

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 27, 2005

MUELLER INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of incorporation)	1-6770 ----- (Commission File Number)	25-0790410 ----- (IRS Employer Identification No.)
---	--	---

8285 Tournament Drive Suite 150 Memphis, Tennessee ----- (Address of principal executive offices)	38125 ----- (Zip Code)
--	------------------------------

Registrant's telephone number, including area code: (901) 753-3200

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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

1. 2006 Bonus Targets

On December 27, 2005, the Compensation and Stock Option Plan Committees (collectively, the "Committees") of the Board of Directors of Mueller Industries, Inc. (the "Company") established performance goals for the 2006 fiscal year under the Company's Annual Bonus Plan (the "Plan") for Messrs. Harvey L. Karp and William D. O'Hagan, the Company's Chairman of the Board and Chief Executive Officer, respectively. Under the Plan for the 2006 fiscal year, Messrs. Karp and O'Hagan may earn bonus compensation of between 0% and 200% of their respective base salaries based upon the Company's achievement of certain specified earnings objectives.

In addition, on December 27, 2005, the Committees also set target bonuses for the 2006 fiscal year under the Company's bonus program for the other executive officers of the Company (the "Program"). Under the Program for the 2006 fiscal year, the executive officers of the Company may earn a target bonus of between 60% and 125% of base salary, depending upon grade level, based upon the Company's achievement of a target earnings objective. For every 1% overachievement of the Company's earnings target, potential bonuses for the

executive officers will increase by 2% and for every 1% shortfall potential bonuses will decrease by 3%. Potential 2006 bonuses for most of the Company's executive officers are capped at 150% of base salary. However, potential bonuses for the top grade level, which includes Mr. Kent A. McKee, the Company's Chief Financial Officer, will not be capped.

2. Option Grants

On December 27, 2005, the Committees approved grants of incentive stock options, within the meaning of Section 422 of the Internal Revenue Code, to certain executive officers of the Company, pursuant to the terms of the Company's 1998 Stock Option Plan (the "1998 Plan") and the Company's 2002 Stock Option Plan (the "2002 Plan"). The form of the Incentive Stock Option Agreement under the 1998 Plan is attached hereto as Exhibit 10.1, the form of the Incentive Stock Option Agreement under the 2002 Plan is attached hereto as Exhibit 10.2, and a copy of the 2002 Plan is attached hereto as Exhibit 10.3, all of which are incorporated by reference into this Item 1.01. The following description of the terms of the incentive stock options granted under the 1998 Plan and the 2002 Plan, respectively, is qualified in its entirety by reference to the forms of Incentive Stock Option Agreements, attached as Exhibits hereto.

The Company awarded a total of 29,203 incentive stock options to executive officers of the Company under the 1998 Plan, and a total of 105,797 incentive stock options to executive officers of the Company under the 2002 Plan. Of the options granted, 29,203 were granted to Mr. Kent A. McKee, the Company's Chief Financial Officer, under the 1998 Plan, and 15,797 options were granted to Mr. McKee under the 2002 Plan. All of the incentive stock options vest as to 20% of the shares underlying the options on each of the first five anniversaries of the date of grant, subject to accelerated vesting upon a change of control. In addition, the options have an exercise price equal to the fair market value of the Company's common stock on the date of grant. The options will expire ten years from the date of grant, subject to earlier expiration upon termination of employment in certain instances.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
- - - - -	- - - - -
10.1	Form of Incentive Stock Option Agreement under the Mueller Industries, Inc. 1998 Stock Option Plan.
10.2	Form of Incentive Stock Option Agreement under the Mueller Industries, Inc. 2002 Stock Option Plan.
10.3	Mueller Industries, Inc. 2002 Stock Option Plan.

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.

MUELLER INDUSTRIES, INC., Registrant

By: /s/ Gary C. Wilkerson

Name: Gary C. Wilkerson
Title: Vice President, General Counsel
and Secretary

EXHIBIT INDEX

Exhibit No.	Description
10.1	Form of Incentive Stock Option Agreement under the Mueller Industries, Inc. 1998 Stock Option Plan.
10.2	Form of Incentive Stock Option Agreement under the Mueller Industries, Inc. 2002 Stock Option Plan.
10.3	Mueller Industries, Inc. 2002 Stock Option Plan.

INCENTIVE
STOCK OPTION AGREEMENT

This Option Agreement (the "Agreement") is made as of the ____ day of _____, 200_, between Mueller Industries, Inc., a Delaware corporation (the "Company"), and _____ (the "Optionee").

