

# CASTLE A M & CO

## **FORM 8-K** (Current report filing)

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Address	3400 N WOLF RD FRANKLIN PARK, IL 60131
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

Date of Report: **December 22, 2010**  
(Date of earliest event reported)

**A. M. CASTLE & CO.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction of incorporation)

**1-5415**  
(Commission File Number)

**36-0879160**  
(IRS Employer Identification No.)

**3400 North Wolf Road**  
**Franklin Park, Illinois 60131**  
(Address of principal executive offices)

Registrant's telephone number including area code: **(847) 455-7111**

**Not Applicable**  
(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13 e-4(c) under the Exchange Act (17 CFR 240.13 e-4(c))
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## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

### Amendment to Form of Severance Agreement for Executive Officers (other than CEO)

On October 27, 2010, the Human Resources Committee of the Board of Directors of A. M. Castle & Co. (the “company”) authorized amendments to the company’s form of Severance Agreement (“SEVA”) for certain key employees, including the principal financial officer and other named executive officers (other than the chief executive officer). The amendments were effected pursuant to amended and restated Severance Agreements, dated December 22, 2010, a copy of the form of which is filed herewith as Exhibit 10.26 and incorporated herein by reference (the “Amended SEVA”).

These amendments, inter alia, (i) modify the definitions of “Cause”, and “Good Reason,” (ii) extend the initial term of the SEVA to two years, with one year automatic extensions annually, unless either party notifies the other that it does not wish to extend the term, (iii) provide for the addition of new Section 6 of the SEVA regarding the timing of payments and benefits to comply with Section 409A of the Internal Revenue Code, (iv) modify the amount of the payment representing short term incentive compensation due following termination of employment from a pro rata payment based on target performance to a pro rata payment based on actual performance, (v) provide for the vesting of long term performance awards on a pro rata basis based on actual performance through the end of the performance period, provided the executive’s termination of employment precedes the end of the performance period by less than one year, (vi) provide that vested stock options will remain exercisable for a period of three months following termination of employment (but not beyond their original expiration date), and (vii) modify the dispute resolution provisions of the SEVA. The amendments also respond to guidance issued by the Internal Revenue Service as to the interpretation of the application of Section 409A of the Internal Revenue Code to severance payments that are contingent on a release of claims. The amendments limit the time period in which the executive must execute and deliver a release of claims in order to receive payments that he is entitled to receive as a result of his termination.

The preceding summary of the revisions to the form of SEVA does not purport to be complete and is qualified in its entirety by reference to the full text of the form of the Amended SEVA, which is filed as an exhibit to this Current Report on Form 8-K.

### Amendment to CEO Employment/Non-Competition Agreement and Change in Control Agreement

On December 9, 2010, the independent members of the Board of Directors of the company, upon recommendation of the Human Resources Committee of the Board of Directors, authorized amendments to the current Employment/Non-Competition Agreement (“Employment Agreement”) and Change in Control Agreement (“CICA”) for Michael Goldberg, the company’s President and Chief Executive Officer. The amendments were effected pursuant to an amended and restated Employment Agreement and an amended and restated Change in Control Agreement, each dated December 22, 2010, copies of which are filed herewith as Exhibits 10.27 and 10.28, respectively, and incorporated herein by reference (collectively, the “Amended Agreements”).

The amendments to the Employment Agreement, inter alia, (i) modify the definition of “Cause,” (ii) provide for the addition of new Section 6(i) of the Employment Agreement regarding the timing of payments and benefits to comply with Section 409A of the Internal Revenue Code, (iii) modify the amount of the payment representing short term incentive compensation due following termination of employment from a pro rata payment based on target performance to a pro rata payment based on actual performance, (iv) provide for the vesting of long term performance awards on a pro rata basis based on actual performance through the end of the performance period, provided the executive’s termination of employment precedes the end of the performance period by less than one year, (v) provide that vested stock options will remain exercisable for a period of three months following termination of employment (but not beyond their original expiration date), and (vi) provide for continued use of a company-owned or leased automobile for up to one year following termination of employment.

The amendments to the CICA, inter alia, (i) modify the definitions of “Cause” and “Change in Control”, (ii) provide for the addition of new Section 3 of the CICA regarding the timing of payments and benefits to comply with Section 409A of the Internal Revenue Code, (iii) modify the amount of the payment representing short term incentive compensation due following termination of employment following a change in control from a pro rata payment based on target performance to a pro rata payment based on actual performance, (iv) modify the vesting of long term performance awards to provide for the vesting on a pro rata basis upon a change of control based on actual performance through the end of the calendar month immediately preceding the change in control, as opposed to vesting on a pro rata basis upon termination of employment following a change in control based on a good faith estimate of the number of shares payable to the executive as of the end of the performance cycle as determined in good faith by the Board of Directors, (v) provide that vested stock options will remain exercisable for a period of three months following termination of employment following a change in control (but not beyond their original expiration date), and (vi) provide for continued use of a company-owned or leased automobile for up to one year following termination of employment.

The preceding summary of the revisions to the Employment Agreement and CICA does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended Agreements, which are filed as exhibits to this Current Report on Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
10.26*	Form of Amended and Restated Severance Agreement for Executive Officers other than the CEO.
10.27*	CEO Change in Control Agreement, as amended and restated December 22, 2010.
10.28*	CEO Employment/Non-Competition Agreement, as amended and restated December 22, 2010.

*\*This agreement is considered a compensatory plan or arrangement.*

**SIGNATURES**

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

December 22, 2010

**A. M. CASTLE & CO.**

By: /s/ Robert J. Perna  
Robert J. Perna  
Vice President, General Counsel & Secretary

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10.28	CEO Employment/Non-Competition Agreement, as amended and restated December 22, 2010.	E-17

**SEVERANCE AGREEMENT  
A.M. CASTLE & CO.**

THIS AGREEMENT ("Agreement"), made and entered into this \_\_\_ day of \_\_\_\_\_, 2010 (the "Effective Date"), by and between A.M. Castle & Co., a Maryland corporation (the "Company"), and \_\_\_\_\_ (the "Executive");

WITNESSETH THAT :

WHEREAS, the Company wishes to assure itself of the continuity of the Executive's service and has determined that it is appropriate that the Executive receive certain payments in the event, prior to a Change in Control, of an involuntary termination of employment (other than for Cause) or a termination of employment for Good Reason;

WHEREAS, the Company and the Executive accordingly desire to enter into this Agreement on the terms and conditions set forth below;

WHEREAS, the Company promises to provide, and the Executive acknowledges that the Executive has had, will have, and will develop on behalf of the Company substantial contacts with long-standing, near permanent customers of the Company, including without limitation program accounts, that require the protections against unfair competition set forth in this Agreement; and

WHEREAS, the Company and the Executive previously entered into a Severance Agreement dated [\_\_\_\_\_], which the parties desire to amend and restate in the form set forth herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, IT IS HEREBY AGREED, by and between the parties as follows:

1. Relationship to Other Agreements. Except as otherwise provided in any other agreement between the Company and the Executive which specifically identifies this Agreement and specifically provides that it supersedes this Agreement, this Agreement shall supersede any and all other agreements between the Executive and the Company regarding the payment of benefits upon a termination of the Executive's employment with the Company. If the Executive is entitled to severance pay or other benefits pursuant to the terms of this Agreement, the Executive shall not be eligible to receive any severance pay or other benefits pursuant to the terms of any other severance agreement or arrangement of the Company (or any affiliate of the Company), including any arrangement of the Company (or any affiliate of the Company) providing benefits upon involuntary termination of employment.

2. Agreement Term. The "Term" of this Agreement shall begin on the Effective Date and shall continue through the second anniversary of the Effective Date (the "Expiration Date"); provided, however, the Expiration Date shall be automatically extended annually for successive one-year periods, effective on the first anniversary of the Effective Date and on each subsequent anniversary of the Effective Date, without further action on the part of any party, unless, not later than 30 days prior to the effective date of any such extension, either party shall have given written notice to the other party that it does not wish to extend the Term.

3. Certain Definitions. In addition to terms otherwise defined herein, the following capitalized terms used in this Agreement shall have the meanings specified below:

(a) Cause. The term "Cause" shall mean:

- (i) Conviction of, or entry of a plea of guilty or "nolo contendere" to, a felony (as defined by the laws of the United States of America or by the laws of the State or other jurisdiction in which the Executive was so convicted or entered such plea) by the Executive;
- (ii) Engagement by the Executive in egregious misconduct involving serious moral turpitude to the extent that, in the reasonable judgment of the Company, the Executive's credibility and reputation no longer conform to the standard of the Company's executives;
- (iii) Willful misconduct by the Executive that, in the reasonable judgment of the Company, results in a demonstrable and material injury to the Company or its affiliates, monetarily or otherwise;

- (iv) Willful and continued failure (other than any such failure resulting from the Executive's incapacity due to mental or physical illness) by the Executive to perform his assigned duties, provided that such assigned duties are consistent with the job duties of the Executive and that the Executive does not cure such failure within 30 days after notice of such failure from the Company; or
- (v) Material breach of this Agreement by the Executive, provided that the Executive does not cure such breach within 30 days after notice of such breach from the Company.

For purposes of determining whether "Cause" exists, no act, or failure to act, on the Executive's part will be deemed "willful" unless done, or omitted to be done, in the reasonable judgment of the Company, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interest of the Company or its affiliates.

