in 2017 primarily due to improved inventory management in 2018, partially offset by higher accounts receivables and Aclara related items, including cash payments for transaction costs in 2018.

Cash used for investing activities of $1,201.4 million in 2018 increased compared to cash used of $245.6 million in 2017. This increase was primarily due to approximately $1.1 billion paid for the acquisition of Aclara in 2018, $16.5 million of higher capital expenditures and an $11.6 million decrease in the proceeds from disposition of assets in 2018, as compared to 2017.

Cash provided from financing activities of $506.5 million in 2018 increased compared to $214.3 million of cash used in 2017. The change in cash flows from financing activities reflects the proceeds of the $450 million public debt offering in February 2018 and $500 million Term Loan issued in February 2018 to fund the acquisition of Aclara, as well as, lower share repurchases in 2018, partially offset by cash used to reduce short-term borrowings.

The unfavorable effect of foreign currency exchange rates on cash was $8.2 million in 2018 as compared to a favorable effect of $18.3 million in 2017. The unfavorable effect in 2018 was primarily related to the U.S. dollar strengthening against the Canadian dollar, Australian dollar and British pound.

Investments in the Business

Investments in our business include cash outlays for the acquisition of businesses as well as expenditures to maintain the operation of our equipment and facilities and invest in restructuring activities.

In the fourth quarter of 2019, the Company acquired all of the issued and outstanding shares of Cantega Technologies Inc., including its wholly owned subsidiary Greenjacket Inc., and all of the issued and outstanding shares of Reliaguard Inc. (collectively “Cantega”) for $36.3 million, net of cash acquired, and the Company also acquired substantially all of the assets of Connector Products, Incorporated (“CPI”) for $28.0 million.

In February 2018, the Company completed the acquisition of Aclara for approximately $1.1 billion in an all-cash transaction. To fund the Aclara acquisition, on February 2, 2018 the Company borrowed $500 million under a Term Loan Agreement with a syndicate of lenders, issued $450 million of unsecured, 3.50% senior notes maturing in 2028, and the remaining purchase price and transaction expenses were funded with commercial paper. Refer to Note 3 — Business Acquisitions and Note 12 — Debt in the Notes to Consolidated Financial Statements for additional information.

We continue to invest in restructuring and related programs to maintain a competitive cost structure, drive operational efficiency and mitigate the impact of rising material costs and administrative cost inflation. We expect our investment in restructuring and related activities in 2020 to continue as we continue to invest in previously initiated actions and initiate further footprint consolidation and other cost reduction initiatives.

In connection with our restructuring and related actions, we have incurred restructuring costs as defined by U.S. GAAP, which are primarily severance and employee benefits, asset impairments, accelerated depreciation, as well as facility closure, contract termination and certain pension costs that are directly related to restructuring actions. We also incurred restructuring-related costs, which are costs associated with our business transformation initiatives, including the consolidation of back-office functions and streamlining our processes, and certain other costs and gains associated with restructuring actions. We refer to these costs on a combined basis as "restructuring and related costs", which is a non-GAAP measure. We believe this non-GAAP measure provides investors with useful information regarding our underlying performance from period to period.

Restructuring costs are predominantly settled in cash from our operating activities and are generally settled within one year, with the exception of asset impairments, which are non-cash.

The table below presents the restructuring and related costs incurred in 2019, additional expected costs, and the expected completion date of restructuring actions that have been initiated as of December 31, 2019 (in millions):

	Costs Incurred in 2019	Additional Expected Costs	Expected Completion Date
2019 Restructuring Actions	$ 29.1	$ 13.1	2021
2018 and Prior Restructuring Actions	2.9	1.7	2020
Restructuring cost (GAAP measure)	**$ 32.0**	**$ 14.8**	
Restructuring-related costs	5.0	1.5	
Restructuring and related costs (Non-GAAP)	**$ 37.0**	**$ 16.3**	

During 2019, we invested $93.9 million in capital expenditures, as we continue to make investments in facilities and equipment to support our on-going focus on productivity.

Stock Repurchase Program

On October 20, 2017, the Board of Directors approved a stock repurchase program (the “October 2017 program”) that authorized the repurchase of up to $400 million of Common Stock and expires on October 20, 2020. The Company repurchased $35.0 million and $40.0 million of shares of Common Stock, in 2019 and 2018, respectively, and the remaining share repurchase authorization under the October 2017 program is $325.0 million as of December 31, 2019. Subject to numerous factors, including market conditions and alternative uses of cash, we may conduct discretionary repurchases through open market or privately negotiated transactions, which may include repurchases under plans complying with Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended.

Debt to Capital

At December 31, 2019 and 2018, the Company had $1,506.0 million and $1,737.1 million, respectively, of long-term debt outstanding, net of unamortized discount and the unamortized balance of capitalized debt issuance costs. At December 31, 2019 and 2018 the Company also had $34.4 million and $25.0 million, respectively of long-term debt classified as short-term on the Consolidated Balance Sheets, reflecting maturities due within the next 12 months.

Principal amounts of long-term debt at December 31, 2019 consisted of unsecured, senior notes in principal amounts of $300 million due in 2022, $400 million due in 2026, $300 million due in 2027, and $450 million due in 2028 (collectively, the "Notes") as well as $106.3 million remaining principal amount of borrowing under a term loan agreement.

The 2028 Notes were issued in February 2018 and bear interest at a fixed rate of 3.50%. Net proceeds from the issuance of the 2028 Notes were $442.6 million after deducting the discount on the notes and offering expenses paid by the Company.

The 2027 Notes were issued in August 2017 and bear interest at a fixed rate of 3.15%. Net proceeds from the issuance were $294.6 million after deducting the discount on the notes and offering expenses paid by the Company. In September 2017, the Company applied the net proceeds from the 2027 Notes to redeem all of its $300 million of long-term, unsecured, unsubordinated notes maturing in 2018 and bearing interest at a fixed rate of 5.95%. In connection with this redemption, the Company recognized a loss on the early extinguishment of the 2018 Notes of $6.3 million on an after-tax basis.

The Notes are callable at any time at specified prices and are only subject to accelerated payment prior to maturity upon customary events of default under the indentures governing such Notes, or upon a change in control triggering event as defined in such indentures. The Company was in compliance with all covenants (none of which are financial) as of December 31, 2019.

On January 31, 2018, the Company entered into a Term Loan Agreement (the “Term Loan Agreement”) with a syndicate of lenders under which the Company borrowed $500 million on an unsecured basis to partially finance the Aclara acquisition on February 2, 2018.

Pursuant to the contractual loan amortization schedule, $34.4 million and $25 million of borrowings under the Term Loan Agreement are classified as short-term within current liabilities on the December 31, 2019 and 2018 Consolidated Balance Sheets.

At December 31, 2019 and 2018, the Company had $65.4 million and $56.1 million, respectively, of short-term debt outstanding composed of;

- $26.0 million of commercial paper borrowings outstanding at December 31, 2019 and 2018.
- $34.4 million at December 31, 2019 and $25.0 million at December 31, 2018, respectively, of long-term debt classified as short-term within current liabilities in the Consolidated Balance Sheets, reflecting maturities within the next twelve months relating to our borrowing under the Term Loan Agreement.
- $5.0 million at December 31, 2019 and $5.1 million at December 31, 2018, respectively, of borrowings to support our international operations in China.

Net debt, defined as total debt less cash and investments, is a non-GAAP measure that may not be comparable to definitions used by other companies. We consider net debt to be a useful measure of our financial leverage for evaluating the Company’s ability to meet its funding needs.

The following table sets forth the reconciliation of net debt at December 31, 2019 and 2018:

	December 31,	
(in millions)	**2019**	**2018**
Total Debt	$ 1,571.4	$ 1,793.2
Total Hubbell Shareholders' Equity	1,947.1	1,780.6
TOTAL CAPITAL	**$ 3,518.5**	**$ 3,573.8**
Debt to Total Capital	45%	50%
Cash and Investments	$ 251.9	$ 254.5
NET DEBT	**$ 1,319.5**	**$ 1,538.7**
Net Debt to Total Capital	38%	43%

Liquidity

We measure liquidity on the basis of our ability to meet short-term and long-term operational funding needs, fund additional investments, including acquisitions, and make dividend payments to shareholders. Significant factors affecting the management of liquidity are cash flows from operating activities, capital expenditures, cash dividend payments, stock repurchases, access to bank lines of credit and our ability to attract long-term capital with satisfactory terms.

In 2019, we invested in acquisitions and also returned capital to our shareholders through dividends and share repurchases. These activities were funded primarily with cash flows from operations and proceeds from the disposal of the Haefely business.

- Cash used for the acquisition of businesses in 2019, net of cash acquired was $70.8 million, including cash settlement of a deferred purchase price obligation related to a previous acquisition. Further discussion of our acquisitions can be found in Note 3 — Business Acquisitions and Dispositions in the Notes to Consolidated Financial Statements.

- In 2019, cash used for share repurchases was $35.0 million. Dividends paid on our Common Stock in 2019 were $186.6 million.

We also require cash outlays to fund our operations, capital expenditures, and working capital requirements to accommodate anticipated levels of business activity, as well as our rate of cash dividends and potential future acquisitions. We have contractual obligations for long-term debt, operating leases, purchase obligations, and certain other long-term liabilities that are summarized in the table of Contractual Obligations as of December 31, 2019. As a result of the TCJA, we also have an obligation to fund, over the next six years, the Company's liability for the transition tax on the 2017 deemed repatriation of foreign earnings.

Our sources of funds and available resources to meet these funding needs are as follows:

- Cash flows from operations and existing cash resources: We held $182.0 million of cash and cash equivalents at December 31, 2019, of which approximately 12% was held inside the United States and the remainder held internationally. The Company repatriated a portion of its foreign earnings in 2019. The consolidated financial statements reflect the income tax effects of the repatriation of these earnings as well as the income tax effects of certain anticipated future cash repatriations.

- On January 31, 2018, the Company entered into the Term Loan Agreement and a five-year revolving credit agreement (the "2018 Credit Facility") with a syndicate of lenders that provides a $750 million committed revolving credit facility and terminated all commitments under the Company's previous credit facility. Commitments under the 2018 Credit Facility may be increased (subject to certain conditions) to an aggregate amount not to exceed $1.250 billion. The interest rate applicable to borrowings under the 2018 Credit Facility is generally either the adjusted LIBOR plus an applicable margin (determined by a ratings based grid) or the alternate base rate. The single financial covenant in the 2018 Credit Facility requires that total debt not exceed 65% of total capitalization as of the last day of each fiscal quarter of the Company. The 2018 Credit Facility expires in February 2023. As of December 31, 2019 the Company had not drawn against the 2018 Credit Facility.

  Annual commitment fees to support availability under the 2018 Credit Facility are not material. Although not the principal source of liquidity, we believe our 2018 Credit Facility is capable of providing significant financing flexibility at reasonable rates of interest. However, an increase in usage of the 2018 Credit Facility related to growth or a significant deterioration in the results of our operations or cash flows, could cause our borrowing costs to increase and/or our ability to borrow could be restricted. We have not entered into any guarantees that could give rise to material unexpected cash requirements.

- The interest rate applicable to borrowings under the Term Loan Agreement is generally either adjusted LIBOR plus an applicable margin (determined by a ratings based grid) or the alternate base rate. The sole financial covenant in the Term Loan Agreement requires that total debt not exceed 65% of total capitalization as of the last day of each fiscal quarter of the Company.

  The principal amount of borrowings under the Term Loan Agreement amortize in equal quarterly installments of 5% per year in year one, 5% per year in year two, 7.5% per year in year three, 10% per year in year four, 10% per year in year five, and any remaining borrowings under the Term Loan Agreement are due and payable in full in February 2023. The Company may also make principal payments in excess of the amortization schedule at its discretion and, during 2018 and 2019, the Company made $150 million and $200 million, respectively, of such principal payments.

- In addition to our commercial paper program and existing revolving credit facility, we also have the ability to obtain additional financing through the issuance of long-term debt. Considering our current credit rating, historical earnings performance, and financial position we believe that we would be able to obtain additional long-term debt financing on attractive terms.

- The Company also maintains other lines of credit that are primarily used to support the issuance of letters of credit. Interest rates and other terms of borrowing under these lines of credit vary from country to country, depending on local market conditions. At December 31, 2019 and 2018, total availability under these lines was $23.0 million and $54.8 million, respectively, of which $15.7 million and $20.3 million was utilized to support letters of credit and the remaining amount was unused. The annual commitment fees associated with these lines of credit are not material.

Pension Funding Status

We have a number of funded and unfunded non-contributory U.S. and foreign defined benefit pension plans. Benefits under these plans are generally provided based on either years of service and final average pay or a specified dollar amount per year of service. The funded status of our qualified, defined benefit pension plans is dependent upon many factors including future returns on invested pension assets, the level of market interest rates, employee earnings and employee demographics.

In 2019, the Company approved amendments to one of its domestic qualified defined benefit pension plans, which froze service accruals for nearly all active participants within the plan effective January 1, 2020. As a result of the amendment, the Company recognized a $0.3 million curtailment charge, net of tax.

In 2018, the Company approved amendments to one of its foreign defined benefit pension plans, which closed the plan to future service accruals effective August 31, 2018. As a result of the amendments, in the third quarter of 2018, the Company recognized a curtailment gain of approximately $4.7 million, net of tax, in accumulated other comprehensive income. In addition, effective August 31, 2018, the amortization of actuarial gains and losses is being recognized over the remaining life expectancy of the participants of this plan, as all participants are considered inactive as a result of the amendment.

In 2018, we completed transactions with a third-party insurer to settle approximately $28 million of projected benefit obligations of our domestic qualified defined benefit pension plans.

Changes in the value of the defined benefit plan assets and liabilities will affect the amount of pension expense ultimately recognized. Although differences between actuarial assumptions and actual results are no longer deferred for balance sheet purposes, deferral is still permitted for pension expense purposes. Unrecognized gains and losses in excess of an annual calculated minimum amount (the greater of 10% of the projected benefit obligation or 10% of the market value of assets) have been amortized and recognized in net periodic pension cost. Effective January 1, 2020, the amortization of unrecognized gains and losses of all of the Company's qualified defined benefit pension plans is recognized over the remaining life expectancy of participants, as all participants are considered inactive as a result of plan amendments. During 2019 and 2018, we recorded $9.6 million and $10.5 million, respectively, of pension expense related to the amortization of these unrecognized losses.

In 2019, 2018 and 2017, we contributed $10.4 million, $27.9 million, and $1.7 million, respectively, to our qualified foreign and domestic defined benefit pension plans. These contributions have improved the funded status of those plans. Although not required by ERISA and the Internal Revenue Code, the Company may elect to make a voluntary contribution to its qualified domestic defined benefit pension plan in 2020. The Company expects to contribute approximately $4.3 million to its foreign plans in 2020. The anticipated level of pension funding in 2020 is not expected to have a significant impact on our overall liquidity.

Assumptions

The following assumptions were used to determine projected pension and other benefit obligations at the measurement date and the net periodic benefit costs for the year:

	Pension Benefits		Other Benefits	
	2019	2018	2019	2018
Weighted-average assumptions used to determine benefit obligations at December 31,				
Discount rate	3.17%	4.24%	3.30%	4.40%
Rate of compensation increase	2.94%	3.25%	4.00%	4.05%
Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31,				
Discount rate	4.24%	3.67%	4.40%	3.70%
Expected return on plan assets	4.75%	4.68%	N/A	N/A
Rate of compensation increase	3.25%	3.24%	4.05%	4.00%

At the end of each year, we estimate the expected long-term rate of return on pension plan assets based on the strategic asset allocation for our plans. In making this determination, we utilize expected rates of return for each asset class based upon current market conditions and expected risk premiums for each asset class. A one percentage point change in the expected long-term rate of return on pension fund assets would have an impact of approximately $7.4 million on 2020 pretax pension expense. The expected long-term rate of return is applied to the fair market value of pension fund assets to produce the expected return on fund assets that is included in pension expense.

The difference between this expected return and the actual return on plan assets was recognized at December 31, 2019 for balance sheet purposes, but continues to be deferred for expense purposes. The net deferral of past asset gains (losses) ultimately affects future pension expense through the amortization of gains (losses) with an offsetting adjustment to Hubbell shareholders' equity through Accumulated other comprehensive loss.

At the end of each year, we determine the discount rate to be used to calculate the present value of our pension plan liabilities. For our U.S. and Canadian pension plans, this discount rate is determined by matching the expected cash flows associated with our benefit obligations to the expected cash flows of a hypothetical portfolio of high quality, fixed income debt instruments with maturities that closely match the expected funding period of our pension liabilities. As of December 31, 2019, we used a discount rate of 3.30% for our U.S. pension plans compared to a discount rate of 4.40% used in 2018. For our Canadian pension plan, we used a discount rate of 3.00% in 2019, compared to the 3.60% discount rate used in 2018.

For our UK pension plan the discount rate was derived using a full yield curve and uses plan specific cash flows. The derived discount rate is the single discount rate equivalent to discounting these liability cash flows at the term-dependent spot rates of AA corporate bonds. This methodology resulted in a December 31, 2019 discount rate for the UK pension plan of 2.10% as compared to a discount rate of 2.90% used in 2018.

A decrease of one percentage point in the discount rate would lower our 2020 pretax pension expense by approximately $0.1 million. A discount rate increase of one percentage point would increase our 2020 pretax pension expense by an immaterial amount.

In 2019 we changed the mortality table used to calculate the present value of our pension plan liabilities from the RP-2014 mortality table, with generational projection from 2006 using Scale MP-2018 to the Pri-2012 mortality table, with generational projection from 2012 using Scale MP-2019. That change did not have a material impact to the projected benefit obligation of our U.S. plans upon remeasurement at December 31, 2019. The Pri-2012 mortality table, with generational projection from 2012 using Scale MP-2019 was chosen as the best estimate based on the observed and anticipated experience of the plans after considering alternative tables.

Other Post Employment Benefits ("OPEB")

The Company also has a number of health care and life insurance benefit plans covering eligible employees who reached retirement age while working for the Company. These benefits have been discontinued for substantially all future retirees. These plans are not funded and, therefore, no assumed rate of return on assets is required. We use a similar methodology to derive the yield curve for our post employment benefit plan obligations that we use for our pension plans. As of December 31, 2019, the Company used a discount rate of 3.30% to determine the projected benefit obligation compared to a discount rate of 4.40% used in 2018.

In accordance with the accounting guidance for retirement benefits, we recorded to Accumulated other comprehensive loss, within Hubbell shareholders' equity, a benefit, net of tax, of approximately $0.9 million in 2019 and a charge, net of tax, of approximately $0.3 million in 2018, related to the annual remeasurement of the OPEB plans and the amortization of prior service credits and net actuarial gains.

Off-Balance Sheet Arrangements

Off-balance sheet arrangements are defined as any transaction, agreement or other contractual arrangement to which an entity that is not included in our consolidated results is a party, under which we, whether or not a party to the arrangement, have, or in the future may have: (1) an obligation under a direct or indirect guarantee or similar arrangement, (2) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets, (3) an obligation or liability, including a contingent obligation or liability, under a contract that would be accounted for as a derivative instrument, except that it is excluded from the scope of FASB ASC Topic 815, or (4) an obligation, including a contingent obligation, arising out of a variable interest in an unconsolidated entity that is held by, and material to, the Company, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, the Company.

We do not have any off-balance sheet arrangements as defined above which have or are likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures, capital resources or cash flows.

Contractual Obligations

A summary of our contractual obligations and commitments at December 31, 2019 is as follows (in millions):

	Payments due by period				
	Total	**2020**	**2021-2022**	**2023-2024**	**2025 and thereafter**
Debt obligations[(a)]	$ 1,521.9	$ —	$ 371.9	$ —	$ 1,150.0
Short-term debt obligations[(a)]	65.4	65.4	—	—	—
Expected interest payments	318.7	52.3	99.5	77.2	89.7
Operating lease obligations	110.6	32.7	40.4	21.6	15.9
Retirement and other benefits[(b)]	195.2	13.9	20.9	16.8	143.6
Purchase obligations	324.7	315.8	8.9	—	—
Obligations under customer incentive programs	49.0	49.0	—	—	—
Income tax payments[(c)]	34.6	5.9	6.2	13.1	9.4
TOTAL	**$ 2,620.1**	**$ 535.0**	**$ 547.8**	**$ 128.7**	**$ 1,408.6**

(a) Amounts exclude unamortized discount and capitalized debt issuance costs.
(b) Amounts above reflect projected funding related to the Company's non-qualified defined benefit pension and OPEB plans as well as remaining payments under the multi-employer pension settlement agreement described in Note 15 – Commitments & Contingencies. Projected funding obligations of the Company's qualified defined benefit pension plans are excluded from the table as there are significant factors, such as the future market value of plan assets and projected investment return rates, which could cause actual funding requirements to differ materially from projected funding.
(c) Amount above includes future payments associated with the one-time transition tax under the TCJA.

Our purchase obligations include amounts committed under legally enforceable contracts or purchase orders for goods and services with defined terms as to price, quantity, delivery and termination liability. These obligations primarily consist of inventory purchases made in the normal course of business to meet operational requirements and commitments for equipment purchases. As of December 31, 2019, we have $41.9 million of uncertain tax positions reflected in our Consolidated Balance Sheet. We are unable to make a reasonable estimate regarding the timing of settlement of these uncertain tax positions and, as a result, they have been excluded from the table. See Note 13 — Income Taxes in the Notes to Consolidated Financial Statements.

Critical Accounting Estimates

Note 1 — Significant Accounting Policies in the Notes to Consolidated Financial Statements describes the significant accounting policies used in the preparation of our financial statements.

Use of Estimates

We are required to make assumptions and estimates and apply judgments in the preparation of our financial statements that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors deemed relevant by management. We continually review these estimates and their underlying assumptions to ensure they are appropriate for the circumstances. Changes in estimates and assumptions used by us could have a material impact on our financial results. We believe that the following estimates are among the most critical in fully understanding and evaluating our reported financial results. These items utilize assumptions and estimates about the effect of future events that are inherently uncertain and are based on our judgment.

Revenue Recognition

The Company recognizes revenue when performance obligations identified under the terms of contracts with its customers are satisfied, which generally occurs, for products, upon the transfer of control in accordance with the contractual terms and conditions of the sale. The majority of the Company's revenue associated with products is recognized at a point in time when the product is shipped to the customer, with a relatively small amount of transactions in the Power segment recognized upon delivery of the product at the contractually specified destination. Revenue from service contracts and post-shipment performance obligations is approximately three percent of total annual consolidated net revenue and those service contracts and post-shipment obligations are primarily within the Power segment. Revenue from service contracts and post-shipment performance obligations is recognized when or as those obligations are satisfied. The Company primarily offers assurance-type standard warranties that do not represent separate performance obligations and on occasion will separately offer and price extended warranties that are separate performance obligations for which the associated revenue is recognized over-time based on the extended warranty period. The Company records amounts billed to customers for reimbursement of shipping and handling costs within revenue. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as fulfillment costs and are included in cost of goods sold. Sales taxes and other usage-based taxes are excluded from revenue.

The Company has certain arrangements that require us to estimate at the time of sale the amounts of variable consideration that should not be recorded as revenue as certain amounts are not expected to be collected from customers, as well as an estimate of the value of the product to be returned. The Company principally relies on historical experience, specific customer agreements and anticipated future trends to estimate these amounts at the time of shipment and to reduce the transaction price. These arrangements include sales discounts and allowances based on sales volumes, specific programs and special pricing allowances, and returned goods, as are customary in the electrical products industry. Customer returns have historically ranged from 1%-2% of gross sales.

Inventory Valuation

Inventories in the U.S. are primarily valued at the lower of LIFO cost or market, while non-U.S. inventories are valued at the lower of FIFO cost or market. We routinely evaluate the carrying value of our inventories to ensure they are carried at the lower of LIFO or FIFO cost or market value. Such evaluation is based on our judgment and use of estimates, including sales forecasts, gross margins for particular product groupings, planned dispositions of product lines, technological events and overall industry trends. In addition, the evaluation is based on changes in inventory management practices which may influence the timing of exiting products and method of disposing of excess inventory.

Excess inventory is generally identified by comparing future expected inventory usage to actual on-hand quantities. Inventory values are reduced for on-hand inventory in excess of pre-defined usage forecasts. Forecast usage is primarily determined by projecting historical (actual) sales and inventory usage levels forward to future periods. Changes in these estimates may necessitate future adjustments to inventory values.

Customer Credit and Collections

We maintain allowances for doubtful accounts receivable in order to reflect the potential uncollectability of receivables related to purchases of products on open credit. If the financial condition of our customers were to deteriorate, resulting in their inability to make required payments, we may be required to record additional allowances for doubtful accounts.

Accrued Insurance

We retain a significant portion of the risks associated with workers' compensation, medical, automobile and general liability insurance. We estimate self-insurance liabilities using a number of factors, including historical claims experience, demographic factors, severity factors and other actuarial assumptions. The accrued liabilities associated with these programs are based on our estimates of ultimate costs to settle known claims as well as claims incurred but not reported as of the balance sheet date. These assumptions are periodically reviewed with a third-party actuary to determine the adequacy of these self-insurance reserves. Changes in these assumptions may necessitate future adjustments to these self-insurance liabilities.

Employee Benefits Costs and Funding

We sponsor domestic and foreign defined benefit pension, defined contribution and other postretirement plans. Significant assumptions used in the accounting for these employee benefit plans include the discount rate, expected return on the pension fund assets, rate of increase in employee compensation levels and health care cost increase projections. These assumptions are determined based on Company data and appropriate market indicators, and are evaluated each year as of the plans' measurement dates. Further discussion of the assumptions used in 2019 and 2018 are included above under "Pension Funding Status" and in Note 11 — Retirement Benefits in the Notes to Consolidated Financial Statements.

Taxes

We account for income taxes in accordance with the applicable accounting guidance which requires that deferred tax assets and liabilities be recognized using enacted tax rates for the effect of temporary differences between the book and tax basis of recorded assets and liabilities. Additionally, deferred tax assets are required to be reduced by a valuation allowance if it is more-likely-than-not that some portion or all of a deferred tax asset will not be realized. The factors used to assess the likelihood of realization of deferred tax assets are the forecast of future taxable income, available tax planning strategies that could be implemented to realize the net deferred tax assets, and future reversals of deferred tax liabilities. Failure to achieve forecasted taxable income can affect the ultimate realization of net deferred tax assets.

We operate within multiple taxing jurisdictions and are subject to audit in these jurisdictions. The Internal Revenue Service ("IRS") and other tax authorities routinely review our tax returns. These audits can involve complex issues, which may require an extended period of time to resolve. The Company records uncertain tax positions when it has determined that it is more-likely-than-not that a tax position will not be sustained upon examination by taxing authorities based on the technical merits of the position. The Company uses the criteria established in the accounting guidance to determine whether an item meets the definition of more-likely-than-not. The Company's policy is to recognize these uncertain tax positions when the more-likely-than-not threshold is met, when the statute of limitations has expired or upon settlement. In management's opinion, adequate provision has been made for potential adjustments arising from any examinations. See Note 13 — Income Taxes in the Notes to Consolidated Financial Statements.

Contingent Liabilities

We are subject to proceedings, lawsuits, and other claims or uncertainties related to environmental, legal, product and other matters. We routinely assess the likelihood of an adverse judgment or outcome to these matters, as well as the range of potential losses. We record a liability when it is both probable that a liability has been incurred and the amount can be reasonably estimated. A determination of the reserves required, if any, is made after careful analysis, including consultations with outside advisors, where applicable. Where no amount within a range of estimates is more likely, the minimum is accrued. The required reserves may change in the future due to new developments.

Warranty

The Company offers product warranties that cover defects on most of its products. These warranties primarily apply to products that are properly installed, maintained and used for their intended purpose. The Company accrues estimated warranty costs at the time of sale. Estimated warranty expenses, recorded in cost of goods sold, are based upon historical information such as past experience, product failure rates, or the estimated number of units to be repaired or replaced. Adjustments are made to the product warranty accrual as claims are incurred, additional information becomes known or as historical experience indicates.

Valuation of Long-Lived Assets

Our long-lived assets include land, buildings, equipment, molds and dies, software, goodwill and other intangible assets. Long-lived assets, other than land, goodwill and indefinite-lived intangibles, are depreciated over their estimated useful lives. The assets and liabilities of acquired businesses are recorded under the acquisition method of accounting at their estimated fair values at the dates of acquisition. Goodwill represents purchase price in excess of fair values assigned to the underlying identifiable net assets of acquired businesses. Intangible assets primarily consist of patents, tradenames, developed technology and customer related intangibles.

We review depreciable long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. If such a change in circumstances occurs, the related estimated future undiscounted cash flows expected to result from the use of the asset group and its eventual disposition is compared to the carrying amount. If the sum of the expected cash flows of the asset group is less than the carrying amount, an impairment charge is recorded. The impairment charge is measured as the amount by which the carrying amount exceeds the fair value of the asset. The fair value of impaired assets is determined using expected cash flow estimates, quoted market prices when available and appraisals as appropriate. We did not record any material impairment charges related to long-lived assets in 2019, 2018, or 2017.

Goodwill and indefinite-lived intangible assets are reviewed annually for impairment unless circumstances dictate the need for more frequent assessment. We perform our goodwill impairment testing as of April 1st of each year unless circumstances dictate the need for more frequent assessments. The accounting guidance provides entities an option of performing a qualitative assessment before performing a quantitative analysis. If the entity determines, on the basis of certain qualitative factors, that it is more-likely-than-not that the goodwill is not impaired, the entity would not need to proceed to the quantitative goodwill impairment testing process as prescribed in the guidance. The Company performed a qualitative assessment for four of its seven reporting units. The Company elected to bypass the qualitative assessment and proceeded directly to the quantitative analysis for its remaining reporting units.

The goodwill impairment test requires judgment, including the identification of reporting units, assigning assets and liabilities to reporting units, and determining the fair value of each reporting unit. Significant judgments required to estimate the fair value of reporting units include estimating future discounted cash flows, determining appropriate discount rates and other assumptions. We use internal discounted cash flow estimates to determine fair value. These cash flow estimates are derived from historical experience and future long-term business plans and include assumptions of future sales growth, gross margin, operating margin, terminal growth rate, and the application of an appropriate discount rate. Changes in these estimates and assumptions could materially affect the determination of fair value and/or goodwill impairment for each reporting unit. As of April 1, 2019, our goodwill testing resulted in fair values for each reporting unit that substantially exceeded the reporting unit's carrying value. We have not recorded any goodwill impairments since the initial adoption of the accounting guidance in 2002.

The identification and measurement of impairment of indefinite-lived intangible assets involves an assessment of qualitative factors to determine whether events or circumstances indicate that it is more-likely-than-not that an indefinite-lived intangible asset is impaired. If it is more-likely-than-not that the asset is impaired, the fair value of the indefinite lived intangibles will be determined using discounted cash flow estimates. If the carrying value of these assets exceeds the estimated fair value, the carrying value will be reduced to the estimated fair value. We did not record any impairments related to indefinite-lived intangible assets in 2019, 2018, or 2017.

Stock-Based Compensation

We determine the grant date fair value of certain stock-based compensation awards using either a lattice model or the Black-Scholes option pricing model. Both of these models require management to make certain assumptions with respect to selected model inputs. These inputs include assumptions for the expected term, stock volatility, dividend yield and risk-free interest rate. Changes in these inputs impact fair value and could impact our stock-based compensation expense in the future. In addition, we are required to estimate the expected forfeiture rate and recognize expense only for those awards expected to meet the service and performance vesting conditions. If our actual forfeiture rate is different from our estimate, adjustments to stock-based compensation expense may be required. See also Note 17 — Stock-Based Compensation in the Notes to Consolidated Financial Statements.

Forward-Looking Statements

Some of the information included in this Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this Form 10-K, contain "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. These include statements about our expected capital resources, liquidity, financial performance, pension funding, and results of operations and are based on our reasonable current expectations. In addition, all statements regarding the expected financial impact of the integration of acquisitions, adoption of updated accounting standards and any expected effects of such adoption, restructuring plans and expected associated costs and benefits, intent to repurchase shares of Common Stock, and change in operating results, anticipated market conditions and productivity initiatives are forward looking. Forward-looking statements may be identified by the use of words, such as "believe", "expect", "anticipate", "intend", "depend", "should", "plan", "estimated", "predict", "could", "may", "subject to", "continues", "growing", "prospective", "forecast", "projected", "purport", "might", "if", "contemplate", "potential", "pending," "target", "goals", "scheduled", "will likely be", and similar words and phrases. Discussions of strategies, plans or intentions often contain forward-looking statements. Important factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include, but are not limited to:

- Changes in demand for our products, market conditions, product quality, or product availability adversely affecting sales levels.
- Changes in markets or competition adversely affecting realization of price increases.
- Failure to achieve projected levels of efficiencies, cost savings and cost reduction measures, including those expected as a result of our lean initiative and strategic sourcing plans.
- The expected benefits and the timing of other actions in connection with our Enterprise Resource Planning ("ERP") system.
- The ability to effectively implement ERP systems without disrupting operational and financial processes.
- Availability and costs of raw materials, purchased components, energy and freight.
- Changes in expected or future levels of operating cash flow, indebtedness and capital spending.
- General economic and business conditions in particular industries, markets or geographic regions, as well as inflationary trends.
- Impacts of trade tariffs, import quotas or other trade restrictions or measures taken by the U.S., U.K., and other countries.
- Regulatory issues, changes in tax laws including the TCJA, or changes in geographic profit mix affecting tax rates and availability of tax incentives.
- A major disruption in one or more of our manufacturing or distribution facilities or headquarters, including the impact of plant consolidations and relocations.
- Changes in our relationships with, or the financial condition or performance of, key distributors and other customers, agents or business partners which could adversely affect our results of operations.
- Impact of productivity improvements on lead times, quality and delivery of product.

- Anticipated future contributions and assumptions including changes in interest rates and plan assets with respect to pensions and other retirement benefits.
- Adjustments to product warranty accruals in response to claims incurred, historical experiences and known costs.
- Unexpected costs or charges, certain of which might be outside of our control.
- Changes in strategy, economic conditions or other conditions outside of our control affecting anticipated future global product sourcing levels.
- Ability to carry out future acquisitions and strategic investments in our core businesses as well as the acquisition related costs.
- Ability to successfully execute, manage and integrate key acquisitions and mergers.
- Unanticipated difficulties integrating acquisitions as well as the realization of expected synergies and benefits anticipated when we first enter into a transaction.
- The ability of governments to meet their financial obligations.
- Political unrest in foreign countries.
- The impact of Brexit and other world economic and political issues.
- Natural disasters.
- Failure of information technology systems or security breaches resulting in unauthorized disclosure of confidential information.
- Future revisions to or clarifications of the TCJA.
- Future repurchases of common stock under our common stock repurchase program.
- Changes in accounting principles, interpretations, or estimates.
- The outcome of environmental, legal and tax contingencies or costs compared to amounts provided for such contingencies.
- Adverse changes in foreign currency exchange rates and the potential use of hedging instruments to hedge the exposure to fluctuating rates of foreign currency exchange on inventory purchases.
- Transitioning from LIBOR to a replacement alternative reference rate.
- Other factors described in our Securities and Exchange Commission filings, including the "Business", "Risk Factors" and "Quantitative and Qualitative Disclosures about Market Risk" sections in this Company's Annual Report on Form 10-K for the year ended December 31, 2019.

Any such forward-looking statements are not guarantees of future performances and actual results, developments and business decisions may differ from those contemplated by such forward-looking statements. The Company disclaims any duty to update any forward-looking statement, all of which are expressly qualified by the foregoing, other than as required by law.

ITEM 7A Quantitative and Qualitative Disclosures about Market Risk

In the operation of our business, we have various exposures to areas of risk related to factors within and outside the control of management. Significant areas of risk and our strategies to manage the exposure are discussed below.

In 2019, we manufactured and/or assembled products in the United States, Canada, Puerto Rico, Mexico, China, UK, Brazil, Spain and Australia and sold products in those markets as well as through offices in Singapore, Italy, China, Mexico, and South Korea and countries in the Middle East. In 2019, Hubbell also participated in joint ventures in Taiwan, Hong Kong and the Philippines. Shipments to third party customers from non-U.S. subsidiaries as a percentage of the Company's total net sales were 9% in 2019, 10% in 2018 and 11% in 2017, with the UK and Canadian operations each representing approximately 29% of 2019 total international net sales. As such, our operating results could be affected by changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we sell our products. To manage this exposure, we closely monitor the working capital requirements of our international units and may enter into forward foreign exchange contracts. Further discussion of forward exchange contracts can be found in Note 14 — Financial Instruments and Fair Value Measurement in the Notes to Consolidated Financial Statements.

Product purchases representing approximately 19% of our net sales are sourced from unaffiliated suppliers located outside the United States, primarily in China and other Asian countries, Europe and Brazil. Foreign sourcing of products may result in unexpected fluctuations in product cost or increased risk of business interruption due to lack of product or component availability due to any one of the following:

- Political or economic uncertainty in the source country
- Fluctuations in the rate of exchange between the U.S. dollar and the currencies of the source countries
- Changes in U.S. laws and policies governing foreign trade
- Increased logistical complexity including supply chain interruption or delay, port of departure or entry disruption and overall time to market
- Loss of proprietary information
- Product quality issues outside the control of the Company

We have developed plans that address many of these risks. Such actions include careful selection of products to be outsourced and the suppliers selected; ensuring multiple sources of supply; limiting concentrations of activity by port, broker, freight forwarder, etc.; processes related to quality control; and maintaining control over operations, technologies and manufacturing deemed to provide competitive advantage. Many of our businesses have a dependency on certain basic raw materials needed to produce their products including steel, aluminum, brass, copper, bronze, zinc, nickel, plastics, phenols, elastomers and petrochemicals as well as purchased electrical and electronic components. Our financial results could be affected by the availability and changes in prices of these materials and components.

Certain of these materials are sourced from a limited number of suppliers. These materials are also key source materials for many other companies in our industry and within the universe of industrial manufacturers in general. As such, in periods of rising demand for these materials, we may experience both increased costs and/or limited supply. These conditions can potentially result in our inability to acquire these key materials on a timely basis to produce our products and satisfy our incoming sales orders. Similarly, the cost of these materials can rise suddenly and result in materially higher costs of producing our products. We believe we have adequate primary and secondary sources of supply for each of our key materials and that, in periods of rising prices, we expect to recover a majority of the increased cost in the form of higher selling prices. However, recoveries typically lag the effect of cost increases due to the nature of our markets.

Our financial results are subject to interest rate fluctuations to the extent there is a difference between the amount of our interest-earning assets and the amount of interest-bearing liabilities. The principal objectives of our investment management activities are to preserve capital while earning net investment income that is commensurate with acceptable levels of interest rate, default and liquidity risk taking into account our funding needs. As part of our investment management strategy, we may use derivative financial products such as interest rate hedges and interest rate swaps.

From time to time or when required, we issue commercial paper, which exposes us to changes in interest rates. Our cash position includes amounts denominated in foreign currencies. We manage our worldwide cash requirements by considering available funds held by our subsidiaries and the cost effectiveness with which these funds can be accessed.

Our long-term debt portfolio is comprised of fixed-rate senior notes and a term loan with an interest rate based on either adjusted LIBOR plus an applicable margin (determined by a ratings based grid) or the alternate base rate. As of December 31, 2019, the long-term debt outstanding related to the fixed-rate senior notes and term loan was $1,450.0 million and $106.3 million, respectively. The senior notes are not exposed to interest rate risk as the bonds are at a fixed-rate until maturity.

We continually evaluate risk retention and insurance levels for product liability, property damage and other potential exposures to risk. We devote significant effort to maintaining and improving safety and internal control programs, which are intended to reduce our exposure to certain risks. We determine the level of insurance coverage and the likelihood of a loss and believe that the current levels of risk retention are consistent with those of comparable companies in the industries in which we operate. There can be no assurance that we will not incur losses beyond the limits of our insurance. However, our liquidity, financial position and profitability are not expected to be materially affected by the levels of risk retention that we accept.

The following table presents cost and weighted average interest rate information related to financial instruments that are sensitive to changes in interest rates, by maturity at December 31, 2019 (dollars in millions):

	2020	2021	2022	2023	2024	Thereafter	Total	Fair Value 12/31/19
ASSETS								
Available-for-sale investments	$ 14.2	$ 5.7	$ 5.9	$ 5.0	$ 6.6	$ 12.6	$ 50.0	$ 50.7
Avg. interest rate	4.77%	4.84%	4.72%	4.72%	4.59%	4.46%		
LIABILITIES								
Senior Notes	$ —	$ —	$ 300.0	$ —	$ —	$ 1,150.0	$ 1,450.0	$ 1,486.6
Avg. interest rate	—	—	3.63%	—	—	3.36%		
Term Loan	$ 34.4	$ 46.9	$ 25.0	$ —	$ —	$ —	$ 106.3	$ 105.6
Avg. interest rate	2.75%	2.75%	2.75%	—	—	—		

We use derivative financial instruments only if they are matched with a specific asset, liability, or proposed future transaction. We do not speculate or use leverage when trading a financial derivative product.

ITEM 8 Financial Statements and Supplementary Data

All other schedules are omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

Reports of Management

Report on Management’s Responsibility for Financial Statements

Our management is responsible for the preparation, integrity and fair presentation of our published financial statements. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and include amounts based on informed judgments made by management.

We believe it is critical to provide investors and other users of our financial statements with information that is relevant, objective, understandable and timely, so that they can make informed decisions. As a result, we have established and maintain systems and practices and internal control processes designed to provide reasonable, but not absolute, assurance that transactions are properly executed and recorded and that our policies and procedures are carried out appropriately. Management strives to recruit, train and retain high quality people to ensure that controls are designed, implemented and maintained in a high-quality, reliable manner.

Our independent registered public accounting firm audited our financial statements and the effectiveness of our internal control over financial reporting in accordance with standards established by the Public Company Accounting Oversight Board (United States). Their report appears on the next page within this Annual Report on Form 10-K.

Our Board of Directors normally meets at least nine times per year to provide oversight, to review corporate strategies and operations, and to assess management’s conduct of the business. The Board of Directors also schedules additional meetings on an as needed basis. The Audit Committee of our Board of Directors is composed of at least three individuals all of whom must be “independent” under current New York Stock Exchange listing standards and regulations adopted by the SEC under the federal securities laws. The Audit Committee meets regularly with our internal auditors and independent registered public accounting firm, as well as, management to review, among other matters, accounting, auditing, internal controls and financial reporting issues and practices. Both the internal auditors and independent registered public accounting firm have full, unlimited access to the Audit Committee.

Management’s Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate systems of internal control over financial reporting as defined by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with generally accepted accounting principles in the United States of America. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2019.

In making this assessment, management used the criteria set forth in Internal Control-Integrated Framework (2013 framework) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this assessment, management concluded that our internal control over financial reporting was effective at a reasonable assurance level as of December 31, 2019.

The effectiveness of our internal control over financial reporting as of December 31, 2019 has been audited by PricewaterhouseCoopers LLP, our independent registered public accounting firm as stated in their report which is included below within this Annual Report on Form 10-K.