WHEREAS, pursuant to the Plan (as defined below), the Company desires to afford the Optionee the opportunity to purchase shares of Common Stock, par value \$.01 per share (the "Common Stock"), of the Company.

NOW, THEREFORE, in connection with the mutual covenants hereinafter set forth and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions; Conflicts. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Mueller Industries, Inc. 1998 Stock Option Plan (the "Plan"). The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the terms and provisions of this Agreement, the terms and provisions of the Plan shall govern and control.

2. Grant of Options. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to, but not exceeding in the aggregate, _____ shares of Common Stock, on the terms and conditions herein set forth.

3. Purchase Price. The purchase price of each share of Common Stock covered by the Option shall be \$ _____ (the "Purchase Price").

4. Term of Options. The term of the Option shall be ten (10) years from the date hereof, subject to earlier termination as provided in Section 6 hereof.

5. Vesting of Options. The Option, subject to the terms, conditions and limitations contained herein, shall vest and become exercisable with respect to the shares of Common Stock in accordance with the following installments: [vesting to be determined]; provided that, with respect to each such installment, the Optionee has remained in continuous employment with the Company from the date hereof through the date such installment is designated to vest.

6. Termination of Employment. In the event the Optionee's employment with the Company is terminated for any reason other than death or disability (within the

meaning of Section 22(e)(3) of the Code), the Option shall immediately lapse as of the date of such termination whether or not exercisable on such date. In the event the Optionee's employment with the Company is terminated by reason of the Optionee's death or disability (within the meaning of Section 22(e)(3) of the Code), the Option shall remain exercisable for a period of up to twelve months after termination of employment, to the extent exercisable at the time of termination of employment, and shall lapse as to any shares of Common Stock for which it has yet to become exercisable as of the date of such termination of employment.

7. No Rights as a Shareholder. The Optionee shall have no rights as a shareholder with respect to any shares of Common Stock issuable upon the exercise of an Option until the date of issuance to the Optionee of a certificate evidencing such shares of Common Stock. No adjustments, other than as provided in Section 7 of the Plan, shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions for which the record date is prior to the date the certificate for such shares of Common Stock is issued.

8. Method of Exercising Option. Subject to the terms and conditions of this Agreement, the Option may be exercised by written notice to the Secretary of the Company at the Company's principal executive offices. Such notice shall state the election to exercise the Option and the number of Common Shares in respect of which the Option is being exercised, shall be signed by the person or persons so exercising the Option and shall either:

(a) be accompanied by payment in full of the Purchase Price for such shares of Common Stock; or

(b) fix a date, not less than five (5) nor more than ten (10) business days from the date such notice shall be delivered to the Company, for the payment in full of the Purchase Price for such shares of Common Stock.

Payment of such Purchase Price shall be made in United States dollars by payable to the order of the Company. Subject to such procedures and rules as may be adopted from time to time by the Committee, the Optionee may also pay such

Purchase Price by (i) tendering to the Company shares of Common Stock (held by the Optionee for at least six months prior to such delivery) with an aggregate Fair Market Value on the date of exercise equal to such Purchase Price, (ii) delivery to the Company of a copy of irrevocable instructions to a stockbroker to sell shares of Common Stock and to deliver promptly to the Company an amount sufficient to pay such Purchase Price, or (iii) any combination of the methods of payment described in clauses (i) and (ii) and in the preceding sentence. The certificate for shares of Common Stock as to which the Option shall have been so exercised shall be registered in the name of the person or persons so exercising the Option. All shares of Common Stock purchased upon the exercise of the Option as provided herein shall be fully paid and non assessable.

9. Income Tax Withholding. The Company may make such provisions and take such steps as it may deem necessary or appropriate for the withholding of all federal, state, local and other taxes required by law to be withheld with respect to the exercise of the Option and the issuance of the shares of Common Stock, including, but not limited to, retaining shares of Common Stock otherwise to be delivered upon exercise, deducting the amount of any such withholding taxes from any other amount then or thereafter payable by the Company, or any Subsidiary, to the Optionee, or requiring the Optionee, or the beneficiary or legal representative of the Optionee, to pay to the Company the amount required to be withheld or to execute such

documents as the Company deems necessary or desirable to enable it to satisfy its withholding obligations.

10. Non-Transferability. Unless otherwise determined by the Committee, this Option is not assignable or transferable other than by will or the laws of descent and distribution, and shall be exercisable during the Optionee's lifetime only by the Optionee.