(b) Change in Control. The term "Change in Control" shall mean any of the following that occur after the Effective Date:

- (i) Any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, including the regulations and other applicable authorities thereunder (the "Exchange Act")) ("Person"), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) ("Beneficial Owner"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing twenty five percent (25%) or more of the combined voting power of the Company's then-outstanding voting securities entitled to vote generally in the election of directors ("Outstanding Company Voting Securities"); provided, however, that any acquisition by a Person who on the Effective Date is the Beneficial Owner of twenty-five (25%) or more of the Outstanding Company Voting Securities shall not constitute a Change in Control;
  - (ii) Any change in the composition of the Board of Directors of the Company (the "Board") over a two-year period which results in a majority of the then present directors of the Company not constituting a majority two years later, provided that in making such determination, directors who are elected by or upon the recommendation of the then current majority of the Board shall be excluded;
  - (iii) Approval by the shareholders of the Company of a complete dissolution or liquidation of the Company;
  - (iv) Any sale or disposition to a Person of the assets of the Company equal to more than fifty percent (50%) of the total gross fair market value of all of the assets of the Company before such sale or disposition; provided that, for purposes of this subparagraph (b)(iv), the "gross fair market value" shall be determined without regard to any liabilities associated with the assets of the Company or the assets so sold or disposed;
  - (v) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or entity, other than (A) a merger or consolidation immediately following which the individuals who comprise the Board of the Company immediately prior thereto constitute at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation, or, if the Company or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof, (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes a Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing 25% or more of the combined voting power of the Company's then outstanding securities, or (C) a merger or consolidation of any direct or indirect subsidiary of the Company (y) for whom the Executive is not performing services at the time of such merger or consolidation or (z) that is not a majority shareholder of the corporation for whom the Executive is performing services at the time of such merger or consolidation.
- (c) Code. The term "Code" means the Internal Revenue Code of 1986, as amended, and any regulations and other applicable authorities promulgated thereunder.
- (d) Good Reason. The term "Good Reason" shall mean:
- (i) a reduction of 10% or more in the Executive's base salary (either upon one reduction or during a series of reductions over a period of time), provided, that such reduction neither comprises a part of a general reduction for the Executive's then-current peers as a group (determined as of the date immediately before the date on which the Executive becomes subject to any such reduction) nor results from a deferral of the Executive's base salary;



- (ii) a material diminution in the Executive's authority (including, but not limited to, the budget over which the Executive retains authority), duties, or responsibilities within the Company;
- (iii) a material change in the geographic location at which the Executive must perform services for the Company more than fifty (50) miles; or
- (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement.

For purposes of this Agreement, in order for a termination of employment by the Executive to be considered to be on account of Good Reason, the following conditions must be met by the Executive:

- (i) the Executive provides written notice to the Company of the existence of the condition(s) described in this subparagraph (d) potentially constituting Good Reason within 90 days of the initial existence of such condition(s), and
  - (ii) the Company fails to remedy the conditions which the Executive outlines in his written notice within 30 days of such notice, and
  - (iii) the Executive actually terminates employment with the Company within six months of providing the notice described in this subparagraph (d).
- (e) Termination Date. The term "Termination Date" means the date on which the Executive's employment with the Company and its affiliates terminates for any reason, including voluntary resignation. If the Executive becomes employed by an entity into which the Company has merged, or by the purchaser of substantially all of the assets of the Company, or by a successor to such entity or purchaser, a Termination Date shall not be treated as having occurred for purposes of this Agreement until such time as the Executive terminates employment with the successor and its affiliates (including, without limitation, the merged entity or purchaser). If the Executive is transferred to employment with an affiliate (including a successor to the Company), such transfer shall not constitute a Termination Date for purposes of this Agreement.

4. Payments and Benefits. Subject to the terms and conditions of this Agreement, if the Executive's employment is terminated during the Term of this Agreement and before a Change in Control (A) by the Company for a reason other than for Cause or (B) by the Executive for Good Reason, the Executive shall be entitled to:

- (a) a lump sum severance payment equal to one times the Executive's annual base salary in effect immediately prior to the Termination Date.
- (b) a lump sum payment in an amount equal to the annual short-term incentive compensation to which the Executive would have been entitled had he continued in the employ of the Company through the last day of the calendar year in which the Termination Date occurs, pro-rated for the number of days during the calendar year that the Executive was employed prior to the Termination Date; provided, however, that such payment shall be made only if and to the extent the applicable performance measure(s) for such calendar year have actually been met.
- (c) with respect to each outstanding and nonvested long-term performance award (including an equity-based or a non-equity-based long-term performance award) granted to the Executive by the Company for which the Termination Date precedes the end of the performance period by less than one (1) year, a payment equal to the amount the Executive would have received under each such award had he continued in the employ of the Company through the last day of the applicable performance period, pro-rated for the number of days during such performance period that the Executive was employed prior to the Termination Date; provided, however, that such payment shall be made only if and to the extent the applicable performance measure(s) for such performance period have actually been met.
- (d) with respect to each then-outstanding and vested stock option granted to the Executive by the Company, exercise such option at any time during the period beginning on the Termination Date and ending on the earlier of the original expiration date of each such option (without regard to any accelerated expiration date otherwise resulting from the Executive's termination of employment) or the expiration of the three-month period following the Termination Date.

- (e) continued health benefit coverage for the Executive and the Executive's qualified beneficiaries as provided in Section 4980B of the Code ("COBRA"). Such COBRA continuation coverage shall be provided to the Executive and the Executive's qualified beneficiaries only if and to the extent that the Executive (or his qualified beneficiaries, as applicable) make a timely and proper election to be covered under COBRA and make timely payments for the cost of such coverage; provided, however, that such COBRA coverage shall be at the Company's expense for the period beginning on the day after the Termination Date and ending on the earlier of (i) the first anniversary of the Termination Date or (ii) the date on which the Executive commences employment with another employer.
- (f) for the period beginning on the Termination Date and ending on the earlier of (i) the first anniversary of the Termination Date and (ii) the date on which the Executive commences employment with another employer, the Executive shall be permitted the use of a Company-owned or leased automobile on the terms and conditions set forth in the Company's Automobile Policy.

For the avoidance of doubt, the Executive shall not be entitled to any benefits under this Agreement if his termination of employment occurs on account of his death, disability, or voluntary resignation (other than for Good Reason).

5. Time of Payments. Provided that the conditions of paragraph 7 (relating to waiver and release) have been satisfied, payments pursuant to subparagraphs 4(a) and 4(b) shall be paid no later than March 15th of the calendar year following the calendar year in which the Executive's Termination Date occurs or at such *earlier* date as may apply in accordance with the following:

- (a) the payment pursuant to subparagraph 4(a) (relating to severance pay) shall be paid within 10 days following the later of (i) the Executive's Termination Date or (ii) the date on which the conditions of paragraph 7 are satisfied; and
- (b) the payment pursuant to subparagraph 4(b) (relating to short-term incentive compensation) shall be made within 10 days following the later of (i) the date that the short-term incentive compensation would have been paid if the Executive's Termination Date had not occurred, or (ii) the date on which the conditions of paragraph 7 are satisfied.

Further provided that the conditions of paragraph 7 (relating to waiver and release) have been satisfied, unless either the Executive has made a valid election to defer receipt of all or any portion of a payment of an award described in subparagraph 4(c) in accordance with the terms of a Company nonqualified deferred compensation plan or the award agreement in respect of any such award provides otherwise, any payment pursuant to subparagraph 4(c) shall be paid no later than the later of (i) the date that is 2-½ months from the end of the Executive's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture, or (ii) the date that is 2-½ months from the end of the Company's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture.

Notwithstanding any other provision of this Agreement, if the requirements of paragraph 7 are not satisfied, the Executive shall not be entitled to any payments or benefits under this Agreement (other than the payments or benefits provided in subparagraph 4(e) or 4(f) on or before the date by which the Executive is required to satisfy the requirements of paragraph 7).

6. Code Section 409A Compliance. Notwithstanding any provision of this Agreement to the contrary:

- (a) If and to the extent any payment or benefits under this Agreement are otherwise subject to the requirements of Code Section 409A, the intent of the parties is that such payment and benefits shall comply with Code Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted, and such payment and benefits shall be paid or provided under such other conditions determined by the Company that cause such payment and benefits, to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the parties hereto of the applicable provision without violating the provisions of Code Section 409A. The Company makes no representation that any or all of the payments or benefits provided under this Agreement will be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to any such payments or benefits. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or damages for failing to comply with Code Section 409A.
- (b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following the Executive's Termination Date unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

- (c) Each payment payable to the Executive under this Agreement on or after the Executive's Termination Date shall be treated as a separate and distinct "payment" for purposes of Code Section 409A and, further, is intended to be exempt from Code Section 409A, including but not limited to the short-term deferral exemption thereunder. If and to the extent any such payment is determined to be subject to Code Section 409A and is otherwise payable upon the Executive's termination of employment, in the event the Executive is a "specified employee" (as defined in Code Section 409A), any such payment that would otherwise have been payable in the first six (6) months following the Executive's Termination Date will not be paid to the Executive until the date that is six (6) months and one (1) day following the Executive's Termination Date (or, if earlier, the Executive's date of death). Any such deferred payments will be paid in a lump sum; provided that no such actions shall reduce the amount of any payments otherwise payable to the Executive under this Agreement. Thereafter, the remainder of any such payments shall be payable in accordance with this Agreement.
- (d) All expenses or other reimbursements to the Executive under this Agreement, if any, shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive (provided that if any such reimbursements constitute taxable income to the Executive, such reimbursements shall be paid no later than March 15th of the calendar year following the calendar year in which the expenses to be reimbursed were incurred), and no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year.
- (e) Whenever a payment under this Agreement specifies a period within which such payment may be made, the actual date of payment within the specified period shall be within the sole discretion of the Company.
- (f) In no event shall any payment under this Agreement that constitutes "deferred compensation" for purposes of Code Section 409A be offset by any other payment pursuant to this Agreement or otherwise.
- (g) To the extent required under Code Section 409A, (i) any reference herein to the term "Agreement" shall mean this Agreement and any other plan, agreement, method, program, or other arrangement, with which this Agreement is required to be aggregated under Code Section 409A, and (ii) any reference herein to the term "Company" shall mean the Company and all persons with whom the Company would be considered a single employer under Code Section 414(b) or 414(c).

7. Waiver and Release. Except as expressly provided in paragraph 5, the Executive shall not be entitled to any payments or benefits under this Agreement unless and until the Executive executes and delivers to the Company, within thirty (30) days following the Executive's Termination Date (or fifty (50) days in the event that 29 CFR 1625.22 requires the Company to provide the Executive forty-five (45) days to consider the release), a valid release of any and all claims against the Company and its affiliates in a form acceptable to the Company and the revocation period for such release has expired without revocation.

8. Mitigation. The Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise. None of the Company or any of its affiliates shall be entitled to set off against the amounts payable to the Executive under this Agreement any amounts owed to the Company or any of its affiliates by the Executive, any amounts earned by the Executive in other employment after the Termination Date, or any amounts which might have been earned by the Executive in other employment had he sought such other employment.