/s/ DAVID G. NORD	/s/ WILLIAM R. SPERRY
David G. Nord	**William R. Sperry**
Chairman of the Board and Chief Executive Officer	*Executive Vice President, Chief Financial Officer and Treasurer*

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Hubbell Incorporated

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheet of Hubbell Incorporated and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2019, including the related notes and schedule of valuation and qualifying accounts and reserves for each of the three years ended December 31, 2019 appearing under Item 15 (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessment - Certain Reporting Units Subject to a Quantitative Analysis

As described in Notes 1 and 6 to the consolidated financial statements, the Company's consolidated goodwill balance was $1,811.8 million as of December 31, 2019. Goodwill represents purchase price in excess of fair values of the underlying net assets of acquired companies. Goodwill is subject to annual impairment testing. Management performs its goodwill impairment testing as of April 1st of each year, unless circumstances dictate the need for more frequent assessments. For three of its reporting units, management has elected to utilize the quantitative goodwill impairment testing process as permitted in the accounting guidance, by comparing the fair value of the Company's reporting units to their carrying values. If the fair value of the reporting unit exceeds its carrying value, no impairment exists. Goodwill impairment testing requires judgment by management, including the identification of reporting units, assigning assets and liabilities to reporting units and determining the fair value of each reporting unit. Management uses internal discounted cash flow estimates to determine fair value. Significant judgments required by management to estimate the fair value of reporting units include estimating future cash flows, determining appropriate discount rates and other assumptions. These cash flow estimates are derived from historical experience and future long-term business plans and include assumptions on future sales growth, gross margin, operating margin, terminal growth rate and the application of an appropriate discount rate.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment for certain reporting units subject to a quantitative analysis is a critical audit matter are that there was significant judgment by management when developing the fair value measurement of the reporting units. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating evidence relating to management's discounted cash flow estimates and significant assumptions, including forecasted sales growth, gross margin, terminal growth rate and discount rate. In addition, the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's quantitative goodwill impairment assessment, including controls over the determination of the fair value of the Company's reporting units. These procedures also included, among others, testing management's process for developing the fair value estimates; evaluating the appropriateness of the discounted cash flow estimates; testing the completeness, accuracy and relevance of the underlying data used in the discounted cash flow estimates; and evaluating the significant assumptions used by management, including forecasted sales growth, gross margin, terminal growth rate and discount rate. Evaluating management's assumptions related to the forecasted sales growth, gross margin and terminal growth rate involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting units, (ii) the consistency with industry and third party data, and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's discounted cash flow estimates, including the discount rate.

/s/ PricewaterhouseCoopers LLP
Hartford, Connecticut
February 14, 2020

We have served as the Company's auditor since at least 1961. We have not been able to determine the specific year we began serving as auditor of the Company.

Consolidated Statement of Income

(in millions, except per share amounts)	Year Ended December 31, 2019	2018	2017
Net sales	**$ 4,591.0**	**$ 4,481.7**	**$ 3,668.8**
Cost of goods sold	3,238.3	3,181.3	2,513.7
Gross profit	**1,352.7**	**1,300.4**	**1,155.1**
Selling & administrative expenses	756.1	743.5	636.3
Operating income	**596.6**	**556.9**	**518.8**
Gain on disposition of business (Note 3)	21.7	—	—
Multi-employer pension charge (Note 15)	(8.5)	—	—
Interest expense	(69.4)	(72.4)	(44.9)
Investment income	1.5	0.1	0.9
Loss on extinguishment of debt	—	—	(10.1)
Other expense, net	(21.4)	(17.6)	(21.6)
Total other expense	**(76.1)**	**(89.9)**	**(75.7)**
Income before income taxes	**520.5**	**467.0**	**443.1**
Provision for income taxes	113.1	100.9	193.2
Net income	**407.4**	**366.1**	**249.9**
Less: Net income attributable to noncontrolling interest	6.5	5.9	6.8
NET INCOME ATTRIBUTABLE TO HUBBELL	**$ 400.9**	**$ 360.2**	**$ 243.1**
Earnings per share			
Basic	$ 7.35	$ 6.57	$ 4.42
Diluted	$ 7.31	$ 6.54	$ 4.39

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

(in millions)	Year Ended December 31, 2019	2018	2017
Net income	$ 407.4	$ 366.1	$ 249.9
Other comprehensive income (loss):			
Currency translation adjustment:			
Foreign currency translation adjustments	3.7	(33.9)	28.9
Reclassification of currency translation gains included in net income	(7.7)	—	—
Defined benefit pension and post-retirement plans, net of taxes of $5.3, ($6.3) and ($1.0)	(14.5)	17.8	4.0
Unrealized gain (loss) on investments, net of taxes of ($0.2), $0.4 and ($0.2)	2.6	(1.4)	0.6
Unrealized gains (losses) on cash flow hedges, net of taxes of $0.5, ($0.5) and $0.4	(1.3)	1.6	(0.8)
Other comprehensive income (loss)	**(17.2)**	**(15.9)**	**32.7**
Comprehensive income	**390.2**	**350.2**	**282.6**
Less: Comprehensive income attributable to noncontrolling interest	6.5	5.9	6.8
COMPREHENSIVE INCOME ATTRIBUTABLE TO HUBBELL	**$ 383.7**	**$ 344.3**	**$ 275.8**

See notes to consolidated financial statements.

Consolidated Balance Sheet

	At December 31,	
(in millions, except per share amounts)	**2019**	**2018**
ASSETS		
Current Assets		
Cash and cash equivalents	$ 182.0	$ 189.0
Short-term investments	14.2	9.2
Accounts receivable, net	683.0	725.4
Inventories, net	633.0	651.0
Other current assets	62.0	69.1
Total Current Assets	1,574.2	1,643.7
Property, Plant, and Equipment, net	**505.2**	**502.1**
Other Assets		
Investments	55.7	56.3
Goodwill	1,811.8	1,784.4
Intangible assets, net	781.5	819.5
Other long-term assets	174.6	66.1
TOTAL ASSETS	**$ 4,903.0**	**$ 4,872.1**
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt and current portion of long-term debt	$ 65.4	$ 56.1
Accounts payable	347.7	393.7
Accrued salaries, wages and employee benefits	101.5	101.6
Accrued insurance	68.1	61.3
Other accrued liabilities	262.2	226.6
Total Current Liabilities	844.9	839.3
Long-term Debt	**1,506.0**	**1,737.1**
Other Non-Current Liabilities	**591.6**	**496.8**
TOTAL LIABILITIES	**2,942.5**	**3,073.2**
Commitments and Contingencies (see Note 15)		
Hubbell Shareholders' Equity		
Common stock, par value $.01		
Common Stock - Authorized 200,000,000 shares, outstanding 54,514,172 and 54,715,188 shares	$ 0.6	$ 0.6
Additional paid-in capital	—	1.3
Retained earnings	2,279.4	2,064.4
Accumulated other comprehensive loss	(332.9)	(285.7)
Total Hubbell Shareholders' Equity	1,947.1	1,780.6
Noncontrolling interest	13.4	18.3
TOTAL EQUITY	**1,960.5**	**1,798.9**
TOTAL LIABILITIES AND EQUITY	**$ 4,903.0**	**$ 4,872.1**

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

(in millions)	Year Ended December 31, 2019	2018	2017
Cash Flows from Operating Activities			
Net income	$ 407.4	$ 366.1	$ 249.9
Adjustments to reconcile net income to net cash provided by operating activities, net of acquisitions:			
Depreciation and amortization	151.0	148.4	98.2
Deferred income taxes	6.1	49.0	(14.3)
Stock-based compensation	16.4	24.2	22.3
Gain on disposition of business	(21.7)	—	—
Multi-employer pension charge	8.5	—	—
Loss on extinguishment of debt	—	—	10.1
Gain on sale of assets	(0.4)	(4.0)	(11.6)
Changes in assets and liabilities, net of acquisitions:			
Decrease (increase) in accounts receivable	46.2	(75.4)	3.9
Decrease (increase) in inventories	12.2	34.2	(90.3)
(Decrease) increase in current liabilities	(36.2)	15.6	57.4
Changes in other assets and liabilities, net	0.9	(20.4)	50.7
Contributions to qualified defined benefit pension plans	(10.4)	(27.9)	(1.7)
Other, net	11.6	7.3	4.4
NET CASH PROVIDED BY OPERATING ACTIVITIES	**591.6**	**517.1**	**379.0**
Cash Flows from Investing Activities			
Capital expenditures	(93.9)	(96.2)	(79.7)
Acquisitions, net of cash acquired	(70.8)	(1,118.0)	(184.1)
Proceeds from disposal of business, net of cash	33.4	—	—
Purchases of available-for-sale investments	(14.1)	(16.6)	(20.9)
Proceeds from sales of available-for-sale investments	12.5	20.5	17.4
Proceeds from disposition of assets	3.1	6.8	18.4
Other, net	0.9	2.1	3.3
NET CASH USED IN INVESTING ACTIVITIES	**(128.9)**	**(1,201.4)**	**(245.6)**
Cash Flows from Financing Activities			
Issuance of long-term debt	—	947.5	297.6
Payment of long-term debt	(225.0)	(168.8)	(300.0)
Issuance of short-term debt	0.7	0.8	66.3
Payment of short-term debt	(0.8)	(38.0)	(1.7)
Make whole payment for extinguishment of long-term debt	—	—	(9.9)
Debt issuance cost	—	(7.6)	(3.0)
Payment of dividends	(186.6)	(172.3)	(157.6)
Payment of dividends to noncontrolling interest	(11.3)	(3.9)	(3.5)
Acquisition of common shares	(35.0)	(40.0)	(92.5)
Other	(13.0)	(11.2)	(10.0)
NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES	**(471.0)**	**506.5**	**(214.3)**
Effect of foreign currency exchange rate changes on cash and cash equivalents	1.3	(8.2)	18.3
Increase (Decrease) in cash and cash equivalents	**(7.0)**	**(186.0)**	**(62.6)**
Cash and cash equivalents, beginning of year	189.0	375.0	437.6
Cash and cash equivalents, end of year	$ 182.0	$ 189.0	$ 375.0

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

(in millions, except per share amounts)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Hubbell Shareholders' Equity	Non-controlling interest
BALANCE AT DECEMBER 31, 2016	**$ 0.6**	**$ 15.4**	**$ 1,879.3**	**$ (302.5)**	**$ 1,592.8**	**$ 10.4**
Net income			243.1		243.1	6.8
Other comprehensive (loss) income				32.7	32.7	
Stock-based compensation		22.3			22.3	
Acquisition/surrender of common shares(1)		(27.2)	(72.1)		(99.3)	
Cash dividends declared ($2.87 per share)			(157.9)		(157.9)	
Dividends to noncontrolling interest						(3.5)
Directors deferred compensation		0.5			0.5	
BALANCE AT DECEMBER 31, 2017	**$ 0.6**	**$ 11.0**	**$ 1,892.4**	**$ (269.8)**	**$ 1,634.2**	**$ 13.7**
Net income			360.2		360.2	5.9
Other comprehensive (loss) income				(15.9)	(15.9)	
Stock-based compensation		24.2			24.2	
ASC 606 adoption to retained earnings			0.6		0.6	
Acquisition/surrender of common shares(1)		(34.5)	(16.0)		(50.5)	
Cash dividends declared ($3.15 per share)			(172.8)		(172.8)	
Dividends to noncontrolling interest						(3.9)
Aclara noncontrolling interest						2.6
Directors deferred compensation		0.6			0.6	
BALANCE AT DECEMBER 31, 2018	**$ 0.6**	**$ 1.3**	**$ 2,064.4**	**$ (285.7)**	**$ 1,780.6**	**$ 18.3**
Net income			400.9		400.9	6.5
Other comprehensive (loss) income				(17.2)	(17.2)	
Stock-based compensation		16.4			16.4	
Reclassification of stranded tax effects			30.0	(30.0)		
Acquisition/surrender of common shares(1)		(18.3)	(28.9)		(47.2)	
Cash dividends declared ($3.43 per share)			(187.0)		(187.0)	
Dividends to noncontrolling interest						(11.4)
Directors deferred compensation		0.6			0.6	
BALANCE AT DECEMBER 31, 2019	**$ 0.6**	**$ —**	**$ 2,279.4**	**$ (332.9)**	**$ 1,947.1**	**$ 13.4**

See notes to consolidated financial statements.

(1) For accounting purposes, the Company treats repurchased shares as constructively retired when acquired and accordingly charges the purchase price against Common Stock par value, Additional paid-in capital, to the extent available, and Retained earnings. The change in Retained earnings of $28.9 million, $16.0 million and $72.1 million in 2019, 2018 and 2017, respectively, reflects this accounting treatment.

Notes to Consolidated Financial Statements

NOTE 1 Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Principles of Consolidation

The Consolidated Financial Statements include all wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated. The Company participates in three joint ventures, one of which is accounted for using the equity method, the others have been consolidated in accordance with the consolidation accounting guidance. An analysis is performed to determine which reporting entity, if any, has a controlling financial interest in a variable interest entity ("VIE") with a primarily qualitative analysis. The qualitative analysis is based on identifying the party that has both the power to direct the activities that most significantly impact the VIE's economic performance (the "power criterion") and the obligation to absorb losses from or the right to receive benefits of the VIE that could potentially be significant to the VIE (the "losses/benefit criterion"). The party that meets both these criteria is deemed to have a controlling financial interest. The party with the controlling financial interest is considered to be the primary beneficiary and as a result is required to consolidate the VIE. The Company has a 50% interest in a joint venture in Hong Kong, established as Hubbell Asia Limited ("HAL"). The principal objective of HAL is to manage the operations of its wholly-owned manufacturing company in China. Under the accounting guidance, the Company is the primary beneficiary of HAL and as a result consolidates HAL. This determination is based on the fact that HAL's sole business purpose is to manufacture product exclusively for the Company (the power criterion) and the Company is financially responsible for ensuring HAL maintains a fixed operating margin (the losses/benefit criterion). The consolidation of HAL is not material to the Company's consolidated financial statements.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts in the Consolidated Financial Statements and accompanying Notes to Consolidated Financial Statements. Actual results could differ from the estimates that are used.

Revenue Recognition

The Company recognizes revenue when performance obligations identified under the terms of contracts with its customers are satisfied, which generally occurs, for products, upon the transfer of control in accordance with the contractual terms and conditions of the sale. The majority of the Company's revenue associated with products is recognized at a point in time when the product is shipped to the customer, with a relatively small amount of transactions in the Power segment recognized upon delivery of the product at the contractually specified destination. Revenue from service contracts and post-shipment performance obligations is approximately three percent of total annual consolidated net revenue and those service contracts and post-shipment obligations are primarily within the Power segment. Revenue from service contracts and post-shipment performance obligations is recognized when or as those obligations are satisfied. The Company primarily offers assurance-type standard warranties that do not represent separate performance obligations and on occasion will separately offer and price extended warranties that are separate performance obligations for which the associated revenue is recognized over-time based on the extended warranty period. The Company records amounts billed to customers for reimbursement of shipping and handling costs within revenue. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as fulfillment costs and are included in cost of goods sold. Sales taxes and other usage-based taxes are excluded from revenue.

Within the Electrical segment, certain businesses require a portion of the transaction price to be paid in advance of transfer of control. Advance payments are not considered a significant financing component as they are received less than one year before the related performance obligations are satisfied. In addition, in the Power segment, certain businesses offer annual maintenance service contracts that require payment at the beginning of the contract period. These payments are treated as a contract liability and are classified in Other accrued liabilities in the Consolidated Balance Sheet. Once control transfers to the customer and the Company meets the revenue recognition criteria, the deferred revenue is recognized in the Consolidated Statement of Income. The deferred revenue relating to the annual maintenance service contracts is recognized in the Consolidated Statement of Income on a straight line basis over the expected term of the contract.

The Company has certain arrangements that require us to estimate at the time of sale the amounts of variable consideration that should not be recorded as revenue as certain amounts are not expected to be collected from customers, as well as an estimate of the value of the product to be returned. The Company principally relies on historical experience, specific customer agreements and anticipated future trends to estimate these amounts at the time of shipment and to reduce the transaction price. These arrangements include sales discounts and allowances based on sales volumes, specific programs and special pricing allowances, and returned goods, as are customary in the electrical products industry. Customer returns have historically ranged from 1%-2% of gross sales.

Shipping and Handling Costs

The Company records shipping and handling costs as part of Cost of goods sold in the Consolidated Statement of Income.

Foreign Currency Translation

The assets and liabilities of international subsidiaries are translated to U.S. dollars at exchange rates in effect at the end of the year, and income and expense items are translated at average exchange rates in effect during the year. The effects of exchange rate fluctuations on the translated amounts of foreign currency assets and liabilities are included as translation adjustments in Accumulated other comprehensive loss within Hubbell shareholders' equity. Gains and losses from foreign currency transactions are included in results of operations.

Cash and Cash Equivalents

The carrying value of cash equivalents approximates fair value. Cash equivalents consist of highly liquid investments with original maturities to the Company of three months or less.

Investments

Investments in debt and equity securities are classified by individual security as available-for-sale, held-to-maturity or trading securities. Our available-for-sale securities, consisting of municipal bonds and the redeemable preferred stock of a privately held company, are carried on the balance sheet at fair value with current period adjustments to carrying value recorded in Accumulated other comprehensive loss within Hubbell shareholders' equity, net of tax. Realized gains and losses are recorded in income in the period of sale. The Company's trading securities are carried on the balance sheet at fair value and consist primarily of debt and equity mutual funds. Gains and losses associated with these trading securities are reflected in the results of operations. The Company did not have any investments classified as held-to-maturity as of December 31, 2019 and 2018.

Accounts Receivable and Allowances

Trade accounts receivable are recorded at the invoiced amount and generally do not bear interest. The allowance for doubtful accounts is based on an estimated amount of probable credit losses in existing accounts receivable. The allowance is calculated based upon a combination of historical write-off experience, fixed percentages applied to aging categories and specific identification based upon a review of past due balances and problem accounts. Account balances are charged off against the allowance when it is determined that internal collection efforts should no longer be pursued. The Company also maintains a reserve for credit memos and cash discounts which are principally calculated based upon historical experience, specific customer agreements, as well as anticipated future trends.

Inventories

Inventories are stated at the lower of cost or market value. Approximately 61% of total net inventory value is determined utilizing the last-in, first-out (LIFO) method of inventory accounting. The cost of foreign inventories and certain domestic inventories is determined utilizing average cost or first-in, first-out (FIFO) methods of inventory accounting. Reserves for excess and obsolete inventory are provided based on current assessments about future demand compared to on-hand quantities.

Property, Plant, and Equipment

Property, plant, and equipment values are stated at cost less accumulated depreciation. Maintenance and repair expenditures that do not significantly increase the life of an asset are charged to expense when incurred. Property, plant, and equipment placed in service prior to January 1, 1999 are depreciated over their estimated useful lives, principally, using accelerated methods. Assets placed in service subsequent to January 1, 1999 are depreciated over their estimated useful lives, using straight-line methods. Leasehold improvements are amortized over the shorter of their economic lives or the lease term. Gains and losses arising on the disposal of property, plant and equipment are included in Operating income in the Consolidated Statement of Income.

Capitalized Computer Software Costs

Capitalized computer software costs, net of amortization, were $22.5 million and $20.2 million at December 31, 2019 and 2018, respectively. This balance is reflected in Other long-term assets in the Consolidated Balance Sheet. Capitalized computer software is for internal use and costs primarily consist of purchased materials, external services and salary costs for personnel dedicated to the projects. Software is amortized on a straight-line basis over appropriate periods, generally between three and five years. The Company recorded amortization expense of $9.0 million in 2019, $6.4 million in 2018 and $5.6 million in 2017 relating to capitalized computer software.

Goodwill and Other Intangible Assets

Goodwill represents purchase price in excess of fair values of the underlying net assets of acquired companies. Indefinite-lived intangible assets and goodwill are subject to annual impairment testing using the specific guidance and criteria described in the accounting guidance. The Company performs its goodwill impairment testing as of April 1st of each year, unless circumstances dictate the need for more frequent assessments. The accounting guidance provides entities an option of performing a qualitative assessment (a "step-zero" test) before performing a quantitative analysis. If the entity determines, on the basis of certain qualitative factors, that it is more-likely-than-not that the goodwill is not impaired, the entity would not need to proceed to quantitative goodwill impairment testing process as prescribed in the guidance. The Company applied the "step-zero" test to four of its seven reporting units. Based on that qualitative assessment, the Company concluded it was more-likely-than-not that the fair value of these reporting units exceeded their carrying value and therefore, further quantitative analysis was not required. For the other three reporting units the Company has elected to utilize the quantitative goodwill impairment testing process as permitted in the accounting guidance, by comparing the fair value of the Company's reporting units to their carrying values. If the fair value of the reporting unit exceeds its carrying value, no impairment exists.

Goodwill impairment testing requires judgment, including the identification of reporting units, assigning assets and liabilities to reporting units and determining the fair value of each reporting unit. Significant judgments required to estimate the fair value of reporting units include estimating future cash flows, determining appropriate discount rates and other assumptions. We use internal discounted cash flow estimates to determine fair value. These cash flow estimates are derived from historical experience and future long-term business plans and include assumptions on future sales growth, gross margin, operating margin, terminal growth rate, and the application of an appropriate discount rate. Changes in these estimates and assumptions could affect the determination of fair value and/or goodwill impairment for each reporting unit. The Company believes that its estimated aggregate fair value of its reporting units is reasonable when compared to the Company's market capitalization on the valuation date.

As of April 1, 2019, the impairment testing resulted in implied fair values for each reporting unit that substantially exceeded the reporting unit's carrying value, including goodwill. The Company did not have any reporting units at risk of failing the quantitative impairment test as the excess of the implied fair value significantly exceeded the carrying value of the reporting units. Additionally, the Company did not have any reporting units with zero or negative carrying amounts. The Company has not recorded any goodwill impairments since the initial adoption of the accounting guidance in 2002.

The Company’s intangible assets consist primarily of customer relationships, tradenames, developed technology and patents. Intangible assets with definite lives are amortized over periods generally ranging from 5-30 years. The Company amortizes intangible assets with definite lives using either an accelerated method that reflects the pattern in which economic benefits of the intangible assets are consumed and results in higher amortization in the earlier years of the assets' useful life, or using a straight line method. Approximately 75% of the gross value of definite-lived intangible assets follow an accelerated amortization method. These definite lived intangibles are tested for impairment whenever events or circumstances indicate that the carrying amount of an asset (asset group) may not be recoverable. An impairment loss is recognized when the carrying amount of an asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The Company did not record any material impairments related to its definite lived intangible assets in 2019, 2018 or 2017. The Company also has some tradenames that are considered to be indefinite-lived intangible assets. These indefinite-lived intangible assets are not amortized and are tested for impairment annually, unless circumstances dictate the need for more frequent assessment.

The accounting guidance related to testing indefinite-lived intangible assets for impairment provides entities an option of performing a qualitative assessment before calculating the fair value of the asset. If the entity determines, on the basis of certain qualitative factors, that it is more-likely-than-not that the asset is not impaired, the entity would not need to calculate the fair value of the asset. The Company performed the qualitative assessment which resulted in no impairment in 2019, 2018 and 2017.

Other Long-Lived Assets

The Company reviews depreciable long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. If such a change in circumstances occurs, the related estimated future undiscounted cash flows expected to result from the use of the asset group and its eventual disposition is compared to the carrying amount. If the sum of the expected cash flows is less than the carrying amount, an impairment charge is recorded. The impairment charge is measured as the amount by which the carrying amount exceeds the fair value of the asset. The fair value of impaired assets is determined using expected cash flow estimates, quoted market prices when available and appraisals as appropriate. The Company did not record any material impairment charges in 2019, 2018 or 2017.

Accrued Insurance

The Company retains a significant portion of the risks associated with workers’ compensation, medical, automobile and general liability insurance. The Company estimates self-insurance liabilities using a number of factors, including historical claims experience, demographic factors, and other actuarial assumptions. The accrued liabilities associated with these programs are based on the Company’s estimate of the ultimate costs to settle known claims as well as claims incurred but not reported as of the balance sheet date. The Company periodically reviews the assumptions with a third party actuary to determine the adequacy of these self-insurance reserves.

Accrued Warranty

The Company offers product warranties which cover defects on most of its products. These warranties primarily apply to products that are properly installed, maintained and used for their intended purpose. The Company accrues estimated warranty costs at the time of sale. Estimated warranty expenses, recorded in cost of goods sold, are based upon historical information such as past experience, product failure rates, or the estimated number of units to be repaired or replaced. Adjustments are made to the product warranty accrual as claims are incurred, additional information becomes known or as historical experience indicates. In 2018, the Company assumed warranty obligations with an estimated fair value of $89.4 million in connection with the acquisition of Aclara.

Income Taxes

The Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. The IRS and other tax authorities routinely examine the Company's tax returns. These audits can involve complex issues which may require an extended period of time to resolve. The Company makes adequate provisions for best estimates of exposures on previously filed tax returns. Deferred income taxes are recognized for the tax consequence of differences between financial statement carrying amounts and the tax basis of assets and liabilities by applying the currently enacted statutory tax rates in accordance with the accounting guidance for income taxes. The effect of a change in statutory tax rates is recognized in the period that includes the enactment date. Additionally, deferred tax assets are required to be reduced by a valuation allowance if it is more-likely-than-not that a portion or all of the deferred tax asset will not be realized. The Company uses factors to assess the likelihood of realization of deferred tax assets such as the forecast of future taxable income and available tax planning that could be implemented to realize the deferred tax assets.

In addition, the accounting guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of the tax position taken or expected to be taken in a tax return. For any amount of benefit to be recognized, it must be determined that it is more-likely-than-not that a tax position will be sustained upon examination by taxing authorities based on the technical merits of the position. The amount of benefit to be recognized is based on the Company's assertion of the most likely outcome resulting from an examination, including resolution of any related appeals or litigation processes. Companies are required to reflect only those tax positions that are more-likely-than-not to be sustained.
See Note 13 — Income Taxes for additional information.

Research and Development

Research and development expenditures represent costs to discover and/or apply new knowledge in developing a new product, process, or in bringing about a significant improvement to an existing product or process. Research and development expenses are recorded as a component of Cost of goods sold. Expenses for research and development were approximately 3% of Cost of goods sold in each of 2019, 2018 and in 2017.

Retirement Benefits

The Company maintains various defined benefit pension plans for some of its U.S. and foreign employees. The accounting guidance for retirement benefits requires the Company to recognize the funded status of its defined benefit pension and postretirement plans as an asset or liability in the Consolidated Balance Sheet. Gains or losses, prior service costs or credits, and transition assets or obligations that have not yet been included in net periodic benefit cost as of the end of the year are recognized as components of Accumulated other comprehensive loss, net of tax, within Hubbell shareholders' equity. The Company's policy is to fund pension costs within the ranges prescribed by applicable regulations. In addition to providing defined benefit pension benefits, the Company provides health care and life insurance benefits for some of its active and retired employees. The Company's policy is to fund these benefits through insurance premiums or as actual expenditures are made. See also Note 11 — Retirement Benefits.

Earnings Per Share

Restricted stock granted by the Company is considered a participating security since it contains a non-forfeitable right to dividends. As a result, the earnings per share accounting guidance requires the Company to use the two-class method for calculating earnings per share. The two-class method is an earnings allocation formula that determines earnings per share for common stock and participating securities. Basic earnings per share is calculated as net income available to common shareholders divided by the weighted average number of shares of common stock outstanding. Earnings per diluted share is calculated as net income available to common shareholders divided by the weighted average number of shares outstanding of common stock plus the incremental shares outstanding assuming the exercise of dilutive stock options, stock appreciation rights and performance shares. See also Note 18 — Earnings Per Share.

Stock-Based Compensation

The Company recognizes the grant-date fair value of all stock-based awards on a straight-line basis over their respective requisite service periods (generally equal to an award's vesting period). A stock-based award is considered vested for expense attribution purposes when the retention of the award is no longer contingent on providing subsequent service. Accordingly, the Company generally recognizes compensation cost immediately for awards granted to retirement-eligible individuals or over the period from the grant date to the date retirement eligibility is achieved, if less than the stated vesting period. The expense is recorded in Cost of goods sold and S&A expense in the Consolidated Statement of Income based on the recipients' respective functions within the organization.

The Company records deferred tax assets for awards that will result in deductions on its tax returns, based upon the amount of compensation cost recognized and the statutory tax rate in the jurisdiction in which it will receive a deduction. See also Note 17 — Stock-Based Compensation.

Derivatives

In order to limit financial risk in the management of its assets, liabilities and debt, the Company may use derivative financial instruments such as foreign currency hedges, interest rate hedges and interest rate swaps. All derivative financial instruments are matched with an existing Company asset, liability or proposed transaction. The Company does not speculate or use leverage when trading a derivative product. Market value gains or losses on the derivative financial instrument are recognized in income when the effects of the related price changes of the underlying asset or liability are recognized in income. See Note 14 — Financial Instruments and Fair Value Measurement for more information regarding our derivative instruments.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update (ASU 2016-02) related to the accounting and financial statement presentation for leases. This new guidance requires a lessee to recognize right-of-use ("ROU") assets and lease liabilities on the balance sheet, with an election to exempt leases with a term of 12 months or less. For those leases classified as operating leases, the lessee will recognize a straight-line lease expense, and for those leases classified as financing leases, the lessee will recognize interest expense and amortize the ROU asset.

The Company adopted the requirements of the new standard as of January 1, 2019 and applied the modified retrospective approach, whereby the cumulative effect of adoption is recognized as of the date of adoption and comparative prior periods are not retrospectively adjusted. As a result, upon adoption, we recognized ROU assets of $109.3 million and lease liabilities of $109.3 million associated with our operating leases. The standard had no material impact to retained earnings or on our Consolidated Statements of Income or Consolidated Statements of Cash Flows.

We determine if an arrangement is a lease at inception. Operating leases are included as ROU assets within other long-term assets, other accrued liabilities, and other non-current liabilities in our Consolidated Balance Sheets. Finance leases are included in property, plant, and equipment, net, other accrued liabilities, and other non-current liabilities. The Company's finance leases are immaterial.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. We use an implicit rate when readily determinable. For leases existing as of January 1, 2019, we have elected to use the remaining lease term as of the adoption date in determining the incremental borrowing rate. Our determination of the lease term may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

We have lease agreements with lease and non-lease components, which are generally accounted for separately. Additionally, for our vehicle leases, we apply a portfolio approach regarding the assumed lease term.

We have elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allows us to carryforward the historical lease classification. We also elected a practical expedient to determine the reasonably certain lease term.

In June 2016, the FASB issued an Accounting Standards Update (ASU 2016-13), "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments", which amends the impairment model by requiring entities to use a forward-looking approach based on expected losses rather than incurred losses to estimate credit losses on certain types of financial instruments, including trade receivables. This may result in the earlier recognition of allowances for losses. ASU 2016-13 is effective for periods beginning after December 15, 2019, with early adoption permitted. The standard requires that any impact of adoption is to be recognized as a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The Company does not expect the adoption will have a material impact on results of operations.

In January 2017, the FASB issued an Accounting Standards Update (ASU 2017-04) “Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.” ASU 2017-04 eliminates step two of the goodwill impairment test and specifies that goodwill impairment should be measured by comparing the fair value of a reporting unit with its carrying amount. Additionally, the amount of goodwill allocated to each reporting unit with a zero or negative carrying amount of net assets should be disclosed. ASU 2017-04 is effective for periods beginning after December 15, 2018. The Company adopted the standard during the first quarter of 2019, with no material impact to the consolidated financial statements.

In February 2018, the FASB issued an Accounting Standards Update (ASU 2018-02) providing guidance on reclassifying certain tax effects in Accumulated Other Comprehensive Income (“AOCI”) following the enactment of the TCJA and a reduction of the corporate income tax rate from 35% to 21%. Specifically, the guidance permits a reclassification to retained earnings of the stranded tax effects in AOCI resulting from a revaluation of deferred taxes to the lower tax rate. The guidance is effective for fiscal years beginning after December 15, 2018 including interim periods within those annual periods. The stranded tax effects relate primarily to pension and other employee benefit plans and absent the ASU, the Company’s policy is to release stranded tax effects upon plan termination. The Company elected to reclassify these stranded tax effects in the first quarter of 2019, with the effect of decreasing AOCI and increasing retained earnings by approximately $30.0 million.

In August 2018, the FASB issued an Accounting Standards Update (ASU 2018-15) "Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract", which clarifies the accounting for implementation costs in cloud computing arrangements. ASU 2018-15 is effective in the first quarter of fiscal 2020, and early adoption is permitted. The Company does not expect the adoption will have a material impact on results of operations.

In December 2019, the FASB issued an Accounting Standards Update (ASU 2019-12) "Simplifying the Accounting for Income Taxes", which simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, Income Taxes, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. ASU 2019-12 is effective for fiscal years beginning after December 15, 2020. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company is currently assessing the impact of adopting this standard on its financial statements.

NOTE 2 Revenue

Approximately two-thirds of the Company's net sales are to distributors who then sell directly into the residential, non-residential, industrial, electrical transmission and distribution, and oil and gas end markets. Within the Power segment, our businesses sell to distributors, with the majority of sales to the utility end markets. Our businesses within the Power segment also sell directly into transmission and distribution utility markets.

The following table presents disaggregated revenue by business group (in millions) for the twelve months ended December 31, 2019, 2018 and 2017:

	Twelve Months Ended December 31,		
	2019	2018	2017
Net sales			
Hubbell Commercial and Industrial	$ 902.1	$ 910.8	$ 864.5
Hubbell Construction and Energy	808.7	799.7	732.6
Hubbell Lighting	914.9	950.1	935.7
Hubbell Power Systems	1,965.3	1,821.1	1,136.0
Total net sales	**$ 4,591.0**	**$ 4,481.7**	**$ 3,668.8**

The following table presents disaggregated third-party net sales by geographic location (in millions) for the twelve months ended December 31, 2019, 2018 and 2017 (on a geographic basis, the Company defines "international" in the following table as businesses based outside of the United States and its possessions):

	Twelve Months Ended December 31, 2019			Twelve Months Ended December 31, 2018			Twelve Months Ended December 31, 2017		
	Electrical	Power	Total	Electrical	Power	Total	Electrical	Power	Total
Net sales									
United States	$ 2,358.2	$ 1,832.3	$ 4,190.5	$ 2,365.4	$ 1,675.2	$ 4,040.6	$ 2,229.3	$ 1,051.6	$ 3,280.9
International	267.5	133.0	400.5	295.2	145.9	441.1	303.5	84.4	387.9
Total net sales	**$ 2,625.7**	**$ 1,965.3**	**$ 4,591.0**	**$ 2,660.6**	**$ 1,821.1**	**$ 4,481.7**	**$ 2,532.8**	**$ 1,136.0**	**$ 3,668.8**

Contract Balances

Our contract liabilities consist of advance payments for products as well as deferred revenue on service obligations and extended warranties. The current portion of deferred revenue is included in Other accrued liabilities and the non-current portion of deferred revenue is included in Other non-current liabilities in the Consolidated Balance Sheet.

Contract liabilities were $31.0 million as of December 31, 2019 compared to $27.7 million as of December 31, 2018. The $3.3 million increase in our contract liabilities balance was primarily due to a $22.4 million net increase in current year deferrals primarily due to timing of advance payments on certain orders, partially offset by the recognition of $14.3 million in revenue related to amounts that were recorded in contract liabilities at January 1, 2019 and a $4.8 million decline in contract liabilities relating to the disposition of the Haefely business.The Company has an immaterial amount of contract assets relating to performance obligations satisfied prior to payment that is recorded in Other long-term assets in the Consolidated Balance Sheet. Impairment losses recognized on our receivables and contract assets were immaterial in the twelve months ended December 31, 2019. See Note 1 – Basis of Presentation and Note 3 – Business Acquisitions and Dispositions in the Notes to Consolidated Financial Statements for additional information.

Unsatisfied Performance Obligations

The Company has elected the practical expedient to disclose only the value of unsatisfied performance obligations for contracts with an original expected length greater than one year. Prior to the acquisition of Aclara, the majority of Hubbell's revenues resulted from sales of inventoried products with short periods of manufacture and delivery and thus are excluded from this disclosure. As of December 31, 2019, the Company had approximately $395 million of unsatisfied performance obligations for contracts with an original expected length of greater than one year, primarily relating to long-term contracts of the Aclara business (within the Power segment) to deliver and install meters, metering communications and grid monitoring sensor technology. The Company expects that a majority of the unsatisfied performance obligations will be completed and recognized over the next 3 years.

NOTE 3 Business Acquisitions and Dispositions

2019 Acquisitions

In the fourth quarter of 2019, the Company acquired all of the issued and outstanding shares of Cantega Technologies Inc., including its wholly owned subsidiary Greenjacket Inc., and all of the issued and outstanding shares of Reliaguard Inc. (collectively “Cantega”) for $36.3 million, net of cash acquired. Cantega is a provider of innovative asset protection solutions and services for electrical utilities that complements the Company's existing power systems business. Cantega is reported in the Power segment. We have recognized intangible assets of $20.4 million and goodwill of $14.2 million as a result of this acquisition. The $20.4 million of intangible assets consists primarily of customer relationships and technology and will be amortized over a weighted average period of approximately 12 years using an accelerated method that reflects the pattern in which economic benefits of the intangible assets are consumed and results in higher amortization in the earlier years of the assets' useful life. The goodwill is not deductible for tax purposes.

In the fourth quarter of 2019, the Company also acquired substantially all the assets of Connector Products, Incorporated (“CPI”) for $28.0 million. CPI is a manufacturer of electrical connectors and accessories for power utilities and mass transit systems. CPI is reported in the Electrical segment. We have recognized intangible assets of $12.8 million and goodwill of $10.5 million as a result of this acquisition. The $12.8 million of intangible assets consists primarily of customer relationships and a tradename and will be amortized over a weighted average period of approximately 18 years using an accelerated method that reflects the pattern in which economic benefits of the intangible assets are consumed and results in higher amortization in the earlier years of the assets' useful life. All of the goodwill is expected to be deductible for tax purposes.

In 2019 the Company also completed a $5.0 million asset acquisition, and recognized $4.7 million of goodwill as a result. All of the goodwill is expected to be deductible for tax purposes.

These business acquisitions have been accounted for as business combinations and have resulted in the recognition of goodwill. The goodwill relates to a number of factors implied in the purchase price, including the future earnings and cash flow potential of the businesses as well as the complementary strategic fit and resulting synergies they bring to the Company’s existing operations.

Preliminary Allocation of Consideration Transferred to Net Assets Acquired

The following table presents the preliminary determination of the fair value of identifiable assets acquired and liabilities assumed from the Company's 2019 acquisitions. The final determination of the fair value of certain assets and liabilities will be completed within the one year measurement period as required by the FASB ASC Topic 805, “Business Combinations.” As the Company finalizes the fair value of assets acquired and liabilities assumed, additional purchase price adjustments may be recorded during the measurement period. Fair value estimates are based on a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions. The judgments used to determine the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact the Company's results of operations. The finalization of the purchase accounting assessment may result in a change in the valuation of assets acquired and liabilities assumed and may have a material impact on the Company's results of operations and financial position.

The following table summarizes the preliminary fair values of the assets acquired and liabilities assumed at the date of acquisition related to all transactions (in millions):

Tangible assets acquired	$	21.7
Intangible assets		33.2
Goodwill		29.4
Net deferred taxes		(5.7)
Other liabilities assumed		(9.3)
Total Estimate of Consideration Transferred, Net of Cash Acquired	**$**	**69.3**

The Consolidated Financial Statements include the results of operations of the acquired businesses from their respective dates of acquisition. Net sales and earnings related to these acquisitions for the year ended December 31, 2019 were not significant to the consolidated results. Pro forma information related to these acquisitions has not been included because the impact to the Company’s consolidated results of operations was not material.

Cash used for the acquisition of businesses, net of cash acquired as reported in the Consolidated Statement of Cash Flows for the year ended December 31, 2019 is $70.8 million and includes approximately $1.5 million of deferred purchase price relating to an acquisition completed in a previous year.

2018 Acquisition

On February 2, 2018, the Company completed the acquisition of Aclara for approximately $1.1 billion. Aclara is a leading global provider of smart infrastructure solutions for electric, gas, and water utilities, with advanced metering solutions and grid monitoring sensor technology, as well as leading software enabled installation services. The acquisition was structured as a merger in which Aclara became a wholly owned indirect subsidiary of the Company. Aclara's businesses have been added to the Power segment. The acquisition extends the Power segment's capabilities into smart automation technologies, accelerates ongoing innovation efforts to address utility customer demand for data and integrated solutions, and expands the segment's reach to a broader set of utility customers.

The Company financed the acquisition and related transactions with net proceeds from borrowings under an unsecured term loan facility in an aggregate principal amount of $500 million, the issuance of 3.50% Senior Notes due 2028 in an aggregate principal amount of $450 million and commercial paper borrowings.

Allocation of Consideration Transferred to Net Assets Acquired

The following table presents the determination of the fair value of identifiable assets acquired and liabilities assumed from the Company's acquisition of Aclara. Fair value estimates are based on a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions. The judgments used to determine the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact the Company's results of operations.

The following are the assets acquired and the liabilities assumed by the Company in the Aclara acquisition, reconciled to the acquisition consideration (in millions):

Accounts receivable	$	118.1
Inventories		73.5
Other current assets		8.5
Property, plant and equipment		30.9
Intangible assets		434.0
Accounts payable		(51.8)
Other accrued liabilities		(93.3)
Deferred tax liabilities, net		(42.1)
Other non-current liabilities		(67.7)
Noncontrolling interest		(2.5)
Goodwill		708.7
Total Estimate of Consideration Transferred, Net of Cash Acquired	**$**	**1,116.3**

Cash used for the acquisition of businesses, net of cash acquired as reported in the Consolidated Statement of Cash Flows for the twelve months ended December 31, 2018 is $1,118.0 million and includes approximately $1.7 million of deferred purchase price and net working capital settlements relating to acquisitions completed in previous years.

In connection with the Aclara transaction, the Company recorded goodwill of $708.7 million, which is attributable primarily to expected synergies, expanded market opportunities, and other expected benefits that the Company believes will result from combining its operations with the operations of Aclara. For tax purposes, $159.9 million of the Aclara historical goodwill is deductible. The incremental goodwill created as a result of the acquisition is not deductible for tax purposes. Goodwill has been allocated to the Power segment.

The purchase price allocation to identifiable intangible assets acquired is as follows (in millions, except useful life amounts):

		Estimated Fair Value	Weighted Average Estimated Useful Life
Patents, tradenames and trademarks	$	55.0	20.0
Customer relationships		194.0	18.0
Developed technology		185.0	13.0
Total	**$**	**434.0**	

Customer relationships and developed technology intangible assets acquired are amortized using an accelerated method that reflects the pattern in which economic benefits of the intangible assets are consumed and results in higher amortization in the earlier years of the asset's useful life.

For the year ended December 31, 2018 and 2017, the Company recorded transaction costs of $12.8 million and $7.1 million, respectively, relating to the acquisition of Aclara. These costs were recorded in the respective financial statement line items as follows (in millions):

	Twelve Months Ended December 31,			
		2018		2017
Selling & administrative expense	$	9.5	$	6.7
Interest expense		3.3		0.4
Total Aclara Transaction Costs	**$**	**12.8**	**$**	**7.1**

Supplemental Pro-Forma Data

Aclara's results of operations have been included in the Company's financial statements for the period subsequent to the completion of the acquisition on February 2, 2018. Aclara contributed sales of approximately $611.1 million and operating income of approximately $29.6 million, before any transaction costs described below, for the period from the completion of the acquisition through December 31, 2018.