11. Further Conditions to Exercise.

(a.) The obligation of the Company to issue shares of Common Stock pursuant to the exercise of the Option shall be subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any of the provisions hereof, the Optionee may not exercise the Option, and the Company will be under no obligation to offer to sell or to sell and shall be prohibited from offering to sell or selling any shares of Common Stock pursuant to the exercise of any Option unless such exercise, offer or sale shall be properly registered pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended) (the "Securities Act") with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall use reasonable efforts to register the offer or sale of shares of Common Stock underlying the Option pursuant to the Securities Act and to take any other affirmative action in order to cause the exercise of the Options or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority. If the shares of Common Stock offered for sale or sold under any Option are offered or sold pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such shares and may legend the Common Stock certificates representing such shares in such manner as it deems advisable to ensure the availability of any such exemption.

(b.) The Company is relieved from any liability for the non-issuance or non-transfer or any delay in issuance or transfer of any shares of Common Stock subject to the Option which results from the inability of the Company to obtain or in any delay in obtaining from any regulatory body having jurisdiction all requisite authority to issue or transfer shares of Common Stock of the Company either upon exercise of the Option or shares of Common Stock issued as a result of such exercise if counsel for the Company deems such authority necessary for lawful issuance or transfer of any such shares.

(c.) For purposes of this Agreement, the term "Cause" shall mean (i) Optionee's continued failure to substantially perform his employment duties, (ii) the engaging by Optionee in willful misconduct injurious to the Company, or (iii) the commission by the Optionee of an act of moral turpitude which is punishable as a felony. For purposes of this Agreement, the term "Noncompetitive Action" shall mean (i) the Optionee's taking action which would, assuming Optionee were a party to the Company's standard Employee Confidentiality and Non-Solicitation Agreement, violate the terms of such agreement (whether or not Optionee has actually executed such agreement), or (ii) engaging by the Optionee in willful conduct which benefits a direct competitor of the Company or is demonstrably injurious to the Company.

(d.) If the Optionee employment with the Company is terminated for "Cause" (as defined herein), then to the extent the Optionee exercised any Options within the six month period preceding such termination, the Optionee will be required to repay to the Company (and the Optionee agrees to repay as a

condition of exercise) the difference between (a) the average of the high and low selling prices of the Common Stock on the exercise date and (b) the exercise price per share, multiplied by the number of shares for which the Option was exercised.

The 1998 Stock Option Plan Committee (the "Committee") will determine whether an Optionee's employment is terminated for Cause. However, the Committee, in its discretion, may choose not to enforce the foregoing provisions in the case of any particular Optionee.

(e.) If the Optionee employment with the Company is terminated for any reason other than Cause, and within the following six months the Optionee engages in Noncompetitive Action, then to the extent the Optionee exercised any Options within the period which began six month prior to the Optionee's termination of employment and which ends on the date that such person engages in the Noncompetitive Action, the Optionee will be required to repay to the Company (and the Optionee agrees to repay as a condition of exercise) the difference between (a) the average of the high and low selling prices of the Common Stock on the exercise date and (b) the exercise price per share, multiplied by the number of shares for which the Option was exercised.

The Committee will determine whether an Optionee has engaged in a Noncompetitive Action. However, the Committee, in its discretion, may choose not to enforce the foregoing provisions in the case of any particular Optionee.

12. Incentive Stock Option. The Option granted hereunder is intended to be an "incentive stock option" within the meaning of Section 422 of the Code.

13. Binding Effect. This Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

14. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such State.

15. Headings. Headings are for the convenience of the parties and are not deemed to be part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

MUELLER INDUSTRIES, INC.

By: _____
Name: William D. O'Hagan
Title: Chief Executive Officer

OPTIONEE

Name:

INCENTIVE
STOCK OPTION AGREEMENT

This Option Agreement (the "Agreement") is made as of the ____ day of _____, 200_, between Mueller Industries, Inc., a Delaware corporation (the "Company"), and _____ (the "Optionee").

WHEREAS, pursuant to the Plan (as defined below), the Company desires to afford the Optionee the opportunity to purchase shares of Common Stock, par value \$.01 per share (the "Common Stock"), of the Company.

NOW, THEREFORE, in connection with the mutual covenants hereinafter set forth and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions; Conflicts. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Mueller Industries, Inc. 2002 Stock Option Plan (the "Plan"). The terms and provisions of the Plan are incorporated herein by reference. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the terms and provisions of this Agreement, the terms and provisions of the Plan shall govern and control.

2. Grant of Options. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to, but not exceeding in the aggregate, _____ shares of Common Stock, on the terms and conditions herein set forth.

3. Purchase Price. The purchase price of each share of Common Stock covered by the Option shall be \$_____ (the "Purchase Price").