9. Withholding. All payments to the Executive under this Agreement will be subject to all applicable withholding of applicable taxes.

10. Confidential Information. The Company and the Executive covenant and agree that:

- (a) The Company will provide the Executive Confidential Information (as defined below) to permit the Executive to perform the Executive's duties on behalf of the Company and its affiliates, which will include, among other things, generating additional Confidential Information on behalf of the Company and its affiliates.
- (b) Except as may be required by the lawful order of a court or agency of competent jurisdiction, except as necessary to carry out his duties to the Company and its affiliates, or except to the extent that the Executive has express authorization from the Company, the Executive agrees to keep secret and confidential, all Confidential Information (as defined below), and not to disclose the same, either directly or indirectly, to any other person, firm, or business entity, or to use it in any way during the Agreement Term and at all times thereafter, provided, however, if the jurisdiction in which the Company seeks to enforce the confidentiality obligation will not enforce a confidentiality obligation of indefinite duration, then the provisions in this Agreement restricting the disclosure and use of Confidential Information shall survive for a period of five (5) years following the Executive's Termination Date; provided, however, that trade secrets shall remain confidential indefinitely.

- (c) To the extent that any court or agency seeks to have the Executive disclose Confidential Information, he shall promptly inform the Company, and he shall take such reasonable steps to prevent disclosure of Confidential Information until the Company has been informed of such requested disclosure, and the Company has an opportunity to respond to such court or agency. To the extent that the Executive generates or obtains information on behalf of the Company or any of its affiliates that may be subject to attorney-client privilege as to the Company's attorneys, the Executive shall take reasonable steps to maintain the confidentiality of such information and to preserve such privilege.
- (d) Nothing in the foregoing provisions of this paragraph 10 shall be construed so as to prevent the Executive from using, in connection with his employment for himself or an employer other than the Company or any of the affiliates, knowledge which was acquired by him during the course of his employment with the Company and its affiliates, and which is generally known to persons of his experience in other companies in the same industry.
- (e) For purposes of this Agreement, the term "Confidential Information" shall include all non-public information (including, without limitation, information regarding litigation and pending litigation, trade secrets, proprietary information, or confidential or proprietary methods) concerning the Company and its affiliates (and their customers) which was generated or acquired by or disclosed to the Executive during the course of his employment with the Company, or during the course of his consultation with the Company following the Termination Date.
- (f) This paragraph 10 shall not be construed to unreasonably restrict the Executive's ability to disclose Confidential Information in a court proceeding in connection with the assertion of, or defense against any claim of breach of this Agreement. If there is a dispute between the Company and the Executive as to whether information may be disclosed in accordance with this subparagraph (f), the matter shall be submitted to the court for decision.

11. Non-Competition and Non-Solicitation. During the Term of the Agreement and for a period of 12 months after the Executive's Termination Date, the Executive covenants and agrees that he shall not, without the express written consent of the Chief Executive Officer of the Company:

- (a) be employed by, serve as a consultant to, or otherwise assist or directly or indirectly provide services to a Competitor (defined below) if: (i) the employment, consulting, assistance or services that the Executive is to provide to the Competitor are the same as, or substantially similar to, any of the services that the Executive provided to the Company or its affiliates and are or will be within the Restricted Territory (as defined in Attachment A); or (ii) the Confidential Information to which the Executive had access could reasonably be expected to benefit the Competitor if the Competitor were to obtain access to such Confidential Information. For purposes of this subparagraph (a), services provided by others shall be deemed to have been provided by the Executive if the Executive had material supervisory responsibilities with respect to the provision of such services.
- (b) solicit or attempt to solicit any party who is then, or during the 12-month period prior to the Executive's Termination Date was, a customer or supplier of the Company for or with whom the Executive (or the Executive's subordinates) had Confidential Information or contact on behalf of the Company, provided that the restriction in this subparagraph (b) shall not apply to any activity on behalf of a business that is not a Competitor.
- (c) solicit, entice, persuade or induce any individual who is employed by the Company or its affiliates (or was so employed within 90 days prior to the Executive's action and not involuntarily terminated for any reason other than Cause) to terminate or refrain from renewing or extending such employment or to become employed by or enter into contractual relations with any other individual or entity other than the Company or its affiliates, and the Executive shall not approach any such employee, either in person or through electronic or social media, for any such purpose or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity.
- (d) directly or indirectly own an equity interest in any Competitor (other than ownership of 5% or less of the outstanding stock of any corporation listed on the New York Stock Exchange or the American Stock Exchange or included in the NASDAQ System, so long as such ownership is passive in nature).

The term “Competitor” means any enterprise (including a person, firm or business, whether or not incorporated) during any period in which it is materially competitive in any way with any business in which the Company or any of its affiliates was engaged during the 12-month period prior to the Executive’s Termination Date. Upon the written request of the Executive, the Company’s Chief Executive Officer will determine whether a business or other entity constitutes a “Competitor” for purposes of this paragraph 11 and may require the Executive to provide such information as the Chief Executive Officer determines to be necessary to make such determination. The current and continuing effectiveness of such determination may be conditioned on the continuing accuracy of such information, and on such other factors as the Chief Executive Officer may determine.

12. Non-Disparagement. The Executive covenants and agrees that, while he is employed by the Company, and after his Termination Date, he shall not make any false, defamatory or disparaging statements about the Company, its affiliates, or the officers or directors of the Company or its affiliates that are reasonably likely to cause material damage to the Company, its affiliates, or the officers or directors of the Company or its affiliates. While the Executive is employed by the Company, and after the Termination Date, the Company agrees, on behalf of itself and its affiliates, that neither the officers nor the directors of the Company or its affiliates in their external communications shall make any false, defamatory or disparaging statements about the Executive that are reasonably likely to cause material damage to the Executive. Nothing in this paragraph 12 shall preclude the Executive or the Company from making truthful statements that are required by applicable law, regulation or legal process

13. Reasonable Scope and Duration. The Executive acknowledges that the restrictions in paragraphs 10, 11 and 12 are reasonable in scope, are necessary to protect the trade secrets and other confidential and proprietary information of the Company and its affiliates, that the benefits provided under this Agreement are full and fair compensation for these covenants and that these covenants do not impair the Executive’s ability to be employed in other areas of his expertise and experience. Specifically, the Executive acknowledges the reasonableness of the international scope of these covenants by reason of the international customer base and prospective customer base and activities of the Company and its affiliates, the widespread domestic and international scope of the Executive’s contacts created during his employment with the Company, the domestic and international scope of the Executive’s responsibilities while employed by the Company and his access to marketing strategies of the Company and its affiliates. Notwithstanding the foregoing, if any court determines that the terms of any of the restrictions herein are unreasonable or unenforceable, such court may interpret, alter, amend or modify any or all of such terms to include as much of the scope, time period and intent as will render such restrictions enforceable, and then in such reduced form, enforce such terms. In the event of the Executive’s breach of any such covenant, the term of the covenant shall be extended for a period equal to the period that the breach continues.

14. Equitable Relief. The Executive agrees that any violation by the Executive of any covenant in paragraph 10, 11 or 12 may cause such damage to the Company as will be serious and irreparable and the exact amount of which will be difficult to ascertain, and for that reason, the Executive agrees that the Company shall be entitled, as a matter of right, to a temporary, preliminary and/or permanent injunction and/or other injunctive relief, ex parte or otherwise, from any court of competent jurisdiction, restraining any further violations by the Executive. Such injunctive relief shall be in addition to, and in no way in limitation of, any and all other remedies the Company shall have in law and equity for the enforcement of such covenants.

15. Nonalienation. The interests of the Executive under this Agreement are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Executive or the Executive’s beneficiary.

16. Amendment. This Agreement may be amended or canceled only by mutual agreement of the parties in writing without the consent of any other person. So long as the Executive lives, no person, other than the parties hereto, shall have any rights under or interest in this Agreement or the subject matter hereof.

17. Applicable Law. The provisions of this Agreement shall be construed in accordance with and governed by applicable federal laws and, to the extent not pre-empted thereby or inconsistent therewith, the laws of the State of Illinois, without regard to the conflict of law provisions of any jurisdiction.

18. Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, and this Agreement will be construed as if such invalid or unenforceable provision were omitted (but only to the extent that such provision cannot be appropriately reformed or modified).

19. Obligation of Company. Except as otherwise specifically provided in this Agreement, nothing in this Agreement shall be construed to affect the Company’s right to modify the Executive’s position or duties, compensation, or other terms of employment, or to terminate the Executive’s employment. Nothing in this Agreement shall be construed to provide to the Executive any rights upon termination of the Executive’s employment with the Company other than as specifically described in paragraph 4. If the Executive’s employment is terminated before a Change in Control for any reason other than by the Company (other than for Cause) or by the Executive for Good Reason, the Executive’s benefits shall be determined in accordance with the applicable retirement, insurance and other programs of the Company as may then be in effect.

20. Waiver of Breach. No waiver by any party hereto of a breach of any provision of this Agreement by any other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party of any similar or dissimilar provisions and conditions at the same or any prior or subsequent time. The failure of any party hereto to take any action by reason of such breach will not deprive such party of the right to take action at any time while such breach continues.

21. Successors, Assumption of Contract. This Agreement is personal to the Executive and may not be assigned by the Executive without the written consent of the Company. However, to the extent that rights or benefits under this Agreement otherwise survive the Executive's death, the Executive's heirs and estate shall succeed to such rights and benefits pursuant to the Executive's will or the laws of descent and distribution. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company and the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company to expressly 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.

22. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid (provided that international mail shall be sent via overnight or two-day delivery), or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery;
- (b) in the case of certified or registered U.S. mail, five days after deposit in the U.S. mail; or
- (c) in the case of facsimile, the date upon which the transmitting party received confirmation of receipt by facsimile, telephone or otherwise;

provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received. Communications that are to be delivered by the U.S. mail or by overnight service or two-day delivery service are to be delivered to the addresses set forth below:

to the Company:

A.M. Castle & Co.  
3400 North Wolf Road  
Franklin Park, IL 60131  
Attn: Corporate Secretary

or to the Executive at the Executive's most recent address on file with the Company.

Each party, by written notice furnished to the other party, may modify the applicable delivery address, except that notice of change of address shall be effective only upon receipt.