The following unaudited supplemental pro-forma information presents consolidated results as if the acquisition had been completed on January 1, 2017. The unaudited supplemental pro-forma financial information does not reflect the actual performance of Aclara in the periods presented and does not reflect the potential realization of cost savings relating to the integration of the two companies. Further, the pro-forma data should not be considered indicative of the results that would have occurred if the acquisition and related financing had been consummated on January 1, 2017, nor are they indicative of future results. Per share amounts in 2018 reflect the reduction in the U.S. federal corporate income tax rate from 35% to 21%:

(in millions, except per share amounts)	Twelve Months Ended December 31,	
	2018	2017
Net sales	$ 4,531.2	$ 4,180.9
Net income attributable to Hubbell	$ 376.4	$ 209.8
Earnings Per Share:		
Basic	$ 6.86	$ 3.82
Diluted	$ 6.83	$ 3.81

Dispositions

In August 2019, the Company completed the sale of Haefely Test, AG ("Haefely") for $38.1 million. Haefely designs and manufactures high voltage test equipment and is based in Basel, Switzerland. The Haefely business was previously included within the Electrical segment. Upon disposition, the Haefely business had tangible assets of $32.3 million (primarily composed of cash, accounts receivable, inventories, and property, plant and equipment), goodwill of $3.1 million, total liabilities of $12.2 million (primarily composed of accounts payable, accrued expenses, and cash received in advance from customers) and a $7.7 million balance of cumulative currency translation adjustments recognized within Accumulated other comprehensive income. As a result of the sale of Haefely, we recognized a pre-tax gain of $21.7 million that is included in Total other expense in the Consolidated Statement of Income.

NOTE 4 Receivables and Allowances

Receivables consist of the following components at December 31, (in millions):

	2019	2018
Trade accounts receivable	$ 696.8	$ 739.1
Non-trade receivables	29.9	26.2
Accounts receivable, gross	726.7	765.3
Allowance for credit memos, returns and cash discounts	(36.0)	(35.1)
Allowance for doubtful accounts	(7.7)	(4.8)
Total allowances	(43.7)	(39.9)
ACCOUNTS RECEIVABLE, NET	**$ 683.0**	**$ 725.4**

NOTE 5 Inventories

Inventories are classified as follows at December 31, (in millions):

	2019	2018
Raw material	$ 217.4	$ 220.2
Work-in-process	101.8	110.3
Finished goods	403.6	402.3
	722.8	732.8
Excess of FIFO over LIFO cost basis	(89.8)	(81.8)
INVENTORIES, NET	**$ 633.0**	**$ 651.0**

NOTE 6 Goodwill and Other Intangible Assets

Changes in the carrying amounts of goodwill for the years ended December 31, 2019 and 2018, by segment, were as follows (in millions):

	Segment		
	Electrical	Power	Total
BALANCE AT DECEMBER 31, 2017	**$ 717.6**	**$ 371.4**	**$ 1,089.0**
Current year acquisitions	—	708.7	708.7
Foreign currency translation and prior year acquisitions	(3.5)	(9.8)	(13.3)
BALANCE AT DECEMBER 31, 2018	**$ 714.1**	**$ 1,070.3**	**$ 1,784.4**
Current year acquisitions[1]	15.2	14.2	29.4
Dispositions[1]	(3.1)	—	(3.1)
Foreign currency translation	1.5	(0.4)	1.1
BALANCE AT DECEMBER 31, 2019	**$ 727.7**	**$ 1,084.1**	**$ 1,811.8**

[1] *Refer to Note 3 – Business Acquisitions and Dispositions for additional information.*

In 2019, the Company completed multiple acquisitions. These acquisitions have been accounted for as business combinations and have resulted in the recognition of $29.4 million of goodwill. The Company has not recorded any material goodwill impairments since the initial adoption of the related accounting guidance in 2002.

Identifiable intangible assets are recorded in Intangible assets, net in the Consolidated Balance Sheet. Identifiable intangible assets are comprised of the following (in millions):

	December 31, 2019		December 31, 2018	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Definite-lived:				
Patents, tradenames and trademarks	$ 202.7	$ (65.0)	$ 204.4	$ (58.6)
Customer relationships, developed technology and other	861.0	(270.8)	833.0	(212.6)
TOTAL DEFINITE-LIVED INTANGIBLES	**1,063.7**	**(335.8)**	**1,037.4**	**(271.2)**
Indefinite-lived:				
Tradenames and other	53.6	—	53.3	—
TOTAL INTANGIBLE ASSETS	**$ 1,117.3**	**$ (335.8)**	**$ 1,090.7**	**$ (271.2)**

Amortization expense associated with these definite-lived intangible assets was $72.0 million, $68.9 million and $34.9 million in 2019, 2018 and 2017, respectively. Amortization expense associated with these intangible assets is expected to be $74.3 million in 2020, $72.3 million in 2021, $67.2 million in 2022, $62.4 million in 2023 and $57.0 million in 2024. The Company amortizes intangible assets with definite lives using either an accelerated method that reflects the pattern in which economic benefits of the intangible assets are consumed and results in higher amortization in the earlier years of the assets useful life, or using a straight line method. Approximately 75% of the gross value of definite-lived intangible assets follow an accelerated amortization method.

NOTE 7 Investments

At December 31, 2019 and December 31, 2018, the Company held investments classified as available-for-sale and investments classified as trading securities. Investments classified as available-for-sale consisted of municipal bonds with an amortized cost basis of $50.0 million as of December 31, 2019. In the third quarter of 2019, the Company disposed of an available-for-sale investment in a privately-held company that was previously classified in Level 3 of the fair value hierarchy. Investments classified as trading securities were composed primarily of debt and equity mutual funds and are stated at fair market value based on current quotes.

The following table sets forth selected data with respect to the Company's investments at December 31, (in millions):

	2019					2018				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Carrying Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Carrying Value
Available-for-sale securities	$50.0	$0.8	$(0.1)	$50.7	$50.7	$54.0	$1.1	$(3.9)	$51.2	$51.2
Trading securities	12.0	7.2	—	19.2	19.2	10.1	4.2	—	14.3	14.3
TOTAL INVESTMENTS	**$62.0**	**$8.0**	**$(0.1)**	**$69.9**	**$69.9**	**$64.1**	**$5.3**	**$(3.9)**	**$65.5**	**$65.5**

Contractual maturities of our investments in available-for-sale securities at December 31, 2019 were as follows (in millions):

	Amortized Cost	Fair Value
Available-for-sale securities		
Due within 1 year	$ 14.2	$ 14.2
After 1 year but within 5 years	23.1	23.6
After 5 years but within 10 years	4.9	5.1
Due after 10 years	7.8	7.8
TOTAL	**$ 50.0**	**$ 50.7**

The total unrealized gain/(loss) recognized in the year relating to available-for-sale securities, net of tax, was $2.6 million and $(1.4) million at December 31, 2019 and 2018, respectively. These net unrealized gains/(losses) are included in Accumulated other comprehensive loss, net of tax. Net unrealized gains relating to trading securities have been reflected in the results of operations. The Company uses the specific identification method when identifying the cost basis used to calculate the gain or loss on these securities. Gains and losses for both available-for-sale and trading securities were not material in 2019, 2018 and 2017.

NOTE 8 Property, Plant, and Equipment

Property, plant, and equipment, carried at cost, is summarized as follows at December 31, (in millions):

	2019	2018
Land	$ 37.7	$ 42.2
Buildings and improvements	285.3	277.3
Machinery, tools, and equipment	896.0	863.5
Construction-in-progress	35.3	46.2
Gross property, plant, and equipment	1,254.3	1,229.2
Less accumulated depreciation	(749.1)	(727.1)
PROPERTY, PLANT, AND EQUIPMENT, NET	**$ 505.2**	**$ 502.1**

Depreciable lives on buildings range between 20-45 years. Depreciable lives on machinery, tools, and equipment range between 3-15 years. The Company recorded depreciation expense of $70.0 million, $66.1 million and $57.5 million for 2019, 2018 and 2017, respectively.

NOTE 9 Other Accrued Liabilities

Other accrued liabilities consist of the following at December 31, (in millions):

	2019	2018
Customer program incentives	$ 49.0	$ 52.4
Accrued income taxes	6.0	3.4
Contract liabilities - deferred revenue	31.0	27.7
Customer refund liability	19.0	15.3
Accrued warranties[1]	24.0	33.5
Current operating lease liabilities[2]	29.6	—
Other	103.6	94.3
TOTAL	**$ 262.2**	**$ 226.6**

[1] *Refer to Note 21 – Guarantees for additional information regarding warranties.*
[2] *Current operating lease liabilities are related to the adoption of ASU 2016-02. Refer to Note 1 - Basis of Presentation, in the Notes to Consolidated Financial Statements for additional information.*

NOTE 10 Other Non-Current Liabilities

Other non-current liabilities consists of the following at December 31, (in millions):

	2019	2018
Pensions	$ 198.5	$ 177.0
Other post-employment benefits	21.5	23.7
Deferred tax liabilities	126.8	120.0
Accrued warranties long-term[1]	58.1	59.2
Non-current operating lease liabilities[2]	71.7	—
Other	115.0	116.9
TOTAL	**$ 591.6**	**$ 496.8**

[1] *Refer to Note 21 – Guarantees for additional information regarding warranties.*
[2] *Non-current operating lease liabilities are related to the adoption of ASU 2016-02. Refer to Note 1 - Basis of Presentation, in the Notes to Consolidated Financial Statements for additional information.*

NOTE 11 Retirement Benefits

The Company has funded and unfunded non-contributory U.S. and foreign defined benefit pension plans. Benefits under these plans are generally provided based on either years of service and final average pay or a specified dollar amount per year of service. The U.S. defined benefit pension plan has been closed to new participants since 2004, while the Canadian and UK defined benefit pension plans have been closed to new entrants since 2006 and 2007, respectively. These U.S., Canadian and UK employees are eligible instead for defined contribution plans.

The Company also has a number of health care and life insurance benefit plans covering eligible employees who reached retirement age while working for the Company. These benefits have been discontinued for substantially all future retirees. The Company anticipates future cost-sharing charges for its discontinued plans that are consistent with past practices. The Company uses a December 31 measurement date for all of its plans.

In 2019, the Company approved amendments to the one of its domestic qualified defined benefit pension plans, which froze service accruals for nearly all active participants within the plan effective January 1, 2020. As a result of the amendment, the Company recognized a $0.3 million curtailment charge, net of tax. Effective January 1, 2020, the amortization of unrecognized gains and losses of all of the Company's qualified defined benefit pension plans is recognized over the remaining life expectancy of participants, as nearly all participants are considered inactive as a result of plan amendments.

In the third quarter of 2018, the Company approved amendments to one of its foreign defined benefit pension plans, which closed the plan to future service accruals effective August 31, 2018. As a result of the amendments, in the third quarter of 2018, the Company recognized a curtailment gain of approximately $4.7 million, net of tax, in Accumulated other comprehensive income. In addition, effective August 31, 2018, the amortization of actuarial gains and losses is being recognized over the remaining life expectancy of the participants of this plan, as all participants are considered inactive as a result of the amendment.

In 2018, we completed transactions with a third-party insurer to settle approximately $28 million of projected benefit obligation of our domestic qualified defined benefit pension plans.

The Company's U.S. defined benefit pension plans were approximately 88% of the $938.7 million total pension benefit obligations at December 31, 2019.

The following table sets forth the reconciliation of beginning and ending balances of the benefit obligations and the plan assets for the Company's defined benefit pension and other benefit plans at December 31, (in millions):

	Pension Benefits		Other Benefits	
	2019	2018	2019	2018
Change in benefit obligation				
Benefit obligation at beginning of year	$ 844.3	$ 956.1	$ 26.1	$ 27.0
Acquisitions	—	1.3	—	—
Service cost	2.2	3.8	0.1	0.1
Interest cost	34.6	34.3	1.1	1.0
Plan participants' contributions	0.4	0.4	—	—
Amendments	—	3.6	—	—
Actuarial loss/(gain)	107.0	(72.4)	(2.0)	(0.5)
Curtailment gain	—	(5.7)	—	—
Currency impact	3.6	(5.7)	—	—
Other	0.1	(0.5)	—	—
Benefits paid	(53.5)	(70.9)	(1.5)	(1.5)
Benefit obligation at end of year	$ 938.7	$ 844.3	$ 23.8	$ 26.1
Change in plan assets				
Fair value of plan assets at beginning of year	$ 670.1	$ 738.8	$ —	$ —
Acquisitions	—	1.2	—	—
Actual return on plan assets	106.2	(27.5)	—	—
Employer contributions	16.4	34.0	1.5	1.5
Plan participants' contributions	0.4	0.4	—	—
Currency impact	3.8	(5.9)	—	—
Benefits paid	(53.5)	(70.9)	(1.5)	(1.5)
Fair value of plan assets at end of year	$ 743.4	$ 670.1	$ —	$ —
FUNDED STATUS	**$ (195.3)**	**$ (174.2)**	**$ (23.8)**	**$ (26.1)**
Amounts recognized in the consolidated balance sheet consist of:				
Prepaid pensions (included in Other long-term assets)	$ 8.6	$ 8.0	$ —	$ —
Accrued benefit liability (short-term and long-term)	(203.9)	(182.2)	(23.8)	(26.1)
NET AMOUNT RECOGNIZED IN THE CONSOLIDATED BALANCE SHEET	**$ (195.3)**	**$ (174.2)**	**$ (23.8)**	**$ (26.1)**
Amounts recognized in Accumulated other comprehensive loss (income) consist of:				
Net actuarial loss	$ 263.4	$ 240.8	$ 0.3	$ 2.4
Prior service cost (credit)	3.6	4.1	(0.4)	(1.3)
NET AMOUNT RECOGNIZED IN ACCUMULATED OTHER COMPREHENSIVE LOSS	**$ 267.0**	**$ 244.9**	**$ (0.1)**	**$ 1.1**

The accumulated benefit obligation for all defined benefit pension plans was $933.5 million and $835.6 million at December 31, 2019 and 2018, respectively. Information with respect to plans with accumulated benefit obligations in excess of plan assets is as follows, (in millions):

	2019	2018
Projected benefit obligation	$ 823.8	$ 744.0
Accumulated benefit obligation	$ 819.0	$ 735.4
Fair value of plan assets	$ 620.0	$ 561.7

The following table sets forth the components of pension and other benefit costs for the years ended December 31, (in millions):

	Pension Benefits			Other Benefits		
	2019	2018	2017	2019	2018	2017
Components of net periodic benefit cost:						
Service cost	$ 2.2	$ 3.8	$ 5.9	$ 0.1	$ 0.1	$ 0.1
Interest cost	34.6	34.3	37.2	1.1	1.0	1.0
Expected return on plan assets	(30.7)	(33.5)	(34.1)	—	—	—
Amortization of prior service cost (credit)	0.2	0.1	0.1	(0.9)	(0.8)	(1.0)
Amortization of actuarial losses (gains)	9.6	10.5	11.4	0.1	—	—
Curtailment and settlement losses	0.3	—	0.4	—	—	—
Net periodic benefit cost	$ 16.2	$ 15.2	$ 20.9	$ 0.4	$ 0.3	$ 0.1
Changes recognized in other comprehensive loss (income), before tax:						
Current year net actuarial loss (gain)	$ 31.5	$ (15.8)	$ 4.2	$ (2.0)	$ (0.4)	$ 1.4
Current year prior service credit	—	2.0	0.3	—	—	—
Amortization of prior service (cost) credit	(0.2)	(0.1)	(0.1)	0.9	1.0	1.0
Amortization of net actuarial (losses) gains	(9.6)	(10.5)	(11.4)	(0.1)	(0.2)	—
Currency impact	0.7	(1.3)	3.5	—	—	—
Other adjustments	(0.3)	—	(0.4)	—	—	—
Total recognized in other comprehensive loss	22.1	(25.7)	(3.9)	(1.2)	0.4	2.4
TOTAL RECOGNIZED IN NET PERIODIC PENSION COST AND OTHER COMPREHENSIVE LOSS	**$ 38.3**	**$ (10.5)**	**$ 17.0**	**$ (0.8)**	**$ 0.7**	**$ 2.5**

The Company also maintains five primary defined contribution pension plans. The total cost of the Company's defined contribution plans was $23.4 million in 2019, $22.5 million in 2018 and $19.8 million in 2017, excluding the employer match for the 401(k) plan. This cost is not included in the above net periodic benefit cost for the defined benefit pension plans.

In 2018 and 2019 the Company participated in one multi-employer defined benefit pension plan. The Company participated in another multi-employer pension plan that it withdrew from in 2017. The Company's total contributions while participating in these plans was $0.2 million in 2019, $0.2 million in 2018, and $0.4 million in 2017.

The risks of participating in multi-employer plans are different from single-employer plans in that assets contributed are pooled and may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may have to be assumed by the remaining participant employers. If we choose to stop participating in a multi-employer plan we may be required to pay those plans a withdrawal liability based on the unfunded status of the plan.

In 2016, the Company recorded a charge of $12.5 million in Cost of goods sold representing the estimated withdrawal liability from a multi-employer plan from which it subsequently withdrew in 2017. In March 2019, the remaining employer in that multi-employer pension plan filed for protection under Chapter 11 of the United States Bankruptcy Code and was proceeding towards liquidation as of June 2019. It was therefore deemed probable that the Company would be subject to mass withdrawal liability under the terms customary to multi-employer plans. Further, the trustees of the pension fund announced the termination of the multi-employer pension plan and declared the amounts attributed to the other employer uncollectable. In December 2019, the Company entered into a settlement agreement with the multi-employer pension plan. As a result, the Company recognized an additional $8.5 million net charge in 2019 to settle the mass withdrawal obligation and a $10.0 million cash payment in the fourth quarter of 2019, with remaining cash payments of $6.0 million and $5.0 million due in 2020 and 2021, respectively.

Assumptions

The following assumptions were used to determine the projected benefit obligations at the measurement date and the net periodic benefit cost for the year:

	Pension Benefits			Other Benefits		
	2019	2018	2017	2019	2018	2017
Weighted-average assumptions used to determine benefit obligations at December 31,						
Discount rate	3.17%	4.24%	3.67%	3.30%	4.40%	3.70%
Rate of compensation increase	2.94%	3.25%	3.24%	4.00%	4.05%	4.00%
Weighted-average assumptions used to determine net periodic benefit cost for years ended December 31,						
Discount rate	4.24%	3.67%	4.12%	4.40%	3.70%	4.10%
Expected return on plan assets	4.75%	4.68%	4.94%	N/A	N/A	N/A
Rate of compensation increase	3.25%	3.24%	3.55%	4.05%	4.00%	3.93%

At the end of each year, the Company determines the appropriate expected return on assets for each plan based upon its strategic asset allocation (see discussion below). In making this determination, the Company utilizes expected returns for each asset class based upon current market conditions and expected risk premiums for each asset class.

The Company also determines the discount rate to be used to calculate the present value of pension plan liabilities at the end of each year. The discount rate for the Company's U.S. and Canadian pension plans is determined by matching the expected cash flows associated with its benefit obligations to the expected cash flows of a hypothetical portfolio of high quality, fixed income debt instruments with maturities that closely match the expected funding period of its pension liabilities. As of December 31, 2019, the Company used a discount rate of 3.30% for its U.S. pension plans compared to a discount rate of 4.40% used in 2018. For its Canadian pension plan, the Company used a discount rate of 3.00% as of December 31, 2019 compared to the 3.60% discount rate used in 2018.

For its UK pension plan the discount rate was derived using a full yield curve and uses plan specific cash flows. The derived discount rate is the single discount rate equivalent to discounting these liability cash flows at the term-dependent spot rate of AA corporate bonds. This methodology resulted in a December 31, 2019 discount rate for the UK pension plan of 2.10% as compared to a discount rate of 2.90% used in 2018.

In 2019 we changed the mortality table used to calculate the present value of our pension plan liabilities from the RP-2014 mortality table, with generational projection from 2006 using Scale MP-2018 to the Pri-2012 mortality table, with generational projection from 2012 using Scale MP-2019. That change did not have a material impact to the projected benefit obligation of our U.S. plans upon remeasurement at December 31, 2019. The Pri-2012 mortality table, with generational projection from 2012 using Scale MP-2019 was chosen as the best estimate based on the observed and anticipated experience of the plans after considering alternative tables.

The rate of compensation increase assumption reflects the Company's actual experience and best estimate of future increases.

The assumed health care cost trend rates used to determine the projected postretirement benefit obligation are as follows:

	Other Benefits		
	2019	2018	2017
Assumed health care cost trend rates at December 31,			
Health care cost trend assumed for next year	6.6%	6.8%	7.0%
Rate to which the cost trend is assumed to decline	5.0%	5.0%	5.0%
Year that the rate reaches the ultimate trend rate	2028	2028	2028

Plan Assets

The Company's combined targeted 2020 weighted average asset allocation for domestic and foreign pension plans and the actual weighted average asset allocation for domestic and foreign pension plans at December 31, 2019 and 2018 by asset category are as follows:

	Percentage of Plan Assets		
	Target	Actual	
Asset Category	**2020**	**2019**	**2018**
Equity securities	22%	25%	19%
Debt securities & Cash	76%	73%	67%
Alternative Investments	2%	2%	14%
TOTAL	**100%**	**100%**	**100%**

At the end of each year, the Company estimates the expected long-term rate of return on pension plan assets based on the strategic asset allocation for its plans. In making this determination, the Company utilizes expected rates of return for each asset class based upon current market conditions and expected risk premiums for each asset class. The Company has written investment policies and asset allocation guidelines for its domestic and foreign pension plans. In establishing these policies, the Company has considered that its various pension plans are a major retirement vehicle for most plan participants and has acted to discharge its fiduciary responsibilities with regard to the plans solely in the interest of such participants and their beneficiaries. The goal underlying the establishment of the investment policies is to provide that pension assets shall be invested in a prudent manner and so that, together with the expected contributions to the plans, the funds will be sufficient to meet the obligations of the plans as they become due.

To achieve this result, the Company conducts a periodic strategic asset allocation study to form a basis for the allocation of pension assets between various asset categories. Specific policy benchmark percentages are assigned to each asset category with minimum and maximum ranges established for each. The assets are then tactically managed within these ranges. Derivative investments include futures contracts used by the plan to adjust the level of its investments within an asset allocation category. The actual and target percentages reported in the preceding table reflect the economic exposure to each asset category, including the impact of derivative positions. All futures contracts are 100% supported by cash or cash equivalent investments. At no time may derivatives be utilized to leverage the asset portfolio. At December 31, 2019 and 2018, there were no holdings of Company stock in pension plan assets.

The Company's other post-employment benefits are unfunded; therefore, no asset information is reported.

The fair value of the Company's pension plan assets at December 31, 2019 and 2018, by asset category are as follows (in millions):

Asset Category	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Market for Similar Asset (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Priced Using Net Asset Value
Cash and cash equivalents	$ 16.6	$ 16.6	$ —	$ —	$ —
Equity securities:					
Equity Mutual Funds	31.6	31.6	—	—	—
Common Pooled Equity Funds [(b)]	144.0	—	144.0	—	—
Fixed Income Securities:					
U.S. Treasuries	64.5	—	64.5	—	—
State and Local Municipal Bonds	9.4	—	9.4	—	—
Sovereign Debt	7.6	—	7.6	—	—
Corporate Bonds [(c)]	122.9	0.1	122.8	—	—
Fixed Income Mutual Funds	54.2	54.2	—	—	—
Common Pooled Fixed Income Funds [(d)]	252.3	—	252.3	—	—
Alternative Investment Funds [(e)]	18.1	—	0.9	—	17.2
Common Pooled Funds [(f)]	22.2	0.5	21.7	—	—
BALANCE AT DECEMBER 31, 2019	**$ 743.4**	**$ 103.0**	**$ 623.2**	**$ —**	**$ 17.2**

Asset Category	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Market for Similar Asset (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Priced Using Net Asset Value
Cash and cash equivalents	$ 47.0	$ 47.0	$ —	$ —	$ —
Equity securities:					
U.S. Large-cap [(g)]	8.2	8.2	—	—	—
U.S. Mid-cap and Small-cap Growth [(h)]	3.1	3.1	—	—	—
International Large-cap	8.6	8.6	—	—	—
Emerging Markets [(a)]	13.3	8.1	5.2	—	—
Common Pooled Equity Funds [(b)]	12.7	—	12.7	—	—
Fixed Income Securities:					
U.S. Treasuries	378.0	—	378.0	—	—
Corporate Bonds [(c)]	0.3	0.3	—	—	—
Asset Backed Securities and Other	22.8	—	22.8	—	—
Common Pooled Fixed Income Funds [(d)]	61.8	—	57.6	—	4.2
Derivatives:					
Assets [(i)]	8.2	8.0	0.2	—	—
(Liabilities) [(i)]	(7.9)	(6.9)	(1.0)	—	—
Alternative Investment Funds [(e)]	96.8	11.6	3.3	—	81.9
Common Pooled Funds [(f)]	17.7	0.9	16.8	—	—
BALANCE AT DECEMBER 31, 2018	**$ 670.6**	**$ 88.9**	**$ 495.6**	**$ —**	**$ 86.1**

(a) Includes open ended emerging markets mutual funds.
(b) Investments in Common Pooled Equity Funds, including funds and fund products investing in various equity securities
(c) Includes primarily investment grade bonds from diverse industries
(d) Investments in Common Pooled Fixed Income Funds, including funds and fund products investing in various fixed income investments
(e) Includes investments in hedge funds, including fund of funds products and open end mutual funds
(f) Investments in Common Pooled Funds, consisting of equities and fixed income securities
(g) Includes an actively managed portfolio of large-cap U.S. stocks.
(h) Includes an investment in a small cap open ended mutual fund.
(i) Includes primarily U.S. and foreign equity futures as well as foreign fixed income futures and positions in U.S. Treasury futures to adjust the duration of the portfolio.

Investments priced using Net Asset Value ("NAV") within Alternative Investment Funds in the preceding tables consist of fund of fund products. These products invest in a number of investment funds managed by a diversified group of third-party investment managers who employ a variety of alternative investment strategies, including relative value, security selection, distressed value, global macro, specialized credit and directional strategies. The objective of these funds is to achieve the desired capital appreciation with lower volatility than either traditional equity or fixed income securities.

Contributions

The Company made $10.4 million of contributions to its qualified defined benefit pension plans in 2019, including $10.0 million of U.S. voluntary contributions that were not required under the Pension Protection Act of 2006. Further, as stated earlier within this Note 11, the Company entered into a settlement agreement with a multi-employer pension plan in December of 2019 and, pursuant to that agreement, made a $10.0 million cash payment in the fourth quarter of 2019, with remaining scheduled cash payments of $6.0 million and $5.0 million due in 2020 and 2021, respectively. The Company expects to contribute approximately $4.3 million to its foreign plans in 2020.

Estimated Future Benefit Payments

The following domestic and foreign benefit payments, which reflect future service, as appropriate, are expected to be paid as follows, (in millions):

	Pension Benefits	Other Benefits
2020	$ 53.9	$ 2.2
2021	$ 53.2	$ 2.1
2022	$ 54.8	$ 2.0
2023	$ 55.3	$ 1.9
2024	$ 55.2	$ 1.8
2025-2028	$ 270.3	$ 7.5

NOTE 12 Debt

The following table sets forth the Company's long-term debt at December 31, (in millions):

	Maturity	2019	2018
Senior notes at 3.625%	2022	$ 298.8	$ 298.3
Senior notes at 3.35%	2026	395.7	395.1
Senior notes at 3.15%	2027	295.9	295.4
Senior notes at 3.50%	2028	444.0	443.3
Term loan, net of current portion of $34.4 and $25 million, respectively	2023	71.6	305.0
TOTAL LONG-TERM DEBT[(a)]		**$ 1,506.0**	**$ 1,737.1**

[(a)] *Long-term debt is presented net of debt issuance costs and unamortized discounts.*

In February 2018, the Company completed a public offering of $450 million of senior, unsecured, notes maturing in February 2028 and bearing interest at a fixed rate of 3.50% (the "2028 Notes"). Net proceeds from the issuance of the 2028 Notes were $442.6 million after deducting the discount on such notes and offering expenses paid by the Company. The 2028 Notes are callable at any time at specified prices and are only subject to accelerated payment prior to maturity upon customary events of a default under the indenture governing the 2028 Notes, as modified by the supplemental indenture creating such notes, or upon a change in control triggering event as defined in such indenture.

In January 2018, the Company entered into the Term Loan Agreement. The Term Loan Agreement provided the Company, with the ability to borrow, in a single borrowing on the Aclara acquisition date, up to $500 million on an unsecured basis to partially finance the Aclara acquisition (the "Term Loan"). On February 2, 2018, the Company borrowed $500 million under the Term Loan Agreement. The interest rate applicable to borrowings under the Term Loan Agreement is generally either adjusted LIBOR plus an applicable margin (determined by a ratings based grid) or the alternate base rate. The principal amount of borrowings under the Term Loan Agreement amortize in equal quarterly installments of 5% per year in year one, 5% per year in year two, 7.5% per year in year three, 10% per year in year four, 10% per year in year five, and any remaining borrowings under the Term Loan Agreement are due and payable in full in February 2023. The Company may also make principal payments in excess of the amortization schedule at its discretion. Proceeds of the 2028 Notes and Term Loan were used to fund the Aclara acquisition.

In December 2019, the Company made discretionary payments of $200 million against the outstanding principal amount of the Term Loan. The sole financial covenant in the Term Loan Agreement requires that total debt not exceed 65% of total capitalization as of the last day of each fiscal quarter of the Company. The Company was in compliance with this covenant as of December 31, 2019 and 2018.

In January 2018, the Company entered into the 2018 Credit Facility with a syndicate of lenders that provides a $750 million committed revolving credit facility. In connection with the acquisition of Aclara, the Company terminated all commitments under the Company's previous 2015 credit facility. Commitments under the 2018 Credit Facility may be increased to an aggregate amount not to exceed $1.250 billion. The interest rate applicable to borrowings under the 2018 Credit Facility is generally either adjusted LIBOR plus an applicable margin (determined by a ratings based grid) or the alternate base rate. The 2018 Credit Facility expires in February 2023. The sole financial covenant in the 2018 Credit Facility requires that total debt not exceed 65% of total capitalization as of the last day of each fiscal quarter of the Company. The Company was in compliance with this covenant as of December 31, 2019. As of December 31, 2019, the Company has not drawn against the 2018 Credit Facility.

In August 2017, the Company completed a public debt offering of $300 million of long-term unsecured, unsubordinated notes maturing in August 2027 and bearing interest at a fixed rate of 3.15% (the "2027 Notes"). Net proceeds from the issuance were $294.6 million after deducting the discount on the notes and offering expenses paid by the Company.

In September 2017, the Company applied the net proceeds from the 2027 Notes to redeem all of its $300 million outstanding long-term, unsecured, unsubordinated notes maturing in 2018 and bearing interest at a fixed rate of 5.95% (the "2018 Notes"). In connection with this redemption, the Company recognized a loss on the early extinguishment of the 2018 Notes of $10.1 million on a before-tax basis.

In March 2016, the Company completed a public debt offering of $400 million of long-term unsecured, unsubordinated notes maturing in March 2026 and bearing interest at a fixed rate of 3.35% (the "2026 Notes"). Net proceeds from the issuance were $393.4 million after deducting the discount on the notes and offering expenses paid by the Company.

In November 2010, the Company completed a public debt offering for $300 million of long-term unsecured, unsubordinated notes maturing in November 2022 (“2022 Notes”) and bearing interest at a fixed rate of 3.625%. Prior to the issuance of the 2022 Notes, the Company entered into a forward interest rate lock which resulted in a $1.6 million loss. This amount was recorded in Accumulated other comprehensive loss, net of tax, and is being amortized over the life of the 2022 Notes.

The 2022 Notes, 2026 Notes, 2027 Notes and 2028 Notes, are all fixed rate indebtedness, are callable at any time with a make whole premium and are only subject to accelerated payment prior to maturity in the event of a default (including as a result of the Company's failure to meet certain non-financial covenants) under the indenture governing the notes, as modified by the supplemental indentures creating such notes, or upon a change in control triggering event as defined in such indenture. The Company was in compliance with all non-financial covenants as of December 31, 2019.

At December 31, 2019 and 2018, the Company had $65.4 million and $56.1 million, respectively, of short-term debt outstanding composed of;

- $26.0 million of commercial paper borrowings outstanding at December 31, 2019 and 2018.
- $34.4 million at December 31, 2019 and $25.0 million at December 31, 2018, respectively, of long-term debt classified as short-term within current liabilities in the Consolidated Balance Sheets, reflecting maturities within the next twelve months relating to our borrowing under the Term Loan.
- $5.0 million at December 31, 2019 and $5.1 million at December 31, 2018, respectively, of borrowings to support our international operations in China.

Other information related to short-term debt at December 31, is summarized below:

	2019	2018
Interest rate on short-term debt:		
At year end	2.59%	3.21%

The Company also maintains other lines of credit that are primarily used to support the issuance of letters of credit. Interest rates and other terms of borrowing under these lines of credit vary from country to country, depending on local market conditions. At December 31, 2019 and 2018 these lines totaled $23.0 million and $54.8 million, respectively, of which $15.7 million and $20.3 million was utilized to support letters of credit and the remaining amount was unused. The annual commitment fees associated with these lines of credit are not material.

Interest and fees paid related to total indebtedness was $62.8 million, $59.5 million and $47.9 million in 2019, 2018 and 2017, respectively. The $47.9 million paid in 2017 includes $9.9 million related to the make whole payment for the extinguishment of the 2018 Notes.

NOTE 13 Income Taxes

The following table sets forth selected data with respect to the Company's income tax provisions for the years ended December 31, (in millions):

	2019	2018	2017
Income before income taxes:			
United States	$ 406.7	$ 360.8	$ 354.7
International	113.8	106.2	88.4
TOTAL INCOME BEFORE INCOME TAXES	**$ 520.5**	**$ 467.0**	**$ 443.1**
Provision for income taxes — current:			
Federal	$ 65.0	$ 12.3	$ 164.1
State	16.6	21.8	15.3
International	25.4	17.8	28.1
Total provision — current	107.0	51.9	207.5
Provision for income taxes — deferred:			
Federal	8.6	35.0	(10.4)
State	0.5	9.4	(0.9)
International	(3.0)	4.6	(3.0)
Total provision — deferred	6.1	49.0	(14.3)
TOTAL PROVISION FOR INCOME TAXES	**$ 113.1**	**$ 100.9**	**$ 193.2**

As a result of the enactment of TCJA on December 22, 2017, the Company recognized a provisional estimate of $56.5 million in the fourth quarter of 2017 to account for specific income tax effects of the TCJA for which a reasonable estimate could be determined. During 2018, the Company completed its analysis of the specific income tax effects of TCJA and recognized a net tax benefit of approximately $6 million from adjustments to the prior provisional estimates and to record amounts related to items for which a prior provisional estimate had not been made.

Deferred tax assets and liabilities result from differences in the basis of assets and liabilities for tax and financial statement purposes. The components of the deferred tax assets/(liabilities) at December 31, were as follows (in millions):

	2019	2018
Deferred tax assets:		
Inventories	$ 10.1	$ 6.2
Right-of-use assets	24.8	—
Income tax credits	26.9	24.5
Accrued liabilities	37.8	35.9
Pension	53.4	49.6
Post retirement and post employment benefits	6.0	6.6
Stock-based compensation	9.7	13.1
Loss Carryforwards	21.3	22.2
Miscellaneous other	11.9	8.8
Gross deferred tax assets	201.9	166.9
Valuation allowance	(29.0)	(21.8)
Total deferred tax assets, net of valuation allowance	172.9	145.1
Deferred tax liabilities:		
Liability on undistributed foreign earnings	(8.6)	(10.9)
Goodwill and Intangibles	(212.3)	(206.4)
Lease liabilities	(24.2)	—
Property, plant, and equipment	(48.4)	(41.4)
Total deferred tax liabilities	(293.5)	(258.7)
TOTAL NET DEFERRED TAX LIABILITY	**$ (120.6)**	**$ (113.6)**
Deferred taxes are reflected in the Consolidated Balance Sheet as follows:		
Non-current tax assets (included in Other long-term assets)	6.2	6.4
Non-current tax liabilities (included in Other Non-Current Liabilities)	(126.8)	(120.0)
TOTAL NET DEFERRED TAX LIABILITY	**$ (120.6)**	**$ (113.6)**

As of December 31, 2019, the Company had a total of $26.9 million of U.S. federal, state (net of federal benefit) and foreign tax credit carryforwards, available to offset future income taxes. As of December 31, 2019, $15.5 million of the tax credits may be carried forward indefinitely while the remaining $11.4 million will begin to expire at various times in 2020 through 2036. As of December 31, 2019, the Company had recorded tax benefits totaling $20.1 million for U.S. federal, state and foreign net operating loss carryforwards ("NOLs"). As of December 31, 2019, $7.4 million of NOLs may be carried forward indefinitely while the remaining $12.7 million will begin to expire at various times in 2021 through 2038. The tax benefit related to a portion of these NOLs has been adjusted to reflect an "ownership change" pursuant to Internal Revenue Code Section 382, which imposes an annual limitation on the utilization of pre-acquisition operating losses. The Company has recorded a net valuation allowance of $29.0 million for the portion of the foreign tax and state tax credit carryforwards, capital loss carryforwards and foreign NOLs that the Company anticipates will expire prior to utilization.

During 2019, the Company repatriated certain of its foreign earnings. As of December 31, 2019, the Company also anticipates repatriating certain of its foreign earnings in the future. The accompanying financial statements reflect the income tax expense associated with actual and anticipated remittances related to certain of our outside basis differences. The Company has not provided for the income tax effects of distributing the remaining approximately $250 million of undistributed foreign earnings as those amounts are either permanently reinvested or intended to be reinvested in our international operations. It is not practicable to estimate the tax cost associated with a remittance of such earnings.

Cash payments of income taxes were $91.9 million, $106.3 million and $130.8 million in 2019, 2018, and 2017, respectively.

The Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. The IRS and other tax authorities routinely audit the Company's tax returns. These audits can involve complex issues which may require an extended period of time to resolve. The Company is not currently under U.S. federal examination for any open tax year. With few exceptions, the Company is no longer subject to state, local, or income tax examinations by tax authorities for years prior to 2015.

The following tax years, by major jurisdiction, are still subject to examination by taxing authorities:

Jurisdiction	Open Years
United States	2016-2019
UK	2018-2019
Puerto Rico	2015-2019
Canada	2015-2019

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in millions):

	2019	2018	2017
Unrecognized tax benefits at beginning of year	$ 38.9	$ 29.5	$ 20.2
Additions based on tax positions relating to the current year	7.0	3.8	13.6
Reductions based on expiration of statute of limitations	(5.2)	(1.7)	(1.4)
Additions to tax positions relating to previous years	1.6	7.4	1.0
Settlements	(0.4)	(0.1)	(3.9)
TOTAL UNRECOGNIZED TAX BENEFITS	**$ 41.9**	**$ 38.9**	**$ 29.5**

Included in the balance at December 31, 2019 are approximately $33.4 million of tax positions which, if in the future are determined to be recognizable, would affect the annual effective income tax rate. Additionally, there are $5.2 million of tax positions for which the ultimate deductibility is highly certain but for which there is uncertainty as to the timing of such deductibility. Because of the impact of deferred tax accounting, other than interest and penalties, the disallowance of the shorter deductibility period would not affect the annual effective tax rate but would accelerate the payment of cash to the applicable taxing authority to an earlier period. It is reasonably possible that in the next twelve months, because of changes in facts and circumstances, the unrecognized tax benefits may increase or decrease.

The Company estimates a possible decrease of approximately $5.0 million to $7.0 million within the next twelve months due to the expiration of the statute of limitations.

The Company's policy is to record interest and penalties associated with the underpayment of income taxes within Provision for income taxes in the Consolidated Statement of Income. The Company recognized expense, before federal tax impact, related to interest and penalties of approximately $0.1 million in 2019, $1.8 million in 2018 and $0.5 million in 2017. The Company had $7.1 million and $7.0 million accrued for the payment of interest and penalties as of December 31, 2019 and December 31, 2018, respectively.

The consolidated effective income tax rate varied from the United States federal statutory income tax rate for the years ended December 31, as follows:

	2019	2018	2017
Federal statutory income tax rate	21.0 %	21.0 %	35.0 %
State income taxes, net of federal benefit	2.8	4.5	1.2
Foreign income taxes	(0.7)	(1.1)	(3.1)
Federal R&D Credit	(1.2)	(1.0)	(1.0)
TCJA and related	—	(1.3)	12.8
Other, net	(0.2)	(0.5)	(1.3)
CONSOLIDATED EFFECTIVE INCOME TAX RATE	**21.7 %**	**21.6 %**	**43.6 %**

The foreign income tax benefit shown is primarily due to lower statutory rates in foreign jurisdictions compared to the Federal statutory income tax rate. The TCJA and related benefit in 2018 is primarily related to net favorable adjustments to the TCJA provisional estimate recorded in 2017.

NOTE 14 Financial Instruments and Fair Value Measurement

Financial Instruments

Concentrations of Credit Risk: Financial instruments which potentially subject the Company to significant concentrations of credit risk consist of trade receivables, cash equivalents and investments. The Company grants credit terms in the normal course of business to its customers. Due to the diversity of its product lines, the Company has an extensive customer base including electrical distributors and wholesalers, electric utilities, equipment manufacturers, electrical contractors, telecommunication companies and retail and hardware outlets. No single customer accounted for more than 10% of total sales in any year during the three years ended December 31, 2019. However, the Company's top ten customers account for approximately 41% of its net sales. As part of its ongoing procedures, the Company monitors the credit worthiness of its customers. Bad debt write-offs have historically been minimal. The Company places its cash and cash equivalents with financial institutions and limits the amount of exposure in any one institution.

Fair Value: The carrying amounts reported in the Consolidated Balance Sheet for cash and cash equivalents, short-term investments, receivables, bank borrowings, accounts payable and accruals approximate their fair values given the immediate or short-term nature of these items. See also Note 7 — Investments.

Fair value measurements

At December 31, 2019 and 2018 the Company had $69.9 million and $65.5 million respectively, of investments carried on the balance sheet at fair value. Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The FASB fair value measurement guidance established a fair value hierarchy that prioritizes the inputs used to measure fair value. Refer to Note 7 — Investments for more information about these investments.

The three broad levels of the fair value hierarchy are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly

Level 3 - Unobservable inputs for which little or no market data exists, therefore requiring a company to develop its own assumptions

The following tables show, by level within the fair value hierarchy, the Company's financial assets and liabilities that are accounted for at fair value on a recurring basis at December 31, 2019 and 2018 (in millions):

Asset (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Unobservable inputs for which little or no market data exists (Level 3)	Total
Money market funds [(a)]	$ 27.5	$ —	$ —	$ 27.5
Available for sale investments	—	50.7	—	50.7
Trading securities	19.2	—	—	19.2
Deferred compensation plan liabilities	(19.2)	—	—	(19.2)
Derivatives:				
Forward exchange contracts-Assets [(b)]	—	—	—	—
Forward exchange contracts-(Liabilities) [(c)]	—	(0.3)	—	(0.3)
BALANCE AT DECEMBER 31, 2019	**$ 27.5**	**$ 50.4**	**$ —**	**$ 77.9**

Asset (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Quoted Prices in Active Markets for Similar Assets (Level 2)	Unobservable inputs for which little or no market data exists (Level 3)	Total
Money market funds [(a)]	$ 15.1	$ —	$ —	$ 15.1
Time Deposits [(a)]	—	20.9	—	20.9
Available-for-sale investments	—	48.9	2.3	51.2
Trading securities	14.3	—	—	14.3
Deferred compensation plan liabilities	(14.3)	—	—	(14.3)
Derivatives:				
Forward exchange contracts-Assets [(b)]	—	1.6	—	1.6
Forward exchange contracts-(Liabilities) [(c)]	—	—	—	—
BALANCE AT DECEMBER 31, 2018	**$ 15.1**	**$ 71.4**	**$ 2.3**	**$ 88.8**

(a) Money market funds and time deposits are included in Cash and cash equivalents in the Consolidated Balance Sheet.
(b) Forward exchange contracts-Assets are reflected in Other current assets in the Consolidated Balance Sheet.
(c) Forward exchange contracts-(Liabilities) are reflected in Other accrued liabilities in the Consolidated Balance Sheet.