4. Term of Options. The term of the Option shall be ten (10) years from the date hereof, subject to earlier termination as provided in Section 6 hereof.

5. Vesting of Options. The Option, subject to the terms, conditions and limitations contained herein, shall vest and become exercisable with respect to the shares of Common Stock in accordance with the following installments: [vesting to be determined]; provided that, with respect to each such installment, the Optionee has remained in continuous employment with the Company from the date hereof through the date such installment is designated to vest.

Notwithstanding the vesting schedule set forth above, in the event of a "Change of Control" (as defined below), any options hereby granted that were not at the time of such "Change of Control" exercised, shall become immediately exercisable with respect to all shares of Stock granted hereunder that remain unexercised.

"Change in Control" shall, for the purposes of this Agreement, unless the Board otherwise directs by resolution adopted prior thereto, be deemed to occur if:

(i) Any person, entity or group (within the meaning of Section 13(d) of 14(d) of the Securities Exchange Act of 1934, as amended), and/or its affiliates, becomes, directly or indirectly, by way of merger, consolidation or other business combination, or otherwise, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of the capital stock of the Company entitled to more than 50% of the aggregate votes represented by the capital stock of all classes of common stock of the Company entitled to vote generally in the election of directors ("Outstanding Voting Securities"); provided, however, that the following acquisitions will not constitute a Change in Control: (i) any acquisition by the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary and (ii) any acquisition by any corporation pursuant to a reorganization, merger or consolidation, if, following such reorganization, merger or consolidation, the conditions described in clauses (A) and (B) of clause (iii) of this definition are satisfied.

(ii) Individuals who, as of the date of this Agreement, constitute the Board of Directors of the Company (the "Incumbent Board") cease for any reason to constitute at least a majority of the Company's Board of Directors; provided, however, that any individual becoming a director subsequent to the date of this Agreement whose election, or nomination for election by the Company's shareholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, will be considered as though such individual were a member of the Incumbent Board; or

(iii) The occurrence of a reorganization, merger or consolidation, in each case, unless, following such reorganization, merger or consolidation, (A) more than 50% of, respectively, the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then

beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Voting Securities immediately prior to such reorganization, merger or consolidation in substantially the same proportions as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Voting Securities, and (B) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger or consolidation were members of the Board at the time of the execution of the initial agreement providing for such reorganization, merger or consolidation;

(iv) Approval by the shareholders of the Company of (A) a complete liquidation or dissolution of the Company, as applicable, or (B) the sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation, with respect to which following such sale or other disposition, (1) more than 50% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively of the Outstanding Voting Securities immediately prior to such sale or other disposition, in substantially the same

proportion as their ownership immediately prior to such sale or other disposition, of the Outstanding Voting Securities, and (2) at least a majority of the members of the board of directors of such corporation were members of the Board at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition of assets of the Company; provided, however, that no transaction resulting in the disposition of one or more subsidiaries or other business units of the Company will be treated as substantially all of the assets of the Company unless the assets so disposed of comprise more than 70% of all corporate assets.

6. Termination of Employment. In the event the Optionee's employment with the Company is terminated for any reason other than death or disability (within the meaning of Section 22(e)(3) of the Code), the Option shall immediately lapse as of the date of such termination whether or not exercisable on such date. In the event the Optionee's employment with the Company is terminated by reason of the Optionee's death or disability (within the meaning of Section 22(e)(3) of the Code), the Option shall remain exercisable for a period of up to twelve months after termination of employment, to the extent exercisable at the time of termination of employment, and shall lapse as to any shares of Common Stock for which it has yet to become exercisable as of the date of such termination of employment.

7. No Rights as a Shareholder. The Optionee shall have no rights as a shareholder with respect to any shares of Common Stock issuable upon the exercise of an Option until the date of issuance to the Optionee of a certificate evidencing such shares of Common Stock. No adjustments, other than as provided in Section 7 of the Plan, shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions for which the record date is prior to the date the certificate for such shares of Common Stock is issued.

8. Method of Exercising Option. Subject to the terms and conditions of this Agreement, the Option may be exercised by written notice to the Secretary of the Company at the Company's principal executive offices. Such notice shall state the election to exercise the Option and the number of Common Shares in respect of which the Option is being exercised, shall be signed by the person or persons so exercising the Option and shall either:

(a) be accompanied by payment in full of the Purchase Price for such shares of Common Stock; or

(b) fix a date, not less than five (5) nor more than ten (10) business days from the date such notice shall be delivered to the Company, for the payment in full of the Purchase Price for such shares of Common Stock.