23. Exclusive Jurisdiction and Venue. Any suit, claim or other legal proceeding arising out of or related to this Agreement in any way must be brought in a federal or state court located in Cook County, Illinois, and the Company and the Executive hereby consent to the exclusive jurisdiction of such court for such purpose. The Company and the Executive irrevocably consent and submit itself and himself to the jurisdiction of such court(s) for the purposes of any such suit, claim or other legal proceeding.

24. Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

25. Survival of Agreement. Except as otherwise expressly provided in this Agreement, the rights and obligations of the parties to this Agreement shall survive the termination of the Executive's employment with the Company.

26. Counterparts. This Agreement may be executed in two or more counterparts, any one of which shall be deemed the original without reference to the others.

27. Effect on Prior Agreements. This Agreement hereby amends and supersedes any and all previous Severance Agreements (and such other severance agreements, written or unwritten), including amendments thereto, entered into by the parties.

[remainder of page intentionally left blank]

IN WITNESS THEREOF, the Executive has hereunto set his hand, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Effective Date.

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Executive

A. M. CASTLE & CO.

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By:

Its:

**CHANGE IN CONTROL AGREEMENT**

THIS AGREEMENT, is made and entered into this 22nd day of December 2010, by and between A. M. CASTLE & CO., a Maryland corporation, with offices located at 3400 North Wolf Road, Franklin Park, Illinois 60131 (the "Company") and MICHAEL GOLDBERG ("Executive").

WHEREAS, the Company desires to be assured that Executive will render services to Company in the event of any Change in Control (as defined below);

WHEREAS, Executive is willing to serve Company, but desires assurance that he will be protected in the event of any Change in Control; and

WHEREAS, the Company and Executive previously entered into a Change in Control Agreement dated January 26, 2006 (the "Prior Agreement"), which the parties desire to amend and restate in the form set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and promise contained herein, the parties agree as follows:

1. If:
  - a. There is a Change in Control of Company; and
  - b. (i) Within 24 months of such Change in Control, Executive's employment is terminated by the Company for any reason other than discharge for Cause, death or Disability, or (ii) any of the following conditions exists within 24 months of such Change in Control, Executive provides written notice to the Company of the existence of any such condition(s) within 90 days of the initial existence of such condition(s), the Company fails to remedy the condition (s) which Executive outlines in his written notice within 30 days of being so notified, and Executive voluntarily terminates his employment within six months of providing such written notice:
    - Executive's Duties and/or responsibilities have been (i) –substantially changed or (ii) reduced; or
    - Executive has been transferred or relocated outside the Chicago metropolitan area; or
    - Executive's Compensation has been reduced; and

then subject to the limitations and conditions of paragraphs 4 and 5 of this Agreement, Company shall provide the benefits described in paragraph 2 of this Agreement (in lieu of any severance benefits under Executive's Employment/Non-Competition Agreement or under any Company severance plan).

2. Subject to the conditions described in paragraph 1 of this Agreement, or to the extent set forth in subparagraph 2(c) and 2(d) below, in the event of a Change in Control, the Company shall provide and Executive shall receive the following:

- a. A lump sum cash payment in the amount of two times the sum of (i) Executive's annual base salary as of the date of the Change in Control plus (ii) the target incentive compensation for that same year. Such lump sum shall be payable within 30 days after Executive's date of termination.



- b. With respect to any granted but not awarded shares under the 2005 Performance Stock Equity Plan, the number of shares payable to Executive as of the end of the performance cycle shall be estimated by the Board or Directors of the Company (the "Board") in good faith \* ; the resulting number of shares shall be multiplied by a fraction, the numerator of which is the number of whole completed months of service completed by Executive and the denominator of which is the total number of months in the performance cycle, except that, in determining the number of shares to be awarded under the 2005 Performance Stock Equity Plan the number of shares shall be computed by multiplying by a fraction the numerator of which is the number of whole completed months of service completed by the Executive and the denominator of which is 24 and he shall be treated as having performed services for the Company from January 1, 2006. The resulting product shall be paid to Executive as soon as practicable following Executive's termination of employment but in no event later than the later of (i) the date that is 2-1/2 months from the end of Executive's first taxable year in which the shares are no longer subject to a substantial risk of forfeiture, or (ii) the date that is 2-1/2 months from the end of the Company's first taxable year in which the shares are no longer subject to a substantial risk of forfeiture.
- c. With respect to each outstanding and nonvested long-term performance award (including an equity-based or a non-equity-based long-term performance award) granted to the Executive by the Company, other than under the 2005 Performance Stock Equity Plan, a payment upon a Change in Control equal to the amount the Executive would have received under each such award had he continued in the employ of the Company through the last day of the applicable performance period, pro-rated for the number of days during such performance period that the Executive was employed prior to the date of the Change in Control; provided, however, that such payment shall be made only if and to the extent the applicable performance measure(s) for such performance period have actually been met as determined as of the end of the completed calendar month immediately preceding the Change in Control (with any cumulative performance measures prorated on a straight line basis through such date), and payment of any such compensation that is required to be made in shares of the Company's common stock shall be made in cash, with the fair market value of a share of the Company's common stock underlying such award determined based on the value per share of the Company's common stock provided to stockholders of the Company generally in connection with the Change in Control (or, if none, based on the closing market composite price of a share of the Company's common stock on the date of the Change in Control as reported on the national securities exchange on which the stock is listed or, if not a trading day, on the last trading day preceding the date of the Change in Control). Such amount shall be paid to the Executive within ten (10) days following the date of the Change in Control but in no event later than the later of (i) the date that is 2-1/2 months from the end of Executive's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture, or (ii) the date that is 2-1/2 months from the end of the Company's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture.
- d. With respect to any then- outstanding and nonvested stock option, restricted stock, restricted stock unit, or other equity -based compensation awards (other than an equity-based long-term performance award) , such awards shall be fully vested on Executive's termination date; provided, however, that, upon a Change in Control, if and to the extent such nonvested stock option, restricted stock, restricted stock unit, or other equity-based compensation award is not converted into common stock of the acquirer (on an equivalent value basis) or if such common stock of the acquirer is not listed on a national securities exchange which is regulated under Section 6 of the Securities and Exchange Act of 1934, as amended, then such award shall fully and immediately vest effective as of the Change in Control and payment of any compensation in respect of such award that is required to be made or settled in shares of the Company's common stock shall be made in cash, with the fair market value of a share of the Company's common stock underlying such award determined based on the value per share of the Company's common stock provided to stockholders of the Company generally in connection with the Change in Control (or, if none, based on the closing market composite price of a share of the Company's common stock on the date of the Change in Control as reported on the national securities exchange on which the stock is listed or, if not a trading day, on the last trading day preceding the date of the Change in Control), and such amount shall be paid to the Executive within ten (10) days following the date of the Change in Control but in no event later than the later of (i) the date that is 2-1/2 months from the end of Executive's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture, or (ii) the date that is 2-1/2 months from the end of the Company's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture.

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\* With respect to shares of Performance Stock granted under Paragraph 4(d) of his Employment/Non-Competition Agreement, in no event shall the estimated number of shares be less than 45,000 shares. This minimum target payout does not apply to future awards under the 2005 Performance Stock Equity Plan or any subsequent plan.

- e. With respect to each then-outstanding and vested stock option granted to the Executive by the Company (including any stock option that becomes vested by application of subparagraph 2(d)), exercise such option at any time during the period beginning on the Executive's termination date and ending on the earlier of the original expiration date of each such option (without regard to any accelerated expiration date otherwise resulting from the Executive's termination of employment) or the expiration of the three-month period following the Executive's termination date.
- f. Continued participation for twenty-four (24) months in medical, health, dental, life insurance and disability coverages in which he and his eligible dependents were participating on the date of termination (or, in the event any such coverages have been terminated, equivalent plan coverages) at the Company's sole expense until the end of the 24-month period following Executive's termination date (or, in the case of medical, health, and dental coverages provided under a Company group health plan, the end of the 18-month period following Executive's termination date); provided, however, that Executive's (and each of his eligible dependent's) right to continuation coverage, as provided in Code Section 4980B ("COBRA"), under any Company group health plan shall be reduced by the number of months of continued coverage provided pursuant to this subparagraph.
- g. A monthly cash payment equal to the applicable COBRA costs for each month, if any, after the 18-month period following Executive's termination date during which he and his eligible dependents continue participation in the medical, health, and dental coverages provided under a Company group health plan in accordance with subparagraph (f) above, with each such payment being paid to Executive in the month to which the COBRA costs relate, but in no event later than the last day of Executive's second taxable year following the taxable year in which his termination date occurs.
- h. If Executive is vested in the Company's tax-qualified defined benefit plan at the time his employment terminates, he shall be entitled to an amount equal to the actuarial equivalent of the additional amount that Executive would have earned under such plan had he accumulated three (3) additional continuous years of service for benefit accrual purposes. Such amount shall be paid to Executive in an actuarially equivalent cash lump sum as of the later of (i) Executive's normal retirement age (as defined in such tax-qualified defined benefit plan) or (ii) March 15th of the calendar year following the calendar year in which Executive's termination date occurs.
- i. A pro-rata incentive compensation/bonus payment for the year of termination, payable promptly following the date of termination but in no event later than March 15th of the calendar year following the calendar year in which Executive's termination date occurs; provided, however, that payment of such pro-rata incentive compensation/bonus shall be made only if and to the extent the applicable performance measure(s) for the year of termination have actually been met.
- j. Accrued vacation pay through the date of determination or other amounts earned, accrued or owing to Executive but not yet paid as of such date.
- k. For the period beginning on the Executive's termination date and ending on the earlier of (i) the first anniversary of the termination date and (ii) the date on which the Executive commences employment with another employer, the Executive shall be permitted the use of a Company-owned or leased automobile on the terms and conditions set forth in the Company's Automobile Policy.
- l. Other benefits, if any, in accordance with applicable plans, programs and arrangements of Company; provided, however, that this Agreement shall be the sole source of severance benefits paid by Company with respect to any termination of Executive's employment covered by this Agreement