The methods and assumptions used to estimate the Level 2 fair values were as follows:

Forward exchange contracts – The fair value of forward exchange contracts were based on quoted forward foreign exchange prices at the reporting date.

Municipal bonds – The fair value of available-for-sale investments in municipal bonds is based on observable market-based inputs, other than quoted prices in active markets for identical assets.

Available-for-sale redeemable preferred stock classified in Level 3 – The fair value of the available-for-sale investment in redeemable preferred stock is valued based on a discounted cash flow model, using significant unobservable inputs, including assumptions regarding expected cash flows and discount rates.

As of December 31, 2018, the Company had one financial asset that was classified in Level 3 of the fair value hierarchy. In the third quarter of 2019, the Company disposed of an available-for-sale investment that was previously classified in Level 3 of the fair value hierarchy.

Deferred compensation plan

The Company offers certain employees the opportunity to participate in non-qualified deferred compensation plans. A participant's deferrals are invested in a variety of participant-directed debt and equity mutual funds that are classified as trading securities. During 2019 and 2018, the Company purchased $3.2 million and $2.7 million, respectively, of trading securities related to these deferred compensation plans. As a result of participant distributions, the Company sold $1.3 million and $1.5 million of these trading securities in 2019 and 2018 respectively. The unrealized gains and losses associated with these trading securities are directly offset by the changes in the fair value of the underlying deferred compensation plan obligation.

Derivatives

In order to limit financial risk in the management of its assets, liabilities and debt, the Company may use derivative financial instruments such as foreign currency hedges, commodity hedges, interest rate hedges and interest rate swaps. All derivative financial instruments are matched with an existing Company asset, liability or proposed transaction. Market value gains or losses on the derivative financial instrument are recognized in income when the effects of the related price changes of the underlying asset or liability are recognized in income.

Forward exchange contracts

In 2019 and 2018, the Company entered into a series of forward exchange contracts to purchase U.S. dollars in order to hedge its exposure to fluctuating rates of exchange on anticipated inventory purchases and forecasted sales by its subsidiaries who transact business in Canadian dollars. As of December 31, 2019, the Company had 36 individual forward exchange contracts for notional amounts which range from $0.5 million to $1.6 million each, which have various expiration dates through December 2020. These contracts have been designated as cash flow hedges in accordance with the accounting guidance for derivatives.

The following table summarizes the results of cash flow hedging relationships for years ended December 31, (in millions):

	Derivative Gain/(Loss) Recognized in Accumulated Other Comprehensive Loss, net of tax		Location of Gain/(Loss) when reclassified	Gain/(Loss) Reclassified into Earnings (Effective Portion), net of tax	
Derivative Instrument	**2019**	**2018**	**(Effective Portion)**	**2019**	**2018**
Forward exchange contract	$ (0.8)	$ 1.9	Net sales	$ 0.2	$ 0.1
			Cost of goods sold	$ 0.3	$ 0.2

There was no material hedge ineffectiveness with respect to the forward exchange cash flow hedges during 2019, 2018 and 2017.

Long-term Debt

The total carrying value of long-term debt including the $34.4 million current portion of the Term Loan as of December 31, 2019 was $1,540.4 million, net of unamortized discount and debt issuance costs. As of December 31, 2019 the total carrying value of long-term debt was 1,506.0 million, net of unamortized discount and debt issuance costs. As of December 31, 2019 and 2018, the estimated fair value of the long-term debt was $1,592.2 million and $1,688.1 million, respectively, based on quoted market prices. The Company's long-term debt falls within level 2 of the fair value hierarchy.

NOTE 15 Commitments and Contingencies

Legal and Environmental

The Company is subject to various legal proceedings arising in the normal course of its business. These proceedings include claims for damages arising out of use of the Company's products, intellectual property, workers' compensation and environmental matters. The Company is self-insured up to specified limits for certain types of claims, including product liability and workers' compensation, and is fully self-insured for certain other types of claims, including environmental and intellectual property matters. The Company recognizes a liability for any contingency that in management's judgment is probable of occurrence and can be reasonably estimated. We continually reassess the likelihood of adverse judgments and outcomes in these matters, as well as estimated ranges of possible losses based upon an analysis of each matter which includes advice of outside legal counsel and, if applicable, other experts.

As previously reported, in the fourth quarter of 2016, the Company recorded a charge of $12.5 million in Cost of goods sold representing the estimated withdrawal liability from the multi-employer plans from which it subsequently withdrew in 2017. In March 2019, the remaining employer in that multi-employer pension plan filed for protection under Chapter 11 of the United States Bankruptcy Code and was proceeding towards liquidation as of June 2019. As a result of the other employer's withdrawal from the pension plan and the plan's termination, under the terms customary to multi-employer pension plans, it was probable that the Company would be subject to mass withdrawal liability. In December 2019, the Company entered into a settlement agreement with the multi-employer pension plan. As a result, the Company recognized an additional $8.5 million net charge in 2019 to settle the mass withdrawal obligation and a $10.0 million cash payment in the fourth quarter of 2019, with remaining cash payments of $6.0 million and $5.0 million due in 2020 and 2021, respectively.

The Company is subject to environmental laws and regulations which may require that it investigate and remediate the effects of potential contamination associated with past and present operations as well as those acquired through business combinations. Environmental liabilities are recorded when remedial efforts are probable and the costs can be reasonably estimated. The Company continues to monitor these environmental matters and revalues its liabilities as necessary. Total environmental liabilities were $8.0 million and $8.5 million as of December 31, 2019 and 2018, respectively.

The Company accounts for conditional asset retirement and environmental obligations in accordance with the applicable accounting guidance. The accounting guidance defines "conditional asset retirement obligation" as a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the Company. Accordingly, an entity is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated. Asset retirement obligations were not material as of December 31, 2019 and 2018.

NOTE 16 Capital Stock

Activity in the Company's common shares outstanding is set forth below for the three years ended December 31, 2019 (in thousands):

	Common Stock
OUTSTANDING AT DECEMBER 31, 2016	**55,532**
Exercise of stock options/stock appreciation rights	53
Director compensation arrangements, net	10
Restricted/performance shares activity, net of forfeitures	89
Acquisition/surrender of shares	(802)
OUTSTANDING AT DECEMBER 31, 2017	**54,882**
Exercise of stock appreciation rights	66
Director compensation arrangements, net	11
Restricted/performance shares activity, net of forfeitures	165
Acquisition/surrender of shares	(409)
OUTSTANDING AT DECEMBER 31, 2018	**54,715**
Exercise of stock appreciation rights	84
Director compensation arrangements, net	10
Restricted/performance shares activity, net of forfeitures	39
Acquisition/surrender of shares	(334)
OUTSTANDING AT DECEMBER 31, 2019	**54,514**

For accounting purposes, the Company treats repurchased shares as constructively retired when acquired and accordingly charges the purchase price against Common Stock par value, Additional paid-in capital and Retained earnings to the extent required. Shares may be repurchased through the Company's stock repurchase program, acquired by the Company from employees or surrendered to the Company by employees in settlement of their minimum tax liability on vesting of restricted shares and performance shares under the Hubbell Incorporated 2005 Incentive Award Plan as amended and restated, (the "Award Plan").

Shares of the Company's common stock were reserved at December 31, 2019 as follows (in thousands):

	Common Stock
Future grant of stock-based compensation	2,333
Shares reserved under other equity compensation plans	152
TOTAL	**2,485**

NOTE 17 Stock-Based Compensation

As of December 31, 2019, the Company had various stock-based awards outstanding which were issued to executives and other key employees. The Company recognizes the grant-date fair value of all stock-based awards to employees over their respective requisite service periods (generally equal to an award's vesting period), net of estimated forfeitures. A stock-based award is considered vested for expense attribution purposes when the employee's retention of the award is no longer contingent on providing subsequent service. For those awards that vest immediately upon retirement eligibility, the Company recognizes compensation cost immediately for retirement-eligible individuals or over the period from the grant date to the date retirement eligibility is achieved, if less than the stated vesting period.

The Company's long-term incentive program for awarding stock-based compensation includes a combination of restricted stock, stock appreciation rights ("SARs"), and performance shares of the Company's Common Stock pursuant to the Award Plan. Under the Award Plan, the Company may authorize up to 9.7 million shares of Common Stock to settle awards of restricted stock, performance shares, or SARs. The Company issues new shares to settle stock-based awards. In 2019, the Company's grant of stock-based awards, primarily issued in connection with promotions during 2019, included restricted stock and SARs.

Stock-based compensation expense recognized by the Company was $16.4 million in 2019, $24.2 million in 2018 and $22.3 million in 2017, and was lower in 2019 as the Company shifted the timing of its annual grant from the fourth quarter of 2019 to the first quarter of 2020. The total income tax benefit recognized was $2.2 million in 2019, $5.3 million in 2018, and $5.4 million in 2017. The net tax windfall recorded as a result of exercise or vesting (depending on the type of award) was $3.3 million, $2.4 million, and $2.5 million in 2019, 2018 and 2017, respectively. As of December 31, 2019, there was $14.2 million, pretax, of total unrecognized compensation cost related to non-vested share-based compensation arrangements. This cost is expected to be primarily recognized through 2021.

Stock-based compensation expense is recorded in S&A expense as well as Cost of goods sold. Of the total 2019 expense, $15.4 million was recorded to S&A expense and $1.0 million was recorded to Cost of goods sold. In 2018 and 2017, $23.4 million and $21.1 million, respectively, was recorded to S&A expense and $0.8 million and $1.2 million, respectively, was recorded to Cost of goods sold. Stock-based compensation costs capitalized to inventory was $0.2 million in 2019, $0.2 million in 2018 and $0.3 million in 2017.

Each of the compensation arrangements is discussed below.

Restricted Stock

The Company issues various types of restricted stock awards all of which are considered outstanding at the time of grant, as the award holders are entitled to dividends and voting rights. Unvested restricted stock awards are considered participating securities when computing earnings per share. Restricted stock grants are not transferable and are subject to forfeiture in the event of the recipient's termination of employment prior to vesting.

Restricted Stock Issued to Employees - Service Condition

Restricted stock awards that vest based upon a service condition are expensed on a straight-line basis over the requisite service period. These awards generally vest in three equal installments on each of the first three anniversaries of the grant date, however in December 2018 and July 2019 the company granted a certain number of these awards that vest on the third year anniversary of the grant date. The fair value of these awards is measured by the average of the high and low trading prices of the Company's common stock on the most recent trading day immediately preceding the grant date ("measurement date").

Restricted Stock Issued to Employees - Market Condition

The Company granted certain restricted stock awards that vest subject to the achievement of a market-based condition (referred to a performance based restricted stock, or PBRS). These awards were granted to certain employees in 2016 and 2017. No PBRS awards were granted in 2018 or 2019. PBRS awards are expensed on a straight-line basis over the requisite service period which starts on the date of the grant and ends upon the completion of the performance period. Expense is recognized irrespective of the market condition being achieved.

PBRS awards will be earned if the Company's relative TSR performance over a three year period is equal to or exceeds the 20th percentile as compared to the TSR of other companies in the S&P Capital Goods 900 Index, and service through the requisite service period or the retirement-eligibility date. If this market-based condition is achieved, the awards will vest at 100% of the number of awards granted. If the market-based condition is not achieved the awards will not vest. The fair value of these awards was determined based upon a lattice model.

The three year performance period for awards granted in 2016 ended on December 31, 2019. The performance condition was met and approximately 19,500 shares vested and were approved by the Compensation Committee in February 2020. The fair value of the shares at vesting was approximately $2.9 million.

The following table summarizes the assumptions used in estimating the fair value of the outstanding PBRS:

Grant Date	Stock Price on Measurement Date	Expected Volatility	Risk Free Interest Rate	Expected Term	Weighted Avg. Grant Date Fair Value
2017	$ 127.51	24.7%	1.9%	3 Years	$ 119.88

Restricted Stock Issued to Non-employee Directors

In 2019, 2018 and 2017, each non-employee director received a restricted stock grant. These grants are made on the date of the annual meeting of shareholders and vest at the following year's annual meeting of shareholders, or upon certain other events. The grant is subject to forfeiture if the director's service terminates prior to the date of the next regularly scheduled annual meeting of shareholders. During 2019, 2018 and 2017, the Company granted 8,216 shares, 9,376 shares, and 8,480 shares, respectively, to non-employee directors.

Activity related to both employee and non-employee restricted stock for the year ended December 31, 2019 is as follows (in thousands, except per share amounts):

	Shares	Weighted Average Grant Date Fair Value/Share
RESTRICTED STOCK AT DECEMBER 31, 2018	**284**	**$ 108.40**
Shares granted	18	127.89
Shares vested	(84)	105.70
Shares forfeited	(20)	110.71
RESTRICTED STOCK AT DECEMBER 31, 2019	**198**	**$ 110.89**

The weighted average fair value per share of restricted stock granted in 2019, 2018 and 2017 was $127.89, $108.74 and $123.39, respectively. The total fair value of restricted stock vested in 2019, 2018 and 2017 was $8.9 million, $8.6 million and $6.6 million, respectively.

Stock Appreciation Rights

SARs grant the holder the right to receive, once vested, the value in shares of the Company's Common Stock equal to the positive difference between the grant price, as determined using the mean of the high and low trading prices of the Company's Common Stock on the measurement date, and the fair market value of the Company's Common Stock on the date of exercise. This amount is payable in shares of the Company's Common Stock. SARs vest and become exercisable in three equal installments during the first three years following the grant date and expire ten years from the grant date.

Activity related to SARs for the year ended December 31, 2019 is as follows (in thousands, except per share amounts):

	Number of Rights	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
OUTSTANDING AT DECEMBER 31, 2018	**2,111**	**$ 107.01**		
Granted	40	129.28		
Exercised	(474)	94.72		
Forfeited	(93)	115.63		
Canceled	(12)	128.32		
OUTSTANDING AT DECEMBER 31, 2019	**1,572**	**$ 110.66**	**6.8 Years**	**$ 58,410**
EXERCISABLE AT DECEMBER 31, 2019	**1,198**	**$ 109.01**	**6.2 Years**	**$ 46,497**

The aggregated intrinsic value of SARs exercised during 2019, 2018 and 2017 was $17.8 million, $14.1 million and $10.1 million, respectively.

The fair value of each SAR award was measured using the Black-Scholes option pricing model.

The following table summarizes the weighted-average assumptions used in estimating the fair value of the SARs granted during the years 2019, 2018 and 2017:

Grant Date	Expected Dividend Yield	Expected Volatility	Risk Free Interest Rate	Expected Term	Weighted Avg. Grant Date Fair Value of 1 SAR
2019	2.7%	22.7%	1.8%	5.5 Years	$ 21.25
2018	2.9%	21.7%	2.8%	5.5 Years	$ 18.23
2017	2.6%	18.0%	2.2%	5.5 Years	$ 17.45

The expected dividend yield was calculated by dividing the Company’s expected annual dividend by the average stock price for the past three months. Expected volatilities are based on historical volatilities of the Company’s stock for a period consistent with the expected term. The expected term of SARs granted was based upon historical exercise behavior of stock options and SARs. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for the expected term of the award.

Performance Shares

Performance shares represent the right to receive a share of the Company’s Common Stock subject to the achievement of certain market or performance conditions established by the Company’s Compensation Committee and measured over a three year period. Partial vesting in these awards may occur after separation from the Company for retirement eligible employees. Shares are not vested until approved by the Company’s Compensation Committee.

Performance Shares - Performance and Market Conditions

In December 2018, the Company granted 60,008 shares that will vest subject to a performance condition and service requirement. The number of shares vested is then modified by a market condition as described below.

Thirty-four percent of shares granted will vest based on Hubbell’s compounded annual growth rate of net sales as compared to that of the companies that comprise the S&P Capital Goods 900 index. Thirty-three percent of shares granted will vest based on achieved operating margin performance as compared to internal targets, and thirty-three percent of shares granted will vest based on achieved trade working capital as a percent of net sales as compared to internal targets. Each of these performance conditions is measured over the same three-year performance period. The cumulative result of these performance conditions can result in a number of shares earned in the range of 0% - 200% of the target number of shares granted. That cumulative performance achieved is then further modified based on the Company' three year TSR relative to the companies that constitute the S&P Capital Goods 900 index, to potentially increase or reduce the shares earned by 20%.

The fair value of the award was determined based upon a lattice model. The Company expenses these awards on a straight-line basis over the requisite service period and including an assessment of the performance achieved to date. The weighted average fair value per share was $98.80 for the awards granted in 2018.

Grant Date	Shares Outstanding at 12/31/2019	Fair Value	Performance Period	Payout Range
2018	51,062	$ 98.80	Jan 2019-Dec 2021	0-200% +/- 20%

Performance Shares - Market Condition

In December 2017, the Company granted 24,675 performance shares that will vest subject to a market condition and service through the performance period. The market condition associated with the awards is the Company's TSR compared to the TSR generated by the companies of a reference index over a performance period of three years. Performance at target will result in vesting and a number of shares earned equal to 100% of shares granted. Performance below or above target can result in a number of shares earned in the range of 0%-200% of shares granted. Expense is recognized irrespective of the market condition being achieved.

In February 2020, approximately 17,000 shares vested related to the December 2016 performance award grant and were approved by the Compensation Committee. The performance period associated with this award was from January 1, 2017 through December 31, 2019 and was based upon the Company's TSR compared to the TSR generated by the other companies that comprise the S&P Capital Goods 900 index. The number of shares vested in February 2020 was based upon achieving 72% of the market based criteria and the fair value of the awards at vesting was approximately $2.5 million.

The fair value of the performance share awards with a market condition for the fiscal year 2017 was determined based upon a lattice model.

The following table summarizes the related assumptions used to determine the fair values of the performance share awards with a market condition granted during 2017:

Grant Date	Stock Price on Measurement Date	Dividend Yield	Expected Volatility	Risk Free Interest Rate	Expected Term	Weighted Avg. Grant Date Fair Value
2017	$ 127.51	2.4%	24.7%	1.9%	3 Years	$ 142.89

Expected volatilities are based on historical volatilities of the Company's stock over a three year period. The risk free interest rate is based on the U.S. Treasury yield curve in effect at the time of the grant for the expected term of the award.

Performance Shares - Performance Condition

In December 2017 the Company granted 24,675 performance shares that are subject to a performance condition and service requirement during the performance period of three years. The performance condition associated with the awards is based on the Company's relative sales growth compared to the relative sales growth of the companies of a reference index, further adjusted by the Company achieving a target net income margin, each measured over the same three year performance period. Performance at target will result in vesting and a number of shares earned equal to 100% of shares granted. Performance below or above target can result in a number of shares earned in the range of 0%-250% of shares granted.

In May 2019, the Company paid out 47,693 shares related to the December 2015 performance award grant. The performance period associated with this award was from January 1, 2016 through December 31, 2018 and was based upon the Company’s net sales growth compared to the net sales growth by the other companies that comprise the S&P Capital Goods 900 Index. The number of shares vested in May 2019 was based upon achieving 160% of the market-based criteria and the fair value of the awards at vesting was $6.2 million.

The fair value of the award is measured based upon the average of the high and low trading prices of the Company's common stock on the measurement date reduced by the present value of dividends expected to be paid during the requisite service period. The Company expenses these awards on a straight-line basis over the requisite service period, including an assessment of the performance achieved to date.

The following table summarizes the attributes of the performance shares granted in 2016 and 2017 and outstanding at December 31, 2019:

Grant Date	Shares Outstanding at 12/31/2019	Fair Value	Performance Period	Payout Range
2017	19,389	$ 118.55	Jan 2018 - Dec 2020	0-250%
2016	23,276	$ 105.48	Jan 2017 - Dec 2019	0-250%

NOTE 18 Earnings Per Share

The Company computes earnings per share using the two-class method, which is an earnings allocation formula that determines earnings per share for common stock and participating securities. Restricted stock granted by the Company is considered a participating security since it contains a non-forfeitable right to dividends.

The following table sets forth the computation of earnings per share for the three years ended December 31 (in millions, except per share amounts):

	2019	2018	2017
Numerator:			
Net income attributable to Hubbell	$ 400.9	$ 360.2	$ 243.1
Less: Earnings allocated to participating securities	(1.5)	(1.3)	(0.8)
Net income available to common shareholders	$ 399.4	$ 358.9	$ 242.3
Denominator:			
Average number of common shares outstanding	54.4	54.6	54.8
Potential dilutive shares	0.3	0.3	0.3
Average number of diluted shares outstanding	54.7	54.9	55.1
Earnings per share:			
Basic	$ 7.35	$ 6.57	$ 4.42
Diluted	$ 7.31	$ 6.54	$ 4.39

The Company did not have any significant anti-dilutive securities in 2019, 2018 or 2017.

NOTE 19 Accumulated Other Comprehensive Loss

A summary of the changes in Accumulated other comprehensive loss (net of tax) for the three years ended December 31, 2019 is provided below (in millions):

(Debit) credit	Cash Flow Hedge (Loss) Gain	Unrealized Gain (Loss) on Available-for-Sale Securities	Pension and Post Retirement Benefit Plan Adjustment	Cumulative Translation Adjustment	Total
BALANCE AT DECEMBER 31, 2016	**$ —**	**$ (1.2)**	**$ (180.5)**	**$ (120.8)**	**$ (302.5)**
Other comprehensive income (loss) before Reclassifications	(1.7)	0.6	(3.4)	28.9	24.4
Amounts reclassified from accumulated other comprehensive loss	0.9	—	7.4	—	8.3
Current period other comprehensive income (loss)	(0.8)	0.6	4.0	28.9	32.7
BALANCE AT DECEMBER 31, 2017	**$ (0.8)**	**$ (0.6)**	**$ (176.5)**	**$ (91.9)**	**$ (269.8)**
Other comprehensive income (loss) before Reclassifications	1.9	(1.4)	10.4	(33.9)	(23.0)
Amounts reclassified from accumulated other comprehensive loss	(0.3)	—	7.4	—	7.1
Current period other comprehensive income (loss)	1.6	(1.4)	17.8	(33.9)	(15.9)
BALANCE AT DECEMBER 31, 2018	**$ 0.8**	**$ (2.0)**	**$ (158.7)**	**$ (125.8)**	**$ (285.7)**
Other comprehensive income (loss) before Reclassifications	(0.8)	0.8	(21.5)	3.7	(17.8)
Amounts reclassified from accumulated other comprehensive loss	(0.5)	1.8	7.0	(7.7)	0.6
Current period other comprehensive income (loss)	(1.3)	2.6	(14.5)	(4.0)	(17.2)
Reclassification of stranded tax effects	—	—	(30.0)	—	(30.0)
BALANCE AT DECEMBER 31, 2019	**$ (0.5)**	**$ 0.6**	**$ (203.2)**	**$ (129.8)**	**$ (332.9)**

A summary of the gain (loss) reclassifications out of Accumulated other comprehensive loss for the two years ended December 31 is provided below (in millions):

Details about Accumulated Other Comprehensive Loss Components	2019	2018	Location of Gain (Loss) Reclassified into Income
Cash flow hedges gain (loss):			
Forward exchange contracts	$ 0.3	$ 0.1	Net Sales
	0.4	0.3	Cost of goods sold
	0.7	0.4	Total before tax
	(0.2)	(0.1)	Tax (expense) benefit
	$ 0.5	**$ 0.3**	Gain (loss) net of tax
Amortization of defined benefit pension and post retirement benefit items:			
Prior-service costs	$ 0.7 (a)	$ 0.9 (a)	
Actuarial gains/(losses)	(9.7) (a)	(10.7) (a)	
Settlement and curtailment losses	(0.3) (a)	— (a)	
	(9.3)	(9.8)	Total before tax
	2.3	2.4	Tax benefit (expense)
	$ (7.0)	**$ (7.4)**	(Loss) gain net of tax
Reclassification of gains (losses) on available-for-sale securities	$ (1.8)	$ —	Other expense, net
	—	—	Tax benefit (expense)
	$ (1.8)	**$ —**	(Loss) gain net of tax
Reclassification of currency translation gain	$ 7.7	$ —	Gain on disposition of business (Note 3)
	—	—	Tax benefit (expense)
	$ 7.7	**$ —**	Gain (loss) net of tax
Gains (losses) reclassified into earnings	**$ (0.6)**	**$ (7.1)**	(Loss) gain net of tax

(a) These accumulated other comprehensive loss components are included in the computation of net periodic pension cost (see Note 11 — Retirement Benefits for additional details).

NOTE 20 Industry Segments and Geographic Area Information

Nature of Operations

Hubbell designs, manufactures and sells quality electrical and electronic products for a broad range of non-residential and residential construction, industrial and utility applications. Products are either sourced complete, manufactured or assembled by subsidiaries in the United States, Canada, Puerto Rico, China, Mexico, the UK, Brazil, Australia, Spain and Ireland. Hubbell also participates in joint ventures in Taiwan, Hong Kong, and the Philippines and maintains offices in Singapore, Italy, China, India, Mexico, South Korea, Chile and countries in the Middle East. Each of the above references to manufacturing locations, joint venture participation, and office locations relate to the three year period ending December 31, 2019.

The Company's reporting segments consist of the Electrical segment and the Power segment, as described below.

The Electrical segment comprises businesses that sell stock and custom products including standard and special application wiring device products, rough-in electrical products, connector and grounding products, lighting fixtures and controls, components and assemblies for the natural gas distribution market and other electrical equipment. The products are typically used in and around industrial, commercial and institutional facilities by electrical contractors, maintenance personnel, electricians, utilities, and telecommunications companies. In addition, certain of our businesses design and manufacture industrial controls and communication systems used in the non-residential and industrial markets. Many of these products are designed such that they can also be used in harsh and hazardous locations where a potential for fire and explosion exists due to the presence of flammable gasses and vapors. Harsh and hazardous products are primarily used in the oil and gas (onshore and offshore) and mining industries. There are also a variety of lighting fixtures, wiring devices and electrical products that have residential and utility applications, including residential products with Internet-of-Things ("IoT") enabled technologies. These products are primarily sold through electrical and industrial distributors, home centers, retail and hardware outlets, lighting showrooms and residential product oriented internet sites. Special application products are primarily sold through wholesale distributors to contractors, industrial customers and OEMs. High voltage products are also sold direct to customers through our sales engineers. The Electrical segment comprises three business groups, which have been aggregated as they have similar economic characteristics, customers and distribution channels, among other factors.

The Power segment consists of operations that design and manufacture various distribution, transmission, substation and telecommunications products primarily used by the electrical utility industry. In addition, certain of these products are used in the civil construction, water utility, and transportation industries. Products are sold to distributors and directly to users such as utilities, telecommunication companies, pipeline and mining operations, industrial firms, construction and engineering firms. The 2018 acquisition of Aclara expanded offerings, to include advanced metering infrastructure, meter and edge devices, software and infrastructure services, which are primarily sold to the electrical, water, and gas utility industries.

Financial Information

Financial information by industry segment, product class and geographic area for each of the three years ended December 31, 2019, 2018 and 2017 is summarized below (in millions). When reading the data the following items should be noted:

- Net sales comprise sales to unaffiliated customers — inter-segment and inter-area sales are not significant.
- Segment operating income consists of net sales less operating expenses, including total corporate expenses, which are generally allocated to each segment on the basis of the segment's percentage of consolidated net sales. Interest expense and investment income and other expense, net have not been allocated to segments as these items are centrally managed by the Company.
- General corporate assets not allocated to segments are principally cash, prepaid pensions, investments and deferred taxes. These assets have not been allocated as they are centrally managed by the Company.

INDUSTRY SEGMENT DATA

	2019	2018	2017
Net Sales:			
Electrical	$ 2,625.7	$ 2,660.6	$ 2,532.8
Power	1,965.3	1,821.1	1,136.0
TOTAL NET SALES	**$ 4,591.0**	**$ 4,481.7**	**$ 3,668.8**
Operating Income:			
Electrical	$ 320.1	$ 320.8	$ 294.0
Power	276.5	236.1	224.8
Operating Income	**$ 596.6**	**$ 556.9**	**$ 518.8**
Gain on disposition of business (Note 3)	21.7	—	—
Multi-employer pension charge (Note 15)	(8.5)	—	—
Interest expense	(69.4)	(72.4)	(44.9)
Loss on extinguishment of debt	—	—	(10.1)
Investment income and other expense, net	(19.9)	(17.5)	(20.7)
INCOME BEFORE INCOME TAXES	**$ 520.5**	**$ 467.0**	**$ 443.1**
Assets:			
Electrical	$ 2,197.8	$ 2,228.5	$ 2,344.7
Power	2,401.3	2,395.8	1,102.2
General Corporate	303.9	247.8	273.7
TOTAL ASSETS	**$ 4,903.0**	**$ 4,872.1**	**$ 3,720.6**
Capital Expenditures:			
Electrical	$ 45.8	$ 53.0	$ 48.0
Power	45.4	36.8	29.0
General Corporate	2.7	6.4	2.7
TOTAL CAPITAL EXPENDITURES	**$ 93.9**	**$ 96.2**	**$ 79.7**
Depreciation and Amortization:			
Electrical	$ 65.0	$ 61.4	$ 64.7
Power	86.0	87.0	33.5
TOTAL DEPRECIATION AND AMORTIZATION	**$ 151.0**	**$ 148.4**	**$ 98.2**

GEOGRAPHIC AREA DATA

	2019	2018	2017
Net Sales:			
United States	$ 4,190.5	$ 4,040.6	$ 3,280.9
International	400.5	441.1	387.9
TOTAL NET SALES	**$ 4,591.0**	**$ 4,481.7**	**$ 3,668.8**
Operating Income:			
United States	$ 529.7	$ 478.0	$ 435.8
International	66.9	78.9	83.0
TOTAL OPERATING INCOME	**$ 596.6**	**$ 556.9**	**$ 518.8**
Long-lived Assets:			
United States	$ 2,950.4	$ 2,972.4	$ 1,877.4
International	372.2	245.0	232.8
TOTAL LONG-LIVED ASSETS	**$ 3,322.6**	**$ 3,217.4**	**$ 2,110.2**

On a geographic basis, the Company defines “international” as operations based outside of the United States and its possessions. As a percentage of total net sales, shipments from foreign operations directly to third parties were 9% in 2019, 10% in 2018 and 11% in 2017, with the UK and Canadian operations representing approximately 29%, and 29% respectively, of 2019 total international net sales.

Long-lived assets, excluding deferred tax assets, of international subsidiaries were 11% of the consolidated total in 2019, 8% in 2018 and 11% in 2017, with the UK, Spain, and Canada operations representing approximately 31%, 21%, and 16%, respectively, of the 2019 international total. Export sales from United States operations were $262.7 million in 2019, $261.9 million in 2018 and $217.2 million in 2017.

NOTE 21 Guarantees

The Company records a liability equal to the fair value of guarantees in the Consolidated Balance Sheet in accordance with the accounting guidance for guarantees. When it is probable that a liability has been incurred and the amount can be reasonably estimated, the Company accrues for costs associated with guarantees. The most likely costs to be incurred are accrued based on an evaluation of currently available facts and, where no amount within a range of estimates is more likely, the minimum is accrued.

As of December 31, 2019, the fair value and maximum potential payment related to the Company's guarantees were not material.

The Company offers product warranties which cover defects on most of its products. These warranties primarily apply to products that are properly installed, maintained and used for their intended purpose. The Company accrues estimated warranty costs at the time of sale. Estimated warranty expenses, recorded in cost of goods sold, are based upon historical information such as past experience, product failure rates, or the estimated number of units to be repaired or replaced. Adjustments are made to the product warranty accrual as claims are incurred, additional information becomes known or as historical experience indicates.

Changes in the accrual for product warranties in 2019 are set forth below (in millions):

BALANCE AT DECEMBER 31, 2017	**$**	**14.0**
Provision		12.0
Expenditures/other		(22.7)
Acquisitions[(a)]		89.4
BALANCE AT DECEMBER 31, 2018	**$**	**92.7**
Provision		15.8
Expenditures/other		(26.4)
BALANCE AT DECEMBER 31, 2019[(b)]	**$**	**82.1**

(a) *Relates to the Aclara acquisition. Refer to Note 3 – Business Acquisitions for additional information.*

(b) *Refer to Note 9 – Other Accrued Liabilities and Note 10 – Other Non-Current Liabilities for a breakout of short-term and long-term warranties.*

NOTE 22 Restructuring Costs

During 2019, we incurred costs for restructuring actions initiated in 2019 as well as costs relating to restructuring actions initiated in the prior year. Our restructuring actions are associated with cost reduction efforts that include the consolidation of manufacturing and distribution facilities, as well as, workforce reductions and the sale or exit of business units we determine to be non-strategic. Restructuring costs are primarily severance and employee benefits, asset impairments, as well as facility closure, contract termination and certain pension costs that are directly related to restructuring actions. These costs are predominantly settled in cash from our operating activities and are generally settled within one year, with the exception of asset impairments, which are non-cash.

Pre-tax restructuring costs incurred in each of our segments and the location of the costs in the Consolidated Statement of Income for the years ended December 31, 2019, 2018 and 2017 are as follows (in millions):

	Twelve Months Ended December 31, 2019			Twelve Months Ended December 31, 2018			Twelve Months Ended December 31, 2017		
	Electrical	Power	Total	Electrical	Power	Total	Electrical	Power	Total
Restructuring costs									
Cost of goods sold	$ 12.5	$ 9.8	$ 22.3	$ 4.9	$ 3.3	$ 8.2	$ 11.5	$ 2.2	$ 13.7
S&A expense	8.0	1.7	9.7	3.4	0.4	3.8	5.4	1.2	6.6
Total restructuring costs	**$ 20.5**	**$ 11.5**	**$ 32.0**	**$ 8.3**	**$ 3.7**	**$ 12.0**	**$ 16.9**	**$ 3.4**	**$ 20.3**

The following table summarizes the accrued liabilities for our restructuring actions (in millions):

	Beginning Accrued Restructuring Balance 1/1/19	Pre-tax Restructuring Costs	Utilization and Foreign Exchange	Ending Accrued Restructuring Balance 12/31/19
2019 Restructuring Actions				
Severance	$ —	$ 16.6	$ (8.3)	$ 8.3
Asset write-downs	—	4.8	(4.8)	—
Facility closure and other costs	—	7.7	(7.6)	0.1
Total 2019 Restructuring Actions	**$ —**	**$ 29.1**	**$ (20.7)**	**$ 8.4**
2018 and Prior Restructuring Actions				
Severance	$ 7.7	$ 0.3	$ (5.0)	$ 3.0
Asset write-downs	—	0.3	(0.3)	—
Facility closure and other costs	13.3	2.3	(9.6)	6.0
Total 2018 and Prior Restructuring Actions	**$ 21.0**	**$ 2.9**	**$ (14.9)**	**$ 9.0**
Total Restructuring Actions	**$ 21.0**	**$ 32.0**	**$ (35.6)**	**$ 17.4**

The actual and expected pre-tax costs for our restructuring actions are as follows (in millions):

	Expected Costs	Costs incurred in 2017	Costs incurred in 2018	Costs incurred in 2019	Remaining costs at 12/31/19
2019 Restructuring Actions					
Electrical Segment	$ 21.2	$ —	$ —	$ 18.3	$ 2.9
Power Segment	21.0	—	—	10.8	10.2
Total 2019 Restructuring Actions	**$ 42.2**	**$ —**	**$ —**	**$ 29.1**	**$ 13.1**
2018 Restructuring Actions					
Electrical Segment	$ 12.5	$ —	$ 8.6	$ 2.2	$ 1.7
Power Segment	4.8	—	4.1	0.7	—
Total 2018 Restructuring Actions	**$ 17.3**	**$ —**	**$ 12.7**	**$ 2.9**	**$ 1.7**
2017 and Prior Restructuring Actions					
Electrical Segment	$ 16.6	$ 16.9	$ (0.3)	$ —	$ —
Power Segment	3.0	3.4	(0.4)	—	—
Total 2017 and Prior Restructuring Actions	**$ 19.6**	**$ 20.3**	**$ (0.7)**	**$ —**	**$ —**
Total Restructuring Actions	**$ 79.1**	**$ 20.3**	**$ 12.0**	**$ 32.0**	**$ 14.8**

NOTE 23 Leases

Our operating leases primarily consist of office space, certain manufacturing facilities, and vehicles. Our finance leases are not material. The term of these leases is generally 10 years or less, in some cases, with options to extend the term for up to 5 years, or options to terminate after one year without penalty. In general, our vehicle lease payments contain a monthly base rent payment which is adjusted based on changes to the LIBOR rate over the lease term. Certain other lease agreements contain variable payments related to a consumer price index or similar metric. Any change in payment amounts as a result of a change in a rate or index are considered variable lease payments and recognized as profit or loss when incurred.

Rent expense for operating leases in the Consolidated Statements of Income for the twelve months ended December 31, 2019 was $39.1 million. Cash paid for operating leases during the year ended December 31, 2019 was $36.4 million reported as cash outflows from operating activities in the Consolidated Statements of Cash Flows. Right-of-use ("ROU") assets obtained in exchange for lease obligations during the year ended December 31, 2019 was $22.1 million.

Amounts recognized for operating leases in the Consolidated Balance Sheets is as follows (in millions):

	December 31, 2019
Operating lease right-of-use assets	$ 96.8
TOTAL ASSETS	$ 96.8
Other accrued liabilities	$ 29.6
Other non-current liabilities	71.7
TOTAL LIABILITIES	**$ 101.3**

The weighted average remaining lease term as of December 31, 2019 for operating leases was 4 years. The weighted average discount rate used to measure the ROU asset and lease liability for operating leases was 3.5% as of December 31, 2019.

Future maturities of our operating lease liabilities as of December 31, 2019 are as follows (in millions):

	2020	2021	2022	2023	2024	Thereafter	Total Payments	Imputed Interest	Total
Operating Leases	32.7	24.6	15.8	13.2	8.4	15.9	110.6	(9.3)	$101.3

Total rental expense under operating leases was $44.8 million in 2018 and $30.5 million in 2017. The minimum annual rentals on non-cancelable, long-term, operating leases in effect at December 31, 2018 was $23.5 million in 2019, $21.0 million in 2020, $16.5 million in 2021, $13.2 million in 2022, $10.5 million in 2023 and $26.5 million thereafter.

NOTE 24 Quarterly Financial Data (Unaudited)

The table below sets forth summarized quarterly consolidated financial data for the years ended December 31, 2019 and 2018 (in millions, except per share amounts):

	Reported First Quarter	Reported Second Quarter	Reported Third Quarter	Fourth Quarter
2019				
Net sales	$ 1,087.3	$ 1,196.4	$ 1,204.0	$ 1,103.3
Cost of goods sold	$ 780.0	$ 839.0	$ 842.0	$ 777.3
Gross profit	$ 307.3	$ 357.4	$ 362.0	$ 326.0
Selling & administrative expenses	$ 186.4	$ 190.5	$ 189.1	$ 190.1
Net income	$ 73.8	$ 97.9	$ 132.6	$ 103.1
Net Income attributable to Hubbell	$ 72.3	$ 96.0	$ 130.7	$ 101.9
Earnings per share — Basic	$ 1.32	$ 1.76	$ 2.40	$ 1.87
Earnings per share — Diluted	$ 1.32	$ 1.75	$ 2.38	$ 1.85

	Reported First Quarter	Reported Second Quarter	Reported Third Quarter	Fourth Quarter
2018				
Net sales	$ 991.2	$ 1,166.7	$ 1,179.7	$ 1,144.1
Cost of goods sold	$ 708.3	$ 818.8	$ 830.7	$ 823.5
Gross profit	$ 282.9	$ 347.9	$ 349.0	$ 320.6
Selling & administrative expenses	$ 183.3	$ 191.0	$ 185.2	$ 184.0
Net income	$ 59.8	$ 102.4	$ 114.7	$ 89.2
Net Income attributable to Hubbell	$ 58.3	$ 100.3	$ 113.6	$ 88.0
Earnings per share — Basic	$ 1.06	$ 1.83	$ 2.07	$ 1.61
Earnings per share — Diluted	$ 1.05	$ 1.82	$ 2.06	$ 1.60

ITEM 9   Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

ITEM 9A   Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management necessarily applied its judgment in assessing the costs and benefits of such controls and procedures which, by their nature, can provide only reasonable assurance that the controls and procedures will meet their objectives.

The Company carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e), as of the end of the period covered by this report on Form 10-K. Based upon that evaluation, each of the Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures are effective at a reasonable assurance level. Management’s annual report on internal control over financial reporting and the independent registered public accounting firm’s audit report on the effectiveness of our internal control over financial reporting as of December 31, 2019 are included in Item 8 of this Annual Report on Form 10-K.

There has been no change in the Company’s internal control over financial reporting that occurred during the fiscal year ended December 31, 2019 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B   Other Information

Not applicable.

PART III

ITEM 10 Directors, Executive Officers and Corporate Governance[1]

ITEM 11 Executive Compensation[2]

ITEM 12 Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Equity Compensation Plan Information

The following table provides information as of December 31, 2019 with respect to the Company's common stock that may be issued under the Company's equity compensation plans (in thousands, except per share amounts):

	A		B		C	
Plan Category	**Number of Securities to be Issued upon Exercise of Outstanding Options,Warrants and Rights**		**Weighted Average Exercise Price of Outstanding Options, Warrants and Rights**		**Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column A)**	
Equity Compensation Plans Approved by Shareholders[a]	1,833	(c)(e)	$ 110.66	(f)	2,333	(c)
Equity Compensation Plans Not Requiring Shareholder Approval[b]	72	(c)(d)	—		152	(c)
TOTAL	**1,905**		**$ 110.66**		**2,485**	

(a) The Company's (1) Stock Option Plan for Key Employees and (2) 2005 Incentive Award Plan as amended and restated.
(b) The Company's Deferred Compensation Plan for Directors as amended and restated.
(c) Hubbell Common Stock.
(d) Represents amount of shares currently deferred under this plan. These shares are not included in the total weighted average exercise price included in column B.
(e) Includes 210,000 performance share awards assuming a maximum payout target. The Company does not anticipate that the maximum payout target will be achieved for all of these awards.
(f) Weighted average exercise price excludes performance share awards included in column A.

The remaining information required by this item is incorporated by reference to the subheading “Voting Rights and Security Ownership of Certain Beneficial Owners and Management” of the definitive proxy statement for the Company's annual meeting of shareholders scheduled to be held on May 5, 2020.

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(1) Certain of the information required by this item regarding executive officers is included under the subheading “Executive Officers of the Registrant” at the end of Part I of this Form 10-K and the remaining required information is incorporated by reference from our definitive proxy statement to be filed in connection with the Company's annual meeting of shareholders scheduled to be held on May 5, 2020.
(2) The information required by this item is incorporated by reference from our definitive proxy statement to be filed in connection with the Company's annual meeting of shareholders scheduled to be held on May 5, 2020.