Payment of such Purchase Price shall be made in United States dollars by payable to the order of the Company. Subject to such procedures and rules as may be adopted from time to time by the Committee, the Optionee may also pay such Purchase Price by (i) tendering to the Company shares of Common Stock (held by the Optionee for at least six months prior to such delivery) with an aggregate Fair Market Value on the date of exercise equal to such Purchase Price, (ii) delivery to the Company of a copy of irrevocable instructions to a stockbroker to sell shares of Common Stock and to deliver promptly to the Company an amount sufficient to pay

such Purchase Price, or (iii) any combination of the methods of payment described in clauses (i) and (ii) and in the preceding sentence. The certificate for shares of Common Stock as to which the Option shall have been so exercised shall be registered in the name of the person or persons so exercising the Option. All shares of Common Stock purchased upon the exercise of the Option as provided herein shall be fully paid and non assessable.

9. Income Tax Withholding. The Company may make such provisions and take such steps as it may deem necessary or appropriate for the withholding of all federal, state, local and other taxes required by law to be withheld with respect to the exercise of the Option and the issuance of the shares of Common Stock, including, but not limited to, retaining shares of Common Stock otherwise to be delivered upon exercise, deducting the amount of any such withholding taxes from any other amount then or thereafter payable by the Company, or any Subsidiary, to the Optionee, or requiring the Optionee, or the beneficiary or legal representative of the Optionee, to pay to the Company the amount required to be withheld or to execute such documents as the Company deems necessary or desirable to enable it to satisfy its withholding obligations.

10. Non-Transferability. Unless otherwise determined by the Committee, this Option is not assignable or transferable other than by will or the laws of descent and distribution, and shall be exercisable during the Optionee's lifetime only by the Optionee.

11. Further Conditions to Exercise.

(a.) The obligation of the Company to issue shares of Common Stock pursuant to the exercise of the Option shall be subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any of the provisions hereof, the Optionee may not exercise the Option, and the Company will be under no obligation to offer to sell or to sell and shall be prohibited from offering to sell or selling any shares of Common Stock pursuant to the exercise of any Option unless such exercise, offer or sale shall be properly registered pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended) (the "Securities Act") with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall use reasonable efforts to register the offer or sale of shares of Common Stock underlying the Option pursuant to the Securities Act and to take any other affirmative action in order to cause the exercise of the Options or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority. If the shares of Common Stock offered for sale or sold under any Option are offered or sold pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such shares and may legend the Common Stock certificates representing such shares in such manner as it deems advisable to ensure the availability of any such exemption.

(b.) The Company is relieved from any liability for the non-issuance or non-transfer or any delay in issuance or transfer of any shares of Common Stock subject to the Option which results from the inability of the Company to obtain or in any delay in obtaining from any regulatory body having jurisdiction all requisite authority to issue or transfer shares of

Common Stock of the Company either upon exercise of the Option or shares of Common Stock issued as a result of such exercise if counsel for the Company deems such authority necessary for lawful issuance or transfer of any such shares.

(c.) For purposes of this Agreement, the term "Cause" shall mean (i) Optionee's continued failure to substantially perform his employment duties, (ii) the engaging by Optionee in willful misconduct injurious to the Company, or (iii) the commission by the Optionee of an act of moral turpitude which is punishable as a felony. For purposes of this Agreement, the term "Noncompetitive Action" shall mean (i) the Optionee's taking action which would, assuming Optionee were a party to the Company's standard Employee Confidentiality and Non-Solicitation Agreement, violate the terms of such agreement (whether or not Optionee has actually executed such agreement), or (ii) engaging by the Optionee in willful conduct which benefits a direct competitor of the Company or is demonstrably injurious to the Company.

(d.) If the Optionee employment with the Company is terminated for "Cause" (as defined herein), then to the extent the Optionee exercised any Options within the six month period preceding such termination, the Optionee will be required to repay to the Company (and the Optionee agrees to repay as a condition of exercise) the difference between (a) the average of the high and low selling prices of the Common Stock on the exercise date and (b) the exercise price per share, multiplied by the number of shares for which the Option was exercised.

The 2002 Stock Option Plan Committee (the "Committee") will determine whether an Optionee's employment is terminated for Cause. However, the Committee, in its discretion, may choose not to enforce the foregoing provisions in the case of any particular Optionee.