3. Notwithstanding any provision of this Agreement to the contrary:

- a. If and to the extent any payment or benefits under this Agreement are otherwise subject to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, including any regulations and other applicable authorities promulgated thereunder (the “Code”), the intent of the parties is that such payment and benefits shall comply with Code Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted, and such payment and benefits shall be paid or provided under such other conditions determined by the Company that cause such payment and benefits, to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the parties hereto of the applicable provision without violating the provisions of Code Section 409A. The Company makes no representation that any or all of the payments or benefits provided under this Agreement will be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to any such payments or benefits. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on Executive by Code Section 409A or damages for failing to comply with Code Section 409A.
- b. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following Executive’s termination of employment unless such termination is also a “separation from service” within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a “termination,” “termination of employment” or like terms shall mean “separation from service.”
- c. Each payment payable to Executive under paragraph 2 of this Agreement on or after his date of termination shall be treated as a separate and distinct “payment” for purposes of Code Section 409A and, further, except with respect to the payment described in subparagraph 2(h), is intended to be exempt from Code Section 409A, including but not limited to the short-term deferral and involuntary separation pay plan exemptions thereunder. If and to the extent any such payment is determined to be subject to Code Section 409A and is otherwise payable upon Executive’s termination of employment, in the event Executive is a “specified employee” (as defined in Code Section 409A), any such payment that would otherwise have been payable in the first six (6) months following Executive’s termination of employment will not be paid to Executive until the date that is six (6) months and one (1) day following the date of Executive’s termination of employment (or, if earlier, Executive’s date of death). Any such deferred payments will be paid in a lump sum; provided that no such actions shall reduce the amount of any payments otherwise payable to Executive under this Agreement. Thereafter, the remainder of any such payments shall be payable in accordance with paragraph 2.
- d. With respect to any right to reimbursement of expenses or in-kind benefits under this Agreement, (i) all reimbursement of expenses to Executive shall be made on or prior to the last day of Executive’s taxable year following the taxable year in which such expenses were incurred by Executive, except that if any such reimbursements constitute taxable income to Executive, such reimbursements shall be paid no later than March 15th of calendar year following the calendar year in which the expenses to be reimbursed were incurred, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during Executive’s taxable year shall not in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.
- e. Whenever a payment under this Agreement specifies a period within which such payment may be made, the actual date of payment within the specified period shall be within the sole discretion of the Company.
- f. In no event shall any payment under this Agreement that constitutes “deferred compensation” for purposes of Code Section 409A be offset by any other payment pursuant to this Agreement or otherwise.
- g. To the extent required under Code Section 409A, (i) any reference herein to the term “Agreement” shall mean this Agreement and any other plan, agreement, method, program, or other arrangement, with which this Agreement is required to be aggregated under Code Section 409A, and (ii) any reference herein to the term “Company” shall mean the Company and all persons with whom the Company would be considered a single employer under Code Section 414(b) or 414(c).

4. If any payment or benefit made or provided to or for the benefit of Executive in connection with this Agreement or his employment with Company or the termination thereof (a “Payment”) is determined to be subject to the excise tax imposed by Code Section 4999 (or any successor to such Section) or interest or penalties with respect to such excise tax (such excise tax, together with any interests or penalties thereon, is herein referred to as an “Excise Tax”), then the aggregate “present value” of those Payments shall be limited in amount to the greater of the following dollar amounts (the “Benefit Limit”):

- a. Three times Executive's "base amount" less one dollar, or
- b. The amount which yields Executive the greatest after-tax amount of Payments under this Agreement and any other plan, program or arrangement with the Company after taking into account all applicable taxes on those Payments, including but not limited to the excise tax imposed Section 4999 of the Code.

For purposes of applying the Benefit Limit, the definitions (for such terms as "base amount" and "present value") and rules set forth in Code Section 280G shall apply. The amount of the Benefit Limit shall promptly be determined by an independent accounting firm selected by the parties and paid for by Company. Once any disputes have been resolved, then to the extent the aggregate present value of any Payments exceed the Benefit Limit, then the Payments shall be reduced in the following order, but only to the extent required to avoid application of the tax imposed by Code Section 4999: (i) reduction of any cash payment, excluding any cash payment with respect to the acceleration of equity awards, that is otherwise payable to Executive that is exempt from Code Section 409A, (ii) reduction of any other payments, excluding any payments with respect to the acceleration of equity awards, or benefits otherwise payable to Executive on a pro-rata basis or such other manner, but only to the extent such reduction otherwise complies with Code Section 409A, and (iii) reduction of any payment with respect to the acceleration of equity awards that is otherwise payable to Executive that is exempt from Code Section 409A. In the event amount determined under subparagraph "b" above is greater than that determined under subparagraph "a" above., Executive shall be responsible for any excise taxes on any benefits payable pursuant to this paragraph.

5. In consideration of the mutual covenants and agreements contained in this Agreement, Executive agrees to comply with the "Non-Compete" and "Confidential and Proprietary Information" covenants set forth in Executive's Employment/Non-Competition Agreement and Company agrees to comply with the "Indemnification" covenants set forth in Executive's Employment/Non-Competition Agreement.

6. Executive shall have no duty to mitigate his damages by seeking other employment. Should Executive actually receive other payments from any other employment, the payments called for hereunder shall not be reduced or offset by any such future earnings.

7. As used herein, the following definitions shall apply:

- a. The term "Change in Control" shall mean either:
  - i. Any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, including the regulations and other applicable authorities thereunder (the "Exchange Act")) ("Person"), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) ("Beneficial Owner"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing thirty percent (30%) or more of the combined voting power of the Company's then-outstanding voting securities entitled to vote generally in the election of directors ("Outstanding Company Voting Securities"), other than Simpson Estates;
  - ii. Any change in the composition of the Board over a two-year period which results in a majority of the then present directors of Company not constituting a majority two years later, provided that in making such determination, directors who are elected by or upon the recommendation of the then current majority of the Board shall be excluded ;
  - iii. Approval by the shareholders of the Company of a complete dissolution or liquidation of the Company;
  - iv. Any sale or disposition to a Person of the assets of the Company equal to more than fifty percent (50%) of the total gross fair market value of all of the assets of the Company before such sale or disposition; provided that, for purposes of this subparagraph (b)(iv), the "gross fair market value" shall be determined without regard to any liabilities associated with the assets of the Company or the assets so sold or disposed;  
or

v. There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or entity, other than (A) a merger or consolidation immediately following which the individuals who comprise the Board of the Company immediately prior thereto constitute at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation, or, if the Company or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof, (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes a Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing 30% or more of the combined voting power of the Company's then outstanding securities, or (C) a merger or consolidation of any direct or indirect subsidiary of the Company (y) for whom the Executive is not performing services at the time of such merger or consolidation or (z) that is not a majority shareholder of the corporation for whom the Executive is performing services at the time of such merger or consolidation.

b. All other capitalized terms used herein without definition shall have the same meanings as set forth in Executive's Employment/Non- Competition Agreement.

8. This Agreement shall be binding upon and shall inure to the benefit of the respective successors, assigns, legal representatives and heirs to the parties hereto.

9. This Agreement shall terminate if Executive, prior to any acquisition or Change in Control announced in a Company press release, voluntarily resigns, retires, become permanently and totally Disabled, or dies. This Agreement shall also terminate if Executive's employment is terminated, prior to any announced acquisition or Change in Control, by the Board, unless Executive can reasonably demonstrate that such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change in Control or (ii) otherwise arose in direct anticipation of the Change in Control.

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MICHAEL GOLDBERG

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Executive

A. M. CASTLE & CO.

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By:  
Its:

**EMPLOYMENT/NON-COMPETITION AGREEMENT**

THIS AGREEMENT, is made and entered into this 22nd day of December 2010, by and between A. M. CASTLE & CO., a Maryland corporation, with offices located at 3400 North Wolf Road, Franklin Park, Illinois 60131 (the "Company") and MICHAEL GOLDBERG ("Executive").

WHEREAS, the Company desires to employ Executive and Executive desires to be employed by the Company, all upon the terms and conditions set forth herein.

WHEREAS, the Company and Executive previously entered into an Employment/Non-Competition Agreement dated January 26, 2006 (the "Prior Agreement"), which the parties desire to amend and restate in the form set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties agree as follows:

1. Employment. The Company currently employs Executive, and Executive hereby desires to continue such employment with the Company, upon all the terms and conditions set forth below. Executive represents and warrants that he has full power and authority to enter into this Agreement and that he is not restricted in any manner whatsoever from performing his duties hereunder.

2. Employment Term. Unless earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement shall commence on the date it is fully executed by all parties and shall continue from year to year until terminated as hereinafter provided ("Employment Term").

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THE COMPANY AND EXECUTIVE ACKNOWLEDGE THAT EXECUTIVE'S EMPLOYMENT IS AT WILL AND CAN BE TERMINATED BY EITHER PARTY AT ANY TIME WITH OR WITHOUT CAUSE. If Executive's employment terminates for any reason, with or without Cause (as defined herein), Executive shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided in either this Agreement or, if applicable, the Change in Control Agreement of even date herewith between the Company and Executive (the "Change in Control Agreement"), which amends and restates the Change in Control Agreement dated January 26, 2006 (the "Prior Change in Control Agreement").

3. Position, Duties and Location.

a. Chief Executive Officer. The Company shall employ Executive in the position of and with the titles of President and Chief Executive Officer. Executive shall have the responsibilities and duties as are commensurate with the position of president and chief executive officer of an entity comparable to the Company including, but not limited to, the powers and duties set forth in the Bylaws of the Company for such office. Executive shall report solely and directly to (i) the Company's Board of Directors (the "Board") or (ii) a director or group of directors designated by the Board. The Board may assign other duties and rights to Executive from time to time. The Board shall have the right to modify the responsibilities of Executive from time to time as the Board may deem necessary or appropriate. Executive shall be provided with an office, secretarial services, and other services commensurate with the status of his position.

b. Manner of Employment. Executive shall faithfully, diligently and competently perform his responsibilities and duties as President and Chief Executive Officer. Executive shall devote his exclusive and full efforts and time to the Company. This Section 3, however, shall not preclude Executive, outside normal business hours, from engaging in appropriate civic or charitable activities, which are not in conflict with the Company's civic or community activities or adverse to the policies or interests of the Company or, with prior approval from the Board, from serving as a member of the board of directors of another company, as long as such activities do not unduly interfere or conflict with his responsibilities to the Company.

c. Board. Subject to approval by the shareholders of the Company, the Company agrees to take all corporate actions necessary for the appointment or election of Executive to the Board within a reasonable period of time from the date of the Prior Agreement. If elected to the Board of the Company, Executive shall have all the duties and responsibilities as are commensurate with the position of director. However, Executive shall receive no additional compensation for serving as a director of the Company.

d. During the Employment Term, Executive's principal office and principal place of employment, shall be within the Chicago metropolitan area.