ITEM 13 Certain Relationships and Related Transactions and Director Independence[3]

ITEM 14 Principal Accountant Fees and Services[4]

(3) The information required by this item is incorporated by reference from our definitive proxy statement to be filed in connection with the Company's annual meeting of shareholders scheduled to be held on May 5, 2020.
(4) The information required by this item is incorporated by reference from our definitive proxy statement to be filed in connection with the Company's annual meeting of shareholders scheduled to be held on May 5, 2020.

PART IV

ITEM 15 Exhibits and Financial Statement Schedule

1. Financial Statements and Schedule

Financial statements and schedule listed in the Index to Financial Statements and Schedule are filed as part of this Annual Report on Form 10-K.

2. Exhibits

		Incorporated by Reference				
Number	Description	Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
2.1††	Agreement and Plan of Merger, dated as of December 22, 2017, by and among Meter Readings Holding Group, LLC, Hubbell Power Systems, Inc., Yellow Merger Sub, Inc., Sun Meter Readings, LP, as representative for the members and optionholders, and, for the limited purposes set forth therein, Hubbell Incorporated.	8-K	001-02958	2.1	12/26/2017	
3.1	Amended and Restated Certificate of Incorporation, as amended and restated as of December 23, 2015	8-A12B	001-02958	3.1	12/23/2015	
3.2	Amended and Restated By-Laws of Hubbell Incorporated, as amended on May 7, 2013	8-K	001-02958	3.1	5/10/2013	
4.1	Senior Indenture, dated as of September 15, 1995, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.(successor as trustee to JPMorgan Chase Bank N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee	S-4	333-90754	4a	6/18/2002	
4.2	First Supplemental Indenture, dated as of June 2, 2008, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.(successor as trustee to JPMorgan Chase Bank N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee, including the form of 5.95% Senior Notes due 2018	8-K	001-02958	4.2	6/2/2008	
4.3	Second Supplemental Indenture, dated as of November 17, 2010, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.(successor as trustee to JPMorgan Chase Bank N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee, including the form of 3.625% Senior Notes due 2022	8-K	001-02958	4.2	11/17/2010	
4.4	Third Supplemental Indenture, dated as of March 1, 2016, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (successor as trustee to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee	8-K	001-02958	4.2	3/1/2016	
4.5	Form of 3.350% Senior Notes due 2026	8-K	001-02958	4.3	3/1/2016	

Number	Description	Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
		Incorporated by Reference				
4.6	Fourth Supplemental Indenture, dated as of August 3, 2017, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (successor as trustee to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee.	8-K	001-02958	4.2	8/3/2017	
4.7	Form of 3.150% Senior Notes due 2027	8-K	001-02958	4.3	8/3/2017	
4.8	Fifth Supplemental Indenture, dated as of February 2, 2018, between Hubbell Incorporated and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A. (successor as trustee to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank, formerly known as The Chase Manhattan Bank, formerly known as Chemical Bank))), as trustee.	8-K	001-02958	4.2	2/2/2018	
4.9	Form of 3.500% Senior Notes due 2028	8-K	001-02958	4.3	2/2/2018	
4.10	Description of Registered Securities					*
10.1†	Hubbell Incorporated Amended and Restated Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2005	10-Q	001-02958	10a	10/26/2007	
10.1(a)†	Amendment, dated February 15, 2008, to Hubbell Incorporated Amended and Restated Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2005	10-K	001-02958	10.nn	2/25/2008	
10.1(b)†	Amendment, dated December 28, 2010, to Hubbell Incorporated Amended and Restated Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2005	10-K	001-02958	10a(1)	2/16/2011	
10.1(c)†	Third Amendment, dated December 29, 2016, to Hubbell Incorporated Amended and Restated Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2005	10-K	001-02958	10.1(c)	2/16/2017	
10.2†	Hubbell Incorporated Retirement Plan for Directors, as amended and restated effective January 1, 2005	10-Q	001-02958	10i	10/26/2007	
10.3†	Hubbell Incorporated Deferred Compensation Plan for Directors, as amended and restated effective December 23, 2015	S-8POS	333-206898	4.4	12/24/2015	
10.4†	Hubbell Incorporated Executive Deferred Compensation Plan, as amended and restated effective January 1, 2016	10-K	001-02958	10.5	2/18/2016	
10.4(a)†	Amendment 1, dated December 4, 2019, to Hubbell Incorporated Executive Deferred Compensation Plan, as amended and restated effective January 1, 2016					*
10.5†	Hubbell Incorporated Amended and Restated Top Hat Restoration Plan, as amended and restated effective January 1, 2005	10-Q	001-02958	10w	10/26/2007	
10.5(a)†	Amendment, dated December 28, 2010, to Hubbell Incorporated Amended and Restated Top Hat Restoration Plan, as amended and restated effective January 1, 2005	10-K	001-02958	10w(1)	2/16/2011	
10.5(b)†	Second Amendment, dated January 17, 2017, to Hubbell Incorporated Amended and Restated Top Hat Restoration Plan, as amended and restated effective January 1, 2005	10-K	001-02958	10.5(b)	2/16/2017	
10.5(c)†	Third Amendment, dated December 4, 2019, to Hubbell Incorporated Amended and Restated Top Hat Restoration Plan, as amended and restated effective January 1, 2005					*
10.6†	Hubbell Incorporated Incentive Compensation Plan, adopted effective January 1, 2002	10-K	001-02958	10z	3/20/2002	
10.6(a)†	First Amendment, dated December 4, 2019, to Hubbell Incorporated Incentive Compensation Plan, adopted effective January 1, 2002					*
10.7†	Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated effective December 4, 2019					*
10.8†	Form of Restricted Stock Award Agreement for Directors under the Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated	10-Q	001-02958	10.8	7/19/2013	
10.9†	Form of Stock Appreciation Rights Award Agreement under the Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated	10-K	001-02958	10.10	2/16/2017	
10.10†	Form of Performance Share Award Agreement under the Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated	10-K	001-02958	10.11	2/16/2017	

Number	Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
10.11†	Form of Performance Based Restricted Stock Award Agreement under the Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated	10-K	001-02958	10.12	2/16/2017	
10.12†	Form of Restricted Stock Award Agreement under the Hubbell Incorporated 2005 Incentive Award Plan, as amended and restated	10-K	001-02958	10.13	2/16/2017	
10.12(b)†	Second Amendment, dated December 4, 2019, to Hubbell Incorporated Defined Contribution Restoration Plan, as amended and restated effective December 8, 2015					*
10.13†	Hubbell Incorporated Defined Contribution Restoration Plan, as amended and restated effective December 8, 2015	10-K	001-02958	10.16	2/18/2016	
10.13(a)†	First Amendment, dated January 17, 2017 and effective as of January 1, 2017, to Hubbell Incorporated Defined Contribution Restoration Plan, as amended and restated effective December 8, 2015	10-K	001-02958	10.14(a)	2/16/2017	
10.14†	Hubbell Incorporated Policy for Providing Severance Payments to Senior Employees, as amended and restated effective December 4, 2019.					*
10.15†	Grantor Trust for Senior Management Plans Trust Agreement between Hubbell Incorporated and The Bank of New York, as trustee, as amended and restated effective December 8, 2015	10-K	001-02958	10.18	2/18/2016	
10.16†	Grantor Trust for Non-Employee Director Plans Trust Agreement between Hubbell Incorporated and The Bank of New York, as amended and restated effective December 8, 2015	10-K	001-02958	10.19	2/18/2016	
10.17†	Trust Agreement by and between Hubbell Incorporated and MG Trust Company d/b/a Matrix Trust Company, as Trustee, as amended and restated effective November 6, 2015	10-K	001-02958	10.20	2/18/2016	
10.18†	Change in Control Severance Agreement, dated as of December 31, 2010, between Hubbell Incorporated and David G. Nord	8-K	001-02958	10.2	1/5/2011	
10.18(a)†	Amendment, dated as of January 1, 2013, to Change in Control Severance Agreement between Hubbell Incorporated and David G. Nord	8-K	001-02958	10.1	12/6/2012	
10.19†	Letter Agreement, dated August 24, 2005, between Hubbell Incorporated and David G. Nord	8-K	001-02958	99.1	9/6/2005	
10.20†	Change in Control Severance Agreement, dated as of December 31, 2010, between Hubbell Incorporated and William R. Sperry	8-K	001-02958	10.1	9/17/2012	
10.20(a)†	Amendment, dated September 11, 2012, to Change in Control Severance Agreement between Hubbell Incorporated and William R. Sperry	8-K	001-02958	10.2	9/17/2012	
10.21†	Change in Control Severance Agreement, dated as of January 24, 2014, between Hubbell Incorporated and Gerben Bakker	10-K	001-02958	10.36	2/18/2014	
10.22†	Employment Agreement, dated as of December 22, 2017, between Hubbell Power Systems, Inc. and Allan J. Connolly					*
10.22(a)†	1st Amendment, dated July 1, 2019, to Employment Agreement dated as of December 22, 2017 between Hubbell Power Systems, Inc and Allan J. Connolly					*
10.23†	Change in Control Severance Agreement, dated as of July 1, 2019, between Hubbell Incorporated and Katherine A. Lane					*
10.24	Term Loan Agreement, dated as of January 31, 2018, among Hubbell Incorporated, the Lenders party hereto and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	001-02958	99.1	1/31/2018	
10.25	Credit Agreement dated as of January 31, 2018, among Hubbell Incorporated, Hubbell Power Holdings S.à r.l., Harvey Hubbell Holdings S.à r.l., the Lenders party hereto, the Issuing Banks party hereto and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	001-02958	99.2	1/31/2018	
10.26	First Amendment, dated as of January 10, 2018, by and among Hubbell Incorporated, Hubbell Power Holdings S.à r.l., and Harvey Hubbell Holdings S.à r.l, the lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.	8-K	001-02958	10.1	1/11/2018	
21.1	List of subsidiaries					*
23.1	Consent of PricewaterhouseCoopers LLP					*
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*

		Incorporated by Reference				
Number	Description	Form	File No.	Exhibit	Filing Date	Filed/ Furnished Herewith
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
101.INS	Inline XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document					
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					*
104	The cover page of this Annual Report on Form 10-K for the year end Dcember 31, 2019, formatted in Inline XBRL (included within the Exhibit 101 attachments)					*

† *A management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(a)(3) of Form 10-K.*

†† *Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplemental copies of such omitted schedules and exhibits to the Securities and Exchange Commission upon request.*

* *Filed herewith.*

** *Furnished herewith.*

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	HUBBELL INCORPORATED		
By	/s/ JOSEPH A. CAPOZZOLI	By	/s/ WILLIAM R. SPERRY
	Joseph A. Capozzoli		**William R. Sperry**
	Vice President, Controller		*Executive Vice President, Chief Financial Officer and Treasurer*
Date:	February 14, 2020		

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.[(1)]

		Title	Date
By	/s/ D. G. NORD **D. G. Nord**	*Chairman of the Board and Chief Executive Officer*	2/14/2020
By	/s/ W. R. SPERRY **W. R. Sperry**	*Executive Vice President, Chief Financial Officer and Treasurer*	2/14/2020
By	/s/ J. A. CAPOZZOLI **J. A. Capozzoli**	*Vice President, Controller (Principal Accounting Officer)*	2/14/2020
By	/s/ C. M. CARDOSO **C. M. Cardoso**	*Director*	2/14/2020
By	/s/ A. J. GUZZI **A. J. Guzzi**	*Director*	2/14/2020
By	/s/ N. J. KEATING **N. J. Keating**	*Director*	2/14/2020
By	/s/ B. C. LIND **B. C. Lind**	*Director*	2/14/2020
By	/s/ J. F. MALLOY **J. F. Malloy**	*Director*	2/14/2020
By	/s/ J. F. MARKS **J. F. Marks**	*Director*	2/14/2020
By	/s/ J. G. RUSSELL **J. G. Russell**	*Director*	2/14/2020
By	/s/ S. R. SHAWLEY **S. R. Shawley**	*Director*	2/14/2020

(1) As of February 14, 2020.

Valuation and Qualifying Accounts and Reserves for the Years Ended December 31, 2017, 2018 and 2019

Reserves deducted in the balance sheet from the assets to which they apply (in millions):

	Balance at Beginning of Year	Additions / (Reversals) Charged to Costs and Expenses	Deductions	Acquisitions	Balance at End of Year
Allowances for doubtful accounts receivable:					
Year 2017	$ 4.7	$ 1.5	$ (3.5)	$ 1.9	$ 4.6
Year 2018	$ 4.6	$ —	$ (1.4)	$ 1.6	$ 4.8
Year 2019	$ 4.8	$ 3.4	$ (0.5)	$ —	$ 7.7
Allowance for credit memos, returns and cash discounts:					
Year 2017	$ 45.9	$ 260.8	$ (256.3)	$ 0.1	$ 50.5
Year 2018	$ 50.5	$ 278.0	$ (293.5)	$ 0.1	$ 35.1
Year 2019	$ 35.1	$ 299.1	$ (298.2)	$ —	$ 36.0
Valuation allowance on deferred tax assets:					
Year 2017	$ 22.6	$ (3.2)	$ —	$ —	$ 19.4
Year 2018	$ 19.4	$ 0.7	$ —	$ 1.7	$ 21.8
Year 2019	$ 21.8	$ 7.2	$ —	$ —	$ 29.0

DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934

As of December 31, 2019, Hubbell Incorporated (the "Company" or "we" or "our") had one class of securities, our common stock, registered under Section 12 of the Securities Exchange Act of 1934, as amended.

The following description of our Common Stock is not complete and is summarized from, and qualified in its entirety by reference to, our Amended and Restated Certificate of Incorporation, as amended and restated as of December 23, 2015 (the "Certificate of Incorporation"), and our Amended and Restated By-Laws of Hubbell Incorporated, as amended on May 7, 2013 (the "By-Laws"), copies of which are incorporated by reference as Exhibits 3.1 and 3.2, respectively, to our Annual Report on Form 10-K for the year ended December 31, 2019 of which this Exhibit 4.10 is a part.

DESCRIPTION OF COMMON STOCK

Authorized Capital Shares

Our authorized capital stock consist of 200,000,000 shares of common stock, par value $0.01 per share ("Common Stock") and 5,891,097 shares of preferred stock, without par value (the "Preferred Stock"), of which 336,000 shares are designated as Series A Junior Participating Preferred Stock, none of which are issued and outstanding. The outstanding shares of our Common Stock are fully paid and nonassessable.

Voting Rights

Subject to any voting rights provided to holders of Preferred Stock at any time outstanding, holders of Common Stock are entitled to one vote per share on all matters before shareholder meetings. Holders of Common Stock are not entitled to cumulative voting rights for the election of directors.

Dividend Rights

Subject to the rights of holders of outstanding shares of Preferred Stock, if any, holders of Common Stock may be entitled to receive dividends, if any, as may be declared from time to time by the Company's board of directors in its discretion out of legally available funds.

Other Rights and Preferences

The Common Stock has no sinking fund or redemption provisions or preemptive, conversion, exchange or other rights to subscribe for or purchase any of our securities.

Liquidation Rights

Subject to any preferential rights of outstanding shares of Preferred Stock, if any, upon our liquidation or dissolution, the holders of shares of Common Stock are entitled to share ratably in any of our assets legally available for distribution that remain after payment or provision for payment to creditors.

Listing

The Common Stock is traded on the New York Stock Exchange under the trading symbol "HUBB."

Material Provisions of our Certificate of Incorporation and By-Laws

Certain provisions of our Certificate of Incorporation and By-Laws and of the Connecticut Business Corporation Act (the "CBCA") could have the effect of delaying, deferring, or discouraging another party from acquiring control of us. These provisions could also be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a shareholder might consider to be in its best interests.

Undesignated Preferred Stock

The charter contains provisions that permit our board of directors to issue, without any further vote or action by the shareholders, preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting powers, if any, of the shares of the series, and the preferences and relative, participating, optional and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of such series. Such provisions may have the effect of deferring or preventing hostile takeovers or delaying or preventing changes in control or management of the Company.

Shareholder Action by Unanimous Written Consent

Unlike action taken at an annual or special meeting, under the CBCA, our shareholders may only take action by written consent upon the unanimous written consent of all of the shareholders entitled to vote on the action. Otherwise, shareholders will only be able to take action at an annual or special meeting called in accordance with the By-Laws.

Special Meetings

The By-Laws provide that special meetings of shareholders may only be called by the chairman of the board, the board of directors, or the chairman of the board upon the written request of the holders of not less than ten percent (10%) our outstanding voting stock, although the CBCA provides an exception such that if a corporation has a class of voting stock registered under the Securities Exchange Act of 1934, as amended, and no person held ten percent or more of such votes on February 1, 1988, then it need not hold a special meeting of shareholders unless the holders of thirty-five percent (35%) of the votes entitled to be cast on any issue proposed to be considered demand such a meeting.

Requirements for Advance Notification of Shareholder Nominations and Proposals

Shareholders seeking to nominate directors or to bring business before a shareholder meeting must comply with certain timing requirements and submit certain information to us in advance of such meeting as set forth in our By-Laws. These provisions may impede a shareholder's ability to bring matters before an annual or special meeting or make nominations for directors.

Indemnification

Our Certificate of Incorporation provides that we will indemnify each of our directors and officers to the fullest extent permitted by law.

Anti-Takeover Legislation

The Company is subject to Sections 33-840 to 33-842 of the CBCA (the "Fair Price Statute"). Subject to a business combination meeting a specified "highest price" test, specified approval by the board of directors before an interested shareholder becomes such, or certain other exceptions, the Fair Price Statute generally requires certain types of business combinations of a Connecticut corporation or any subsidiary with, or otherwise involving, an interested shareholder (or an affiliate or associate of an interested shareholder) to be first approved by the corporation's board of directors and then approved by the affirmative vote of at least (i) the holders of 80% of the voting power of the outstanding shares of the corporation's voting stock and (ii) the holders of two-thirds of the voting power of the outstanding shares of the corporation's voting stock, excluding the voting stock held by the interested shareholder who is, or whose affiliate or associate is, a party to the business combination or held by an affiliate or associate of the interested shareholder. A "business combination" generally includes, subject to specified exceptions: mergers, consolidations and share exchanges; asset sales and other asset dispositions; some types of stock issuances and transfers; the adoption of any resolution or plan for the liquidation or dissolution of the corporation or any subsidiary; and reclassifications and similar transactions. Subject to certain qualifications, an "interested shareholder" is a person that beneficially owns ten percent or more of the corporation's voting power, or is an affiliate of the corporation and beneficially owned ten percent or more of the corporation's voting power within a two-year period before the date of the transaction.

The Company is also subject to Sections 33-843 to 33-845 of the CBCA (the "Moratorium Statute"). Subject to certain exceptions, the Moratorium Statute prohibits a Connecticut corporation from engaging in a business combination with an interested shareholder for a period of five years after the date on which the person became an interested shareholder, unless the business combination or the purchase of stock by which such person became an interested shareholder is approved by the corporation's board of directors and by a majority of its non-employee directors, before the date on which such person became an interested shareholder. The term "business combination" has the same general meaning as it has in the Fair Price Statute and, in addition, includes the receipt by an interested shareholder of the benefit , directly or indirectly, of any loans, advances, guaranties or other financial assistance or tax benefits by or through the corporation or any subsidiary, except proportionately as a shareholder; and the term "interested shareholder" has the same general meaning as it has in the Fair Price Statute.

Section 33-756(g) of the CBCA provides that a director acting with respect to mergers, share exchanges, sales and other asset dispositions, and other specified business combinations may consider, in determining what he or she reasonably believes to be in the best interests of the corporation, (i) the long-term as well as short-term interests of the corporation, (ii) the long-term as well as short-term interests of the shareholders, including the possibility that those interests may be best served by the continued independence of the corporation, (iii) the interests of the corporation's employees, customers, creditors and suppliers, and (iv) community and societal considerations, including those of any community in which any office or other facility of the corporation is located. A director may also in his or her discretion consider any other factors he or she reasonably considers appropriate in determining what the director reasonably believes is in the best interests of the corporation.

AMENDMENT #1
TO
HUBBELL INCORPORATED
EXECUTIVE DEFERRED COMPENSATION PLAN
As Amended and Restated Effective as of January 1, 2016

This Amendment #1 (the "Amendment") is adopted by Hubbell Incorporated, a Connecticut corporation (the "Company") for purposes of amending that certain Hubbell Incorporated Executive Deferred Compensation Plan (as Amended and Restated Effective as of January 1, 2016) (as amended, the "Plan"), as of December 4, 2019 (the "Amendment Effective Date"). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Plan.

WHEREAS, pursuant to Section 10.1 of the Plan, except as limited by applicable law, the Plan may be wholly or partially amended by the Committee administering the Plan from time to time, which Committee shall be the Board or a committee appointed by the Board and no such committee has been appointed with authority to amend the Plan;

WHEREAS, the Board has determined that it is advisable and in the best interests of the Company to amend the Plan as set forth herein to provide Participants with Company Contributions that generally reflect, but diverge in part from, the terms of the Savings Plan, as amended and restated, and that such amendment is permitted under Section 10.1 of the Plan.

NOW, THEREFORE, in consideration of the foregoing recitals, the Plan is hereby amended as follows, effective as of January 1, 2020:

1. Section 1.7 of the Plan is hereby amended in its entirety to read as follows:

"1.7 "Bonus" shall mean any cash incentive or bonus compensation that is in addition to Base Salary, earned by a Participant under any Employer's annual bonus and cash incentive plans, but shall not include any stock option, stock appreciation rights, other equity-based incentive award or a replacement of an award originally granted as equity compensation, commission, retention bonus or fringe benefits. A Participant's Bonus shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

2. Except as modified by the forgoing, the terms and conditions of the Plan shall remain in full force and effect following the adoption of this Amendment.

IN WITNESS WHEREOF, the Company has adopted this Amendment #1 to the Executive Deferred Compensation Plan as of the Amendment Effective Date

HUBBELL INCORPORATED

By: /s/ Katherine A. Lane

Print Name: Katherine A. Lane

Title: Vice President, General Counsel and Secretary

Date: December 4, 2019

AMENDMENT #3
TO
HUBBELL INCORPORATED
AMENDED AND RESTATED TOP HAT RESTORATION PLAN
As Amended and Restated Effective as of January 1, 2005

This Amendment #3 (the "Amendment") is adopted by Hubbell Incorporated, a Connecticut corporation (the "Company"), for the purpose of amending that certain Hubbell Incorporated Amended and Restated Top Hat Restoration Plan (as Amended and Restated Effective as of January 1, 2005) (as amended, the "Plan"), as of December 4, 2019 (the "Amendment Effective Date"). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Plan.

WHEREAS, pursuant to Section 9.1 of the Plan, the Board of Directors may at any time and from time to time amend the Plan in any respect without restriction and without the consent of any Participant, Beneficiary or Spouse; provided that no such amendment shall impair the right of any Participant, Beneficiary or Spouse to receive benefits earned and accrued under the Plan prior to such amendment;

WHEREAS, Plan benefits are based on the benefit formula under the Hubbell Incorporated Retirement Plan for Hourly Employees, formerly known as the Hubbell Incorporated Retirement Plan for Salaried Employees (the "DB Retirement Plan");

WHEREAS, the Board has determined that it is advisable and in the best interests of the Employer to amend the Plan as set forth herein to reflect certain changes to the Plan that will diverge in part from the terms of the DB Retirement Plan, as amended, and that such amendment is permitted under Section 9.1 of the Plan.

NOW, THEREFORE, in consideration of the foregoing recitals, the Plan is hereby amended as follows, effective as of January 1, 2020:

1. Section 4.1 of the Plan is hereby amended and restated in its entirety as follows:

"**4.1** A Participant's Retirement Benefit under this Plan shall be the excess of (a) over (b), where:

(a) (I) for periods prior to January 1, 2020, equals the applicable Early, Normal, Late, Deferred Vested or Disability Retirement benefit to which the Participant is entitled under the Hubbell Retirement Plan (subject to the freeze on credited service effective as of February 28, 2017 and the freeze on all benefit accruals effective as of December 31, 2020) as if the calculation were performed (i) without applying the Compensation Cap and Defined Benefit Maximum, (ii) including compensation amounts deferred by such Participant under the Hubbell Incorporated Executive Deferred Compensation Plan (as if such amounts had not been so deferred), and

(II) for periods on and after January 1, 2020, equals the applicable Early, Normal, Late, Deferred Vested or Disability Retirement benefit to which the Participant would be entitled under the Hubbell Retirement Plan (subject to the freeze on credited service effective as of February 28, 2017 and the freeze on all benefit accruals effective as of December 31, 2020) as if the calculation were performed (i) without applying the Compensation Cap and Defined Benefit Maximum, and (ii) using the following as the definition of Compensation: "Compensation means Base Salary plus Bonus, where (x) "Base Salary" means the base or regular cash salary relating to service performed during any calendar year, excluding distributions from nonqualified deferred compensation plans, bonuses, commissions, overtime, fringe benefits, stock options, relocation expenses, incentive payments, non-monetary awards and automobile and other allowances paid to a Participant for services rendered (whether or not such amounts are included in the Employee's gross income); (y) "Bonus" means any cash incentive or bonus compensation and commission payments payable in a Plan Year that is in addition to Base Salary, earned by a Participant under any Employer's annual bonus and cash incentive plans, but shall not include any stock option, stock appreciation rights, other equity-based incentive award or a replacement of an award originally granted as equity compensation, retention bonus or fringe benefits; and (z) Base Salary and Bonus shall each be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

(b) equals the applicable Early, Normal, Late, Deferred Vested or Disability Retirement benefit to which the Participant is entitled under the Hubbell Retirement Plan.

For purposes of the above calculations, it shall be assumed that the Participant's benefit under the Hubbell Retirement Plan is a single life annuity commencing on such Participant's Separation from Service or, if later, the date on which such Participant would attain age 55, regardless of when such benefit actually commences."

2. Except as modified by the forgoing, the terms and conditions of the Plan shall remain in full force and effect following the adoption of this Amendment.

IN WITNESS WHEREOF, the Company has adopted this Amendment #3 to the Hubbell Incorporated Amended and Restated Top Hat Restoration Plan as of the Amendment Effective Date.

HUBBELL INCORPORATED

By: /s/ Katherine A. Lane

Print Name: Katherine A. Lane

Title: Vice President, General Counsel and Secretary

Date: December 4, 2019

AMENDMENT #1
TO
HUBBELL INCORPORATED
INCENTIVE COMPENSATION PLAN
Adopted, Effective January 1, 2002

This Amendment #1 (the "Amendment") is adopted by Hubbell Incorporated, a Connecticut corporation (the "Company"), for the purpose of amending that certain Hubbell Incorporated Incentive Compensation Plan (as adopted effective January 1, 2002) (the "Plan"), effective December 4, 2019 (the "Amendment Effective Date"). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Plan.

WHEREAS, pursuant to Section 5.1 of the Plan, the Board of Directors may at any time and from time to time amend the Plan in any respect without restriction; provided that no such amendment shall affect the rights of any participant or the operation of the Plan with respect to any payment to which a participant may have become entitled, deferred or otherwise, prior to the effective date of such action;

WHEREAS, the Board has determined that it is advisable and in the best interests of the Company to amend the Plan as set forth herein to reflect the simplification of certain administrative practices and to preserve a practice of applying a maximum payout to any participant.

NOW, THEREFORE, in consideration of the foregoing recitals, the Plan is hereby amended as follows, effective as of January 1, 2020:

1. Section 2.4 of the Plan is hereby amended and restated in its entirety as follows:

"The Committee shall, in writing, determine the performance goal or performance goals applicable to each participant for the plan year based on one or more quantitative and/or qualitative performance measures. The Committee will also determine the payout schedule detailing the total amount which may be available to each participant as an annual award based upon the relative level of attainment of the performance goal or performance goals. Annual awards shall be made from the general funds of the Company. No special or separate fund shall be established or other segregation of assets made to assure payment. No participant or other person shall have under any circumstances any interest in any particular property assets of the Company"

2. Article III of the of the Plan is hereby amended and restated in its entirety as follows:

"ARTICLE III

METHOD OF MAKING INCENTIVE PAYMENTS

"3.1 Incentive payments awarded under the plan shall be paid in cash. The amount of any incentive payment to be made to a participant in cash shall be paid as soon as practicable (but not later than six months) after the close of the fiscal year for which such incentive payment is awarded.

3.2 In no event shall the annual incentive payment to any participant under this Plan in any year exceed $5.0 million."

1. Except as modified by the forgoing, the terms and conditions of the Plan shall remain in full force and effect following the adoption of this Amendment.

IN WITNESS WHEREOF, the Company has adopted this Amendment #1 to the Hubbell Incorporated Incentive Compensation Plan as of the Amendment Effective Date.

HUBBELL INCORPORATED

By: /s/ Katherine A. Lane

Print Name: Katherine A. Lane

Title: Vice President, General Counsel and Secretary

Date: December 4, 2019

HUBBELL INCORPORATED
2005 INCENTIVE AWARD PLAN
(As Amended and Restated Effective December 4, 2019)

Article 1
Purpose

The purpose of the Hubbell Incorporated 2005 Incentive Award Plan (as it may be amended and restated from time to time, the "Plan") is to promote the success and enhance the value of Hubbell Incorporated (the "Company") by linking the personal interests of the members of the Board and Employees to those of Company shareholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company shareholders. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of members of the Board and Employees upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent.

Article 2
Definitions and Construction

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 *"Applicable Accounting Standards"* means Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company's financial statements under United States federal securities laws from time to time.

2.2 *"Automatic Exercise Date"* shall mean, with respect to an Option or a Stock Appreciation Right, the last business day of the applicable Option term or Stock Appreciation Right term that was initially established by the Committee for such Option or Stock Appreciation Right *(e.g.*, the last business day prior to the tenth anniversary of the date of grant of such Option or Stock Appreciation Right if the Option or Stock Appreciation Right initially had a ten-year Option term or Stock Appreciation Right term, as applicable).

2.3 *"Award"* means an Option, a Restricted Stock award, a Stock Appreciation Right award, a Performance-Based award, a Dividend Equivalent award, a Stock Payment award, a Restricted Stock Unit award, a Deferred Stock award or a Deferred Stock Unit award granted to a Participant pursuant to the Plan.

2.4 *"Award Agreement"* means any written agreement, contract, or other instrument or document evidencing an Award, including through electronic medium, which shall contain such terms and conditions with respect to an Award as the Committee shall determine consistent with the Plan.

2.5 *"Board"* means the Board of Directors of the Company.

2.6 *"Change in Control"* means and includes any of the following:

(a) Continuing Directors no longer constitute at least 2/3 of the Directors;

(b) any person or group of persons (as defined in Rule 13d-5 under the Securities Exchange Act of 1934), together with its affiliates, becomes the beneficial owner, directly or indirectly, of 20% or more of the voting power of the then outstanding securities of the Company entitled to vote for the election of the Company's Directors; provided that this Section 2.5(b) shall not apply with respect to any holding of securities by (i) the trust under a Trust Indenture dated September 2, 1957 made by Louie E. Roche, (ii) the trust under a Trust Indenture dated August 23, 1957 made by Harvey Hubbell, and (iii) any employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended) maintained by the Company or any affiliate of the Company; or

(c) the consummation of a merger or consolidation of the Company with any other corporation, the sale of substantially all of the assets of the Company or the liquidation or dissolution of the Company, unless, in the case of a merger or consolidation, the incumbent Directors in office immediately prior to such merger or consolidation will constitute at least 2/3 of the Directors of the surviving corporation of such merger or consolidation and any parent (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934) of such corporation.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any portion of an Award that provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in subsection (a), (b) or (c) with respect to such Award (or portion thereof) must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A.

The Committee shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

2.7 *"Code"* means the Internal Revenue Code of 1986, as amended.

2.8 *"Committee"* means the committee of the Board described in Article 11.

2.9 *"Continuing Director"* means any individual who is a member of the Company's Board of Directors on December 9, 1986 or was designated (before such person's initial election as a Director) as a Continuing Director by 2/3 of the then Continuing Directors.

2.10 *"Deferred Stock"* means a right to receive Stock awarded under Section 8.5.

2.11 *"Deferred Stock Units"* means a right to receive Stock awarded under Section 8.6.

2.12 *"Director"* means an individual who is a member of the Company's Board of Directors on the relevant date.

2.13 *"Disability"* means that the Participant qualifies to receive long-term disability payments under the Company's long-term disability insurance program, as it may be amended from time to time. Notwithstanding the foregoing, if a Disability constitutes a payment event with respect to any portion of an Award that provides for the deferral of compensation and is subject to Section 409A of the Code, the Disability must also constitute a "disability," as defined in Treasury Regulation Section 1.409A-3(i)(4) to the extent required by Section 409A.

2.14 *"Dividend Equivalent"* means a right to receive the equivalent value (in cash or Stock) of dividends paid on Stock, awarded under Section 8.2.

2.15 *"Eligible Individual"* means any person who is a Director or an Employee, as determined by the Committee.

2.16 *"Employee"* means any officer or other employee (as defined in accordance with Section 3401(c) of the Code) of the Company or any Subsidiary.

2.17 *"Equity Restructuring"* means a nonreciprocal transaction between the Company and its shareholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of shares of Stock (or other securities of the Company) or the share price of Stock (or other securities) and causes a change in the per-share value of the Stock underlying outstanding Awards.

2.18 *"Exchange Act"* means the Securities Exchange Act of 1934, as amended.

2.19 *“Fair Market Value”* means, as of any given date, the fair market value of a share of Stock on the immediately preceding date determined by such methods or procedures as may be established from time to time by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of a share of Stock as of any date shall be the mean between the high and low trading price for a share of Stock as reported on the New York Stock Exchange (or on any national securities exchange on which the Stock is then listed) on such date or, if no such prices are reported for that date, the mean between the high and low trading prices on the next preceding date for which such prices were reported.

2.20 *“Full Value Award”* means an Award other than an Option or SAR, which is settled by the issuance of Stock.

2.21 *“Incentive Stock Option”* means an Option that is intended to meet the requirements of Section 422 of the Code or any successor provision thereto.

2.22 *“Independent Director”* means a Director who is not an Employee of the Company.

2.23 *“Non-Employee Director”* means a Director who qualifies as a “Non-Employee Director” as defined in Rule 16b-3(b)(3) of the Exchange Act, or any successor definition adopted by the Board.

2.24 *“Non-Qualified Stock Option”* means an Option that is not an Incentive Stock Option.

2.25 *“Officer”* means each of the officers specified in Section 1 of Article IV of the By-Laws of the Company except for any such officer whose title begins with the word “Assistant.”

2.26 *“Option* “ means a right granted to a Participant pursuant to Article 5 of the Plan to purchase a specified number of shares of Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Non-Qualified Stock Option.

2.27 *“Participant”* means any Eligible Individual who, as a Director or Employee, has been granted an Award pursuant to the Plan.

2.28 *“Performance-Based Award”* means a right granted to a Participant to receive cash or Stock pursuant to Article 8, and which is subject to the terms and conditions set forth in Article 8.

2.29 *“Performance Criteria”* means the criteria (and adjustments) that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period determined as follows:

(a) The Performance Criteria that will be used to establish Performance Goals may include, without limitation, one or more of the following: net earnings or losses (either before or after interest, taxes, depreciation and amortization), economic value-added (as determined by the Committee), sales or revenue or sales or revenue growth, net income (either before or after taxes), operating earnings or profit (either before or after taxes), cash flow (including, but not limited to, operating cash flow and free cash flow), return on capital, return on invested capital, return on shareholders' equity, return on assets, shareholder return, return on sales, gross or net profit margin, productivity, expense, operating margin, operating efficiency, customer satisfaction, implementation or completion of critical projects, sales and sales unit volume, market penetration and geographic business expansion, strategic partnerships and transactions, financial ratios (including those measuring liquidity, activity, profitability or leverage), working capital efficiency, earnings or loss per share, price per share of Stock or dividends per share of Stock (or appreciation in and/or maintenance of such price or dividends), and market share, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group or to market performance indicators or indices.

(b) The Committee may, in its sole discretion, provide that one or more objectively determinable adjustments shall be made to one or more of the Performance Goals. Such adjustments may include one or more of the following: (i) items related to a change in accounting principle; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions; (vi) items attributable to the business operations of any entity acquired by the Company during the Performance Period; (vii) items related to the disposal of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under Applicable Accounting Standards; (ix) items attributable to any stock dividend, stock split, combination or exchange of stock occurring during the Performance Period; or (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of the Company's core, on-going business activities; or (xiv) items relating to any other unusual or nonrecurring events or changes in applicable laws, accounting principles or business conditions.

2.30 *"Performance Goals"* means, for a Performance Period, the goals established in writing by the Committee for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance or the performance of a division, business unit, platform or an individual. The achievement of each Performance Goal shall be determined, to the extent applicable, in accordance with Applicable Accounting Standards.

2.31 *"Performance Period"* means the one or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to, and the payment of, a Performance-Based Award.

2.32 *"Plan"* means this Hubbell Incorporated 2005 Incentive Award Plan (As Amended and Restated Effective __________, 2019), as it may be amended from time to time.

2.33 *"Restatement Effective Date"* means the date the Plan, as amended and restated herein, is approved by the Company's shareholders or the Board, pursuant to Section 12.1.

2.34 *"Restricted Stock"* means Stock awarded to a Participant pursuant to Article 6 that is subject to certain restrictions and may be subject to risk of forfeiture.

2.35 *"Restricted Stock Units"* means the right to receive Stock awarded under Section 8.4.

2.36 "*Section 162(m) Exception*" means the exception under Section 162(m) of the Code for "qualified performance-based compensation," as such exception existed for taxable years beginning prior to January 1, 2018 before the amendments made to Section 162(m) of the Code by the Tax Cuts and Jobs Act of 2017.

2.37 *"Securities Act"* means the Securities Act of 1933, as amended.

2.38 *"Stock"* means the Class B Common Stock of the Company, par value $0.01 per share, and such other securities of the Company that may be substituted for Stock pursuant **to** Article 10.

2.39 *"Stock Appreciation Right"* or *"SAR"* means a right granted pursuant to Article 7 to receive a payment equal to the excess of the Fair Market Value of a specified number of shares of Stock on the date the SAR is exercised over the Fair Market Value on the date the SAR was granted as set forth in the applicable Award Agreement.

2.40 *"Stock Payment"* means (a) a payment in the form of Stock, or (b) an option or other right to purchase Stock, as part of a short-term incentive award, deferred compensation or other arrangement, awarded under Section 8.3.

2.41 *"Subsidiary"* means any "subsidiary corporation" as defined in Section 424(f) of the Code and any applicable regulations promulgated thereunder or any other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company.

Article 3
Shares Subject to The Plan

3.1 Number of Shares.

(a) Subject to Article 10 and Section 3.1(b), the aggregate number of shares of Stock which may be granted as Awards under the Plan shall be 9,675,000 shares. The maximum number of shares of Stock that may be delivered upon exercise of Incentive Stock Options shall be 5,875,000 shares.

(b) Of the shares of Stock reserved for grant under Section 3.1(a) of this Plan no more than 4,837,500 shares of Stock may be granted in the form of Full Value Awards.

(c) To the extent that an Award terminates, expires, or lapses for any reason, or an Award is settled in cash without the delivery of shares to the Participant, then any shares of Stock subject to the Award shall again be available for the grant of an Award pursuant to the Plan. Any Shares tendered or withheld to satisfy the grant or exercise price or tax withholding obligation pursuant to any Award shall be counted against the number of Shares available under the Plan and shall not be available for future grants of Awards. For purposes of number of Shares available under Section 3.1(a), Shares subject to Stock Appreciation Rights shall be counted as one share delivered for each Stock Appreciation Right awarded, regardless of the number of Shares actually delivered upon exercise of the Stock Appreciation Right. To the extent permitted by applicable law or any exchange rule, shares of Stock issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by the Company or any Subsidiary shall not be counted against shares of Stock available for grant pursuant to the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not be counted against the shares available for issuance under the Plan. Notwithstanding the provisions of this Section 3.1(c), no shares of Stock may again be optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code.

3.2 *Stock Distributed.* Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, including Stock repurchased by the Company, or Stock purchased on the open market.

3.3 *Limitation on Number of Shares Subject to Employee Awards.* Notwithstanding any provision in the Plan to the contrary, and subject to Article 10, Awards granted to any Employee shall be subject to the following limitations all applied on an individual and not an aggregate basis by type of Award:

(a) The maximum number of shares of Stock that may be granted pursuant to an Option to any one Participant in any fiscal year of the Company shall not exceed 500,000 shares of Stock;

(b) The maximum number of shares of Stock that may be granted subject to a Stock Appreciation Right to any one Participant in any fiscal year of the Company shall not exceed 500,000 shares of Stock;

(c) The maximum number of shares of Stock that may be granted in the form of Restricted Stock, Restricted Stock Units, Stock Payments, or Performance-Based Awards in any fiscal year of the Company shall not exceed 250,000 shares of Stock (with such limit applying to each such form of Award on an individual and not an aggregate basis); and

(d) No Award granted in any fiscal year of the Company that provides for payment in cash shall exceed $2,000,000.

3.4 *Limitation on Independent Director Awards.* Notwithstanding any provision in the Plan to the contrary, and subject to Article 10, the maximum aggregate grant date fair value of Awards granted to any Independent Director in any calendar year shall be $500,000.

3.5 *Award Vesting Limitations.* Notwithstanding any other provision of the Plan to the contrary, but subject to Section 10.1 of the Plan, Awards shall vest no earlier than the first anniversary of the date the Award is granted; *provided*, *however,* that, notwithstanding the foregoing, the following Awards may be granted without regard to such minimum vesting provisions: (a) Awards that result in the issuance to one or more Participants of an aggregate of up to five percent (5%) of the shares of Common Stock available pursuant to Section 3.1(a), and (b) Awards granted to certain Eligible Individuals who are subject to applicable laws imposing certain requirements or restrictions on the remuneration of such individuals. Nothing in this Section 3.5 shall preclude the Committee from taking action, in its sole discretion, to accelerate the vesting of any Award in connection with or following a Participant’s death, Disability, retirement, termination of employment or service or the consummation of a Change in Control.

Article 4
Eligibility and Participation

4.1 *Eligibility.* Each Eligible Individual shall be eligible to be granted one or more Awards pursuant to the Plan.

4.2 *Participation.* Subject to the provisions of the Plan, the Committee may, from time to time, select from among all Eligible Individuals those to whom Awards shall be granted and shall determine the nature and amount of each Award. No Eligible Individual shall have any right to be granted an Award pursuant to this Plan.

4.3 *Foreign Participants.* In order to assure the viability of Awards granted to Participants employed in countries other than the United States, the Committee may provide for such special terms as it may consider necessary or appropriate to accommodate differences in local law, tax policy, or custom. Moreover, the Committee may approve such supplements to, or amendments, restatements, or alternative versions of, the Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of the Plan as in effect for any other purpose; *provided, however,* that no such supplements, amendments, restatements, or alternative versions shall increase the share limitations contained in Sections 3.1, 3.2, 3.3 and 3.4 of the Plan.

Article 5
Stock Options

5.1 *General.* The Committee is authorized to grant Options to Eligible Individuals on the following terms and conditions:

(a) *Exercise Price.* The exercise price per share of Stock subject to an Option shall be determined by the Committee and set forth in the Award Agreement; *provided* that the exercise price for any Option shall not be less than 100% of the Fair Market Value of a share of Stock, on the date of grant.

(b) *Time and Conditions of Exercise.* The Committee shall determine the time or times at which an Option may be exercised in whole or in part; *provided* that the term of any Option granted under the Plan shall not exceed ten years. The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.

(c) *Payment.* The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, including, without limitation, any one or a combination of the following: (i) cash, (including check, bank draft or money order) (ii) shares of Stock issuable upon exercise of the Option or shares of either class of the Company's common stock held for such period of time as may be required by the Committee in order to avoid adverse accounting consequences, in each case, having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof, or (iii) by delivery of irrevocable instructions to a broker to sell the Stock otherwise deliverable upon exercise of the Option and to deliver to the Company an amount equal to the aggregate exercise price. The Committee shall also determine the methods by which shares of Stock shall be delivered or deemed to be delivered to Participants.

(d) *Evidence of Grant.* All Options shall be evidenced by a written Award Agreement between the Company and the Participant. The Award Agreement shall include such additional provisions as may be specified by the Committee.

5.2 *Incentive Stock Options.* The terms of any Incentive Stock Options granted pursuant to the Plan must comply with the conditions and limitations contained in Section 12.2 and this Section 5.2.

(a) *Eligibility.* Incentive Stock Options may be granted only to Employees of the Company or any "subsidiary corporation" thereof (within the meaning of Section 424(f) of the Code and the applicable regulations promulgated thereunder).

(b) *Exercise Price.* The exercise price per share of Stock shall be set by the Committee; *provided* that subject to Section 5.2(d) the exercise price for any Incentive Stock Option shall not be less than 100% of the Fair Market Value on the date of grant.

(c) *Individual Dollar Limitation.* The aggregate Fair Market Value (determined as of the time the Option is granted) of all shares of Stock with respect to which Incentive Stock Options are first exercisable by a Participant in any calendar year may not exceed $100,000 or such other limitation as imposed by Section 422(d) of the Code, or any successor provision. To the extent that Incentive Stock Options are first exercisable by a Participant in excess of such limitation, the excess shall be considered Non-Qualified Stock Options.

(d) *Ten Percent Owners.* An Incentive Stock Option shall be granted to any individual who, at the date of grant, owns stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company only if such Option is granted at a price that is not less than 110% of Fair Market Value on the date of grant and the Option is exercisable for no more than five years from the date of grant.

(e) *Notice of Disposition.* The Participant shall give the Company prompt notice of any disposition of shares of Stock acquired by exercise of an Incentive Stock Option within (i) two years from the date of grant of such Incentive Stock Option or (ii) one year after the transfer of such shares of Stock to the Participant.

(f) *Right to Exercise.* During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant.

5.3 *Substitution of Stock Appreciation Rights.* The Committee may provide in the Award Agreement evidencing the grant of an Option that the Committee, in its sole discretion, shall have to right to substitute a Stock Appreciation Right for such Option at any time prior to or upon exercise of such Option, subject to the provisions of Section 7.2 hereof; provided that such Stock Appreciation Right shall be exercisable with respect to the same number of shares of Stock for which such substituted Option would have been exercisable.

5.4 *Paperless Exercise.* In the event that the Company establishes, for itself or using the services of a third party, an automated system for the exercise of Options, such as a system using an internet website or interactive voice response, then the paperless exercise of Options by a Participant may be permitted through the use of such an automated system.

5.5 *Expiration of Option Term: Automatic Exercise of ln-The-Money Options.* Unless otherwise provided by the Committee (in an Award Agreement or otherwise) or as otherwise directed by an Option holder in writing to the Company, each vested and exercisable Option outstanding on the Automatic Exercise Date with an exercise price per share of Stock that is less than the Fair Market Value per share of Stock as of such date shall automatically and without further action by the Option holder or the Company be exercised on the Automatic Exercise Date. In the sole discretion of the Committee, payment of the exercise price of any such Option shall be made pursuant to Section 5.1(c)(ii) or, subject to Section 14.13 or any applicable trading policy of the Company, pursuant to Section 5.l(c)(iii), and the Company or any Subsidiary shall deduct or withhold an amount sufficient to satisfy all taxes associated with such exercise in accordance with Section 14.4. Unless otherwise determined by the Committee, this Section 5.5 shall not apply to an Option if the holder of such Option incurs a termination of employment or service on or before the Automatic Exercise Date. For the avoidance of doubt, no Option with an exercise price per share of Stock that is equal to or greater than the Fair Market Value per share of Stock on the Automatic Exercise Date shall be exercised pursuant to this Section 5.5.

Article 6
Restricted Stock Awards

6.1 *Grant of Restricted Stock.* The Committee is authorized to make Awards of Restricted Stock to any Eligible Individual selected by the Committee in such amounts and subject to such terms and conditions as determined by the Committee. All Awards of Restricted Stock shall be evidenced by a written Restricted Stock Award Agreement.

6.2 *Issuance and Restrictions.* Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter.

6.3 *Forfeiture.* Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of employment or service during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be surrendered to the Company and cancelled without consideration. Notwithstanding the foregoing, the Committee may (a) provide in any Restricted Stock Award Agreement that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of a Change in Control, terminations resulting from specified causes or the occurrence of specified events, and (b) in other cases waive in whole or in part restrictions or forfeiture conditions relating to Restricted Stock.

6.4 *Certificates for Restricted Stock.* Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing shares of Restricted Stock are registered in the name of the Participant, certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

6.5 *Section 83(b) Election.* If a Participant makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Participant would otherwise be taxable under Section 83(a) of the Code, the Participant shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service along with proof of the timely filing thereof with the Internal Revenue Service.

Article 7
Stock Appreciation Rights

7.1 Grant of Stock Appreciation Rights.

(a) A Stock Appreciation Right may be granted to any Participant selected by the Committee. A Stock Appreciation Right shall be subject to such terms and conditions not inconsistent with the Plan as the Committee shall impose and shall be evidenced by an Award Agreement.

(b) A Stock Appreciation Right shall entitle the Participant (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount determined by multiplying the difference obtained by subtracting the exercise price per share of the Stock Appreciation Right from the Fair Market Value of a share of Stock on the date of exercise of the Stock Appreciation Right by the number of shares of Stock with respect to which the Stock Appreciation Right shall have been exercised, subject to any limitations the Committee may impose.

7.2 Payment and Limitations on Exercise.

(a) Payment of the amounts determined under Section 7.1(b) above shall be in cash, in Stock (based on its Fair Market Value as of the date the Stock Appreciation Right is exercised) or a combination of both, as determined by the Committee in the Award Agreement. To the extent payment for a Stock Appreciation Right is to be made in cash, the Award Agreement shall specify the date of payment which may be different than the date of exercise of the Stock Appreciation Right, to the extent necessary to comply with the requirements to Section 409A of the Code, as applicable. If the date of payment for a Stock Appreciation Right is later than the date of exercise, the Award Agreement may specify that the Participant be entitled to earnings on such amount until paid.

(b) To the extent any payment under Section 7.1(b) is effected in Stock it shall be made subject to satisfaction of all provisions of Article 5 above pertaining to Options.

7.3 *Expiration of Stock Appreciation Right Term: Automatic Exercise of In-the-Money Stock Appreciation Rights.* Unless otherwise provided by the Committee (in an Award Agreement or otherwise) or as otherwise directed by a Stock Appreciation Right holder in writing to the Company, each vested and exercisable Stock Appreciation Right outstanding on the Automatic Exercise Date with an exercise price per share of Stock that is less than the Fair Market Value per share of Stock as of such date shall automatically and without further action by the Stock Appreciation Right holder or the Company be exercised on the Automatic Exercise Date. In the sole discretion of the Committee, the Company or any Subsidiary shall deduct or withhold an amount sufficient to satisfy all taxes associated with such exercise in accordance with Section 14.4. Unless otherwise determined by the Committee, this Section 7.3 shall not apply to a Stock Appreciation Right if the holder of such Stock Appreciation Right incurs a termination of employment or service on or before the Automatic Exercise Date. For the avoidance of doubt, no Stock Appreciation Right with an exercise price per share of Stock that is equal to or greater than the Fair Market Value per share of Stock on the Automatic Exercise Date shall be exercised pursuant to this Section 7.3.

Article 8
Performance-Based Awards, Dividend Equivalents, Stock Payments, Restricted Stock Units

8.1 Performance-Based Awards.

(a) Any Eligible Individual selected by the Committee may be granted one or more Performance-Based Awards which shall be denominated either in Stock units of value including the dollar value of shares of Stock or cash and which may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of Award) the contributions, responsibilities and other compensation of the particular Participant.

(b) *Procedures with Respect to Performance-Based Awards.* With respect to any Award granted under this Article 8, the Committee or its designee shall (1) designate one or more Eligible Individuals, (ii) select the Performance Criteria applicable to the Performance Period, (iii) establish the Performance Goals, and amounts of such Awards, as applicable, which may be earned for such Performance Period, and (iv) specify the relationship between Performance Criteria and the Performance Goals and the amounts of such Awards, as applicable, to be earned by each Eligible Individual for such Performance Period. Following the completion of each Performance Period, the Committee shall determine whether the applicable Performance Goals have been achieved for such Performance Period. In determining the amount earned by an Eligible Individual, the Committee or its designee shall have the right to reduce or eliminate the amount payable at a given level of performance to take into account additional factors that the Committee or its designee may deem relevant to the assessment of individual or corporate performance for the Performance Period.

(c) *Payment of Performance-Based Awards.* Unless otherwise provided in the applicable Award Agreement, a Participant must be employed by the Company or a Subsidiary on the day a Performance-Based Award for such Performance Period is paid to the Participant. Furthermore, a Participant shall be eligible to receive payment pursuant to a Performance-Based Award for a Performance Period only if the Performance Goals for such period are achieved.

8.2 *Dividend Equivalents.* Dividend Equivalents may be granted by the Committee based on dividends declared on the Stock, to be credited as of dividend payment dates during the period between the date an Award is granted to a Participant and the date such Award vests, is exercised, is distributed or expires, as determined by the Committee. Such Dividend Equivalents shall be converted to cash or additional shares of Stock by such formula and at such time and subject to such limitations as may be determined by the Committee. In addition, Dividend Equivalents with respect to an Award with performance-based vesting that are based on dividends paid prior to the vesting of such Award shall only be paid out to the Participant to the extent that the performance-based vesting conditions are subsequently satisfied and the Award vests. Notwithstanding the foregoing, no Dividend Equivalents shall be payable with respect to Options or Stock Appreciation Rights.

8.3 *Stock Payments.* The Committee is authorized to make Stock Payments to any Eligible Individual. The number or value of shares of any Stock Payment shall be determined by the Committee and may be based upon one or more Performance Criteria or any other specific criteria, including service to the Company or any Subsidiary, determined by the Committee.

Shares of Stock underlying a Stock Payment which is subject to a vesting schedule or other conditions or criteria set by the Committee will not be issued until those conditions have been satisfied. Unless otherwise provided by the Committee, a Participant granted a Stock Payment shall have no rights as a Company shareholder with respect to such Stock Payment until such time as the Stock Payment has vested and the Stock underlying the Award have been issued to the Participant. Stock Payments may, but are not required to be made in lieu of base salary, short-term incentive awards, fees or other cash compensation otherwise payable to such Eligible Individual.

8.4 *Restricted Stock Units*. The Committee is authorized to grant Restricted Stock Units to any Eligible Individual. The number and terms and conditions of Restricted Stock Units shall be determined by the Committee. The Committee shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate, including conditions based on one or more Performance Criteria or other specific criteria, including service to the Company or any Subsidiary, in each case on a specified date or dates or over any period or periods, as determined by the Committee. The Committee shall specify, or permit the Participant to elect, the conditions and dates upon which the Stock underlying the Restricted Stock Units shall be issued, which dates shall not be earlier than the date as of which the Restricted Stock Units vest and become nonforfeitable and which conditions and dates shall be subject to compliance with Section 409A of the Code. Restricted Stock Units may be paid in cash, Stock, or both, as determined by the Committee. On the distribution dates, the Company shall issue to the Participant one unrestricted, fully transferable share of Stock (or the Fair Market Value of one such share in cash) for each vested and nonforfeitable Restricted Stock Unit.

8.5 *Deferred Stock*. The Committee is authorized to grant Deferred Stock to any Eligible Individual. The number of shares of Deferred Stock shall be determined by the Committee and may (but is not required to) be based on one or more Performance Criteria or other specific criteria, including service to the Company or any Subsidiary, as the Committee determines, in each case on a specified date or dates or over any period or periods determined by the Committee. Shares of Stock underlying a Deferred Stock award which is subject to a vesting schedule or other conditions or criteria set by the Committee shall be issued on the vesting date(s) or date(s) that those conditions and criteria have been satisfied, as applicable. Unless otherwise provided by the Committee, a Participant granted Deferred Stock shall have no rights as a Company shareholder with respect to such Deferred Stock until such time as the Award has vested and any other applicable conditions and/or criteria have been satisfied and the Stock underlying the Award has been issued to the Participant.

8.6 *Deferred Stock Units.* The Committee is authorized to grant Deferred Stock Units to any Eligible Individual. The number of Deferred Stock Units shall be determined by the Committee and may (but is not required to) be based on one or more Performance Criteria or other specific criteria, including service to the Company or any Subsidiary, as the Committee determines, in each case on a specified date or dates or over any period or periods determined by the Committee. Each Deferred Stock Unit shall entitle the Participant to receive one share of Stock on the date the Deferred Stock Unit becomes vested or upon a specified settlement date thereafter. Shares of Stock underlying a Deferred Stock Unit award which is subject to a vesting schedule or other conditions or criteria set by the Committee shall not be issued until or following the date that those conditions and criteria have been satisfied, *provided, however,* that to the extent necessary, such conditions and dates shall be subject to compliance with Section 409A of the Code. Unless otherwise provided by the Committee, a Participant granted Deferred Stock Units shall have no rights as a Company shareholder with respect to such Deferred Stock Units until such time as the Award has vested and any other applicable conditions and/or criteria have been satisfied and the Stock underlying the Award have been issued to the Participant.

8.7 *Term.* The term of a Performance Award, Dividend Equivalent award, Stock Payment award, Restricted Stock Unit award, Deferred Stock award and/or Deferred Stock Unit award shall be set by the Committee in its sole discretion.

8.8 *Exercise or Purchase Price.* The Committee may establish the exercise or purchase price of a Performance Award, shares distributed as a Stock Payment award, shares distributed pursuant to a Restricted Stock Unit award, shares of Deferred Stock or shares distributed pursuant to a Deferred Stock Unit award; *provided, however,* that value of the consideration shall not be less than the par value of a share of Stock, unless otherwise permitted by applicable law.

8.9 *Termination of Employment or Service.* Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, a Performance Award, Dividend Equivalent award, Stock Payment award, Restricted Stock Unit award, Deferred Stock award and/or Deferred Stock Unit award is only distributable while the Participant is employed by or providing services to the Company or a Subsidiary. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide that an Award may be distributed following a Participant's termination of employment or service in certain events, including in the event of a Change in Control and/or terminations resulting from specified causes.

Article 9
Provisions Applicable to Awards

9.1 *Stand-Alone and Tandem Awards.* Awards granted pursuant to the Plan may, in the discretion of the Committee, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

9.2 *Award Agreement.* Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award, which may include the term of an Award, the provisions applicable in the event the Participant's employment or service terminates, certain restrictive covenants and agreements, and the Company's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an Award.

9.3 *Limits on Transfer.* No right or interest of a Participant in any Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or a Subsidiary, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or a Subsidiary. Except as otherwise provided by the Committee, no Award shall be assigned, transferred, or otherwise disposed of by a Participant other than by will or the laws of descent and distribution. The Committee by express provision in the Award or an amendment thereto may permit an Award (other than an Incentive Stock Option) to be transferred to, exercised by and paid to certain persons or entities related to the Participant, including but not limited to members of the Participant's family, charitable institutions, or trusts or other entities whose beneficiaries or beneficial owners are members of the Participant's family and/or charitable institutions, or to such other persons or entities as may be expressly approved by the Committee, pursuant to such conditions and procedures as the Committee may establish subject to the following terms and conditions: (i) an Award transferred to a transferee shall not be assignable or transferable by the permitted transferee other than by will or the laws of descent and distribution; (ii) an Award transferred to a permitted transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Participant (other than the ability to further transfer the Award); and (iii) the Participant and the permitted transferee shall execute any and all documents requested by the Committee, including, without limitation documents to (A) confirm the status of the transferee as a permitted transferee, (B) satisfy any requirements for an exemption for the transfer under applicable federal, state and foreign securities laws and (C) evidence the transfer.

9.4 *Beneficiaries.* Notwithstanding Section 9.3, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Participant, except to the extent the Plan and Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written consent of the Participant's spouse. If no beneficiary has been designated or survives the Participant, payment shall be made to the person entitled thereto pursuant to the Participant's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time provided the change or revocation is filed with the Committee.

9.5 *Stock Certificates; Book Entry Procedures.*

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates evidencing shares of Stock pursuant to the exercise of any Award, unless and until the Board has determined, with advice of counsel, that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the shares of Stock are listed or traded. All Stock certificates delivered pursuant to the Plan are subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal, state, or foreign jurisdiction, securities or other laws, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate to reference restrictions applicable to the Stock. In addition to the terms and conditions provided herein, the Board may require that a Participant make such reasonable covenants, agreements, and representations as the Board, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements. The Committee shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Committee.

(b) Notwithstanding any other provision of the Plan, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, the Company shall not deliver to any Participant certificates evidencing shares of Stock issued in connection with any Award and instead such shares of Stock shall be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

9.6 *Forfeiture and Claw-Back Provisions.* Pursuant to its general authority to determine the terms and conditions applicable to Awards under the Plan, the Committee shall have the right to provide, in an Award Agreement or otherwise, or to require a Participant to agree by separate written or electronic instrument, that:

(a) (i) Any proceeds, gains or other economic benefit actually or constructively received by a Participant upon any receipt or exercise of an Award, or upon the receipt or resale of any shares of Stock underlying an Award, shall be paid to the Company, and (ii) the Award shall terminate and any unexercised portion of the Award (whether or not vested) shall be forfeited, if (x) a termination of employment or service occurs prior to a specified date, or within a specified time period following receipt or exercise of the Award, or (y) the Participant at any time, or during a specified time period, engages in any activity in competition with, or otherwise harmful to, the Company, or which is inimical, contrary or harmful to the interests of the Company, as further defined by the Committee or (z) the Participant incurs a termination of employment or service for “cause” (as such term is defined in the sole discretion of the Committee, or as set forth in the Award Agreement relating to such Award); and

(b) All Awards (including any proceeds, gains or other economic benefit actually or constructively received by a Participant upon any receipt or exercise of any Award or upon the receipt or resale of any shares of Stock underlying an Award) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with the requirements of applicable law, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy and/or in the applicable Award Agreement.

Article 10
Changes in Capital Structure

10.1 *Adjustments*.

(a) In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off, recapitalization, distribution of Company assets to shareholders (other than normal cash dividends), or any other corporate event affecting the Stock or the share price of the Stock other than an Equity Restructuring, the Committee may make equitable adjustments, if any, to reflect such changes with respect to (i) the aggregate number and type of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 herein); (ii) the number and type of shares subject to outstanding Awards; (iii) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria, including any Performance Criteria or Performance Goals, with respect thereto); and (iv) the grant or exercise price per share for any outstanding Awards under the Plan.

(b) In the event of any transaction or event described in Section 10.1(a) or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate (including without limitation any Change in Control), or of changes in applicable laws, regulations or accounting principles, and whenever the Committee determines that action is appropriate in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles, the Committee, in its sole discretion and on such terms and conditions as it deems appropriate, either by amendment of the terms of any outstanding Awards or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Participant’s request, is hereby authorized to take any one or more of the following actions:

a. (i) To provide for either:the termination, by the surrender, of any such Award in exchange for an amount of cash and/or other property, if any, equal to the amount by which the Fair Market Value of the Stock which the Award represents exceeds the Award exercise price for all or part of the shares of Stock which are related to such Award and that would have been attained upon the exercise of such Award or realization of the Participant's rights (and, for the avoidance of doubt, if as of such date the Committee determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant’s rights, then such Award may be terminated by the Company without payment); or

b. The replacement of such Award with other rights or property selected by the Committee, in its sole discretion, having an aggregate value not exceeding the amount that could have been attained upon the exercise of such Award or realization of the Participant's rights had such Award been currently exercisable or payable or fully vested;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of shares of Stock (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards and Awards which may be granted in the future;

(iv) To provide that any such Award shall be exercisable or payable or fully vested with respect to all shares of Stock covered thereby, notwithstanding anything to the contrary in the Plan or the applicable Award Agreement; and

(v) To provide that any such Award cannot vest, be exercised or become payable after such event.

(c) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in Sections 10.1(a) and 10.1(b):

(i) The number and type of securities subject to each outstanding Award and the exercise price or grant price thereof, if applicable, shall be equitably adjusted; and/or

(ii) The Committee shall make such equitable adjustments, if any, as the Committee, in its sole discretion, may deem appropriate to reflect such Equity Restructuring with respect to the aggregate number and kind of shares of Stock that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3). The adjustments provided under this Section 10.1(c) shall be nondiscretionary and shall be final and binding on the affected Participant and the Company.

10.2 *Acceleration Upon a Change in Control*.

(a) Notwithstanding the provisions of Section 10.1, upon a Change in Control, unless the Committee elects to (i) terminate an Award in exchange for cash, rights or property, or (ii) cause an Award to become fully exercisable and cause all forfeiture restrictions on such Awards to lapse prior to the consummation of a Change of Control, pursuant to Section 10.1, such (A) Award (other than any portion subject to performance-based vesting) shall continue in effect or be assumed or an equivalent Award substituted by the successor corporation or a parent or subsidiary of the successor corporation and (B) the portion of such Award subject to performance-based vesting shall be subject to the terms and conditions of the applicable Award Agreement and, in the absence of applicable terms and conditions, the Committee's discretion. In the event an Award continues in effect or is assumed or an equivalent Award substituted, and a the Participant incurs a termination of employment or service without "cause" (as such term is defined in the sole discretion of the Committee, or as set forth in the Award Agreement relating to such Award) upon or within twelve (12) months following the Change in Control, then such the Participant shall be fully vested in such continued, assumed or substituted Award.

(b) In the event that the successor corporation in a Change in Control refuses to assume or substitute for an Award, the Committee may cause (i) any or all of such Award (or portion thereof) to terminate in exchange for cash, rights or other property pursuant to Section 10.1(b)(i)(a); or (ii) any or all of such Award (or portion thereof) to become fully exercisable immediately prior to the consummation of such transaction and all forfeiture restrictions on any or all of such Award to lapse. If any such Award is exercisable in lieu of assumption or substitution in the event of a Change in Control, the Committee may give such Participant the right to exercise such Awards during a reasonable period of time as the Committee, in its sole and absolute discretion, shall determine, contingent upon the occurrence of the Change in Control, and such Award shall terminate upon the expiration of such period.

(c) For the purposes of this Section 10.2, an Award shall be considered assumed if, following the Change in Control, the Award confers the right to purchase or receive, for each share of Stock subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Company's stock for each share of Stock held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); provided, however, that if such consideration received in the Change in Control was not solely common stock of the successor corporation or its parent, the Committee may, with the consent of the successor corporation. provide for the consideration to be received upon the exercise of the Award, for each Share subject to an Award, to be solely common stock of the successor corporation or its parent equal in fair market value to the per-share consideration received by holders of Company Stock in the Change in Control.

(d) The Committee, in its sole discretion, may include such further provisions and limitations in any Award, agreement or certificate, as it may deem equitable and in the best interests of the Company that are not inconsistent with the provisions of the Plan.

(e) Unless otherwise determined by the Committee, no adjustment or action described in this Section 10.2 or in any other provision of the Plan shall be authorized to the extent it would (i) cause the Plan to violate Section 422(b)(1) of the Code, (ii) result in short-swing profits liability under Section 16 of the Exchange Act or violate the exemptive conditions of Rule 16b-3 of the Exchange Act, or (iii) cause an Award to fail to be exempt from or comply with Section 409A.

10.3 The existence of the Plan, any program, any Award Agreement and/or the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Company Stock or the rights thereof or which are convertible into or exchangeable for Company Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

10.4 In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the Shares or the share price of the Common Stock including any Equity Restructuring, for reasons of administrative convenience, the Committee, in its sole discretion, may refuse to permit the exercise of any Award during a period of up to thirty (30) days prior to the consummation of any such transaction.

10.5 No *Other Rights.* Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Committee under the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock subject to an Award or the grant or exercise price of any Award.

Article 11
Administration

11.1 *Committee.* The Plan shall be administered by the Compensation Committee (the "Committee") consisting solely of at least two or more members of the Board who are each Non-Employee Directors. Additionally, to the extent required by applicable law, each of the individuals constituting the Compensation Committee of the Board (or another committee or subcommittee of the Board or the Compensation Committee of the Board assuming the functions of the Committee under the Plan) shall be an "independent director" under the rules of any securities exchange or automated quotation system on which the Stock is listed, quoted or traded. Notwithstanding the foregoing, any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 11.1 or otherwise provided in any charter of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written or electronic notice to the Board. Vacancies in the Committee may only be filled by the Board. Notwithstanding the foregoing, (a) the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Non-Employee Directors and, with respect to such Awards, the term "Committee" as used in the Plan shall be deemed to refer to the Board and (b) the Board or Committee may delegate its authority hereunder to the extent permitted by Section 11.5.

11.2 *Action by the Committee.* Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum. The acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by a majority of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any Officer or other Employee of the Company or any Subsidiary, the Company's independent registered public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan. The Committee shall select one of its members as a Chairman, who shall preside at meetings and who shall have authority to execute and deliver documents on behalf of the Committee. Meetings of the Committee shall be held at such times and places as the members thereof may determine.

11.3 *Authority of Committee.* Subject to any specific designation in the Plan, the Committee has the exclusive power, authority and discretion to:

(a) Designate Eligible Individuals to receive Awards;

(b) Determine the type or types of Awards to be granted to each Eligible Individual;

(c) Determine the number of Awards to be granted and the number of shares of Stock to which an Award will relate;

(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, or purchase price, any Performance Criteria, any restrictions or limitations on the Award, any schedule for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Committee in its sole discretion determines;

(e) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Stock, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Participant;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt, or revise any rules and regulations as it may deem necessary or advisable to administer the Plan;

(i) Interpret the terms of, and any matter arising pursuant to, the Plan or any Award Agreement; and

(j) Make all other decisions and determinations that may be required pursuant to the Plan or as the Committee deems necessary or advisable to administer the Plan.

11.4 *Decisions Binding.* The Committee's interpretation of the Plan, any Awards granted pursuant to the Plan, any Award Agreement and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties.

11.5 *Delegation of Authority.* To the extent permitted by applicable law, the Board or Committee may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to grant or amend Awards or to take other administrative actions pursuant to this Article 11; *provided,* however, that in no event shall an officer of the Company be delegated the authority to grant awards to, or amend awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act, or (b) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder; *provided, further,* that any delegation of administrative authority shall only be permitted to the extent it is permissible under applicable law. Any delegation hereunder shall be subject to the restrictions and limits that the Board or Committee specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 11.5 shall serve in such capacity at the pleasure of the Board and the Committee.

Article 12
Effective and Expiration Date

12.1 *Effective Date.* The Plan was originally effective on May 2, 2005, the date the Plan was initially approved by the Company's shareholders, and was previously amended and restated effective as of May 3, 2010, May 5, 2015 and December 6, 2016, each date being the date the Plan (as previously amended and restated) was approved by the Company's shareholders, except for December 6, 2016, on which date the amendment and restatement of the Plan was approved by the Board. This amendment and restatement of the Plan shall be effective on the date it is approved by the Company's Board (the *"Restatement Effective. Date").*

12.2 *Expiration Date.* The Plan will expire on, and no Incentive Stock Option or other Award may be granted pursuant to the Plan after, the tenth anniversary of the Restatement Effective Date on which the amendment and restatement of the Plan was most recently approved by the Company's shareholders. Any Awards that are outstanding on such tenth anniversary shall remain in force according to the terms of the Plan and the applicable Award Agreement.

Article 13
Amendment, Modification, and Termination

13.1 *Amendment, Modification, and Termination.* With the approval of the Board, at any time and from time to time, the Committee may terminate, amend or modify the Plan; *provided, however,* that to the extent necessary and desirable to comply with any applicable law, regulation, or stock exchange rule, the Company shall obtain shareholder approval of any Plan amendment in such a manner and to such a degree as required. Such shareholder approval may be required for any amendment to the Plan that (i) increases the number of shares available under the Plan (other than any adjustment as provided by Article 10), (ii) permits the Committee to grant Options or Stock Appreciation Rights with an exercise or base price that is below Fair Market Value on the date of grant, (iii) permits the Committee to extend the exercise period for an Option or Stock Appreciation Right beyond ten years from the date of grant, or (iv) results in a material increase in benefits or a change in eligibility requirements. Notwithstanding any provision in this Plan to the contrary, absent approval of the shareholders of the Company, (i) no Option or Stock Appreciation Right may be amended to reduce the per share exercise or base price of the shares subject to such Option or Stock Appreciation Right below the per share exercise or base price as of the date the Option or Stock Appreciation Right is granted (ii) no Option or Stock Appreciation Right may be cancelled in exchange for cash when the per share exercise or base price of such Award exceeds the Fair Market Value of the underlying shares of stock, and (iii) except as permitted by Article 10, no Option or Stock Appreciation Right may be granted in exchange for, or in connection with, the cancellation or surrender of an Option or Stock Appreciation Right having a higher per share exercise or base price. When an amendment to the Plan is subject to shareholder approval, such amendment (or amendment and restatement, as applicable) will be deemed to be approved by the shareholders if it receives the affirmative vote of a majority of the votes cast at a meeting duly held in accordance with the applicable provisions of the Company's By-laws. In the event that the Company's shareholders do not approve this amendment and restatement of the Plan, the Plan will continue in full force and effect on its terms and conditions as in effect immediately prior to the date that the Plan (as amended and restated herein) was approved by the Board.

13.2 *Awards Previously Granted.* No termination, amendment, or modification of the Plan shall adversely affect in any material way any Award previously granted pursuant to the Plan without the prior written consent of the Participant. It is intended that the Plan comply fully with and meet all of the requirements for the Section 162(m) Exception with respect to Awards granted hereunder prior to November 2, 2017. Notwithstanding any other provision of the Plan, this amendment and restatement of the Plan as of the Restatement Effective Date does not and shall not modify the terms or conditions of any Award made pursuant to a written binding contract in effect on November 2, 2017 that is intended to meet the Section 162(m) Exception.

Article 14
General Provisions

14.1 *Absence from Work.* A Participant who is absent from work with the Company or a Subsidiary because of illness or temporary disability, or who is on leave of absence for such purpose or reason as the Committee may approve, shall not be deemed during the period of such absence, by reason of such absence, to have ceased to be an Employee of the Company or a Subsidiary. Where a cessation of employment is to be considered a retirement with the consent of the Company or by reason of Disability for the purpose of this Plan shall be determined by the Committee, which determination shall be final and conclusive.

14.2 *No Rights to Awards.* No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Committee is obligated to treat Eligible Individuals, Participants or any other persons uniformly.

14.3 *No Shareholder Rights.* Except as otherwise provided herein, a Participant shall have none of the rights of a shareholder with respect to shares of Stock covered by any Award until the Participant becomes the record owner of such shares of Stock.

14.4 *Withholding.* The Company or any Subsidiary shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant's FICA, employment tax or other social security contribution obligation) required by law to be withheld with respect to any taxable event concerning a Participant arising as a result of this Plan. The Committee may in its discretion and in satisfaction of the foregoing requirement allow a Participant to elect to have the Company withhold shares of Stock otherwise issuable under an Award (or allow the surrender of shares of Stock) having a Fair Market Value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan, the number of shares of Stock which may be so withheld or surrendered with respect to the issuance, vesting, exercise or payment of any Award (or which may be repurchased from the Participant of such Award within six months (or such other period as may be determined by the Committee) after such shares of Stock were acquired by the Participant from the Company) in order to satisfy the Participant's federal, state, local and foreign income and payroll tax liabilities with respect to the issuance, vesting, exercise or payment of the Award shall be limited to the number of shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The Committee shall determine the fair market value of the shares of Stock, consistent with the applicable provisions of the Code, for tax withholding obligations due in connection with a broker-assisted cashless Option or Stock Appreciation Right exercise involving the sale of shares of Stock to pay the Option or Stock Appreciation Right exercise price or any tax withholding obligation.

14.5 *No Right to Employment or Services.* Nothing in the Plan or any Award Agreement shall interfere with or limit in any way the right of the Company or any Subsidiary to terminate any Participant's employment or services at any time, nor confer upon any Participant any right to continue in the employ or service of the Company or any Subsidiary.

14.6 *Unfunded Status of Awards.* The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Subsidiary.

14.7 *Indemnification.* To the extent allowable pursuant to applicable law, each member of the Committee or of the Board shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; *provided* he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's Certificate of Incorporation or By-Laws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

14.8 *Relationship to other Benefits.* No payment pursuant to the Plan shall be taken into account in determining any benefits pursuant to any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

14.9 *Expenses.* The expenses of administering the Plan shall be borne by the Company and its Subsidiaries.

14.10 *Titles and Headings.* The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

14.11 *Fractional Shares.* No fractional shares of Stock shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional shares or whether such fractional shares shall be eliminated by rounding up or down as appropriate.

14.12 *Section 409A.* To the extent that the Committee determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and any Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. Notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the date such Award is granted), the Committee may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section. Notwithstanding any provision of this Plan or an Award Agreement to the contrary, the Company makes no representations or warranties as to the tax treatment of any Award under Section 409A of the Code or otherwise. The Company shall have no obligation under this Section 14.12 or otherwise to take any action (whether or not described herein) to avoid the imposition of taxes, penalties or interest under Section 409A of the Code with respect to any Award and shall have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute non-compliance, “nonqualified deferred compensation” subject to the imposition of taxes, penalties and/or interest under Section 409A of the Code. Notwithstanding any other provision of this Plan or an Award Agreement to the contrary, to the extent any payment hereunder constitutes nonqualified deferred compensation within the meaning of Section 409A of the Code, and the Participant is a “specified employee” (within the meaning of Section 409A of the Code) as of the date of the Participant’s separation from service, each such payment that is payable upon such grantee’s separation from service and would have been paid prior to the six-month anniversary of the Participant’s separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following such Participant’s separation from service or (ii) the date of such Participant’s death.

14.13 *Limitations Applicable to Section 16 Persons.* Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any Participant who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

14.14 *Government and Other Regulations.* The obligation of the Company to make payment of Awards in Stock or otherwise shall be subject to all applicable laws, rules, and regulations, and to such approvals by government agencies as may be required. The Company shall be under no obligation to register pursuant to the Securities Act, any of the shares of Stock paid pursuant to the Plan. If the shares paid pursuant to the Plan may in certain circumstances be exempt from registration pursuant to the Securities Act, the Company may restrict the transfer of such shares in such manner as it deems advisable to ensure the availability of any such exemption.

14.15 *Governing Law.* The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Connecticut.

AMENDMENT #2
TO
HUBBELL INCORPORATED
DEFINED CONTRIBUTION RESTORATION PLAN
As Amended and Restated Effective as of December 8, 2015

This Amendment #2 (the "Amendment") is adopted by Hubbell Incorporated, a Connecticut corporation (the "Company") for purposes of amending that certain Hubbell Incorporated Defined Contribution Restoration Plan (as Amended and Restated Effective as of December 8, 2015) (as amended, the "Plan"), as of December 4, 2019 (the "Amendment Effective Date"). Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Plan.

WHEREAS, pursuant to Section 10.1(a) of the Plan, except as limited by applicable law, the Plan may be wholly or partially amended by the Board from time to time, including retroactive amendments; provided that any such amendment does not decrease the Vested percentage or amount of interest any Participant or any other person entitled to payment under the Plan has in the Participant's Account;

WHEREAS, the Board has determined that it is advisable and in the best interests of the Company to amend the Plan as set forth herein to provide Participants with Company Contributions that generally reflect, but diverge in part from, the terms of the Savings Plan, as amended and restated, and that such amendment is permitted under Section 10.1 of the Plan.

NOW, THEREFORE, in consideration of the foregoing recitals, the Plan is hereby amended as follows, effective as of January 1, 2020:

1. Article I of the Plan is hereby amended to add the following definitions:

"1.3A Base Salary

"Base Salary" shall mean the base or regular cash salary relating to service performed during any calendar year, excluding distributions from nonqualified deferred compensation plans, bonuses, commissions, overtime, fringe benefits, stock options, relocation expenses, incentive payments, non-monetary awards and automobile and other allowances paid to a Participant for services rendered (whether or not such amounts are included in the Employee's gross income). Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee."

and

"1.5A Bonus

"Bonus" shall mean any cash incentive or bonus compensation payable in a Plan Year that is in addition to Base Salary, earned by a Participant under any Employer's annual bonus and cash incentive plans and commission payments, but shall not include any stock option, stock appreciation rights, other equity-based incentive award or a replacement of an award originally granted as equity compensation, retention bonus or fringe benefits. A Participant's Bonus shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee."

2. Article Section 1.11 of the Plan is hereby amended in its entirety to read as follows:

"1.11 Compensation

"Compensation" shall mean, effective January 1, 2020, Base Salary plus Bonus. For periods prior to January 1, 2020, Compensation shall have the meaning in the Plan as in effect for such period."

3. Section 1.19A of the Plan is hereby amended in its entirety to read as follows:

"1.19A Match-Eligible Deferrals

"Match-Eligible Deferrals" shall mean, for each Participant in each Plan Year, an amount equal to the sum of (a) the amount of such Participant's pre-tax and Roth deferrals under the Savings Plan for such Plan Year; provided, however, that such deferrals are applicable to amounts that would constitute, for such Plan Year, Compensation under the Plan as then in effect and (b) the amount of such Participant's deferrals of any Compensation under the Hubbell Incorporated Executive Deferred Compensation Plan (as amended from time to time) for such Plan Year to the extent the amounts so deferred constitute Compensation under the Plan, up to a combined maximum of six percent (6%) of such Participant's Compensation for such Plan Year."

4. Except as modified by the forgoing, the terms and conditions of the Plan shall remain in full force and effect following the adoption of this Amendment.

IN WITNESS WHEREOF, the Company has adopted this Amendment #2 to the Hubbell Incorporated Defined Contribution Restoration Plan as of the Amendment Effective Date

HUBBELL INCORPORATED

By: /s/ Katherine A. Lane

Print Name: Katherine A. Lane

Title: Vice President, General Counsel and Secretary

Date: December 4, 2019

POLICY FOR PROVIDING SEVERANCE PAYMENTS TO SENIOR EMPLOYEES
(As Amended and Restated Effective December 4, 2019)

ARTICLE 1 - POLICY

It is the policy of the Company to provide certain severance payments and insurance benefits to Senior Employees whose employment with the Company and its Subsidiaries is terminated under certain conditions. This Policy has been established and is maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees within the meaning of ERISA. The benefits provided for under this Policy are unfunded for tax purposes and for purposes of Title I of ERISA and all benefits from the Policy will be made from the general assets of the Company.

ARTICLE 2 - DEFINITIONS

“Base Salary” shall mean Senior Employee’s salary or regular rate of pay (determined on a weekly basis) payable immediately preceding Senior Employee’s Separation from Service. Base Pay does not include discretionary bonuses, other variable compensation, or other benefits.

“Cause” shall mean (i) misconduct which is reasonably deemed to be prejudicial to the interest of the Company, (ii) utilization or disclosure of confidential information of the Company (or of any other entity learned in the course of your job) for reasons unrelated to your employment with the Company, (iii) willful failure to perform the material duties of your job, (iv) fraud in connection with the business affairs of the Company regardless of whether said conduct is designed to defraud the Company or otherwise, (v) violation of the code of conduct or material policies of the Company, including any written policies related to discrimination, harassment, performance of illegal or unethical activities, ethical misconduct and conflicts of interest, (vi) violation of any fiduciary duty owed to the Company, or (vii) conviction of, plea of no contest or guilty to a felony or other crime involving moral turpitude.

“COBRA” shall mean Part 6 of Title I of ERISA and Code Section 4980B and the regulations promulgated under any of them, as amended.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Company” shall mean Hubbell Incorporated or its successors.

“Continuing Director” shall mean any individual who is a member of the Company’s Board of Directors on December 9, 1986 or was designated (before such person’s initial election as a Director) as a Continuing Director by 2/3 of the then Continuing Directors.

“Corporate Officer” shall mean a Senior Employee designated by the Company as an executive officer of the Company for purposes of reporting under Section 16 of the Securities Exchange Act of 1934, as amended..

“Director” shall mean any individual who is a member of the Company’s Board of Directors on the date the action in question was taken.

“Good Reason” shall mean the Separation from Service by a Senior Employee following one or more of the following events or conditions, in any case without the consent of the Senior Employee:

(a) a material diminution in the Senior Employee’s authority, duties or responsibilities;

(b) a material diminution in the Senior Employee’s base compensation, unless such a salary reduction is imposed across-the-board to senior management of the Company;

(c) a change by more than fifty (50) miles in the geographic location at which the Senior Employee must perform his or her duties; or

(d) any other action or inaction that constitutes a material breach by the Company or any successor or affiliate of its obligations to the Senior Employee under any agreement pursuant to which the Senior Employee provides services to the Company.

The Senior Employee must provide written notice to the Company of the occurrence of any of the foregoing events or conditions without the Senior Employee’s written consent within ninety (90) days of the occurrence of such event. The Company or any successor or affiliate shall have a period of thirty (30) days to cure such event or condition after receipt of written notice of such event from the Senior Employee. Any such termination of the Senior Employee’s employment by the Senior Employee with Good Reason following such thirty (30) day cure period must occur no later than the date that is six (6) months following the initial occurrence of one of the foregoing events or conditions without the Senior Employee’s written consent.

“Policy” means this Policy for Providing Severance Payments to Senior Employees, as amended from time to time.

“Senior Employee” shall mean an individual whose compensation level is designated as executive band level II or higher or any other individual so designated by the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”) who is identified as based in the United States on the payroll system of the Company or its Subsidiary.

“Separation from Service” shall have the meaning set forth in Treas. Reg. §l .409A-1(h).

“Subsidiary” shall mean any corporation in which Hubbell Incorporated owns directly or indirectly stock possessing 50% or more of the total combined voting power of all classes of stock.

“Target Bonus” shall mean the “target bonus” as established for a Senior Employee for a particular year by the Company.

“Years of Company Service” shall mean a Senior Employee’s fully completed years of continuous service from date of hire by the Company until his or her date of termination.

ARTICLE 3 -ELIGIBILITY

A Senior Employee whose employment with the Company is terminated in a Separation from Service will qualify for severance payments, bonus payment, group insurance benefits and outplacement services (collectively, “Severance Benefits”), as described in this Policy, when all of the following conditions are met:

(a) the termination is either (i) at the initiative of the Company for reasons other than Cause or (ii) with Good Reason by the Senior Employee.

(b) if a business unit of the Company is sold or divested and a Senior Employee employed by such unit does not continue employment for at least 90 calendar days with the new owner with the same or comparable pay, status and responsibilities (unless terminated for Cause or the Senior Employee resigns without Good Reason), or is not offered employment with the new owner at the same or comparable pay, status and responsibilities; unless the Senior Employee is re-employed by the Company or is entitled to severance and benefits comparable to those provided by this Policy from the new owner. severance payments and benefits due from this policy will be reduced by the value of severance related payments and benefits received from the new owner.