(e.) If the Optionee employment with the Company is terminated for any reason other than Cause, and within the following six months the Optionee engages in Noncompetitive Action, then to the extent the Optionee exercised any

Options within the period which began six month prior to the Optionee's termination of employment and which ends on the date that such person engages in the Noncompetitive Action, the Optionee will be required to repay to the Company (and the Optionee agrees to repay as a condition of exercise) the difference between (a) the average of the high and low selling prices of the Common Stock on the exercise date and (b) the exercise price per share, multiplied by the number of shares for which the Option was exercised.

The Committee will determine whether an Optionee has engaged in a Noncompetitive Action. However, the Committee, in its discretion, may choose not to enforce the foregoing provisions in the case of any particular Optionee.

12. Incentive Stock Option. The Option granted hereunder is intended to be an "incentive stock option" within the meaning of Section 422 of the Code.

13. Binding Effect. This Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

14. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such State.

15. Headings. Headings are for the convenience of the parties and are not deemed to be part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

MUELLER INDUSTRIES, INC.

By:

Name: William D. O'Hagan
Title: Chief Executive Officer

OPTIONEE

Name:

MUELLER INDUSTRIES, INC.
2002 STOCK OPTION PLAN

1. Purposes.

The Mueller Industries, Inc. 2002 Stock Option Plan (the "Plan") is intended to attract and retain the best available personnel for positions of substantial responsibility with Mueller Industries, Inc., a Delaware corporation (the "Company"), and its subsidiary corporations, and to provide additional incentive to such persons to exert their maximum efforts toward the success of the Company and its subsidiary corporations. The above aims will be effectuated through the granting of certain options ("Options") to purchase shares of the Company's common stock, par value \$.01 per share (the "Common Stock"). Under the Plan, the Company may grant "incentive stock options" ("ISOs") within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or Options which are not intended to be ISOs ("Non-Qualified Options").

2. Administration of the Plan.

The Plan shall be administered by the Board of Directors of the Company (the "Board of Directors"), or a committee consisting of at least two persons, appointed by the Board of Directors, each of whom shall be a "non-employee director" within the meaning of Rule 16b 3 under the Securities Exchange Act of 1934 (the "Exchange Act") (the entity administering the Plan hereinafter called the "Committee"). The Committee may exercise the power and authority vested in the Board of Directors under the Plan. Within the limits of the express provisions of the Plan, the Committee shall have the authority, in its discretion, to take the following actions under the Plan:

(a) to determine the individuals to whom, and the time or times at which, Options shall be granted, the number of shares of Common Stock to be subject to each Option and whether such Options shall be ISOs or Non-Qualified Options;

(b) to interpret the Plan;

(c) to prescribe, amend and rescind rules and regulations relating to the Plan;

(d) to determine the terms and provisions of the respective stock option agreements granting Options, including the date or dates upon which Options shall become exercisable, which terms need not be identical;

(e) to accelerate the vesting of any outstanding Options; and

(f) to make all other determinations and take all other actions necessary or advisable for the administration of the Plan.

In making such determinations, the Committee may take into account the nature of the services rendered by such individuals, their present and potential contributions to the

Company's success, and such other factors as the Committee, in its discretion, shall deem relevant. An individual to whom an Option has been granted under the Plan is referred to herein as an "Optionee". The Committee's determinations on the matters referred to in this Section 2 shall be conclusive.

3. Shares Subject to the Plan.

The total number of shares of Common Stock which shall be subject to Options granted under the Plan shall not exceed 750,000, subject to adjustment as provided in Section 7 hereof. The Company shall at all times while the Plan is in force reserve such number of shares of Common Stock as will be sufficient to satisfy the requirements of outstanding Options. The shares of Common Stock to be issued upon exercise of Options shall be authorized and unissued or reacquired shares of Common Stock. The shares of Common Stock relating to the unexercised portion of any expired, terminated or cancelled Option shall thereafter be available for the grant of Options under the Plan.

4. Eligibility.

(a) Options may be granted under the Plan only to (i) employees of the Company and (ii) employees of any "subsidiary corporation" (a "Subsidiary") of the Company within the meaning of Section 424(f) of the Code; provided, however, that no person may be granted Options under the Plan with respect to more than 100,000 shares of Common Stock in any one year. The term "Company," when used in the context of an Optionee's employment, shall be deemed to include Subsidiaries of the Company.

(b) Nothing contained in the Plan shall be construed to limit the right of the Company to grant stock options otherwise than under the Plan for proper corporate purposes.

1. Terms of Options.

The terms of each Option granted under the Plan shall be determined by the Committee consistent with the provisions of the Plan, including the following:

(a) The purchase price of the shares of Common Stock subject to each Option shall be fixed by the Committee, in its discretion, at the time such Option is granted; provided, however, that in no event shall such purchase price be less than the Fair Market Value (as defined in paragraph (g) of this Section 5) of the shares of Common Stock as of the date such Option is granted.