4. Compensation .

a. Base Compensation . The Company shall pay Executive, as compensation for his services, base compensation in the amount of Four Hundred Fifty Thousand Dollars (\$450,000) per year, subject to annual reviews and increases at the sole discretion of the Board ("Base Compensation"). Base Compensation shall be paid periodically in accordance with normal Company payroll practices. After any such increase, the term "Base Salary" as utilized in this Agreement shall thereafter refer to the increased amount. Base Salary shall not be reduced at any time without the express written consent of Executive unless as part of a Company wide austerity program; provided, however, that in no event shall it be reduced below \$450,000.

b. Signing Bonus . The Company shall pay Executive a signing bonus of Fifteen Thousand Dollars (\$15,000) as soon as practicable after his signing of the Prior Agreement and of the Prior Change in Control Agreement. Such bonus shall be reduced by applicable taxes.

c. Additional Compensation . Executive shall participate in the management incentive/bonus plan established by the Company for management and executive employees. Executive's participation shall provide for a target incentive equal to fifty percent (50%) of his then current Base Compensation with a payout range of Zero percent (0%) to a maximum incentive equal to One Hundred percent (100%) of his Base Compensation, depending on performance to targets established by the Board.

Furthermore, with respect to calendar year 2006, Executive's incentive compensation/bonus shall be not less than Two Hundred Twenty Five Thousand Dollars (\$225,000) and, in determining the Executive's incentive compensation/bonus, the Executive shall be treated as having performed services for the Company from January 1, 2006 through the date of this Agreement.

Executive shall be paid his management incentive compensation/bonus when other management employees of the Company are paid their management incentive compensation/bonuses, but in no event later than the fifteenth day of the third month after the end of the performance period for which it is attributable.

d. Performance Stock Grant . Executive shall be granted performance shares in the amount of Forty Five Thousand (45,000) shares for the performance period ending December 31, 2007 under the Company's 2005 Performance Stock Equity Plan. All terms and payouts under this subparagraph shall be covered by the provisions of the Company's 2005 Performance Stock Equity Plan. The Executive shall be given performance stock grants or other forms of equity based incentive compensation, if any, for performance periods thereafter in an amount to be determined by the Board or its delegate .

5. Employment Benefits . In addition, Executive shall be entitled to the following benefits during the Employment Term.

a. No less than four (4) weeks paid vacation per calendar year to be taken at such reasonable times as requested by Executive.

b. Prompt reimbursement for all reasonable out-of-pocket business expenses incurred by Executive during the regular performance of his duties for the Company, provided Executive provides the Company with adequate documentation of such expenses in accordance with the Company's policies.

c. Participation in any insurance or other employee benefit plans or programs maintained by the Company for its employees on substantially the same terms and conditions as such benefits are provided or made available to management employees of the Company, such as family health care, pension and 401(k) plans, subject to any general eligibility and participation provisions set forth in such plans; provided, however, that this Agreement shall be the sole source of severance benefits paid by the Company with respect to any termination of Executive's employment covered by this Agreement.

d. Use of a Company owned or leased automobile at a class Five (5) as set forth in the Company's Automobile Policy.

e. Payment by the Company on behalf of Executive of the initiation fees, dues and assessments of membership at one luncheon club located in the Chicago metropolitan area that shall be agreed upon by the parties acting in good faith.

f. Payment by the Company on behalf of the Executive of two-thirds of the initiation fee, and all of the dues and assessments of membership at one country club in the Chicago metropolitan area that shall be agreed upon by the parties acting in good faith; provided, however, that Company's contribution towards any equity membership shall be returned to the Company immediately following the Executive's receipt of the proceeds upon cancellation, sale or other disposition of such membership interest.



g. Relocation expenses in selling Executive's home and moving from North Oaks, Minnesota to the Chicago metropolitan area in accordance with the Company's Employee Relocation Policy. In addition, Executive shall be entitled to (i) rental costs for an appropriate apartment in the Chicago metropolitan area, mutually agreed upon by the parties acting in good faith, through the earlier of the date he moves his primary residence to the Chicago metropolitan area or September 30, 2006, (ii) reasonable costs for temporary living expenses, including meals and lodging, pending the rental of the apartment referenced in clause (i), and (iii) from the effective date of this Agreement through the date referenced in (i) one round trip every week between Minneapolis, Minnesota and Chicago, Illinois for Executive, or, at Executive's election, Executive's spouse (including business-class airfare, taxis, meals and lodging). All taxable payments or reimbursements required pursuant to this Section 5(g) that do not have a corresponding deduction shall include an additional payment equal to 39% of any such taxable payment or reimbursement. In the event of a subsequent relocation of the Company's principal offices to a new location, to which he consents, Executive shall be reimbursed for expenses for relocation of his residence on the same basis as provided above in this Section 5(g).

6. Termination and Severance Benefits.

a. Death. The death of Executive shall automatically terminate the Company's obligations hereunder, provided however, the Company shall pay to Executive's estate or his designated beneficiary (i) Executive's Base Compensation through the date of termination, (ii) a pro-rata Management Incentive Compensation/Bonus for the year of death, based on the Target Bonus for the year of death, payable promptly following the date of termination but in no event later than the fifteenth day of the third month after the date of termination, (iii) with respect to any granted but not awarded Performance Stock or other long term incentive plan, the amount of shares or dollar amount payable to Executive as of the end of the performance cycle shall be the target amount multiplied by a fraction, the numerator of which is the number of whole completed months of service completed by Executive and the denominator of which is the total number of months in the performance cycle, except that, the number of shares payable under the 2005 Performance Stock Equity Plan shall be 45,000 multiplied by a fraction, the numerator of which shall be the number of months of completed service by the Executive and the denominator of which shall be 24, with the Executive treated as having performed services for the Company from January 1, 2006. The resulting product shall be paid to Executive's estate or his designated beneficiary as soon as practicable following Executive's termination of employment but in no event later than the fifteenth day of the third month after the date of termination, (iv) accrued vacation pay through the date of termination or other amounts earned, accrued or owing to Executive but not yet paid as of such date, and (v) other benefits, if any, in accordance with applicable plans, programs and arrangements of the Company other than Company severance plans.

b. Disability. If Executive is unable to render services of substantially the kind and nature, and to substantially the extent, required to be rendered by Executive hereunder due to illness, injury, physical or mental incapacity or other disability, for sixty (60) consecutive days or shorter periods aggregating at least one hundred eighty (180) days within any twelve (12) month period ("Disability"), Executive's employment may be terminated by Company and Executive shall be entitled to (i) Base Compensation through the date of termination, (ii) a pro-rata Management Incentive Compensation/Bonus, for the year of termination, based on the Target Bonus for the year of termination, payable promptly following the date of termination but in no event later than the fifteenth day of the third month after the date of termination, (iii) with respect to any granted but not awarded Performance Stock or other long term incentive compensation plan, the amount or shares or dollar amount payable to Executive as of the end of the performance cycle shall be the target amount multiplied by a fraction, the numerator of which is the number of whole completed months of service completed by Executive and the denominator of which is the total number of months in the performance cycle, except that the number of shares payable under the 2005 Performance Stock Equity Plan shall be 45,000 multiplied by a fraction, the numerator of which shall be the number of months of completed service by the Executive and the denominator of which shall be 24, with the Executive treated as having performed services for the Company from January 1, 2006. The resulting product shall be paid to Executive as soon as practicable following Executive's termination of employment but in no event later than the fifteenth day of the third month after the date of termination, (iv) accrued vacation pay through the date of termination or other amounts earned, accrued or owing to Executive but not yet paid as of such date, (v) disability benefits in accordance with the long-term disability program then in effect for management employees of the Company, (vi) continued participation for twelve (12) months in all medical, dental, hospitalization and life insurance coverages and all other employee welfare plans and programs in which he and his eligible dependents were participating on the date of termination at the Company's sole expense, provided, however, that if any of the benefits plans do not permit his continued participation, the Company shall provide him with the economic equivalent on an after-tax basis and provided, further, that Executive's (and each of his eligible dependent's) right to continuation coverage, as provided in Code Section 4980B ("COBRA"), under any Company group health plan shall be reduced by the number of months of continued coverage provided pursuant to this paragraph, and (vii) other benefits, if any, in accordance with applicable plans, programs and arrangements of the Company other than Company severance plans.

c. Resignation. If Executive resigns his employment during the Employment Term in a situation to which Section 6(e) below does not apply, the Company shall have no liability under this Agreement to Executive, except that Executive shall be entitled to (i) Base Salary through the date of termination, (ii) accrued vacation pay through the date of termination or other amounts payable to Executive as of the date of termination but not yet paid as of such date and (iii) other benefits, if any, in accordance with applicable plans, programs and arrangements of the Company (other than Company severance plans) applicable to employees who voluntarily resign. A resignation of his employment by Executive shall not be a breach of this Agreement.

d. Termination by Company for Cause . The Company may terminate Executive's employment for Cause (as defined herein) upon giving sixty (60) days written notice to Executive. Any such written notice must specify the reasons for the termination. If Executive's employment is terminated for Cause the Company shall have no liability under this Agreement to Executive except that Executive shall be entitled to (i) Base Salary through the date of termination, (ii) accrued vacation pay through the date of termination or other amounts payable to Executive as of the date of termination but not yet paid as of such date, and (iii) other benefits, if any, in accordance with applicable plans, programs and arrangements of the Company other than Company severance plans.

e. Termination by Company Without Cause or Certain Resignations by Executive . If the Company terminates Executive's employment effective during the Employment Term without Cause (as defined herein), or if, during the Employment Term Company materially breaches this Agreement, is notified in writing by Executive of such breach within 90 days of its initial occurrence, fails to correct such breach within 30 days of being so notified, and Executive resigns his employment within six months of providing such written notice , or if the Executive resigns on account of any act or set of facts or circumstances that would under Illinois law constitute a constructive termination of Executive, Executive shall be entitled to :