If a business unit of the Company is sold or divested and a Senior Employee employed by such unit continues employment with the new owner at the same or comparable pay, status and responsibilities for at least 90 calendar days or is offered such employment and declines such offer, then such Senior Employee shall be ineligible for any severance or other benefits under this Policy.

For the avoidance of doubt, a Senior Employee will not be eligible for Severance Benefits under this Policy if (i) the Senior Employee's termination of employment with the Company is due to a voluntary resignation without Good Reason, a termination for Cause, or a termination due to disability or death, or (ii) the Senior Employee is entitled to severance or severance-related benefits as a party to an offer letter, employment agreement or written contract of employment or other arrangement (including any practice or policy of any Subsidiaries of the Company), or under any local statute or other regulation that governs eligibility for severance in the circumstances under which Severance Benefits would otherwise be payable under this Policy or that provides a period of notice to effect a termination of employment.

ARTICLE 4 - SEVERANCE PAY

Provided the Senior Employee's employment termination meets the eligibility criteria above, post-employment severance payments will be made in accordance with the following formula:

Position Level	Weeks of Base Salary Continuation Per Each Full Year of Company Service	Weeks Minimum Payments	Weeks Maximum Payments
Corporate Officer	4	26	78
Band III (non-officer)	3.5	16	52
Band II (non-officer)	3	12	52

To determine the amount of severance payments owed to the terminated Senior Employees, multiply his or her full (completed) Years of Company Service by the "weeks of Base Salary" figure shown. "Minimum" and "Maximum" figures are tests to be applied after this calculation is completed.

The Senior Employee shall receive severance payments in a single lump sum. Subject to the application of Article 12 hereof, payment of severance will be made within thirty (30) days following the effective date of the release required under Article 8, but for the release requirement; provided that in the event the 60-day period set forth in Article 8 begins in one taxable year and ends in a second taxable year, the payment of severance will be made on the later of the 30th day after the effective date of the release or the first business day in the tax year following the year that includes the termination of employment.

ARTICLE 5 - GROUP INSURANCE CONTINUATION

The actual or equivalent group medical and dental insurance plan coverages provided a Senior Employee as an active employee may be continued at their current cost to Employee, if the Senior Employee properly and timely elects to continue medical, dental and/or vision coverage in accordance with the eligibility requirements of COBRA, for a period following the termination of employment equal to the number weeks of Base Salary received in severance, even though severance payments may be made in a lump sum. During such period, the actual contribution towards the COBRA premium by the Senior Employee shall be equal to the amount the Senior Employee would have paid for such coverages had the Senior Employee been an active employee of the Company or one of its Subsidiaries. At the end of such period, if the Senior Employee elects continued COBRA coverage, the Senior Employee shall be responsible to pay the full cost of such coverage to the COBRA vendor at the Senior Employee's own expense, without any contribution towards the premiums by the Company or one of its Subsidiaries. If the Senior Employee does not elect COBRA continuation coverage, the Senior Employee shall not be eligible to receive the value of the subsidy described in this paragraph by other means.

ARTICLE 6 - BONUS

The Senior Employee shall be entitled to receive his or her Target Bonus for the year in which the termination occurs multiplied by a fraction, the numerator of which is the number of completed months of the year occurring through the date of termination and the denominator of which is twelve. Such Target Bonus shall be paid at the same time a lump sum payment of severance payments would be payable in accordance with Article 4 above.

ARTICLE 7 - OUTPLACEMENT

The Senior Employee shall be entitled to outplacement services following a Separation of Service in accordance with the table below; provided however, that the outplacement services benefit is not transferable to cash should the Senior Employee elect not to use it.

Position	Outplacement Services (in months)
Corporate Officer	12
Band III (non-Corporate officer)	6
Band II (non-Corporate officer)	6

ARTICLE 8 - EXECUTION OF RELEASES

A Senior Employee will not be eligible to receive Severance Benefits under this Policy (which includes for this purpose any of the payments and benefits described in Articles 4, 5, 6 and 7) unless he or she executes a general release of claims and such release becomes non-revocable within 60 days following termination.

ARTICLE 9 - ADMINISTRATION

The Senior Vice President Human Resources (the “Administrator”) is responsible for the administration, compliance and appropriate application of this Policy. The Administrator will have the discretion to make any findings of fact needed in the administration of the Policy and will have the discretion to interpret or construe ambiguous, unclear or implied (but omitted) terms in any fashion he or she deem to be appropriate in his or her sole judgment. The validity of any such finding of fact, interpretation, construction or decision will not be given de novo review if challenged in court, by arbitration or any other forum and will be upheld unless clearly arbitrary or capricious.

To the extent the Administrator has been granted discretionary authority under this Policy, the Administrator’s exercise of such authority will not obligate him or her to exercise his or her authority in a like fashion thereafter. If, due to errors in drafting, any provision of this Policy does not accurately reflect its intended meaning, as demonstrated by consistent interpretations or other evidence of intent, or as determined by the Administrator in his or her sole and exclusive judgment, the provision will be considered ambiguous and will be interpreted by the Administrator in a fashion consistent with its intent, as determined by the Administrator in his or her sole discretion.

The Administrator may amend the Policy retroactively to cure any such ambiguity. These provisions may not be invoked by any person to require the Policy to be interpreted in a manner which is inconsistent with its interpretation by the Administrator. All actions and all determinations made in good faith by the Administrator shall be final and binding upon all persons claiming any interest in or under the Plan.

ARTICLE 10 - CLAIMS PROCEDURE

If a Senior Employee believes he/she is incorrectly denied a benefit or entitled to a greater benefit than the benefit received under the Policy, he/she may submit a signed, written application to the Administrator. Such Senior Employee will be notified in writing of the approval or denial of this claim within ninety (90) days of the date that Administrator, receives the claim, unless special circumstances require an extension of time for processing the claim. In the event an extension is necessary, the Senior Employee will be provided written notice prior to the end of the initial ninety (90) day period indicating the special circumstances requiring the extension and the date by which the Administrator, expects to notify him/her of approval or denial of the claim. In no event will an extension extend beyond ninety (90) days after the end of the initial ninety (90) day period. If the claim is denied, the written notification will state specific reasons for the denial, make specific reference to the provision(s) of this Policy on which the denial is based, and provide a description of any material or information necessary for the Senior Employee to perfect the claim and why such material or information is necessary. The written notification will also provide a description of the review procedures under this Policy and the applicable time limits, including a statement of the Senior Employee's right to bring a civil suit under section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") following denial of the claim on review.

The Senior Employee will have sixty (60) days from receipt of the written notification of the denial of the claim to file a signed, written request for a full and fair review of the denial by a review panel which will be a named fiduciary for purposes of such review. This request should include the reasons the Senior Employee is requesting a review and may include facts supporting the request and any other relevant comments, documents, records and other information relating to the claim. Upon request and free of charge, the Senior Employee will be provided with reasonable access to, and copies of, all documents records and other information relevant to the claim, including any document, record or other information that was relied upon in, or submitted, considered or generated in the course of, denying the claim. A final, written determination of the eligibility for benefits shall be made within sixty (60) days of receipt of the request for review, unless special circumstances require an extension of time for processing the claim, in which case the Senior Employee will be provided written notice of the reasons for the delay within the initial sixty (60) day period and the date by which he/she should expect notification of approval or denial of the claim. This review will take into account all comments, documents, records and other information submitted relating to the claim, whether or not submitted or considered in the initial review of the claim. In no event will an extension extend beyond sixty (60) days after the end of the initial sixty (60) day period. If an extension is required because the Senior Employee failed to submit information that is necessary to decide the claim, the period for making the benefit determination on review will be tolled from the date the notice of extension is sent to the Senior Employee until the date on which the Senior Employee responds to the request for additional information. If the claim is denied on review, the written notification will state specific reasons for the denial, make specific reference to the provision(s) of the Policy on which the denial is based and state that the Senior Employee is entitled to receive upon request, and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim, including any document, record or other information that was relied upon in, or submitted, considered or generated in the course of, denying the claim. The written notification will also include a statement of the right to bring an action under section 502(a) of ERISA.

If the claim is initially denied or is denied upon review, the Senior Employee is entitled to receive upon request, and free of charge, reasonable access to, and copies of, any document, record or other information that demonstrates that (1) the claim was denied in accordance with the terms of the Policy, and (2) the provisions of the Policy have been consistently applied to similarly situated participants, if any. In pursuing any of rights set forth in this section, an authorized representative may act on behalf of a Senior Employee.

If the Senior Employee does not receive notice within the time periods described above, whether on initial determination or review, he/she may initiate a lawsuit under Section 502(a) of ERISA.

ARTICLE 11 - LIMITATION ON PAYMENTS

If any amounts payable to a Senior Employee pursuant to this policy which are deemed to constitute Parachute Payments (as hereinafter defined) when added to any other payments which arc deemed to constitute Parachute Payments, would result in the imposition on the Senior Employee of an excise tax under Section 4999 of the Code, the amounts payable under this Policy shall be reduced by the smallest amount necessary to avoid the imposition of such excise tax; but shall be reduced only i f, by reason of such reduction, the Senior Employee's Net After Tax Benefit (as hereinafter defined) shall exceed the Net After Tax Benefit if such reduction were not made. The foregoing calculations (including any calculations required under the definition of Net After Tax Benefit) shall be made, at the Company's expense, by the Company and the Senior Employee. If no agreement on the calculations is reached wherein five days after the date of a termination of employment, then the calculations shall be made, at the Company's expense, by the Company's independent registered public accountant and an outside counsel mutually acceptable to the Senior Employee and the Company. In the event it becomes necessary to limit any payments under this Policy, the Senior Employee's health and life insurance shall be the last payments to be so limited; any other payments payable under this Policy shall be payable when due until the remaining maximum permissible amount has been paid to the Senior Employee pursuant to the terms hereunder.

"Net After Tax Benefit" means the sum of (a) the total amounts payable to the Senior Employee under this Policy, plus (b) all other payments and benefits which the Senior Employee receives or is entitled to receive from the Company that would constitute a Parachute Payment, less (c) the amount of federal income taxes payable with respect to the foregoing calculated at the maximum marginal income tax rate for each year in which the foregoing shall be paid to the Senior Employee (based upon the rate in effect for such year as set forth in the Code at the time of termination of his employment), less (d) the amount of excise taxes imposed with respect to the payments and benefits described in (a) and (b) above by Section 4999 of the Code.

"Parachute Payment" means any payment deemed to constitute a "parachute payment" as defined in Section 280G of the Code.

ARTICLE 12 - SECTION 409A

To the extent applicable, this Policy shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations ("Section 409A") and other interpretive guidance issued thereunder. Notwithstanding any provision of the Plan to the contrary, in the event that the Compensation Committee determines that any payment under the Policy may be subject to Section 409A, the Compensation Committee may adopt such amendments to this Policy or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Compensation Committee determines are necessary or appropriate to (a) exempt the Policy from Section 409A and/or preserve the intended tax treatment of the benefits that may be provided hereunder, or (b) comply with the requirements of Section 409A and thereby avoid the application of any penalty taxes to any benefit payable under this Policy. Any payments under this Policy that may be excluded from the application of Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. Notwithstanding any provision of this Policy to the contrary, the Company makes no representations or warranties as to the tax treatment of any Award under Section 409A or otherwise and the Company shall have no obligation under this Policy or otherwise to take any action (whether or not described herein) to avoid the imposition of taxes, penalties or interest under Section 409A with respect to any payment or benefit under this Policy and shall have no liability to any Senior Employee if any payment or benefit under this Policy is determined to constitute non-compliance, "nonqualified deferred compensation" subject to the imposition of taxes, penalties and/or interest under Section 409A.

Notwithstanding any provision to the contrary in this Policy, if a Senior Employee is deemed at the time of his or her separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the, extent delayed commencement of any portion of the severance, continued health or bonus to which the Senior Employee is entitled under this Policy is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Senior Employee's termination benefits shall not be provided to the Senior Employee prior to the earlier of (a) the expiration of the six-month period measured from the date of the Senior Employee's Separation from Service, or (b) the date of the Senior Employee's death. Upon the expiration of the applicable Code Section 409A(a)(2)(B)(i) deferral period, all payments deferred pursuant to this requirement shall be paid in a lump sum to the Senior Employee, and any remaining payments due under the Policy shall be paid as otherwise provided herein.

Notwithstanding any provision to the contrary in this Policy: (i) for purposes of Section 409A, the Senior Employee's right to receive any installment payments pursuant to this Policy shall be treated as a right to receive a series of separate and distinct payments and (ii) to the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

Further notwithstanding any provision to the contrary in this Policy, to the extent that, in connection with the amendment and restatement of this Policy, the form of severance payment to any Senior Employee could not be made in a lump sum without the imposition of additional tax under Section 409A, then the severance payment(s) to such Senior Employee shall be made in the form of continued payment of Base Salary in accordance with the ordinary payroll practices of the Company for a period of time equal to the weeks of Base Salary continuation and payments shall commence on the date the lump sum payment would otherwise be made as set forth in Article 4; provided that the first such payment shall include any amounts that would have been paid prior to such payment date, but for the release requirement and, if applicable, the required delay until the later tax year requirement.

ARTICLE 13 – OTHER CONTRACTUAL AND NOTICE ENTITLEMENTS

Any Severance Benefits that may be payable under Article 4 hereof to a Senior Employee will be reduced by any payments required to be paid by the Company or any of its Subsidiaries to the Senior Employee under any federal or state law, including without limitation the Worker Adjustment Retraining Notification Act of 1988, as amended and/or any similar foreign federal, state or local law (including any laws relating to statutory notice or practices of severance with or without a mass layoff or plant closing, and except for unemployment benefits payable in accordance with state law and payment for accrued but unused vacation) (collectively referred to as "WARN laws").

If a Senior Employee is entitled to receive notice of termination from the Company or any of its Subsidiaries pursuant to WARN laws, then each payment of Severance Benefits that would otherwise be payable under this Policy shall be reduced on a dollar for dollar basis (but not less than zero) by an amount equal to the aggregate amount of salary paid during the notice period provided by the Company or any of its Subsidiaries.

In addition to the foregoing, subject to applicable law, the Company, in its discretion, can reduce the Severance Benefits payable under this Policy to a Senior Employee by any overpayment received by a Senior Employee, or any amounts owed to the Company or any of its Subsidiaries or any personal expense owed to a Company vendor (such as for corporate credit cards) by the Senior Employee. Any reductions under this Article 13 shall be made in accordance with Section 409A of the Code and the following, as determined by the Administrator in its sole discretion.

ARTICLE 14 - MISCELLANEOUS

(a) all Severance Benefits are subject to applicable Federal and State payroll tax withholdings.

(b) Severance payments begin following the date of employment termination and, therefore, are not considered “earnings” or “compensation” under any Company benefit plans, including any plans intended to be qualified within the meaning of section 401(a) of the Code.

(c) Medical and dental insurance provided in accordance with this Policy will be secondary coverages for payments in the event the employee becomes covered by another employer’s group medical and dental insurance plans.

(d) The Compensation Committee, with approval of the Board of Directors, has the sole discretion and authority to change or to terminate this Policy at any time; provided that, a Policy termination or other changes that adversely affect the continued eligibility and benefits of a Senior Employee who has experienced a termination of employment and is entitled to Severance Benefits under this policy until receipt of written consent from such Senior Employee.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into by and between Hubbell Power Systems, Inc., a Delaware corporation (the "Company") and a subsidiary of Hubbell Incorporated, a Connecticut corporation ("Parent"), and Allan Connolly ("Executive") as of the 22nd day of December 2017.

WHEREAS, the Company has entered into that certain Agreement and Plan of Merger, dated as of December 22, 2017 (the "Merger Agreement"), by and among the Company, Meter Readings Holding Group, LLC ("Meter Readings"), Yellow Merger Sub, Inc. and Sun Meter Readings, LP, pursuant to which the Company will acquire 100% of the equity interests of Meter Readings.

WHEREAS, the Company wishes to employ Executive on the terms and conditions, and for the consideration, hereinafter set forth, and Executive desires to be employed by the Company on such terms and conditions and for such consideration.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. Employment Period. The Company hereby agrees to employ Executive, and Executive hereby agrees to be employed by the Company, subject to the terms and conditions of this Agreement, for the period commencing on the date of the closing of the transactions contemplated by the Merger Agreement (the "Effective Date") and ending on the third anniversary thereof (the "Employment Period").

2. Terms of Employment.

(a) Position and Duties.

(i) During the Employment Period, Executive shall (A) serve as Division Vice President, President of Aclara, with such duties and responsibilities as are commensurate with such position, and (B) report directly to the Group President, Power Systems, or such other corporate officer of similar or more senior position designated by the Chief Executive Officer of Parent (the "Reporting Officer").

(ii) During the Employment Period, Executive agrees to devote his full business time, energy and skill to the performance of his duties, authorities and responsibilities to the Company and its affiliated companies; provided that the foregoing shall not prevent Executive from (A) serving on the boards of directors of non-profit organizations, (B) subject to the approval of the Company, which shall not be unreasonably withheld, serving on the board of directors of one for-profit company with which the Company or its affiliated companies do not compete or conduct material business, (C) participating in charitable, civic, educational, professional, community or industry affairs, and (D) managing Executive's passive personal investments so long as such activities, in the aggregate, do not materially interfere or conflict with Executive's duties to the Company or its affiliated companies or create a potential business or fiduciary conflict. For purposes of this Agreement, the term "affiliated company" means an entity controlled by, controlling or under common control with Parent or the Company (for the avoidance of doubt, the Company is an affiliated company of Parent and vice versa). Executive's primary work location shall be at the Company's offices in St. Louis, Missouri.

(b) Compensation.

(i) Annual Base Salary. During the Employment Period, Executive shall receive an annual base salary of $550,000. Executive's annual rate of base salary hereunder shall be reviewed for increases annually, as determined by the Company in its sole discretion. Once the base salary has been increased hereunder it shall not subsequently be decreased during the Employment Period. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Annual Base Salary."

(ii) Annual Bonus. Commencing with Parent's 2018 fiscal year, and for each fiscal year of Parent during the Employment Period thereafter, Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"), with a target opportunity equal to 50% of Annual Base Salary and a maximum opportunity equal to 200% of the target Annual Bonus opportunity. Payment of the Annual Bonus, if any, shall be based on the attainment of one or more pre-established performance goals established by the Reporting Officer in consultation with Executive. The Annual Bonus shall be paid to Executive at the same time that other senior executives of the Company who are eligible to receive annual bonus payments receive such payments.

(iii) Annual Equity Grants. Commencing in December 2018 (or such later time that Parent grants annual equity awards in respect of its 2019 fiscal year), and for each fiscal year of Parent during the Employment Period thereafter, Executive shall be eligible to receive equity-based awards of Parent having an aggregate grant date fair value equal to no less than $250,000, with the types of awards and amounts allocated to each type of award, and grant dates, to be consistent with the types, amounts and grant dates applicable to similarly situated executives of Parent or the Company (all such awards, collectively, the "Annual Equity Grants").

(iv) Vacation. During the Employment Period, Executive shall be eligible for paid vacation of four weeks per calendar year (prorated for any partial year).

(v) Other Benefits. During the Employment Period, Executive shall be eligible for participation in welfare and other benefit plans, practices, policies and programs, on terms no less favorable than those offered to similarly situated executives of the Company or its affiliated companies from time to time. Without limiting the generality of the foregoing, Executive shall be eligible for severance benefits in accordance with Parent's Policy for Providing Severance Payments to Senior Employees (or any successor policy thereto, the "Severance Policy"), as in effect from time to time. For purposes of the Severance Policy, Parent and the Company shall recognize Executive's service with Meter Readings prior to the Effective Date.

(vi) Expenses. During the Employment Period, Executive shall be entitled to receive reimbursement for all reasonable, documented business expenses incurred by Executive in accordance with the performance of Executive's duties under this Agreement, subject to the Company's policies with respect to expense reimbursement.

(vii) Retention Awards.

(A) *Cash Retention Award.* On or as soon as reasonably practicable following the Effective Date (but in no event later than 30 days following the Effective Date), the Company shall grant to Executive a cash retention award (the "Cash Retention Award") in the amount of $850,000. The Cash Retention Award shall vest and be paid in three equal installments on the first three anniversaries of the Effective Date, subject to Executive's continued employment with the Company through the applicable anniversary, and, except as provided in Section 4(a)(ii), shall be forfeited upon a termination of employment prior to such time.

(B) *Equity Retention Award.* On or as soon as reasonably practicable following the Effective Date (but in no event later than 30 days following the Effective Date), Parent shall grant to Executive an award (the "Equity Retention Award") covering a number of shares of restricted common stock of Parent having an aggregate grant date fair value equal to no less than $1,000,000. The Equity Retention Award shall vest in two equal installments on the second and third anniversary of the Effective Date, subject to Executive's continued employment with the Company through the applicable anniversary, and, except as provided in Section 4(a)(ii), shall be forfeited upon a termination of employment prior to such time. Except as set forth above, the Equity Retention Award shall otherwise have terms and conditions consistent with Parent's standard form of restricted stock award agreement.

3. Termination of Employment.

(a) Death or Disability. Executive's employment shall terminate automatically upon Executive's death during the Employment Period. If the Company determines in good faith that the Disability (as defined below) of Executive has occurred during the Employment Period, it may provide Executive with written notice in accordance with Section 6(g) of its intention to terminate Executive's employment. In such event, Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by Executive (the "Disability Effective Date"), provided that, within the 30 days after such receipt, Executive shall not have returned to full-time performance of Executive's duties. For purposes of this Agreement, "Disability" shall mean Executive's absence from the full-time performance of the Executive's duties (as such duties existed immediately prior to such absence) for 180 consecutive business days, when the Executive is disabled as a result of incapacity due to physical or mental illness.

(b) Cause. The Company may terminate Executive's employment during the Employment Period either with or without Cause. For purposes of this Agreement, "Cause" shall mean (i) action by Executive involving willful malfeasance having a material adverse effect on the Company or its affiliated companies; (ii) substantial and continual refusal by Executive to perform the duties ordinarily associated with his job title within ten days following a written demand from the Company; or (iii) Executive's conviction of a felony; provided that any action or refusal by Executive shall not constitute "Cause" if, in good faith, Executive believed such action or refusal to be in or not opposed to the best interests of the Company and its affiliated companies, or if Executive shall be entitled, under applicable law or the Certificate of Incorporation or By-Laws of the Company, to be indemnified with respect to such action or refusal.

(c) Good Reason. Executive's employment may be terminated by Executive with or without Good Reason. For purposes of this Agreement, "Good Reason" shall mean in the absence of the prior written consent of Executive:

(i) a material diminution in Executive's title, authority, reporting line, duties or responsibilities that are related to the general management of the Meter Readings business as carried on by the Company;

(ii) any reduction in Annual Base Salary or Annual Bonus opportunity;

(iii) a change by more than 50 miles in the primary work location at which Executive must perform his duties;

(iv) any failure to grant the Cash Retention Award, Equity Retention Award or Annual Equity Grants in a timely manner and in accordance with the terms of this Agreement; or

(v) any other action or inaction that constitutes a material breach by the Company or any affiliated company or any of their respective successors of its obligations to Executive under this Agreement or any other material agreement between Executive and the Company or any affiliated company;

provided, however, that Executive's termination of employment shall not be deemed to be for Good Reason unless (A) Executive has notified the Company in writing describing the occurrence of one or more Good Reason events within 90 days after Executive first becomes aware of such occurrence (or should have become aware of such occurrence), (B) the Company fails to cure such Good Reason event within 30 days after its receipt of such written notice and (C) the termination of employment occurs within 30 days following such failure to cure. Executive acknowledges and agrees that he shall not have Good Reason solely as a result of the consummation of the transactions contemplated by the Merger Agreement, including Executive's employment pursuant to the terms and conditions of this Agreement, the integration of Meter Readings and its business into Parent and the Company or changes inherent in the fact that, as of the Effective Date, Meter Readings will be a wholly owned subsidiary of Parent and the Company; provided, however, that this sentence shall not operate to limit the protections with respect to title and reporting contained in Section 3(c)(i) or the protections contained in Sections 3(c)(ii)-(v).

(d) Notice of Termination. Any termination of employment by the Company for Cause, or by Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 6(g). For purposes of this Agreement, the term "Notice of Termination" means a written notice that (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, and (iii) if the Date of Termination (as defined herein) is other than the date of receipt of such notice, specifies the Date of Termination (which Date of Termination shall be not more than 30 days after the giving of such notice). The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive's or the Company's respective rights hereunder.

(e) Date of Termination. For purposes of this Agreement, the term "Date of Termination" means (i) if Executive's employment is terminated by the Company for Cause, or by Executive for Good Reason, the date of receipt of the Notice of Termination or such later date specified in the Notice of Termination, as the case may be, (ii) if Executive's employment is terminated by the Company other than for Cause or Disability, the date on which the Company notifies Executive of such termination, (iii) if Executive resigns without Good Reason, the date on which Executive notifies the Company of such termination, or (iv) if Executive's employment is terminated by reason of death or Disability, the date of Executive's death or the Disability Effective Date, as the case may be. Notwithstanding the foregoing, in no event shall the Date of Termination occur until Executive experiences a "separation from service" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, and the date on which such separation from service takes place shall be the "Date of Termination."

4. Obligations of the Company upon Termination.

(a) By the Company other than for Cause; by Executive for Good Reason; Due to Death or Disability. If, during the Employment Period, the Company shall terminate Executive's employment other than for Cause, Executive shall terminate employment for Good Reason, or Executive's employment shall terminate due to his death or Disability:

(i) The Company shall pay to Executive the aggregate of the following amounts in a lump sum in cash within 30 days after the Date of Termination: the sum of (A) Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, (B) any unpaid Annual Bonus from any prior completed fiscal year, (C) Executive's business expenses that are reimbursable pursuant to Section 2(b)(vi) but have not been reimbursed by the Company as of the Date of Termination; and (D) any accrued vacation pay to the extent not theretofore paid (the sum of the amounts described in subclauses (A), (B), (C) and (D), the "Accrued Obligations");

(ii) Subject to Section 4(e) and Executive's compliance with Section 5, any portion of the Cash Retention Award or Equity Retention Award that is unvested as of the Date of Termination shall fully vest and, in the case of the Cash Retention Award, be paid within 60 days after the Date of Termination; and

(iii) To the extent not theretofore paid or provided, the Company shall timely pay or provide to Executive any other amounts or benefits required to be paid or provided or which Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies through the Date of Termination (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits"), such Other Benefits to be paid or provided subject to and in accordance with the applicable terms of any such arrangements.

Other than as set forth in this Section 4(a), in the event of a termination of Executive's employment by the Company without Cause by Executive for Good Reason or due to Executive's death or Disability, the Company and its affiliated companies shall have no further obligation to Executive under this Agreement.

(b) Cause; Other than for Good Reason. If, during the Employment Period, Executive's employment shall be terminated for Cause or Executive terminates his employment other than for Good Reason, this Agreement shall terminate without further obligations to Executive other than the obligation to pay to Executive (i) the Accrued Obligations through the Date of Termination (excluding payment of any unpaid Annual Bonus from any prior completed fiscal year) and (ii) Other Benefits, in each case to the extent theretofore unpaid. Accrued Obligations shall be paid to Executive in a lump sum in cash within 30 days of the Date of Termination.

(c) Separation Agreement and General Release. The Company's obligations to make payments under Section 4(a)(ii) shall be conditioned on Executive (or, in the event of Executive's death or Disability, his legal guardian or estate) executing and delivering (and not revoking) a separation agreement and general release (the "Release") in the form annexed hereto as Exhibit A (with such revisions as may be appropriate to reflect changes in law or the successors and assigns of the Company and its affiliated companies) not later than the 52nd day that follows the Date of Termination. In the event that Executive (or his legal guardian or estate) does not so execute and deliver such release, or in the event that Executive (or his legal guardian or estate) revokes such release, the Company may require Executive (or his legal guardian or estate) to repay any amounts previously provided to him pursuant to Section 4(a)(ii).

(d) Expiration of the Employment Period. Following the end of the Employment Period, if Executive remains employed by the Company or its affiliated companies, Executive's employment shall be at-will. The fact that the Agreement is not renewed, extended or replaced shall not constitute a termination of employment without Cause or for Good Reason.

5. Executive Covenants.

(a) Confidential Information. Executive shall hold confidential for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by Executive during Executive's employment by the Company or any of its affiliated companies and which shall not be or become public knowledge (other than by acts by Executive or representatives of Executive in violation of this Agreement) (collectively, "Confidential Information"). After termination of Executive's employment with the Company, Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such Confidential Information to anyone other than the Company and those designated by it. Notwithstanding the foregoing, "Confidential Information" shall not include information that at the time of disclosure is already known to the receiving party without any restriction on its disclosure.

(b) Inventions and Patents. Executive agrees that all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports and all similar or related information that relate to the actual or anticipated business, research and development or existing or future products or services of the Company or any of its affiliated companies, and that are conceived, developed or made by Executive during his employment with the Company or any of its affiliated companies ("Work Product") belong to the Company and its affiliated companies. Executive shall promptly disclose such Work Product to the Company and its affiliated companies and perform all actions reasonably requested by the Company and its affiliated companies (whether during or after the Employment Period) to establish and confirm such ownership (including assignments, consents, powers of attorney and other instruments). To the fullest extent permitted by applicable law, all intellectual property (including patents, trademarks and copyrights) that are made, developed or acquired by Executive in the course of Executive's employment with the Company or any of its affiliated companies shall be and remain the absolute property of the Company and its affiliated companies, and Executive shall assist the Company and its affiliated companies in perfecting and defending their rights to such intellectual property.

(c) Nonsolicitation. During the Restricted Period (as defined below), Executive shall not directly or indirectly (i) except in the good faith performance of his duties to the Company, induce or attempt to induce any employee or independent contractor of the Company or any of its affiliated companies to leave the Company or such affiliated company, or in any way interfere with the relationship between the Company or any such affiliated company, on the one hand, and any employee or independent contractor thereof, on the other hand, (ii) hire any person who was an employee or independent contractor of the Company or any of its affiliated companies until 12 months after such individual's relationship with the Company or such affiliated company has been terminated or (iii) except in the good faith performance of his duties to the Company, induce or attempt to induce any customer (whether former or current), supplier, licensee or other business relation of the Company or any of its affiliated companies to cease doing business with the Company or such affiliated company, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation, on the one hand, and the Company or any of its affiliated companies, on the other hand. Notwithstanding the foregoing, Section 5(c)(i) shall not prohibit any advertisement or general solicitation that is not specifically targeted at Company's or its affiliated companies' employees. For purposes of this Agreement, the term "Restricted Period" means the period commencing on the Effective Date and ending on (x) if Executive's employment is terminated (I) involuntarily by the Company without Cause or by Executive for Good Reason during the Employment Period or (II) for any reason following the expiration of the Employment Period, the first anniversary of the termination of Executive's employment, or (y) if Executive's employment is terminated under any other circumstances, the second anniversary of the termination of Executive's employment.

(d) Noncompetition. Executive acknowledges that, in the course of his employment with the Company, he has become familiar, or will become familiar, with the Company's and its affiliated companies' trade secrets and with other Confidential Information concerning the Company, its affiliates and their respective predecessors, and that his services have been and will be of special, unique and extraordinary value to the Company and its affiliates. Therefore, Executive agrees that, during the Restricted Period, Executive shall not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in any business of the same type as any business in which the Company or any of its affiliated companies is engaged on the Date of Termination or in which they have proposed, on or prior to such date, to be engaged in on or after such date and in which Executive has been materially involved at any time during the one-year period ending with the Date of Termination, in any locale of any country in which the Company or any of its affiliated companies conducts business. Nothing herein shall prohibit Executive from being a passive owner of not more than 4.9% of the outstanding equity interest in any entity which is publicly traded, so long as Executive has no active participation in the business of such entity.

(e) Nondisparagement. From and following the Effective Date, Executive shall not make, either directly or by or through another person, any oral or written negative, disparaging or adverse statements or representations of or concerning the Company or any of its affiliated companies, any of their clients or businesses or any of their current or former directors, officers or employees; provided, however, that, subject to Section 5(a), nothing herein shall prohibit Executive from disclosing truthful information if legally required (whether by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process). From and following the Effective Date, the Company shall instruct its senior executive officers not to make, either directly or by or through another person, any oral or written negative, disparaging or adverse statements or representations of or concerning Executive or any of his agents or related parties; provided, however, that nothing herein shall prohibit any such individuals from disclosing truthful information if legally required (whether by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process).

(f) Return of Property. Executive acknowledges that all documents, records, files, lists, equipment, computer, software or other property (including intellectual property) relating to the businesses of the Company or any of its affiliated companies, in whatever form (including electronic), and all copies thereof, that have been or are received or created by Executive while an employee of the Company or any of its affiliated companies are and shall remain the property of the Company and its affiliated companies, and Executive shall immediately return such property to the Company upon the Date of Termination and, in any event, at the Company's request. Executive further agrees that any property situated on the premises of, and owned by, the Company or any of its affiliated companies, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by personnel of the Company and its affiliated companies at any time with or without notice. Notwithstanding the foregoing, Executive may retain his personal contacts and personal compensation data.

(g) Prior Notice Required. Executive hereby agrees that prior to accepting employment with any other person or entity during the Restricted Period, Executive shall provide such prospective employer with written notice of Sections 5(c) and 5(d) of this Agreement, with a copy of such notice delivered promptly to the Reporting Officer.

(h) Cooperation. Executive agrees that during the 12-month period following Executive's termination of employment, upon the reasonable request of the Company or any of its affiliated companies, Executive shall use reasonable efforts to assist and cooperate with the Company or any of its affiliated companies in connection with the defense or prosecution of any claim that may be made against or by the Company or any of its affiliated companies, or in connection with any ongoing or future investigation or dispute or claim of any kind involving the Company or any of its affiliated companies, including any proceedings before any arbitral, administrative, regulatory, judicial, legislative or other body or agency; provided that the Company shall provide Executive with reasonable compensation for the time actually expended in such endeavors (at an hourly rate based on the Annual Base Salary) and shall reimburse Executive's reasonable business expenses incurred in connection with such cooperation to the extent that such expenses would have been reimbursed under Section 3(b)(vi) had they been incurred during the Employment Period.

(i) Trade Secrets; Whistleblower Rights. The Company hereby informs Executive that, notwithstanding any provision of this Agreement to the contrary, an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. In addition, notwithstanding anything in this Agreement to the contrary, nothing in this Agreement shall impair Executive's rights under the whistleblower provisions of any applicable federal law or regulation or, for the avoidance of doubt, limit Executive's right to receive an award for information provided to any government authority under such law or regulation.

(j) Executive Covenants Generally.

(i) Executive's covenants as set forth in this Section 5 are from time to time referred to herein as the "Executive Covenants." If any of the Executive Covenants is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such Executive Covenant shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining Executive Covenants shall not be affected thereby; provided, however, that if any of the Executive Covenants is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such Executive Covenant shall be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder.

(ii) Executive acknowledges that the Company and its affiliated companies have (A) expended and will continue to expend substantial amounts of time, money and effort to develop business strategies, employee, customer and other relationships and goodwill to build an effective organization, and (B) a legitimate business interest in and right to protect their Confidential Information, goodwill and employee, customer and other relationships.

(iii) Executive understands that the Executive Covenants may limit Executive's ability to earn a livelihood in a business similar to the business of the Company, and Executive represents that his experience and capabilities are such that he has other opportunities to earn a livelihood and adequate means of support for himself and his dependents.

(iv) Any termination of (A) Executive's employment, (B) the Employment Period or (C) this Agreement shall have no effect on the continuing operation of this Section 5.

(v) Executive acknowledges that the Company would be irreparably injured by a violation of this Section 5 and that it is impossible to measure in money the damages that will accrue to the Company by reason of a failure by Executive to perform any of his obligations under this Section 5. Accordingly, if the Company institutes any action or proceeding to enforce any of the provisions of this Section 5, to the extent permitted by applicable law, Executive hereby waives the claim or defense that the Company has an adequate remedy at law, and Executive shall not urge in any such action or proceeding the defense that any such remedy exists at law. Furthermore, in addition to other remedies that may be available, the Company shall be entitled (without the necessity of showing economic loss or other actual damage) to (A) in the event of a material breach of this Section 5, the forfeiture or repayment of any portion of the Cash Retention Award or Equity Retention Award that vested pursuant to Section 4(a)(ii) and (B) to specific performance and other injunctive relief, without the requirement to post bond, in any court of competent jurisdiction for any actual or threatened breach of any of the covenants set forth in this Section 5, provided any forfeiture or repayment under sub-clause (A) shall be subject to Executive first receiving written notice from the Company of the alleged material breach within 90 days after the Company first becomes aware of the alleged material breach and no less than 30 days to cure such breach, if curable. The Restricted Period shall be tolled during (and shall be deemed automatically extended by) any period during which Executive is in violation of the provisions of Section 5(c) or (d), as applicable.

6. Miscellaneous.

(a) Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to principles of conflict of laws. The parties irrevocably submit to the jurisdiction of any state or federal court sitting in or for Fairfield County, Connecticut with respect to any dispute arising out of or relating to this Agreement or the Release, and each party irrevocably agrees that all claims in respect of such dispute or proceeding shall be heard and determined in such courts. The parties hereby irrevocably waive, to the fullest extent permitted by law, any objection that they may now or hereafter have to the venue of any dispute arising out of or relating to this Agreement or the transactions contemplated hereby brought in such court or any defense of inconvenient forum for the maintenance of such dispute or proceeding. Each party agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. THE PARTIES HEREBY WAIVE A TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTER CLAIM BROUGHT OR ASSERTED BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT.

(b) Indemnification. The Company shall, to the maximum extent to which it is empowered by its governing documents and the laws of the State of Delaware, defend, indemnify and hold harmless Executive from and against any and all demands, claims and causes of action made against Executive concerning or relating to his service, actions or omissions on behalf of the Company or its affiliated companies as an employee, director, officer, or agent, including, without limitation, holding Executive harmless for any losses, costs and expenses in connection with any such demand, claim, or cause of action; provided that the Company shall have no obligation to indemnify Executive from any demands, claims and causes of action arising out of Executive's fraud, willful misconduct or gross negligence. Executive shall be entitled to mandatory advancement of expenses, including reasonable attorney's fees, which shall be advanced promptly upon request, subject to a customary undertaking whereby Executive agrees to repay any such amounts that are finally determined as not subject to indemnification hereunder. Executive shall be covered by directors and officers insurance that the Company provides from time to time to its directors and executives, on terms no less favorable than those provided to similarly situated executives, both during Executive's employment by the Company and for such period thereafter that the Company provides insurance coverage to its similarly situated former executives.

(c) Interpretation. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. For purposes of this Agreement, the term “including” shall mean “including, without limitation” and the word “or” shall be understood to mean “and/or.”

(d) Amendments; No Waiver. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Executive or the Company may have hereunder shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(e) Survival. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive’s employment or this Agreement (including the terms of Sections 4 and 5) shall survive such termination.

(f) Invalidity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(g) Successors. This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive’s legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. As used in this Agreement, “Company” shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

(h) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive: At the most recent address

on file at the Company.

If to the Company: Hubbell Incorporated

40 Waterview Drive

P.O. Box 1000

Shelton, Connecticut 06484

Attention: General Counsel

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(i) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(j) Effective Date; Entire Agreement. This Agreement shall become effective on the Effective Date, subject to Executive’s continued employment with Meter Readings through such date. Effective on the Effective Date, this Agreement shall constitute the entire agreement between the parties and, as of the Effective Date, terminates and supersedes any and all prior agreements and understandings (whether written or oral) between the parties with respect to the subject matter of this Agreement.

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

IN WITNESS WHEREOF, Executive has hereunto set Executive's hand and, the Company has caused these presents to be executed in its name and on its behalf, all as of the day and year first above written.

HUBBELL POWER SYSTEMS, INC.

By: /s/ Gerben W. Bakker

Name: Gerben W. Bakker

Title: President

EXECUTIVE

/s/ Allan Connolly

Allan Connolly

Exhibit A

Form of Release

THIS RELEASE (this "Release") is entered into between Allan Connolly ("Executive") and Hubbell Power Systems, Inc. (the "Company") for the benefit of the Company and its affiliated companies. The entering into and non-revocation of this Release is a condition to Executive's right to receive certain payments and benefits under Section 4(a)(ii) of the Employment Agreement entered into by and between Executive and the Company, dated as of December 22, 2017 (the "Employment Agreement"). Capitalized terms used and not defined herein shall have the meaning provided in the Employment Agreement.

Accordingly, Executive and the Company agree as follows.

1. General Release and Waiver of Claims. In consideration for the payments and other benefits provided to Executive by the Employment Agreement, to which Executive is not otherwise entitled, and the sufficiency of which Executive acknowledges, Executive represents and agrees, as follows:

(a) Release. Executive, for himself, his heirs, administrators, representatives, executors, successors and assigns (collectively "Releasers"), hereby irrevocably and unconditionally releases, acquits and forever discharges and agrees not to sue the Company or any of its parents, subsidiaries, divisions, affiliates and related entities and its current and former directors, officers, shareholders, trustees, employees, consultants, independent contractors, representatives, agents, servants, successors and assigns and all persons acting by, through or under or in concert with any of them (collectively "Releasees"), from any and all claims, rights and liabilities up to and including the date of this Release arising from or relating to Executive's employment with, or termination of employment from, the Company, under the Employment Agreement and from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of actions, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever, known or unknown, suspected or unsuspected and any claims of wrongful discharge, breach of contract, implied contract, promissory estoppel, defamation, slander, libel, tortious conduct, employment discrimination or claims under any federal, state or local employment statute, law, order or ordinance, including any rights or claims arising under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 621 et seq. ("ADEA"), or any other federal, state or municipal ordinance relating to discrimination in employment. Nothing contained herein shall restrict the parties' rights to enforce the terms of this Release.

(b) Proceedings; Whistleblower Rights. To the maximum extent permitted by law, Executive agrees that he has not filed, nor will he ever file, a lawsuit asserting any claims that are released by this Release, or to accept any benefit from any lawsuit that might be filed by another person or government entity based in whole or in part on any event, act, or omission that is the subject of this Release. Notwithstanding the foregoing, nothing in this Release shall impair Executive's rights under the whistleblower provisions of any applicable federal law or regulation or, for the avoidance of doubt, limit Executive's right to receive an award for information provided to any government authority under such law or regulation.

(c) Exclusions. This Release specifically excludes Executive's rights and the Company's obligations under Section 4(a) of the Employment Agreement. Excluded from this Release are: (i) any claims that cannot be waived by law; (ii) Executive's rights to receive any payments or benefits under Section 4 of the Employment Agreement or the Severance Policy; (iii) any rights Executive may have to receive vested amounts under any of the Company's employee benefit plans and/or pension plans or programs; (iv) Executive's rights in and to any equity or ownership interest that Executive continues to hold following his termination of employment; (v) Executive's rights to medical benefit continuation coverage, on a self-pay basis, pursuant to federal law (COBRA); (vi) any rights or claims that the law does not allow to be released and/or waived by private agreement; (vii) any rights or claims that are based on events occurring after the date on which Executive signs this Release; or (viii) any claims to indemnification or insurance coverage, including but not limited to "D&O coverage", that Executive may have with respect to any claims made or threatened against Executive in Executive's capacity as a director, officer or employee of the Company or the Releasees. Nothing contained in this Release shall release Executive from his obligations, including any obligations to abide by the Executive Covenants and any other restrictive covenants applicable to Executive that continue or are to be performed following termination of employment.

(d) EEOC Matters. The parties agree that this Release shall not affect the rights and responsibilities of the U.S. Equal Employment Opportunity Commission (the "EEOC") to enforce ADEA and other laws. In addition, the parties agree that this Release shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. The parties further agree that Executive knowingly and voluntarily waives all rights or claims (that arose prior to Executive's execution of this Release) the Releasers may have against the Releasees, or any of them, to receive any benefit or remedial relief (including, but not limited to, reinstatement, back pay, front pay, damages, attorneys' fees, experts' fees) as a consequence of any investigation or proceeding conducted by the EEOC.

2. Acknowledgements. Executive acknowledges that the Company has specifically advised him of the right to seek the advice of an attorney concerning the terms and conditions of this Release. Executive further acknowledges that he has been furnished with a copy of this Release, and he has been afforded [twenty-one (21)/forty-five (45)] days in which to consider the terms and conditions set forth above prior to this Release. By executing this Release, Executive affirmatively states that he has had sufficient and reasonable time to review this Release and to consult with an attorney concerning his legal rights prior to the final execution of this Release. Executive further agrees that he has carefully read this Release and fully understands its terms. Executive understands that he may revoke this Release within seven (7) days after signing this Release. Revocation of this Release must be made in writing and must be received by [**•]** at the Company, **[INSERT COMPANY ADDRESS]** within the time period set forth above.

3. Governing Law. This Release shall be governed by and construed in accordance with the laws of the state of New York, without giving effect to any choice of law or conflicting provision or rule (whether of the state of New York or any other jurisdiction) that would cause the laws of any jurisdiction other than the state of New York to be applied. In furtherance of the foregoing, the internal law of the state of New York shall control the interpretation and construction of this Release, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply. The provisions of this Release are severable, and if any part or portion of it is found to be unenforceable, all other parts and provisions shall remain fully valid and enforceable.

4. Effectiveness. This Release shall become effective and enforceable on the eighth day following its execution by Executive, provided that he does not exercise his right of revocation as described above. If Executive fails to sign and deliver this Release or revokes his signature, this Release shall be without force or effect, and Executive shall not be entitled to the payments and benefits of Section 4(a)(ii) of the Employment Agreement.

EXECUTIVE ACKNOWLEDGES THAT EXECUTIVE HAS READ THIS RELEASE AND THAT EXECUTIVE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT EXECUTIVE HEREBY EXECUTES THE SAME AND MAKES THIS RELEASE AND THE RELEASE PROVIDED FOR HEREIN VOLUNTARILY AND OF EXECUTIVE'S OWN FREE WILL.

Date: ____________________ ____________________

Allan Connolly

1st Amendment to
EMPLOYMENT AGREEMENT

THIS 1st AMENDMENT TO THE EMPLOYMENT AGREEMENT (this "Amendment") dated as of the 1st day of July, 2019 ("Amendment Effective Date"), is entered into by and between Hubbell Power Systems, Inc., a Delaware corporation (the "Company") and a subsidiary of Hubbell Incorporated, a Connecticut corporation ("Parent"), and Allan Connolly ("Executive"). The Company and the Executive are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WITNESSETH

WHEREAS, the Company and Executive entered into an Employment Agreement on or about December 22, 2017 (the "Employment Agreement"); and

WHEREAS, the Company and the Executive wish to amend the Employment Agreement to reflect new terms of the Executive's employment in connection with his promotion effective July 1, 2019.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree to amend, as of the Amendment Effective Date, the Employment Agreement as follows:

1. Section 2(a)(i) shall be deleted in its entirety and replaced with the following:
"(i) Effective as of the Promotion Effective Date and for the remainder of the Employment Period, Executive shall (A) serve as Group President, Hubbell Power Systems, with such duties and responsibilities as are commensurate with such position, and (B) report directly to the Chief Executive Officer of Parent, or such other corporate officer designated by the Chief Executive Officer of Parent (the "Reporting Officer")."

2. Section 2(b)(ii) shall be deleted in its entirety and replaced with the following:
"(ii) Annual Bonus. Commencing with Parent's 2020 fiscal year, and for each fiscal year of Parent during the Employment Period thereafter, Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"), with a target opportunity equal to 75% of Annual Base Salary. Payment of the Annual Bonus, if any, shall be based on the attainment of one or more pre-established performance goals established by the Compensation Committee of the Board of Directors of Parent (the "Compensation Committee") pursuant to and in accordance with the terms of the Short Term Incentive program of Parent. The Annual Bonus shall be paid to Executive at the same time that other senior executives of the Company who are eligible to receive annual bonus payments pursuant to the Short Term Incentive program of Parent receive such payments. For Parent's 2019 fiscal year, Executive will continue to be eligible for an Annual Bonus in respect of 50% of Executive's Annual Base Salary for the portion of the fiscal year prior to the Promotion Effective Date and in respect of 75% of Executive's Annual Base Salary for the portion of the fiscal year following the Promotion Effective Date, in each case pursuant to and in accordance with the terms of the Short Term Incentive program of Parent."

3. Section 2(b)(iii) shall be deleted in its entirety and replaced with the following:

"(iii) Annual Equity Grants. Commencing in February 2020 (or such later time that Parent grants long term incentive awards in respect of its 2019 fiscal year), and for each fiscal year of the Employment Period thereafter, Executive shall be eligible to receive equity-based awards under Parent's 2005 Incentive Award Plan (the "Equity Plan") having an aggregate grant date fair value equal to approximately $750,000, with the types of awards and amounts allocated to each type of award, and grant dates, to be consistent with the types, amounts and grant dates applicable to similarly situated executives of Parent (the "Annual Equity Grants"). In addition, Executive shall receive a one-time Annual Equity Grant under the Equity Plan in connection with the promotion to the role of Group President, Hubbell Power Systems with a grant date fair value equal to approximately $250,000, which shall be granted in July of 2019, subject to approval of the Compensation Committee."

4. Remainder of Employment Agreement. Other than the foregoing, the remaining terms of the Employment Agreement are hereby ratified and confirmed and shall remain in full force and effect and this Amendment shall be made a part thereof.
5. Counterparts. This Amendment may be executed in counterparts, delivered electronically as a pdf, email, fax, or otherwise.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the Amendment Effective Date.

HUBBELL POWER SYSTEMS, INC.	**EXECUTIVE**:
By: /s/ Katherine A. Lane	/s/ Allan Connolly
Name: Katherine A. Lane	Allan Connolly
Title: Vice President and Secretary	

CHANGE IN CONTROL SEVERANCE AGREEMENT

This Change in Control Severance Agreement (the "Agreement") is dated as of

July 1, 2019 (the "Effective Date"), by and between Hubbell Incorporated, a Connecticut corporation (the "Company"), and **Katherine A. Lane** (the "Executive").

WHEREAS, the Company's Board of Directors (the "Board") considers the continued services of key executives of the Company to be in the best interests of the Company and its stockholders;

WHEREAS, the Board desires to assure, and has determined that it is appropriate and in the best interests of the Company and its stockholders to reinforce and encourage, the continued attention and dedication of key executives of the Company to their duties of employment without personal distraction or conflict of interest in circumstances which could arise from the occurrence of a Change in Control (as defined below);

WHEREAS, the Company's Board of Directors has authorized the Company to enter into change in control severance agreements with those key executives of the Company and any of its respective subsidiaries (all of such entities, with the Company hereinafter referred to as an "Employer"), such agreements to set forth the severance compensation which the Company agrees under certain circumstances to pay such executives;

WHEREAS, the Executive is a key executive of an Employer and has been designated by the Board as an executive to be offered such a change in control severance agreement with the Company;

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

1. Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

(a) "Agreement" shall have the meaning set forth in the preamble hereto.

(b) "Benefit Continuation Period" shall mean the 24 month period immediately following the date of the Qualifying Event.

(c) "Board" shall have the meaning set forth in the recitals hereto.

(d) "Bonus" shall mean the average of the actual bonuses paid or payable to the Executive under any Company annual incentive compensation plans for the three consecutive fiscal year period immediately prior to the year in which the Change in Control occurs.

(e) "Cause" shall mean:

(i) the willful and continued failure of the Executive to perform substantially all of his/her duties with an Employer (other than any such failure resulting from Disability), after a written demand for substantial performance is delivered to the Executive by the Board which specifically identifies the manner in which the Board believes that the Executive has not substantially performed his/her duties;

(ii) the willful engaging by the Executive in gross misconduct which is materially and demonstrably injurious to the Company or any Employer; or

(iii) the conviction of, or the plea of guilty or nolo contendere to, a felony;

provided that a termination of the Executive for Cause shall be made by delivery to the Executive of a copy of a resolution duly adopted by the affirmative vote of not less than a three-fourths majority of the non-employee directors of the Company or of the ultimate parent of the entity which caused the Change in Control (if the Company has become a subsidiary) at a meeting of such directors called and held for such purpose, after 30 days prior written notice to the Executive specifying the basis for such termination and the particulars thereof and a reasonable opportunity for the Executive to cure or otherwise resolve the behavior in question prior to such meeting, finding that in the reasonable judgment of such directors, the conduct or event set forth in any of clauses (i), (ii) or (iii) above has occurred and that such occurrence warrants the Executive's termination.

(f) "Change in Control" shall mean any one of the following:

(i) Continuing Directors during any 12 month period no longer constitute a majority of the Directors;

(ii) any person, or persons acting as a group (within the meaning of Treas. Reg. §1.409A-3(i)(5)(vi)(D)), acquires (or has acquired within the 12 month period ending on the date of the last acquisition by such person or persons), directly or indirectly, thirty percent (30%) or more of the voting power of the then outstanding securities of the Company entitled to vote for the election of Directors; provided that this Section 1(f)(ii) shall not apply with respect to any acquisition of securities by any employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended) maintained by the Company or any affiliate of the Company;

(iii) any person, or persons acting as a group (within the meaning of Treas. Reg. §1.409A-3(i)(5)(v)(B)), acquires ownership (including any previously owned securities) of more than fifty percent (50%) of either (x) the voting power value of the then outstanding securities of the Company entitled to vote for the election of Directors or (y) the fair market value of the Company; provided that this Section 1(f)(iii) shall not apply with respect to any acquisition of securities by any employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended) maintained by the Company or any affiliate of the Company; or

(iv) a sale of substantially all of the Company's assets;

provided that the transaction or event described in Section 1(f)(i), (ii), (iii) or (iv) constitutes a "change in control event" as defined in Treas. Reg. §1.409A-3(i)(5).

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(h) "Company" shall have the meaning set forth in the preamble hereto.

(i) "Continuing Director" shall mean any individual who is a member of the Board on the Effective Date or was designated (before such person's initial election as a Director) as a Continuing Director by 2/3 of the then Continuing Directors.

(j) "Director" shall mean an individual who is a member of the Board on the relevant date.

(k) "Disability" shall mean the Executive's absence from the full-time performance of the Executive's duties (as such duties existed immediately prior to such absence) for 180 consecutive business days, when the Executive is disabled as a result of incapacity due to physical or mental illness.

(l) "Effective Date" shall have the meaning set forth in the preamble hereto.

(m) "Employer" shall have the meaning set forth in the recitals hereto.

(n) "Excise Tax" shall have the meaning set forth in Section 7.

(o) "Executive" shall have the meaning set forth in the preamble hereto.

(p) "Good Reason" shall mean the occurrence, within the term of this Agreement, of any of the following without the Executive's express written consent:

(i) after a Change in Control, any material reduction in the Executive's base salary from that which was in effect immediately prior to the Change in Control, any material reduction in the Executive's annual cash bonus below such bonus paid or payable in respect of the calendar year immediately prior to the year in which the Change in Control occurs, or any material reduction in the Executive's aggregate annual cash compensation (including base salary and bonus) from that which was in effect immediately prior to the Change in Control;

(ii) any material and adverse diminution in the Executives' duties, responsibilities, status, position or authority with the Company or any of its affiliates following a Change in Control; provided, however, that no such diminution shall be deemed to exist solely because of changes in the Executive's duties, responsibilities or titles as a consequence of the Company ceasing to be a company with publicly-traded securities or becoming a wholly-owned subsidiary of another company;

(iii) any relocation of the Executive's primary workplace to a location that is more than 35 miles from the Executive's primary workplace as of the date immediately prior to the Change in Control; or

(iv) any failure by the Company to obtain from any successor to the Company an agreement reasonably satisfactory to the Executive to assume and perform this Agreement, as contemplated by Section 13(a) hereof;

provided that, notwithstanding the foregoing, the Executive may not resign his/her employment for Good Reason unless (x) the Executive provides the Company with at least 30 days prior written notice of his/her intent to resign for Good Reason (which notice is provided not later than the 60th day following the occurrence of the event constituting Good Reason) and (y) the Company does not cure or resolve the behavior otherwise constituting Good Reason within such 30 day period.

(q) "Notice of Termination" shall have the meaning set forth in Section 3(c).

(r) "Other Agreement" shall have the meaning set forth in Section 12(b).

(s) "Parachute Value" shall mean of a Payment shall mean the present value as of the date of the Change in Control for purposes of Section 280G of the Code of the portion of such Payment that constitutes a "parachute payment" under Section 280G(b)(2) of the Code, as determined for purposes of determining whether and to what extent the Excise Tax will apply to such Payment.

(t) "Payment" shall have the meaning set forth in Section 7.

(u) "Prior Agreement" shall have the meaning set forth in the recitals hereto.

(v) "Qualifying Event" shall have the meaning set forth in Section 4.

(w) "Release" shall have the meaning set forth in Section 5(a).

(x) "Release Expiration Date" shall have the meaning set forth in Section 5(a).

(y) "Retirement" shall mean the Executive's voluntary Separation from Service pursuant to late, normal or early retirement under a pension plan sponsored by an Employer, as defined in such plan, but only if such retirement occurs prior to a termination by an Employer without Cause or by the Executive for Good Reason.

(z) "Safe Harbor Amount" shall mean 2.99 times the Executive's "base amount," within the meaning of Section 280G(b)(3) of the Code.

(aa) "Section 409A" shall mean Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder.

(bb) "Separation from Service" shall have the meaning set forth in Section 3(b).

(cc) "Severance Multiple" shall mean 2.00; provided, however, that notwithstanding the foregoing, for each full month that elapses during the period beginning on the date the Executive attains age 63 and ending on the date the Executive attains age 65, the Severance Multiple shall be reduced by an amount equal to the product of (i) 1/24 and (ii) the excess of (A) the original Severance Multiple set forth above over (B) 1.0 (rounded to the nearest hundredth).

(dd) "Supplemental Retirement Plan" shall mean, as applicable (i) the Company's Amended and Restated Supplemental Executive Retirement Plan, (ii) the Company's Supplemental Management Retirement Plan, (iii) the Company's Amended and Restated Top Hat Restoration Plan, and (iv) the Company's Defined Contribution Restoration Plan.

(ee) "Target Bonus" shall have the meaning set forth in Section 4(b)(i)(C).

2. Term. This Agreement shall become effective on the Effective Date and shall remain in effect until the first anniversary of the Effective Date; provided, however, that this Agreement shall automatically renew on each successive anniversary of the Effective Date unless an Employer provides the Executive, in writing, at least 90 days prior to the renewal date, notice that this Agreement shall not be renewed; provided, further, that such notice of non-renewal may not be provided at any time following the date an agreement is signed by the Company which, if consummated, would result in a Change in Control. Notwithstanding the foregoing, in the event that a Change in Control occurs at any time prior to the termination of this Agreement in accordance with the preceding sentence, this Agreement shall not terminate until the second anniversary of the Change in Control (or, if later, the second anniversary of the consummation of the transaction(s) contemplated in the Change in Control).

3. Eligibility for Compensation.

(a) Change in Control. No compensation or other benefit pursuant to Section 4 hereof shall be payable under this Agreement unless and until either:

(i) a Change in Control shall have occurred while the Executive is an employee of an Employer and the Executive's employment by an Employer thereafter shall have terminated in accordance with Section 3(b)(i) hereof; or

(ii) the Executive's employment by an Employer shall have terminated in accordance with Section 3(b)(ii) hereof prior to the occurrence of a Change in Control.

(b) Termination of Employment. The Executive shall be entitled to the compensation provided for in Section 4 hereof if:

(i) within two years after a Change in Control, the Executive's employment is terminated (A) by an Employer for any reason other than (I) the Executive's Disability or Retirement, (II) the Executive's death or (III) for Cause, or (B) by the Executive with Good Reason; or

(ii) (A) an agreement is signed which, if consummated, would result in a Change in Control, (B) the Executive's employment is terminated by an Employer without Cause or by the Executive with Good Reason prior to the consummation of such Change in Control, (C) the Executive's termination of employment is at the direction of the acquiror or merger partner or otherwise in connection with the anticipated Change in Control, and (D) such Change in Control actually occurs;

provided that the Executive's termination of employment described in Section 3(b)(i) or 3(b)(ii) constitutes a "separation from service" (within the meaning of Treas. Reg. §1.409A-1(h)) (a "Separation from Service").

(c) Notice of Termination. Any purported termination of the Executive's employment (other than on account of the Executive's death) with an Employer shall be communicated by a Notice of Termination to the Executive, if such termination is by an Employer, or to an Employer, if such termination is by the Executive. For purposes of this Agreement, "Notice of Termination" shall mean a written notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to be a basis for termination of the Executive's employment under the provisions so indicated. For purposes of this Agreement, no purported termination of the Executive's employment with an Employer shall be effective without such a Notice of Termination having been given.

4. Compensation upon Qualifying Termination. Subject to the Executive's execution and non-revocation of a Release pursuant to Section 5(a), upon the date of (x) the Executive's termination of employment pursuant to Section 3(b)(i) or (y) the consummation of a Change in Control pursuant to Section 3(b)(ii) (each, a "Qualifying Event"), the Executive shall become entitled to receive the following payments and benefits at the time set forth in Section 5(b):

(a) Severance. The Company shall pay or cause to be paid to the Executive a cash severance amount equal to the product of (i) the Severance Multiple and (ii) the sum of (A) the Executive's annual base salary on the date of the Change in Control (or, if higher, the annual base salary in effect immediately prior to the giving of the Notice of Termination), and (B) the Executive's Bonus. This cash severance amount shall be payable in a lump sum calculated without any discount.

(b) Additional Payments and Benefits. The Executive shall also be entitled to receive:

(i) a lump-sum cash payment equal to the sum of (A) the Executive's accrued but unpaid base salary through the date of Separation from Service, (B) the unpaid portion, if any, of bonuses previously earned by the Executive pursuant to any Company annual incentive compensation plans, (C) the pro rata portion of 100% of the Executive's then-current target bonus (as previously established by the Compensation Committee) (the "Target Bonus"), calculated through the date of the Qualifying Event, and (D) an amount equal to any accrued vacation pay, in each case in full satisfaction of the Executive's rights thereto;

(ii) a lump-sum cash payment equal to the excess of (A) the present value of the payments that the Executive would be entitled to receive under the Supplemental Retirement Plans in which the Executive is eligible to participate immediately prior to the Qualifying Event, assuming that the Executive receives (1) additional service credit for purposes of eligibility, vesting and benefit accrual under such Supplemental Retirement Plans, to the extent applicable, with respect to the number of months equal to the Benefit Continuation Period and (2) additional age credit under such Supplemental Retirement Plans with respect to the number of months equal to the Benefit Continuation Period solely to the extent applicable for purposes of calculating any early retirement reduction (in each case, calculated using the assumptions set forth under such Supplemental Retirement Plans) over (B) the present value of the payments that the Executive would be entitled to receive under such Supplemental Retirement Plans absent the additional service and age credit credited pursuant to Sections 4(b)(ii)(A)(1) and (2);

(iii) continued medical, dental, vision and life insurance coverage (excluding accident, death and disability insurance) for the Executive and the Executive's eligible dependents or, to the extent such coverage is not commercially available, such other arrangements reasonably acceptable to the Executive, on the same basis as in effect immediately prior to the Change in Control or the Qualifying Termination, whichever is deemed to provide for more substantial benefits, during the Benefit Continuation Period; provided that the amount of benefits the Executive receives in any one year shall not affect the amount of benefits he may receive in any subsequent year; and

(iv) all other accrued or vested benefits and any compensation previously deferred in accordance with the terms of the applicable plan.

(c) Outplacement. If so requested by the Executive, outplacement services shall be provided for a period of one year by a professional outplacement provider selected by the Executive; provided, however, that such outplacement services shall be provided to the Executive at a cost to the Company of not more than fifteen percent (15%) of the Executive's annual base salary immediately prior to the Qualifying Event.

5. Release; Timing of Payment; Withholding.

(a) Payments and benefits provided pursuant to Section 4 are conditioned on the Executive's execution and non-revocation of a release of claims agreement and covenant not to sue in substantially the form attached hereto as Exhibit A (a "Release"). The Company shall deliver the Release to the Executive within seven (7) days following the date of the Qualifying Event (and the Company's failure to deliver a Release prior to the expiration of such seven (7) day period shall constitute a waiver of any requirement to execute a Release) and the Executive shall be required to execute the Release on or prior to the Release Expiration Date. If the Executive fails to execute the Release on or prior to the Release Expiration Date or timely revokes his/her acceptance of the Release thereafter, the Executive shall not be entitled to receive any of the payments and benefits provided pursuant to Section 4. For purposes of this Agreement, "Release Expiration Date" shall mean the date that is 21 days following the date upon which the Company timely delivers the Release to the Executive, or, in the event that the Executive's termination of employment is "in connection with an exit incentive or other employment termination program (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is 45 days following such delivery date.

(b) Except as otherwise provided in Section 10, all lump sum payments under Section 4 shall be paid on the first payroll date to occur on or after the 60th day following the Qualifying Event. For the avoidance of doubt, to the extent that the Executive is entitled to receive any lump sum payments with reference to any Supplemental Retirement Plans in connection with the Qualifying Event, pursuant to Section 4(b)(ii), the present value of his/her Supplemental Retirement Plan benefit(s) shall be calculated under the terms of the applicable Supplemental Retirement Plans and, for purposes of determining the lump-sum payment under Section 4(a)(ii), such calculation of present value shall include any additional age and service credit provided pursuant to Section 4(b)(ii).

(c) Payments and benefits provided pursuant to Section 4 shall be subject to any applicable payroll and other taxes required to be withheld.

6. Compensation upon Death, Disability or Retirement. If the Executive's employment is terminated by reason of death, Disability or Retirement prior to any other termination, the Executive will be entitled to receive:

(a) the sum of (i) the Executive's accrued but unpaid salary through the date of such termination, (ii) a pro-rata portion of the Executive's Target Bonus for the year in which the Executive's employment is terminated due to death or Disability (calculated through the date of such termination), and (iii) an amount equal to any accrued vacation pay; and

(b) other accrued or vested benefits and any compensation previously deferred in accordance with the terms of the applicable plans.

7. Excess Parachute Payments. If it is determined (as hereafter provided) that any payment or distribution by the Company or any Employer to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise pursuant to or by reason of any other agreement, policy, plan, program or arrangement, including without limitation any stock option, stock appreciation right or similar right, or the lapse or termination of any restriction on or the vesting or exercisability of any of the foregoing (a "Payment") would be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision thereto) by reason of being "contingent on a change in ownership or control" of the Company, within the meaning of Section 280G of the Code (or any successor provision thereto) or to any similar tax imposed by state or local law, or any interest or penalties with respect to such excise tax (such tax or taxes, together with any such interest or penalties, are hereafter collectively referred to as the "Excise Tax"), then, in the event that the after-tax value of all Payments to the Executive (such after-tax value to reflect the deduction of the Excise Tax and all income or other taxes on such Payments) would, in the aggregate, be less than the after-tax value to the Executive of the Safe Harbor Amount, (a) the cash portions of the Payments payable to the Executive under this Agreement shall be reduced, in the order in which they are due to be paid, until the Parachute Value of all Payments paid to the Executive, in the aggregate, equals the Safe Harbor Amount, and (b) if the reduction of the cash portions of the Payments, payable under this Agreement, to zero would not be sufficient to reduce the Parachute Value of all Payments to the Safe Harbor Amount, then any cash portions of the Payments payable to the Executive under any other agreements, policies, plans, programs or arrangements shall be reduced, in the order in which they are due to be paid, until the Parachute Value of all Payments paid to the Executive, in the aggregate, equals the Safe Harbor Amount, and (c) if the reduction of all cash portions of the Payments, payable pursuant to this Agreement or otherwise, to zero would not be sufficient to reduce the Parachute Value of all Payments to the Safe Harbor Amount, then non-cash portions of the Payments shall be reduced, in the order in which they are due to be paid, until the Parachute Value of all Payments paid to the Executive, in the aggregate, equals the Safe Harbor Amount. All calculations under this section shall be determined by the Company and the Company's outside auditors.

8. Expenses. In addition to all other amounts payable to the Executive under this Agreement, during the term of this Agreement and for a period of twenty (20) years following the Qualifying Event, the Company shall pay or reimburse the Executive for legal fees (including, without limitation, any and all court costs and attorneys' fees and expenses) incurred by the Executive in connection with or as a result of any claim, action or proceeding brought by the Company or the Executive with respect to or arising out of this Agreement or any provision hereof; provided, however, that in the case of an action brought by the Executive, the Company shall have no obligation for any such legal fees if the Company is successful in establishing with the court that the Executive's action was frivolous or otherwise without any reasonable legal or factual basis. All such expenses shall be reimbursed by December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year.

9. Offsets. Notwithstanding anything to the contrary in this Agreement, to the extent that the Executive receives severance or similar payments and/or benefits under any other Company plan, program, agreement, policy, practice or arrangement, or under the WARN Act or similar state law, the payments and benefits due to the Executive under this Agreement will be correspondingly reduced on a dollar-for-dollar basis.

10. Section 409A Delay. Notwithstanding anything to the contrary in this Agreement, if the Company determines that the Executive is deemed at the time of his/her Separation from Service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of the payment of any portion of the amounts to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, then such portion shall not be provided to the Executive prior to the earlier of (a) the expiration of the six-month period measured from the date of the Executive's Separation from Service or (b) the date of the Executive's death. Upon the expiration of the applicable deferral period under Section 409A(a)(2)(B)(i) of the Code, all payments deferred pursuant to this Section 10 shall be paid in a lump sum to the Executive, plus interest thereon from the date of the Executive's Separation from Service through the payment date at a rate equal to the prime rate of interest as reported in the *Wall Street Journal* from time to time. Any remaining payments due under this Agreement shall be paid as otherwise provided herein.

11. Obligations Absolute; Non-Exclusivity of Rights; Joint and Several Liability.

(a) The obligations of the Company to make the payment to the Executive and to make the arrangements provided for herein shall be absolute and unconditional and, except as provided in Section 7 or 9, shall not be reduced by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or any third party at any time.

(b) Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any other Employer and for which the Executive may qualify, nor shall anything herein limit or reduce such rights as the Executive may have under any agreements with the Company or any other Employer.

(c) Each entity included in the definition of "Employer" and any successors or assigns shall be jointly and severally liable with the Company under this Agreement.

12. Not an Employment Agreement; Effect on Other Rights.

(a) This Agreement is not, and nothing herein shall be deemed to create, a contract of employment between the Executive and the Company. Any Employer may terminate the employment of the Executive at any time, subject to the terms of this Agreement and/or any employment agreement or arrangement between an Employer and the Executive that may then be in effect.

(b) With respect to any employment agreement with the Executive in effect immediately prior to a Change in Control, nothing herein shall have any effect on the Executive's rights thereunder; provided, however, that in the event of the Executive's termination of employment in accordance with Section 3(b) hereof, this Agreement shall govern solely for the purpose of providing the terms of all payments and additional benefits to which the Executive is entitled upon such termination and any payments or benefits provided under any employment agreement with the Executive in effect immediately prior to the Change in Control shall reduce the corresponding type of payments or benefits hereunder. Notwithstanding the foregoing, in the event that the Executive's employment is terminated prior to the occurrence of a Change in Control under the circumstances provided for in Section 3(b)(ii) and such circumstances also entitle the Executive to payments and benefits under any other employment or other agreement as in effect prior to the Change in Control (and "Other Agreement"), then, until the Change in Control occurs, the Executive will receive the payments and benefits to which he is entitled under such Other Agreement. Upon the occurrence of the Change in Control, the Company will pay to the Executive in cash the amount to which he is entitled under this Agreement (reduced by the amounts already paid under the Other Agreement) in respect of cash payments and shall provide or increase any other noncash benefits to those provided for hereunder (after taking into account noncash benefits, if any, provided under such Other Agreement). Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company or any other Employer shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

13. Successors; Binding Agreement; Assignment.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business of the Company, by agreement to expressly, absolutely and unconditionally assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a material breach of this Agreement and shall entitle the Executive to terminate the Executive's employment with the Company or such successor for Good Reason immediately prior to or at any time after such succession. Upon and following the assumption of this Agreement by a successor, "Company," as used in this Agreement, shall mean (i) the Company (as defined above), and (ii) any successor to all the stock of the Company or to all or substantially all of the Company's business or assets which executes and delivers an agreement provided for in this Section 13(a) or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law, including any parent or subsidiary of such a successor.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributes, devisees and legatees. If the Executive should die while any amount would be payable to the Executive hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's estate or designated beneficiary. Neither this Agreement nor any right arising hereunder may be assigned or pledged by the Executive.

14. Notice. For purposes of this Agreement, notices and all other communications provided for in this Agreement or contemplated hereby shall be in writing and shall be deemed to have been duly given when personally delivered, delivered by a nationally-recognized overnight delivery service or when mailed United States certified or registered mail, return receipt requested, postage prepaid, and addressed, in the case of the Company, to the Company at:

Hubbell Incorporated
40 Waterview Drive
P.O. Box 1000
Shelton, Connecticut 06484
Attention: General Counsel

and, in the case of the Executive, to the Executive at the address set forth on the execution page at the end hereof.

Either party may designate a different address by giving notice of change of address in the manner provided above, except that notices of change of address shall be effective only upon receipt.

15. Restrictive Covenants; Confidentiality.

(a) All payments and benefits provided under Section 4 are conditioned on and subject to the Executive's continuing compliance with this Agreement and any other agreements regarding non-competition and non-solicitation of employees and customers.

(b) The Executive shall retain in confidence any and all confidential information concerning the Company and its respective business which is now known or hereafter becomes known to the Executive, except as otherwise required by law and except information (i) ascertainable and easily obtained from public information, (ii) received by the Executive at any time after the Executive's employment by the Company shall have terminated, from a third party not employed by or otherwise affiliated with the Company, or (iii) which is or becomes known to the public by any means other than a breach of this Section 15(b). Upon the termination of his/her employment, the Executive will not take or keep any proprietary or confidential information or documentation belonging to the Company.

16. Entire Agreement; Amendments; No Waiver.

(a) This Agreement contains the entire understanding of the parties with respect to the subject matter described herein, and no agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. The Executive represents and agrees that this Agreement supersedes the Prior Agreement, which shall no longer be in force or have any effect.

(b) No provision of this Agreement may be amended, altered, modified, waived or discharged unless such amendment, alteration, modification, waiver or discharge is agreed to in writing and signed by the Executive and such officer of the Company as shall be specifically designated by the Board.

(c) No waiver by either party, at any time, of any breach by the other party of, or of compliance by the other party with, any condition or provision of this Agreement to be performed or complied with by such other party shall be deemed a waiver of any similar or dissimilar provision or condition of this Agreement or any other breach of or failure to comply with the same condition or provision at the same time or at any prior or subsequent time.

17. Severability. If any one or more of the provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby. To the extent permitted by applicable law, each party hereto waives such provision of law which renders any provision of this Agreement invalid, illegal or unenforceable.

18. Governing Law; Venue. The validity, interpretation, construction and performance of this Agreement shall be governed on a non-exclusive basis by the laws of the State of Connecticut without giving effect to its conflict of laws rules. For purposes of jurisdiction and venue, the Company and each Employer hereby consents to jurisdiction and venue in any suit, action or proceeding with respect to this Agreement in any court of competent jurisdiction in the state in which the Executive resides at the commencement of such suit, action or proceeding and waives any objection, challenge or dispute as to such jurisdiction or venue being proper.

19. Section 409A Compliance. To the extent applicable, this Agreement shall be interpreted in accordance with, and incorporate the terms and conditions required by, Section 409A. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable under this Agreement will be immediately taxable to the Executive under Section 409A, the Company reserves the right (without any obligation to do so or to indemnify the Executive for failure to do so) to (a) adopt such amendments to this Agreement and appropriate policies and procedures, including amendments, policies and procedures with retroactive effect, that the Company determines to be necessary or appropriate to preserve the intended tax treatment of the benefits provided by this Agreement, to preserve the economic benefits of this Agreement and to avoid less favorable accounting or tax consequences for the Company and/or (b) take such other actions as the Company determines to be necessary or appropriate to exempt the amounts payable hereunder from Section 409A or to comply with the requirements of Section 409A and thereby avoid the application of penalty taxes thereunder. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with Section 409A from the Executive or any other individual to the Company or any of its affiliates, employees or agents.

20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Change in Control Severance Agreement as of the date first above written.

HUBBELL INCORPORATED

___/s/_Stephen M. Mais_____________
By: Stephen M. Mais
Senior Vice President, Human Resources

EXECUTIVE

___/s/_Katherine A. Lane___________

Katherine A. Lane

EXHIBIT A
WAIVER AND RELEASE OF CLAIMS AGREEMENT

[__________] (the "<u>Releasor</u>") on behalf of himself/herself and his/her spouse and child or children (if any), and his/her heirs, beneficiaries, devisees, executors, administrators, attorneys, personal representatives, successors and assigns, hereby forever releases and discharges Hubbell Incorporated, a Connecticut corporation (the "<u>Company</u>"), and any of its past, present, or future parent, affiliated, related, and/or subsidiary entities, and all of the past and present directors, shareholders, officers, general or limited partners, members, employees, agents, attorneys, advisors, representatives, successors and assigns of such entities, and employee benefit plans in which the Releasor is or has been a participant by virtue of his/her employment with the Company (collectively, the "<u>Releasees</u>"), from, and covenants not to sue any of the Releasees with respect to, any and all claims, debts, demands, accounts, judgments, rights, causes of action, equitable relief, damages, costs, charges, complaints, obligations, promises, agreements, controversies, suits, expenses, compensation, responsibility and liability of every kind and character whatsoever (including attorneys' fees and costs), whether in law or equity, known or unknown, asserted or unasserted, suspected or unsuspected (collectively, "<u>Claims</u>"), which the Releasor has or may have had against such Releasees or any of them arising out of, resulting from, relating to, based upon or otherwise in connection with, in whole or in part, any events or circumstances arising or occurring on or prior to the date this Waiver and Release of Claims Agreement (the "<u>Release</u>") is executed, including, without limitation, any and all Claims directly or indirectly arising out of, relating to or in any other way involving in any manner whatsoever (a) the Releasor's employment with the Company or its subsidiaries or the termination thereof, (b) the Releasor's status at any time as a holder of any securities of the Company and (c) any and all Claims arising under federal, state, or local laws relating to employment, or securities, including without limitation claims of wrongful discharge, breach of express or implied contract, fraud, misrepresentation, defamation, or liability in tort, claims of any kind that may be brought in any court or administrative agency, any claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Family and Medical Leave Act, the Securities Act of 1933, the Securities Exchange Act of 1934, the Sarbanes-Oxley Act, and similar state or local statutes, ordinances, and regulations; <u>provided</u>, <u>however</u>, notwithstanding anything to the contrary set forth herein, that this general release shall not extend to benefit claims under employee benefit plans in which the Releasor is a participant by virtue of his/her employment with the Company or its subsidiaries.

The Releasor understands that this Release includes a release of claims arising under the Age Discrimination in Employment Act (ADEA). The Releasor understands and warrants that he has been given a period of 21 days to review and consider this release. The Releasor further warrants that he understands that he may use as much or all of his/her 21-day period as he wishes before signing, and warrants that he has done so. The Releasor further warrants that he understands that, with respect to the release of age discrimination claims only, he has a period of seven days after executing on the second signature line below to revoke the release of age discrimination claims by notice in writing to the Company.

The Releasor is hereby advised to consult with an attorney prior to executing this Release. By his/her signature below, the Releasor warrants that he/she has had the opportunity to do so and to be fully and fairly advised by that legal counsel as to the terms of this Release.

ACKNOWLEDGEMENT (AS TO ALL CLAIMS
OTHER THAN AGE DISCRIMINATION CLAIMS)

The undersigned, having had full opportunity to review this Release with counsel of his/her choosing, signifies his/her agreement to the terms of this Release (other than as it relates to age discrimination claims) by his/her signature below.

______________________________ ______________________

[Releasor] Date

ACKNOWLEDGEMENT (AGE DISCRIMINATION CLAIMS)

The undersigned, having had full opportunity to review this release with counsel of his/her choosing, signifies his/her agreement to the terms of this release (as it relates to age discrimination claims) by his/her signature below.

______________________________ ______________________

[Releasor] Date

EXHIBIT 21.1 LISTING OF SUBSIDIARIES

Subsidiary	State or Other Jurisdiction of Incorporation
Aclara Belgium	Belgium
Aclara India Private Limited	India
Aclara International Holdings, Inc	Delaware
Aclara Japan Godo Kaisha	Japan
Aclara Meters Chile SpA	Chile
Aclara Meters LLC	Delaware
Aclara Meters Philippines, Inc.	Philippines
Aclara Meters, S.L.	Spain
Aclara Meters UK Ltd.	UK
Aclara Smart Grid Solutions, LLC	Delaware
Aclara Technologies LLC	Ohio
Acme Electric de Mexico, S. de R. L. de C.V.	Mexico
Acme Electric Manufacturing de Mexico, S. de R.L. de C.V.	Mexico
Artesanias Baja, S.A. de R. L. de C.V.	Mexico
Austdac Pty. Limited	Australia
Bel Manufacturera, S. de R.L. de C.V.	Mexico
Burndy Americas Inc.	Delaware
Burndy International Holdings S.a.r.l.	Luxembourg
Burndy LLC	Delaware
Burndy Technology LLC	Delaware
Burndy Technology and Global Business Services Private Limited	India
Cantega Technologies Inc.	Canada
CDR de Mexico S. de R.L. de C.V.	Mexico
Chalmit Lighting Limited	UK
Connector Assembly, Ltd.	Ohio
Connector Manufacturing Company	Ohio
Distribution Control Systems Caribe, Inc.	Puerto Rico
Dongguan Hubbell Electrical Products Company Limited	China
Electric Motion Company, Inc.	Connecticut
Electro Composites (2008) ULC	Nova Scotia
GAI-Tronics Corporation	Delaware
GAI-Tronics Limited	UK
GAI-Tronics S.r.l.	Italy
Gleason Reel Corp.	Delaware
Greenjacket Inc.	Delaware
Harvey Hubbell Holdings S.a.r.l.	Luxembourg
Harvey Hubbell, Incorporated	Connecticut
Harvey Hubbell Limited	UK
Hawke Asia Pacific Pte. Ltd.	Singapore
Hawke Cable Glands Limited	UK

Subsidiary	State or Other Jurisdiction of Incorporation
Hipotronics, Inc.	Delaware
Hub Reinsurance Ltd.	Bermuda
Hubbell (Australia) Holdings Pty. Limited	Australia
Hubbell (UK) GulfMex Limited	UK
Hubbell Asia Limited	Hong Kong
Hubbell Australia Holdco Limited	Cayman Islands
Hubbell Canada ULC	Canada
Hubbell Caribe Limited	Cayman Islands
Hubbell Cayman Investments Limited	Cayman Islands
Hubbell Commercial and Trading (Shanghai) Co., Ltd.	China
Hubbell Corporate Holdings, Inc.	Delaware
Hubbell Distribution, Inc.	Delaware
Hubbell do Brasil, Indústria, Comércio, Importação e Exportação de Equipamentos Elétricos LTDA	Brazil
Hubbell Electric (Wuhu) Co. Ltd.	China
Hubbell Electric Holdings S.a.r.l.	Luxembourg
Hubbell Global Finance Ireland Limited	Ireland
Hubbell Global Operations Limited	Ireland
Hubbell Holdco Luxembourg S.a.r.l.	Luxembourg
Hubbell Holdings Europe Limited	UK
Hubbell Holdings Limited	UK
Hubbell Incorporated (Delaware)	Delaware
Hubbell India Electrical Products, LLP	India
Hubbell Industrial Controls, Inc.	Delaware
Hubbell Integrated Solutions, Inc.	Delaware
Hubbell International Management Limited	Ireland
Hubbell International, LLC	Delaware
Hubbell Korea, Ltd.	Korea
Hubbell Lenoir City, Inc.	Virginia
Hubbell Lighting, Inc.	Connecticut
Hubbell Limited	UK
Hubbell Luxembourg S.a.r.l.	Luxembourg
Hubbell Management Inc.	Canada
Hubbell Operations, LLC	Delaware
Hubbell Pickering LP	Canada
Hubbell Plastics, Inc.	Delaware
Hubbell Power Holdings S.a.r.l.	Luxembourg
Hubbell Power Systems, Inc.	Delaware
Hubbell Products Mexico S. de R.L. de C.V.	Mexico
Hubbell Switch Holding Co., Inc.	Delaware
Hubbell-Anmex (Shanghai) Trading Co., Ltd.	China
Hubbell-Anmex International (S) Pte. Ltd.	Singapore
Hubbell-Taian Co., Ltd.	Taiwan
HUBS, Inc.	Delaware
iDevices, LLC	Connecticut

Subsidiary	State or Other Jurisdiction of Incorporation
Jiangsu Xiangyuan Electric Equipment Co., Ltd.	China
Lighting Corporation of America	Delaware
Litecontrol Corporation	Massachusetts
Lyall Manufacturing WI, Inc.	Wisconsin
Meramec Instrument Transformer Company	Missouri
Meter Readings Holding I Corp.	Delaware
Meter Readings Holding, LLC	Delaware
Newco Condenser, Inc.	Delaware
Newco Lighting, Inc.	Delaware
PCORE Electric Company, Inc.	Delaware
Progress Lighting Inc.	Delaware
Progressive Lighting, Inc.	North Carolina
Progressive Lighting, Inc.	South Carolina
R. W. Lyall & Company, Inc.	California
State Street Corp.	Connecticut
Wepawaug Canada Corp.	Nova Scotia

EXHIBIT 23.1 Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-231543) and the Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4 (No. 333-206898) of Hubbell Incorporated of our report dated February 14, 2020 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Hartford, Connecticut
February 14, 2020

EXHIBIT 31.1

I, David G. Nord, certify that:

1. I have reviewed this annual report on Form 10-K of Hubbell Incorporated (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ DAVID G. NORD

David G. Nord

Chairman of the Board and Chief Executive Officer

Date: February 14, 2020

EXHIBIT 31.2

I, William R. Sperry, certify that:

1. I have reviewed this annual report on Form 10-K of Hubbell Incorporated (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ WILLIAM R. SPERRY

William R. Sperry

Executive Vice President, Chief Financial Officer and Treasurer

Date: February 14, 2020

EXHIBIT 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Hubbell Incorporated (the “Company”) on Form 10-K for the period ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, David G. Nord, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ DAVID G. NORD

David G. Nord
Chairman of the Board and Chief Executive Officer
February 14, 2020

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Hubbell Incorporated (the "Company") on Form 10-K for the period ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William R. Sperry, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ WILLIAM R. SPERRY

William R. Sperry
Executive Vice President, Chief Financial Officer and Treasurer

February 14, 2020

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.