(b) The dates on which each Option (or portion thereof) shall be exercisable shall be fixed by the Committee, in its discretion, at the time such Option is granted.

(c) The expiration of each Option shall be fixed by the Committee, in its discretion, at the time such Option is granted. No Option shall be exercisable after the expiration of ten (10) years from the date of its grant and each Option shall be subject to earlier termination as determined by the Committee, in its discretion, at the time such Option is granted.

(d) Options shall be exercised by the delivery to the Company at its principal office or at such other address as may be established by the Committee (Attention: Corporate Treasurer) of written notice of the number of shares of Common Stock with respect to which the Option is being exercised accompanied by payment in full of the purchase price of such shares. Unless otherwise determined by the Committee, payment for such shares may be made (i) in cash, (ii) by certified check or bank cashier's check payable to the order of the Company in the amount of such purchase price, (iii) by delivery to the Company of shares of Common Stock (by attestation or otherwise) (held by the Optionee for at least six months prior to such delivery) having a Fair Market Value equal to such purchase price, (iv) by irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or loan proceeds necessary to pay such purchase price and to sell the shares of Common Stock to be issued upon exercise of the Option and deliver the cash proceeds less commissions and brokerage fees to the Optionee or to deliver the remaining shares of Common Stock to the Optionee, or (v) by any combination of the methods of payment described in (i) through (iv) above.

(e) An Optionee shall not have any of the rights of a holder of the Common Stock with respect to the shares of Common Stock subject to an Option until such shares are issued to such Optionee upon the exercise of such Option.

(f) Generally, an Option shall not be transferable, except by will or the laws of descent and distribution, and may be exercised, during the lifetime of an Optionee, only by the Optionee; provided, however, that the Committee may, in its sole discretion, at the time of grant or at any time thereafter, allow for the transfer of Options that are not ISOs to other persons or entities, subject to such conditions or limitations as it may establish. No Option granted under the Plan shall be subject to execution, attachment or other process.

(g) For purposes of the Plan, as of any date when the Common Stock is listed on one or more national securities exchanges (including the New York Stock Exchange) or quoted on the NASDAQ Stock Market, the "Fair Market Value" of the Common Stock as of any date shall be deemed to be the mean between the highest and lowest sale prices of the Common Stock reported on the principal national securities exchange on which the Common Stock is listed and traded or the NASDAQ Stock Market, on the immediately preceding date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported. If the Common Stock is not listed on an exchange or quoted on the NASDAQ Stock Market, or representative quotes are not otherwise available, the "Fair Market Value" of the Common Stock shall mean the amount determined by the Committee to be the fair market value based upon a good faith attempt to value the Common Stock accurately.

6. Special Provisions Applicable to ISOs.

The following special provisions shall be applicable to ISOs granted under the Plan.

(a) No ISOs shall be granted under the Plan after ten (10) years from the earlier of (i) the date the Plan is adopted or (ii) the date the Plan is approved by the holders of the Common Stock.

(b) ISOs may not be granted to a person who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company, any of its Subsidiaries, or any "parent corporation" (a "Parent") of the Company, within the meaning of Section 424(e) of the Code, unless (i) the exercise price is no less than 110% of the Fair Market Value of the underlying Common Stock on the date of grant and (ii) the ISO is not exercisable after the expiration of five years from the date of grant.

(c) If the aggregate Fair Market Value of the Common Stock with respect to which ISOs are exercisable for the first time by any Optionee during a calendar year (under all plans of the Company and its Parents and Subsidiaries) exceeds \$100,000, such ISOs shall be treated, to the extent of such excess, as Non-Qualified Options. For purposes of the preceding sentence, the Fair Market Value of the Common Stock shall be determined at the time the ISOs covering such shares were granted.

7. Adjustment upon Changes in Capitalization.

(a) In the event that the outstanding shares of Common Stock or the capital structure of the Company are changed by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, reverse stock split, combination or exchange of shares and the like, or dividends payable in shares of Common Stock, the Committee shall make such appropriate adjustment to the aggregate number of shares of Common Stock available under the Plan, the number of shares of Common Stock subject to Options that may be granted to any person in any one year, and in the number of shares of Common Stock and the price per share of Common Stock subject to outstanding Options as determined by the Committee, in its sole discretion to be appropriate. If the Company shall be reorganized, consolidated or merged with another corporation, or if all or substantially all of the assets of the Company shall be sold or exchanged, an Optionee shall at the time of such corporate event be entitled to receive upon the exercise of his Option the same number and kind of shares of stock or the same amount of property, cash or securities as he would have been entitled to receive upon the occurrence of any such corporate event as if he had been, immediately prior to such event, the holder of the number of shares of Common Stock covered by his Option; provided, however, that if any such event occurs or if the Company enters into an agreement to undertake any such event, the Committee may, in its sole discretion, cancel any outstanding Options and pay to such Optionees, in cash or stock, or any combination thereof, the value of such Options as determined by the Committee based on the price per share of Common Stock received or to be received by the stockholders of the Company upon such event. The immediately prior sentence is not intended to provide for any automatic acceleration of vesting of any Option, which shall be left to the sole discretion of the Committee.

(b) Any adjustment under this Section 7 in the number of shares of Common Stock subject to Options shall apply proportionately to only the unexercised portion of any Option granted hereunder. If fractions of a share would result from any such adjustment, the adjustment shall be revised to the next lower whole number of shares.

8. Further Conditions of Exercise.

(a) The obligation of the Company to issue shares of Common Stock pursuant to the exercise of Options shall be subject to all applicable laws, rules and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any of the provisions hereof, the Optionee may not exercise the Options, and the Company will be under no obligation to offer to sell or to sell and shall be prohibited from offering to sell or selling any shares of Common Stock pursuant to the exercise of any Option, unless such exercise, offer or sale shall be properly registered pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended) (the "Securities Act") with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. Any determination in this connection by the Committee shall be final, binding and conclusive. The Company shall use reasonable efforts, when it deems appropriate, to register the offer or sale of shares of Common Stock underlying any Option pursuant to the Securities Act and to take any other affirmative action in order to cause the exercise of the Options or the issuance or transfer of shares pursuant thereto to comply with any law or regulation of any governmental authority. If the shares of Common Stock offered for sale or sold under any Option are offered or sold pursuant to an exemption from registration under the Securities Act, the Company may restrict the transfer of such shares and may legend the Common Stock certificates representing such shares in such manner as it deems advisable to ensure the availability of any such exemption.

(b) The Company is relieved from any liability for the non-issuance or non-transfer or any delay in issuance or transfer of any shares of Common Stock subject to Options which results from the inability of the Company to obtain or

in any delay in obtaining from any regulatory body having jurisdiction all requisite authority to issue or transfer shares of Common Stock either upon exercise of the Options or shares of Common Stock issued as a result of such exercise if counsel for the Company deems such authority necessary for lawful issuance or transfer of any such shares.

9. Termination, Modification and Amendment.

(a) The Plan (but not Options previously granted under the Plan) shall terminate ten (10) years from the date of its adoption by the Board of Directors, and no Option shall be granted after termination of the Plan.

(b) The Plan may at any time be terminated or, from time to time, be modified or amended by the Board of Directors; provided, however, that the Board of Directors shall not, without approval by the affirmative vote of the holders of a majority of the shares of the capital stock of the Company present in person or by proxy and entitled to vote at the meeting, amend the Plan to (i) increase (except as provided by Section 7) the maximum number of shares of Common Stock as to which Options may be granted under the Plan, (ii) increase the maximum number of shares of Common Stock as to which Options may be granted to any person in any single year, (iii) decrease the purchase price for Options below Fair Market Value of the Common Stock at the time of grant, or (iv) change the class of persons eligible to receive Options under the Plan.

(c) No termination, modification or amendment of the Plan may adversely affect the rights conferred by any Options without the consent of the affected Optionee.

10. Effectiveness of the Plan.

The Plan shall become effective upon adoption by the Board of Directors, subject to the approval by the shareholders of the Company. Options may be granted under the Plan prior to receipt of such approval, provided that, in the event such approval is not obtained, the Plan and all Options granted under the Plan shall be null and void and of no force and effect.

11. Not a Contract of Employment.

Nothing contained in the Plan or in any stock option agreement executed pursuant hereto shall be deemed to confer upon any Optionee any right to remain in the employ of the Company or of any Subsidiary.

12. Governing Law.

The Plan shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws thereof.

13. Withholding.

As a condition to the exercise of any Option, the Committee may require that an Optionee satisfy, through withholding from other compensation or otherwise, the full amount of all federal, state and local income and other taxes required to be withheld in connection with such exercise. The Committee may, in its sole discretion, allow for the retention by the Company of shares of Common Stock otherwise to be delivered to the Optionee upon the exercise of any Option in order to satisfy this withholding requirement.

As adopted by the Board of Directors
of Mueller Industries, Inc. as of
February 12, 2002.