(i) Base Compensation through the date of termination,

(ii) a pro-rata Management Incentive Compensation/Bonus for the year of termination, payable on or before March 15th of the calendar year following the calendar year in which Executive's termination date occurs, provided, however, that payment of such pro-rata Management Incentive Compensation/Bonus shall be made only if and to the extent the applicable performance measure(s) for the year of termination have actually been met ,

(iii) only in the event such termination takes place prior to the payout of the 2005 Performance Stock Equity Plan, Executive shall receive a pro-rata payment of the number of shares granted under the 2005 Performance Stock Equity Plan (45,000 shares) where the number of shares to be awarded shall be 45,000 multiplied by a fraction, the numerator of which is the number of complete months of service performed by Executive and the denominator of which is 24, except that in determining the number of whole months of completed service Executive shall be treated as having performed services for the company from January 1, 2006. The resulting number of shares shall be paid to Executive as soon as practicable after termination of employment but in no event later than the fifteenth day of the third month after the date of termination,

(iv) a lump sum payment equal to one (1) times Executive's Base Salary, at the annualized rate in effect on the date of termination, payable within thirty (30) days following the date of termination,

(v) a lump sum payment equal to one (1) times Executive's Management Incentive Compensation/Bonus, based on the target bonus for the year of termination, payable within thirty (30) days following the date of termination,

(vi) with respect to each outstanding and nonvested long-term performance award (including an equity-based or a non-equity-based long-term performance award) granted to the Executive by the Company for which the date of termination precedes the end of the performance period by less than one (1) year, a payment equal to the amount the Executive would have received under each such award had he continued in the employ of the Company through the last day of the applicable performance period, pro-rated for the number of days during such performance period that the Executive was employed prior to the date of termination; provided, however, that such payment shall be made only if and to the extent the applicable performance measure(s) for such performance period have actually been met. The resulting number of shares shall be paid to Executive no later than the later of (i) the date that is 2-½ months from the end of the Executive's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture, or (ii) the date that is 2-½ months from the end of the Company's first taxable year in which the amount is no longer subject to a substantial risk of forfeiture,

(vii) with respect to each then-outstanding and vested stock option granted to the Executive by the Company, exercise such option at any time during the period beginning on the date of termination and ending on the earlier of the original expiration date of each such option (without regard to any accelerated expiration date otherwise resulting from the Executive's termination of employment) or the expiration of the three-month period following the date of termination,

(viii) accrued vacation pay through the date of termination or other amounts earned, accrued or owing to Executive but not yet paid as of such date,

(ix) continued participation for twenty-four (24) months in all medical, dental, hospitalization and life insurance coverages and in all other employee welfare plans and programs in which he and his eligible dependents were participating on the date of termination at the Company's sole expense until the earlier of the end of the 24-month period following Executive's termination date (or, in the case of medical, dental, and hospitalization coverages provided under a Company group health plan, the end of the 18-month period following Executive's termination date) or the date or dates that he receives like coverages and benefits under the plans and programs of a subsequent employer (determined on a benefit-by-benefit basis); provided, however, that if any of the benefit plans do not permit his continued participation, the Company shall provide him with the economic equivalent on an after-tax basis, and provided, further, that Executive's (and each of his eligible dependent's) right to COBRA continuation coverage under any Company group health plan shall be reduced by the number of months of continued coverage provided pursuant to this paragraph.

(x) A monthly cash payment equal to the applicable COBRA costs for each month, if any, after the 18-month period following Executive's termination date during which Executive and his eligible dependents continue participation in the medical, dental, and hospitalization coverages provided under a Company group health plan in accordance with subparagraph (ix) above, with each such payment being paid to Executive in the month to which the COBRA costs relate, but in no event later than the last day of Executive's second taxable year following the taxable year in which his termination date occurs,

(xi) For the period beginning on the Executive's termination date and ending on the earlier of (i) the first anniversary of his termination date and (ii) the date on which the Executive commences employment with another employer, the Executive shall be permitted the use of a Company-owned or leased automobile on the terms and conditions set forth in the Company's Automobile Policy; and -

(xii) Other benefits, if any, in accordance with applicable plans, programs and arrangements of the Company other than Company severance plans.

f. No Mitigation/Offset. In the event of any termination of Executive's employment hereunder, Executive shall be under no obligation to seek other employment or otherwise mitigate the obligations of the Company under this Agreement, and there shall be no offset against amounts due to Executive under this Agreement for amounts earned by Executive from a third party; provided, however, that Executive may offset under this Agreement any amounts owed by Executive to the Company at the time payment would otherwise be required under this Agreement.

g. Notice of Termination. Any purported termination of Executive's employment by the Company or by Executive (other than by reason of death) shall be effectively communicated to the other party by written notice identifying the effective date of termination and the reason or cause for termination.

h. Definition of Cause. The following acts by Executive shall constitute "Cause" for termination:

(1) Conviction of, or entry of a plea of guilty or "nolo contendere" to, a felony (as defined by the laws of the United States of America or by the laws of the State or other jurisdiction in which the Executive was so convicted or entered such plea) by the Executive;

(2) Engagement by the Executive in egregious misconduct involving moral turpitude to the extent that, in the reasonable judgment of the Company, the Executive's credibility and reputation no longer conform to the standard of the Company's executives;

(3) Willful misconduct by the Executive that in the reasonable judgment of the Company, results in a demonstrable and material injury to the Company or its affiliates, monetarily or otherwise;

(4) Willful and continued failure (other than any such failure resulting from the Executive's incapacity due to mental or physical illness) by the Executive to perform his assigned duties, provided that such assigned duties are consistent with the job duties of the Executive and that the Executive does not cure such failure within 30 days after notice of such failure from the Company; or

(5) Material breach of this Agreement by the Executive, provided that the Executive does not cure such breach within thirty days after notice of such breach from the Company.

For purposes of determining whether "Cause" exists, no act, or failure to act, on the Executive's part will be deemed "willful" unless done, or omitted to be done, in the reasonable judgment of the Company, by the Executive not in good faith and without reasonable belief that the Executive's act, or failure to act, was in the best interest of the Company or its affiliates.

i. Code Section 409A Compliance. Notwithstanding any provision of this Agreement to the contrary:

(1) If and to the extent any payment or benefits under this Agreement are otherwise subject to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, including any regulations and other applicable authorities promulgated thereunder (the "Code"), the intent of the parties is that such payment and benefits shall comply with Code Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted, and such payment and benefits shall be paid or provided under such other conditions determined by the Company that cause such payment and benefits, to be in compliance therewith. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the parties hereto of the applicable provision without violating the provisions of Code Section 409A. The Company makes no representation that any or all of the payments or benefits provided under this Agreement will be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to any such payments or benefits. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on Executive by Code Section 409A or damages for failing to comply with Code Section 409A.

(2) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following Executive's termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(3) Each payment payable to Executive under this Section 6 on or after his date of termination shall be treated as a separate and distinct "payment" for purposes of Code Section 409A and, further is intended to be exempt from Code Section 409A, including but not limited to the short-term deferral and involuntary separation pay plan exemptions thereunder. If and to the extent any such payment is determined to be subject to Code Section 409A and is otherwise payable upon Executive's termination of employment, in the event Executive is a "specified employee" (as defined in Code Section 409A), any such payment that would otherwise have been payable in the first six (6) months following Executive's termination of employment will not be paid to Executive until the date that is six (6) months and one (1) day following the date of Executive's termination of employment (or, if earlier, Executive's date of death). Any such deferred payments will be paid in a lump sum; provided that no such actions shall reduce the amount of any payments otherwise payable to Executive under this Agreement. Thereafter, the remainder of any such payments shall be payable in accordance with this Section 6.

(4) With respect to any right to reimbursement of expenses or in-kind benefits under this Agreement, (i) all reimbursement of expenses to Executive shall be made on or prior to the last day of Executive's taxable year following the taxable year in which such expenses were incurred by Executive, except that if any such reimbursements constitute taxable income to Executive, such reimbursements shall be paid no later than March 15th of calendar year following the calendar year in which the expenses to be reimbursed were incurred, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during Executive's taxable year shall not in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(5) Whenever a payment under this Agreement specifies a period within which such payment may be made, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(6) In no event shall any payment under this Agreement that constitutes "deferred compensation" for purposes of Code Section 409A be offset by any other payment pursuant to this Agreement or otherwise.

(7) To the extent required under Code Section 409A, (i) any reference herein to the term "Agreement" shall mean this Agreement and any other plan, agreement, method, program, or other arrangement, with which this Agreement is required to be aggregated under Code Section 409A, and (ii) any reference herein to the term "Company" shall mean the Company and all persons with whom the Company would be considered a single employer under Code Section 414(b) or 414(c).

7. Confidential and Proprietary Information.

a. Executive covenants that after the date of this Agreement, he will not use or disclose to any person, entity, association, firm or corporation, without the written authorization of the Board, any of the Company's Confidential Information. The term "Confidential Information" means information and data not generally known outside the Company or the relevant trade or industry (unless a result of a breach of any of the obligations imposed by this Agreement or the wrongful conduct of any third party) concerning the Company's business and technical information, and includes, without limitation, information relating to: (i) the identities of its customers and their purchasing habits, needs, credit histories, contact personnel and other information; (ii) suppliers' and vendors' costs, products, discounts, margins, contact personnel and other information; and (iii) the Company's trade secrets, price lists, margins, discounts, financial and marketing information, personnel and compensation information, business plans and operating procedures and techniques. Anything herein to the contrary notwithstanding, the provisions of this Section 7(a) shall not apply (i) when disclosure is required by law or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction to order Executive to disclose or make accessible any information, provided that Executive gives the Company seventy two (72) hours prior written notice of such disclosure, along with copies of all such requests for disclosure before making any such disclosure or (ii) with respect to any other litigation, arbitration or mediation involving this Agreement, including, but not limited to, the enforcement of this Agreement.

Executive understands that this Section 7 applies to computerized as well as written information and to other information, whether or not in written form. It is expressly understood, however, that the obligations of this Section 7 shall only apply for as long as and to the extent that the Confidential Information has not become generally known to or available for use by the public other than by Executive's wrongful act or omission or the wrongful act of any third party.

b. Executive covenants that at the end of his employment with the Company he will not take with him any Confidential Information that is written, computerized, machine readable, model, sample or other form capable of physical delivery, without the prior written consent of the Company. Executive also agrees that at the end for any reason of his employment with the Company or at any other time that the Company may request, he will deliver promptly and return to the Company all such documents and materials in his possession or control, along with all other property of the Company and property relating to the Company's suppliers, customers and business.

c. Executive agrees that all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports and all similar or related information which relates to the Company or any of its Subsidiaries' actual or anticipated business, research and development of existing or future products or services (including new contributions, improvements, ideas and discoveries, whether patentable or not) and which are conceived, developed or made by Executive while employed by the Company ("Work Product") belong to the Company or such Subsidiary. Executive will promptly disclose such Work Product to the Board and perform all actions reasonably requested by the Board to establish and confirm such ownership. All work shall be deemed work made for hire. For purposes of this Agreement, the term "Subsidiary" means any corporation or other entity of which the securities having a majority of the voting power in electing directors or similar persons are, at the time of determination, owned by the Company, directly or through one or more subsidiaries. Notwithstanding the foregoing, this Section 7(c) shall not apply to an invention that Executive developed entirely on his own time without using the Company's equipment, supplies, facilities or trade secret information except for those inventions that either (i) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company; or (ii) result from any work performed by Executive for the Company.

8. Non-Compete. Executive and the Company agree that the Company's business will be national in scope and depends, to a considerable extent, upon the individual efforts of Executive in sales, marketing and management. Further, the Company and Executive recognize that in the course of Executive's employment with the Company, Executive will have access to a substantial amount of confidential and proprietary information and trade secrets relating to the business of the Company, and that it would be detrimental to the business of the Company, and have a substantial detrimental effect on the value of the Company and Executive's employment if Executive were to compete with the Company upon termination of his employment. Executive therefore agrees, in consideration of the Company entering this Agreement, establishing the base annual compensation and other compensation benefits at the level herein provided for, that during the period of the term of his employment with the Company, whether pursuant to this Agreement or otherwise, and continuing for the lesser of (i) a period of one (1) year thereafter in the case of paragraphs "a", "b", "c" and "d" below and a period of two (2) years thereafter in the case of paragraph "e" below; or (ii) the longest period permitted by applicable law (such period referred to herein as the "Restricted Period"), he shall not, without the prior written consent of the Company, directly or indirectly, either for himself or for any other person or entity:

a. Anywhere in the continental United States of America in which the Company has been conducting, or intends to conduct business, engage or participate in, or assist, advise or be connected with (including as an owner, partner, shareholder, advisor, consultant, agent or otherwise) (without limitation by the specific enumeration of the foregoing), or permit his name to be used by or render services for, any person or entity engaged in, or making plans to engage in, a business which is competitive with, or substantially similar to, the Company's business (a "Competing Business"); provided, however, that nothing in this Agreement shall prevent Executive from acquiring or owning, as a passive investment, up to two percent (2%) of the outstanding voting securities of an entity, in the aggregate, engaged in a Competing Business which are publicly traded in any recognized national securities market, or (ii) performing service for any division, subsidiary or affiliate of a Competing Business if Executive does not perform services for the entity (ies) (or portion thereof) that constitutes the Competing Business;

b. Take any action which might divert from the Company any opportunity (each, an "Opportunity") which would be within the scope of the Company's business, and shall offer each Opportunity to the Company which the Company may, in its sole discretion, decide to pursue or not;

c. Solicit, attempt to solicit, aid in the solicitation of, or accept any orders from any person or entity who is or has been a customer of the Company at any time during the period beginning one (1) year prior to the date hereof through the Restrictive Period, to purchase products or services from any person or entity which products or services were previously supplied or performed, as the case may be, by the Company;

d. Solicit, attempt to solicit or aid in the solicitation of, any person or entity who is or was a customer, supplier, licensor, licensee or person or entity having any other business relationship with the Company, at any time during the period beginning one (1) year prior to the date hereof through the Restrictive Period, to cease doing business with or alter its business relationship with the Company; or

e. Solicit or hire any person or entity who is (i) an officer or employee of the Company; or (ii) a director, officer or employee of the Company to perform services for any entity other than the Company or to terminate his or her employment with any of the foregoing entities, provided that nothing in this Section 8(e) shall prohibit Executive from providing employment or personal references for any such director, officer or employee.

f. The parties believe, in light of the facts known as of the date hereof, and after considering the nature and extent of the Company's business, the amount of compensation and other benefits provided herein, and the damage that could be done to the Company's business by Executive's competing with the Company, that the foregoing covenant not to compete is reasonable in time, scope and geographical limitation. However, if any court should construe the time, scope or geographical limitation of the covenant not to compete to be too broad or extensive, it is the intention of the parties that the contract be automatically reformed, and as so reformed, enforced, to the maximum limits which may be found to be reasonable by such court.

9. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and their respective heirs, successors, legal representatives and assigns.

10. Notices. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and either delivered in person or sent by first class, certified or registered mail, postage prepaid, if to the Company at the Company's principal place of business, and if to Executive, at his home address most recently filed with the Company, or to such other address as either party shall have designated in writing to the other party.

11. Law Governing. This Agreement shall be governed by and construed in accordance with applicable federal laws and, to the extent not pre-empted thereby or inconsistent therewith, the laws of the State of Illinois without regard to any jurisdiction's conflict of law principles.

12. Severability and Construction. If any provisions of this Agreement is declared void or unenforceable or against public policy, such provision shall be deemed severable and severed from this Agreement and the balance of this Agreement shall remain in full force and effect. If a court of competent jurisdiction or arbitrator determines that any restriction in this Agreement is overbroad or unreasonable under the circumstances, such restriction shall be modified or revised by such court or arbitrator to include the maximum reasonable restriction allowed by law.

13. Remedies. Executive and Company acknowledge and agree that damages would not adequately compensate Company if Executive were to breach any of his covenants contained in this Agreement. Consequently, Executive agrees that in the event of any such breach, which continues beyond any applicable notice and cure period provided in this Agreement, Company shall be entitled to enforce this Agreement by means of an injunction or other equitable relief, in addition to any other remedies available including, without limitation, termination of Executive's employment for Cause.

14. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition.

15. Entire Agreement Modifications. This Agreement (including all exhibits hereto) and the Change in Control Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof. In the event of any inconsistency between any provision of this Agreement and any provision of any plan, employee handbook, personnel manual, program, policy, arrangement or agreement of the Company or any of its affiliates, the provisions of this Agreement shall control. If Executive is entitled to severance pay or other benefits pursuant to the terms of this Agreement, Executive shall not be eligible to receive any severance pay or other benefits pursuant to the terms of any other severance agreement or arrangement of the Company (or any affiliate of the Company), including the Change in Control Agreement. Conversely, if Executive is entitled to severance pay or other benefits pursuant to the terms of the Change in Control Agreement, Executive shall not be eligible to receive any severance pay or other benefits pursuant to the terms of any other severance agreement or arrangement of the Company (or an affiliate of the Company), including this Agreement. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

16. Employment and Income Taxes. All payments made to Executive pursuant to this Agreement will be subject to withholding of employment taxes and other lawful deductions, as applicable.

17. Waiver and Release. Payment by the Company to the Executive of severance benefits under Section 6 of this Agreement shall be in lieu of any and all other severance benefits or rights in the case of termination of employment to which Executive might otherwise be entitled under policies or practices of the Company or otherwise. In consideration of this Agreement, Executive, on behalf of himself and his heirs, successors and assigns, forever releases and discharges the Company, its officers, directors, employees, agents, affiliates and insurers from any and all known or unknown claims, obligations or liabilities, whether in contract or tort or based on or through any federal, state or local statute, including but not limited to the Age Discrimination in Employment Act, relating to or arising out of Executive's employment with the Company or the termination of that employment. The foregoing waiver does not apply to any rights or actions under this Agreement.

18. Survivorship. Except as otherwise set forth in this Agreement, to the extent necessary to carry out the intentions of the parties hereunder the respective rights and obligations of the parties hereunder shall survive any termination of Executive's employment.

19. Voluntary Execution of Agreement. Executive represents and agrees that he has carefully read and fully understands all of the provisions of this Agreement and that he is voluntarily entering into this Agreement. Executive further affirms that, prior to the execution of this Agreement, he has been advised to and has had an opportunity to consult independent counsel concerning the terms and conditions hereof.

20. Indemnification. The Company agrees to indemnify Executive to the fullest extent permitted under applicable law as provided in the Company's Bylaws for officers generally. During the Employment Term and for a period of at least six (6) years thereafter the termination of Executive's employment with the Company, a directors' and officers' liability insurance policy (or policies) shall be kept in place providing coverage to Executive that is no less favorable to him in any respect (including, without limitation, with respect to scope, exclusion, amounts and deductibles) than the coverage then being provided to any other present or former senior executive or director of the Company.

21. Successors and Assigns. This Agreement shall bind and shall inure to the benefit of the Company and any and all of its successors and assigns. This Agreement is personal to Executive and shall not be assignable by Executive. The Company may assign this Agreement to any entity which (i) purchases all or substantially all of the assets of the Company or (ii) is a direct or indirect successor (whether by merger, sale of stock or transfer of assets) of the Company. Any such assignment shall be valid so long as the entity which succeeds to the Company expressly assumes the Company's obligations hereunder and complies with its terms.

22. Arbitration. Any dispute, controversy or claim between the Company and Executive arising out of or relating to this Agreement or the breach, termination, or invalidity hereof, shall promptly and expeditiously be submitted to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in effect at the time of such arbitration proceeding utilizing a single arbitrator. The arbitration shall apply the substantive laws of Illinois and be held in the city in which the Company's principal offices are then located. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each party shall be responsible for its own costs and expenses, including, without limitation, attorneys' fees. Pending the resolution of any such dispute, controversy or claim, Executive (and his beneficiaries) shall, except to the extent that the arbitrator otherwise expressly provides, continue to receive all payments and benefits due under this Agreement or otherwise.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Company and Executive have duly executed and delivered this Agreement as of the day and year first above written.

MICHAEL GOLDBERG

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Executive

A. M. CASTLE & CO.

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By:  
Its: