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

FORM 10-Q

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

For the quarterly period ended July 2, 2016 | Commission file number 1–6770

MUELLER INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**25-0790410**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8285 Tournament Drive, Suite 150 **Memphis, Tennessee**	**38125**
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

The number of shares of the Registrant's common stock outstanding as of July 25, 2016, was 57,172,780.

MUELLER INDUSTRIES, INC.

FORM 10-Q

For the Quarterly Period Ended July 2, 2016

As used in this report, the terms "Company," "Mueller," and "Registrant" mean Mueller Industries, Inc. and its consolidated subsidiaries taken as a whole, unless the context indicates otherwise.

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PART I. **FINANCIAL INFORMATION**
Item 1. **Financial Statements**

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended July 2, 2016	For the Quarter Ended June 27, 2015	For the Six Months Ended July 2, 2016	For the Six Months Ended June 27, 2015
Net sales	$ 544,071	$ 555,593	$ 1,076,880	$ 1,092,835
Cost of goods sold	456,060	470,365	902,702	931,199
Depreciation and amortization	9,061	8,188	17,981	16,041
Selling, general, and administrative expense	34,514	33,420	70,294	66,251
Gain on sale of assets	—	(15,376)	—	(15,376)
Severance	—	3,442	—	3,442
Operating income	44,436	55,554	85,903	91,278
Interest expense	(1,692)	(2,219)	(3,540)	(4,295)
Other income, net	515	265	760	370
Income before income taxes	43,259	53,600	83,123	87,353
Income tax expense	(14,005)	(19,738)	(28,126)	(31,151)
(Loss) income from unconsolidated affiliates, net of tax	(995)	—	1,927	—
Consolidated net income	28,259	33,862	56,924	56,202
Net income attributable to noncontrolling interests	(462)	(211)	(497)	(573)
Net income attributable to Mueller Industries, Inc.	$ 27,797	$ 33,651	$ 56,427	$ 55,629
Weighted average shares for basic earnings per share	56,511	56,247	56,489	56,220
Effect of dilutive stock-based awards	418	743	456	737
Adjusted weighted average shares for diluted earnings per share	56,929	56,990	56,945	56,957
Basic earnings per share	$ 0.49	$ 0.60	$ 1.00	$ 0.99
Diluted earnings per share	$ 0.49	$ 0.59	$ 0.99	$ 0.98
Dividends per share	$ 0.100	$ 0.075	$ 0.175	$ 0.150

See accompanying notes to condensed consolidated financial statements.

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(In thousands)	For the Quarter Ended July 2, 2016	For the Quarter Ended June 27, 2015	For the Six Months Ended July 2, 2016	For the Six Months Ended June 27, 2015
Consolidated net income	$ 28,259	$ 33,862	$ 56,924	$ 56,202
Other comprehensive income (loss), net of tax:				
Foreign currency translation	(10,186)	7,056	(11,297)	(1,348)
Net change with respect to derivative instruments and hedging activities	700 (1)	(903) (2)	1,294 (3)	(1,101) (4)
Net actuarial (gain) loss on pension and postretirement obligations	1,530 (5)	(647) (6)	2,702 (7)	769 (8)
Attributable to unconsolidated affiliates	1,438 (9)	—	1,438 (9)	—
Other, net	9	34	23	7
Total other comprehensive (loss) income	(6,509)	5,540	(5,840)	(1,673)
Consolidated comprehensive income	21,750	39,402	51,084	54,529
Comprehensive loss attributable to noncontrolling interests	123	520	862	175
Comprehensive income attributable to Mueller Industries, Inc.	$ 21,873	$ 39,922	$ 51,946	$ 54,704

See accompanying notes to condensed consolidated financial statements.

(1) Net of tax of $(266)
(2) Net of tax of $166
(3) Net of tax of $(487)
(4) Net of tax of $440
(5) Net of tax of $(522)
(6) Net of tax of $216
(7) Net of tax of $(920)
(8) Net of tax of $(286)
(9) Net of tax of $(812)

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands, except share data)	July 2, 2016	December 26, 2015
Assets		
Current assets:		
Cash and cash equivalents	$ 283,161	$ 274,844
Accounts receivable, less allowance for doubtful accounts of $565 in 2016 and $623 in 2015	305,332	251,571
Inventories	249,954	239,378
Other current assets	27,276	34,608
Total current assets	865,723	800,401
Property, plant, and equipment, net	297,939	280,224
Goodwill, net	128,339	120,252
Intangible assets, net	39,050	40,636
Investment in unconsolidated affiliates	70,077	65,900
Other assets	19,347	31,388
Total assets	$ 1,420,475	$ 1,338,801
Liabilities		
Current liabilities:		
Current portion of debt	$ 16,226	$ 11,760
Accounts payable	105,138	88,051
Accrued wages and other employee costs	31,199	35,636
Other current liabilities	65,387	73,982
Total current liabilities	217,950	209,429
Long-term debt, less current portion	213,646	204,250
Pension liabilities	15,435	17,449
Postretirement benefits other than pensions	17,268	17,427
Environmental reserves	20,830	20,943
Deferred income taxes	13,644	7,161
Other noncurrent liabilities	2,930	2,440
Total liabilities	501,703	479,099
Equity		
Mueller Industries, Inc. stockholders' equity:		
Preferred stock - $1.00 par value; shares authorized 5,000,000; none outstanding	—	—
Common stock - $.01 par value; shares authorized 100,000,000; issued 80,183,004; outstanding 57,167,406 in 2016 and 57,158,608 in 2015	802	802
Additional paid-in capital	274,928	271,158
Retained earnings	1,110,010	1,063,543
Accumulated other comprehensive loss	(59,472)	(54,990)
Treasury common stock, at cost	(453,613)	(453,228)
Total Mueller Industries, Inc. stockholders' equity	872,655	827,285
Noncontrolling interests	46,117	32,417
Total equity	918,772	859,702
Commitments and contingencies	—	—
Total liabilities and equity	$ 1,420,475	$ 1,338,801

See accompanying notes to condensed consolidated financial statements.

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MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)	For the Six Months Ended July 2, 2016	For the Six Months Ended June 27, 2015
Cash flows from operating activities		
Consolidated net income	$ 56,924	$ 56,202
Reconciliation of consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	18,162	16,293
Stock-based compensation expense	2,874	2,966
Equity in earnings of unconsolidated affiliates	(1,927)	—
Gain on disposal of assets	(555)	(15,392)
Impairment charges	—	570
Deferred income taxes	3,548	(1,445)
Income tax benefit from exercise of stock options	(186)	(146)
Changes in assets and liabilities, net of businesses acquired:		
Receivables	(52,334)	(24,304)
Inventories	1,176	(5,252)
Other assets	17,009	6,963
Current liabilities	(1,314)	(19,629)
Other liabilities	(1,440)	(415)
Other, net	(72)	739
Net cash provided by operating activities	41,865	17,150
Cash flows from investing activities		
Capital expenditures	(10,248)	(15,969)
Acquisition of businesses, net of cash acquired	(20,533)	(35,978)
Net withdrawals from restricted cash balances	1,508	3,486
Proceeds from the sale of assets	1,482	5,518
Net cash used in investing activities	(27,791)	(42,943)
Cash flows from financing activities		
Repayments of long-term debt	(500)	(500)
Dividends paid to stockholders of Mueller Industries, Inc.	(9,887)	(8,435)
Issuance (repayment) of debt by joint ventures, net	4,426	(17,750)
Issuance of debt	2,000	—
Net cash received to settle stock-based awards	326	125
Income tax benefit from exercise of stock options	186	146
Net cash used in financing activities	(3,449)	(26,414)
Effect of exchange rate changes on cash	(2,308)	(780)
Increase (decrease) in cash and cash equivalents	8,317	(52,987)
Cash and cash equivalents at the beginning of the period	274,844	352,134
Cash and cash equivalents at the end of the period	$ 283,161	$ 299,147

See accompanying notes to condensed consolidated financial statements.

MUELLER INDUSTRIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

General

Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted. Results of operations for the interim periods presented are not necessarily indicative of results which may be expected for any other interim period or for the year as a whole. This Quarterly Report on Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K, including the annual financial statements incorporated therein.

The accompanying unaudited interim financial statements include all normal recurring adjustments which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented herein. The fiscal six months ended July 2, 2016 contained 27 weeks, while the fiscal six months ended June 27, 2015 contained 26 weeks.

Note 1 – Earnings per Common Share

Basic per share amounts have been computed based on the average number of common shares outstanding. Diluted per share amounts reflect the increase in average common shares outstanding that would result from the assumed exercise of outstanding stock options and vesting of restricted stock awards, computed using the treasury stock method. Approximately 418 thousand and 24 thousand stock options were excluded from the computation of diluted earnings per share for the quarters ended July 2, 2016 and June 27, 2015, respectively, because they were antidilutive.

Note 2 – Acquisitions and Dispositions

Acquisitions

On April 26, 2016, the Company entered into an agreement providing for the purchase of a 60.0 percent equity interest in Jungwoo Metal Ind. Co., LTD (Jungwoo-Mueller) for approximately $21.8 million in cash. Jungwoo-Mueller manufactures copper-based pipe joining products and is headquartered in Seoul, South Korea and serves markets worldwide. It complements the Company's existing copper fittings businesses in the Piping Systems segment and is reported in the Company's Condensed Consolidated Financial Statements one month in arrears.

This acquisition was accounted for using the acquisition method of accounting whereby the total purchase price was allocated to tangible and intangible assets acquired and liabilities assumed based on respective fair values.

The fair value of the assets acquired totaled $50.1 million, consisting primarily of property, plant, and equipment of $25.9 million, inventories of $15.8 million, accounts receivable of $5.6 million, other current assets of $1.5 million and cash of $1.3 million. The fair value of the liabilities assumed totaled $17.3 million, consisting primarily of long-term debt of $8.7 million, accounts payable of $7.3 million, pension liabilities of $0.8 million, and other current liabilities of $0.5 million. Of the remaining purchase price, $3.6 million was allocated to non-deductible goodwill. The noncontrolling interest in Jungwoo-Mueller is $14.6 million. The purchase price allocation is provisional as of July 2, 2016 and subject to change upon completion of the final valuation of the long-lived assets and noncontrolling interest during the measurement period.

During the second quarter of 2015, the Company recognized approximately $3.4 million of severance costs related to the reorganization of Yorkshire Copper Tube, acquired in 2014.

The valuations of businesses acquired during 2015 have been finalized. During the second quarter of 2016, a deferred tax liability of $4.1 million was recorded that resulted from a basis difference in the long-lived assets acquired from Great Lakes Copper Ltd. This resulted in an increase in goodwill. There were no changes to the purchase price allocations for Turbotec Products, Inc. or Sherwood Valve LLC from the amounts presented in the Company's 2015 Annual Report on Form 10-K.

Dispositions

On June 1, 2015, the Company sold certain assets. Simultaneously, the Company entered into a lease agreement with the purchaser of the assets for their continued use for a period of approximately 22 months (Lease Period).

The total sales price was $20.2 million, of which $5.0 million was received on June 1, 2015; the Company will receive $5.0 million on December 30, 2016 and the remaining $10.2 million will be received at the end of the Lease Period. This transaction resulted in a pre-tax gain of $15.4 million in the second quarter of 2015, or 17 cents per diluted share after tax. This gain was recognized in the Plumbing & Refrigeration segment.

Note 3 –Segment Information

During the first quarter of 2016, the Company made changes to its management reporting structure as a result of a change in the way the Chief Executive Officer, who serves as the Chief Operating Decision Maker, manages and evaluates the business, makes key operating decisions, and allocates resources. Previously, the Company had two reportable segments: Plumbing & Refrigeration and OEM. During the first quarter, the Company realigned its operating segments into three reportable segments: Piping Systems, Industrial Metals, and Climate. Management has recast certain prior period amounts to conform the current period presentation. Each of the reportable segments is composed of certain operating segments that are aggregated primarily by the nature of products offered as follows:

Piping Systems

Piping Systems is composed of the following operating segments: Domestic Piping Systems Group, Canadian Operations, European Operations, Trading Group, Mueller-Xingrong (the Company's Chinese joint venture), and Jungwoo-Mueller (the Company's South Korean joint venture). The Domestic Piping Systems Group manufactures copper tube and fittings, plastic fittings, and line sets. These products are manufactured in the U.S. Outside the U.S., the Canadian Operations manufacture copper tube and line sets and sell the products primarily in the U.S. and Canada, and the European Operations manufacture copper tube, which is sold primarily in Europe. The Trading Group manufactures pipe nipples and imports and resells brass and plastic plumbing valves, malleable iron fittings, faucets, and plumbing specialty products in the U.S. and Mexico. Mueller-Xingrong manufactures engineered copper tube primarily for air-conditioning applications in China. Jungwoo-Mueller manufactures copper-based joining products that are sold worldwide. The Piping System segment's products are sold primarily to plumbing, refrigeration, and air-conditioning wholesalers, hardware wholesalers and co-ops, building product retailers, and air-conditioning original equipment manufacturers (OEMs).

Industrial Metals

Industrial Metals is composed of the following operating segments: Brass Rod & Copper Bar Products, Impacts & Micro Gauge, and Brass Value-Added Products. These businesses manufacture brass rod, impact extrusions, and forgings, as well as a wide variety of end products including plumbing brass, automotive components, valves, fittings, and gas assemblies. These products are manufactured in the U.S. and sold primarily to OEMs in the U.S., many of which are in the industrial, construction, heating, ventilation, and air-conditioning, plumbing, and refrigeration markets.

Climate

Climate is composed of the following operating segments: Refrigeration Products, Fabricated Tube Products, Westermeyer, and Turbotec. These domestic businesses manufacture and fabricate valves and assemblies primarily for the heating, ventilation, air-conditioning, and refrigeration markets in the U.S.

Summarized segment information is as follows:

(In thousands)	For the Quarter Ended July 2, 2016				
	Piping Systems	Industrial Metals	Climate	Corporate and Eliminations	Total
Net sales	$ 388,662	$ 127,737	$ 31,359	$ (3,687)	$ 544,071
Cost of goods sold	333,356	104,874	22,448	(4,618)	456,060
Depreciation and amortization	5,787	2,120	618	536	9,061
Selling, general, and administrative expense	16,560	3,619	2,456	11,879	34,514
Operating income	32,959	17,124	5,837	(11,484)	44,436
Interest expense					(1,692)
Other income, net					515
Income before taxes					$ 43,259

(In thousands)	For the Quarter Ended June 27, 2015				
	Piping Systems	Industrial Metals	Climate	Corporate and Eliminations	Total
Net sales	$ 379,750	$ 145,228	$ 31,498	$ (883)	$ 555,593
Cost of goods sold	326,338	120,808	24,134	(915)	470,365
Depreciation and amortization	5,335	1,643	614	596	8,188
Selling, general, and administrative expense	16,776	2,302	2,500	11,842	33,420
Gain on sale of assets	(15,376)	—	—	—	(15,376)
Severance	3,442	—	—	—	3,442
Operating income	43,235	20,475	4,250	(12,406)	55,554
Interest expense					(2,219)
Other income, net					265
Income before taxes					$ 53,600

Segment information (continued):

(In thousands)	Piping Systems	Industrial Metals	Climate	Corporate and Eliminations	Total
	For the Six Months Ended July 2, 2016				
Net sales	$ 757,552	$ 262,258	$ 62,065	$ (4,995)	$ 1,076,880
Cost of goods sold	647,148	214,103	46,153	(4,702)	902,702
Depreciation and amortization	11,436	4,255	1,217	1,073	17,981
Selling, general, and administrative expense	34,850	6,864	4,979	23,601	70,294
Operating income	64,118	37,036	9,716	(24,967)	85,903
Interest expense					(3,540)
Other income, net					760
Income before taxes					$ 83,123

(In thousands)	Piping Systems	Industrial Metals	Climate	Corporate and Eliminations	Total
	For the Six Months Ended June 27, 2015				
Net sales	$ 741,232	$ 296,264	$ 57,309	$ (1,970)	$ 1,092,835
Cost of goods sold	639,028	248,532	45,401	(1,762)	931,199
Depreciation and amortization	10,522	3,298	1,039	1,182	16,041
Selling, general, and administrative expense	34,122	5,000	4,354	22,775	66,251
Gain on sale of assets	(15,376)	—	—	—	(15,376)
Severance	3,442	—	—	—	3,442
Operating income	69,494	39,434	6,515	(24,165)	91,278
Interest expense					(4,295)
Other income, net					370
Income before taxes					$ 87,353

(In thousands)	July 2, 2016	December 26, 2015
Segment assets:		
Piping Systems	$ 863,138	$ 811,343
Industrial Metals	160,655	153,102
Climate	66,383	61,672
General Corporate	330,299	312,684
	$ 1,420,475	$ 1,338,801

Note 4 – Inventories

(In thousands)	July 2, 2016	December 26, 2015
Raw materials and supplies	$ 64,206	$ 58,987
Work-in-process	36,604	25,161
Finished goods	154,593	161,410
Valuation reserves	(5,449)	(6,180)
Inventories	$ 249,954	$ 239,378

Note 5 – Derivative Instruments and Hedging Activities

The Company's earnings and cash flows are subject to fluctuations due to changes in commodity prices, foreign currency exchange rates, and interest rates. The Company uses derivative instruments such as commodity futures contracts, foreign currency forward contracts, and interest rate swaps to manage these exposures.

All derivatives are recognized in the Condensed Consolidated Balance Sheets at their fair value. On the date the derivative contract is entered into, it is either a) designated as (i) a hedge of a forecasted transaction or the variability of cash flow to be paid or received (cash flow hedge), or (ii) a hedge of the fair value of a recognized asset or liability (fair value hedge) or b) not designated in a hedge accounting relationship, even though the derivative contract was executed to mitigate an economic exposure, as the Company does not enter into derivative contracts for trading purposes (economic hedge). Changes in the fair value of a derivative instrument that is qualified, designated and highly effective as a cash flow hedge are recorded in accumulated other comprehensive income (AOCI), to the extent effective, until they are reclassified to earnings in the same period or periods during which the hedged transaction affects earnings. Changes in the fair value of a derivative instrument that is qualified, designated and highly effective as a fair value hedge, along with the gain or loss on the hedged recognized asset or liability that is attributable to the hedged risk, are recorded in current earnings. Changes in the fair value of undesignated derivative instruments and the ineffective portion of designated derivative instruments are reported in current earnings.

The Company documents all relationships between hedging instruments and hedged items, as well as the risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value hedges to specific assets and liabilities in the Condensed Consolidated Balance Sheets and linking cash flow hedges to specific forecasted transactions or variability of cash flow.

The Company also assesses, both at the hedge's inception and on an ongoing basis, whether the designated derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flow or fair values of hedged items. When a derivative is determined not to be highly effective as a hedge or the underlying hedged transaction is no longer probable of occurring, hedge accounting is discontinued prospectively, in accordance with the derecognition criteria for hedge accounting.

Commodity Futures Contracts

Copper and brass represent the largest component of the Company's variable costs of production. The cost of these materials is subject to global market fluctuations caused by factors beyond the Company's control. The Company occasionally enters into forward fixed-price arrangements with certain customers; the risk of these arrangements is generally managed with commodity futures contracts. These futures contracts have been designated as cash flow hedges.

At July 2, 2016, the Company held open futures contracts to purchase approximately $22.3 million of copper over the next 18 months related to fixed price sales orders. The fair value of those futures contracts was a $1.7 million net gain position, which was determined by obtaining quoted market prices (level 1 within the fair value hierarchy). In the next 12 months, the Company will reclassify into earnings realized gains or losses relating to cash flow hedges. At July 2, 2016, this amount was approximately $979 thousand of deferred net gains, net of tax.

The Company may also enter into futures contracts to protect the value of inventory against market fluctuations. These futures contracts have been designated as fair value hedges. At July 2, 2016, the Company held open futures contracts to sell approximately $15.5 million of copper over the next six months related to copper inventory. The fair value of those futures contracts was a $498 thousand net loss position, which was determined by obtaining quoted market prices (level 1 within the fair value hierarchy).

Interest Rate Swap

On February 20, 2013, the Company entered into a two-year forward-starting interest rate swap agreement with an effective date of January 12, 2015, and an underlying notional amount of $200.0 million, pursuant to which the Company receives variable interest payments based on one-month LIBOR and pays fixed interest at a rate of 1.4 percent. Based on the Company's current variable premium pricing on its Term Loan Facility, the all-in fixed rate as of the effective date is 2.7 percent. The interest rate swap will mature on December 11, 2017, and is structured to offset the interest rate risk associated with the Company's floating-rate, LIBOR-based Term Loan Facility Agreement. The swap was designated and accounted for as a cash flow hedge from inception.

The fair value of the interest rate swap is estimated based on the present value of the difference between expected cash flows calculated at the contracted interest rate and the expected cash flows at the current market interest rate using observable benchmarks for LIBOR forward rates at the end of the period (level 2 within the fair value hierarchy). Interest payable and receivable under the swap agreement is accrued and recorded as an adjustment to interest expense. The fair value of the interest rate swap was a $2.4 million loss position at July 2, 2016, and there was $1.5 million of deferred losses, net of tax, included in AOCI that are expected to be reclassified into interest expense over the term of the hedged item.

The Company presents its derivative assets and liabilities in the Condensed Consolidated Balance Sheets on a net basis by counterparty. The following table summarizes the location and fair value of the derivative instruments and disaggregates our net derivative assets and liabilities into gross components on a contract-by-contract basis:

	Asset Derivatives			Liability Derivatives		
		Fair Value			Fair Value	
(In thousands)	Balance Sheet Location	July 2, 2016	December 26, 2015	Balance Sheet Location	July 2, 2016	December 26, 2015
Hedging instrument:						
Commodity contracts - gains	Other current assets	$ 1,761	$ 60	Other current liabilities	$ 24	$ 238
Commodity contracts - losses	Other current assets	(85)	—	Other current liabilities	(522)	(1,864)
Interest rate swap	Other assets	—	—	Other liabilities	(2,407)	(1,692)
Total derivatives [1]		$ 1,676	$ 60		$ (2,905)	$ (3,318)

[1] *Does not include the impact of cash collateral received from or provided to counterparties.*

The following tables summarize the effects of derivative instruments on our Condensed Consolidated Statements of Income:

		Three Months Ended		Six Months Ended	
(In thousands)	Location	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Fair value hedges:					
(Loss) gain on commodity contracts (qualifying)	Cost of goods sold	$ (332)	$ 1,256	$ (383)	$ 1,468
Gain (loss) on hedged item - Inventory	Cost of goods sold	288	(1,403)	350	(1,650)
Undesignated derivatives:					
Gain on commodity contracts (nonqualifying)	Cost of goods sold	1,326	1,046	1,820	1,279

The following tables summarize amounts recognized in and reclassified from AOCI during the period:

	Three Months Ended July 2, 2016		
(In thousands)	Gain (Loss) Recognized in AOCI (Effective Portion), Net of Tax	Classification Gains (Losses)	Loss (Gain) Reclassified from AOCI (Effective Portion), Net of Tax
Cash flow hedges:			
Commodity contracts	$ 2,464	Cost of goods sold	$ (1,359)
Interest rate swap	(115)	Interest expense	59
Other	(349)	Other	—
Total	$ 2,000	Total	$ (1,300)

	Three Months Ended June 27, 2015		
(In thousands)	Gain (Loss) Recognized in AOCI (Effective Portion), Net of Tax	Classification Gains (Losses)	Loss (Gain) Reclassified from AOCI (Effective Portion), Net of Tax
Cash flow hedges:			
Commodity contracts	$ (1,159)	Cost of goods sold	$ (81)
Interest rate swap	267	Interest expense	63
Other	7		—
Total	$ (885)		$ (18)

	Six Months Ended July 2, 2016		
(In thousands)	Gain (Loss) Recognized in AOCI (Effective Portion), Net of Tax	Classification Gains (Losses)	Loss (Gain) Reclassified from AOCI (Effective Portion), Net of Tax
Cash flow hedges:			
Commodity contracts	$ 3,337	Cost of goods sold	$ (1,291)
Interest rate swap	(585)	Interest expense	128
Other	(295)	Other	—
Total	$ 2,457		$ (1,163)

Derivative instrument information (continued):

	Six Months Ended June 27, 2015		
(In thousands)	Gain (Loss) Recognized in AOCI (Effective Portion), Net of Tax	Classification Gains (Losses)	Loss (Gain) Reclassified from AOCI (Effective Portion), Net of Tax
Cash flow hedges:			
Commodity contracts	$ (885)	Cost of goods sold	$ 490
Interest rate swap	(765)	Interest expense	131
Other	(72)	Other	—
Total	$ (1,722)		$ 621

The Company enters into futures and forward contracts that closely match the terms of the underlying transactions. As a result, the ineffective portion of the open hedge contracts through July 2, 2016 was not material to the Condensed Consolidated Statements of Income.

The Company primarily enters into International Swaps and Derivatives Association master netting agreements with major financial institutions that permit the net settlement of amounts owed under their respective derivative contracts. Under these master netting agreements, net settlement generally permits the Company or the counterparty to determine the net amount payable for contracts due on the same date and in the same currency for similar types of derivative transactions. The master netting agreements generally also provide for net settlement of all outstanding contracts with a counterparty in the case of an event of default or a termination event. The Company does not offset fair value amounts for derivative instruments and fair value amounts recognized for the right to reclaim cash collateral. At July 2, 2016 and December 26, 2015, the Company had recorded restricted cash in other current assets of $1.0 million and $2.6 million, respectively, as collateral related to open derivative contracts under the master netting arrangements.

Note 6 – Investment in Unconsolidated Affiliates

The Company owns a 50 percent interest in Tecumseh Products Holdings LLC (Joint Venture), an unconsolidated affiliate that acquired Tecumseh Products Company (Tecumseh) during the third quarter of 2015. The Company also owns 50 percent interest in a second unconsolidated affiliate that provided financing to Tecumseh in conjunction with the acquisition. These investments are accounted for using the equity method of accounting as the Company can exercise significant influence but does not own a majority equity interest or otherwise control the respective entities. Under the equity method of accounting, these investments are stated at initial cost and are adjusted for subsequent additional investments and the Company's proportionate share of earnings or losses and distributions.

The Company records its proportionate share of the investees' net income or loss one quarter in arrears as income (loss) from unconsolidated affiliates, net of tax, in the Condensed Consolidated Statements of Income.

The following tables present summarized financial information derived from the Company's equity method investees' combined consolidated financial statements, which are prepared in accordance with U.S. GAAP.

(In thousands)	March 31, 2016	September 30, 2015
Current assets	$ 248,511	$ 251,389
Noncurrent assets	119,900	112,156
Current liabilities	158,000	178,784
Noncurrent liabilities	70,237	63,643

	March 31, 2016	
(In thousands)	For the Quarter Ended	For the Six Months Ended
Net sales	$ 138,900	$ 290,500
Gross profit	19,500	37,500
Net income	(1,990)	3,854

Included in the equity method investees' net income for the six months ended March 31, 2016 is a gain of $17.1 million that resulted from the allocation of the purchase price, which was finalized during the quarter ended December 31, 2015. That gain was offset by restructuring and impairment charges of $5.3 million and net losses of $8.0 million.

Note 7 –Benefit Plans

The Company sponsors several qualified and nonqualified pension plans and other postretirement benefit plans for certain of its employees. The components of net periodic benefit cost are as follows:

(In thousands)	For the Quarter Ended July 2, 2016	For the Quarter Ended June 27, 2015	For the Six Months Ended July 2, 2016	For the Six Months Ended June 27, 2015
Pension benefits:				
Service cost	$ 165	$ 228	$ 360	$ 500
Interest cost	1,969	2,027	3,944	4,081
Expected return on plan assets	(2,466)	(2,655)	(4,932)	(5,309)
Amortization of net loss	746	656	1,520	1,370
Net periodic benefit cost	$ 414	$ 256	$ 892	$ 642
Other benefits:				
Service cost	$ 60	$ 84	$ 122	$ 180
Interest cost	149	190	305	386
Amortization of prior service (credit) cost	(224)	1	(448)	3
Amortization of net gain	(20)	(16)	(18)	(13)
Net periodic benefit (income) cost	$ (35)	$ 259	$ (39)	$ 556

Note 8 – Commitments and Contingencies

The Company is involved in certain litigation as a result of claims that arose in the ordinary course of business, which management believes will not have a material adverse effect on the Company's financial position, results of operations, or cash flows. It may also realize the benefit of certain legal claims and litigation in the future; these gain contingencies are not recognized in the Condensed Consolidated Financial Statements.

Guarantees

Guarantees, in the form of letters of credit, are issued by the Company generally to assure the payment of insurance deductibles and certain retiree health benefits. The terms of guarantees are generally one year but are renewable annually as required. These letters are primarily backed by the Company's revolving credit facility. The maximum payments that the Company could be required to make under its guarantees at July 2, 2016 were $7.0 million.

Note 9 – Income Taxes

The Company's effective tax rate for the second quarter of 2016 was 32 percent compared with 37 percent for the same period last year. The items impacting the effective tax rate for the second quarter of 2016 were primarily attributable to reductions for the U.S. production activities deduction of $1.0 million, and the effect of foreign tax rates lower than statutory tax rates of $1.4 million. These items were partially offset by the provision for state income taxes, net of the federal benefit, of $0.8 million and miscellaneous items totaling $0.5 million.

For the second quarter of 2015, the difference between the effective tax rate and the amount computed using the U.S. federal statutory tax rate was primarily attributable to increases for state income taxes, net of the federal benefit, of $1.4 million and miscellaneous items totaling $0.6 million. These items were partially offset by reductions for the U.S. production activities deduction of $1.2 million.

The Company's effective tax rate for the first half of 2016 was 34 percent compared with 36 percent for the same period last year. The items impacting the effective tax rate for the first half of 2016 were primarily attributable to reductions for the U.S. production activities deduction of $1.9 million and the effect of foreign tax rates lower than statutory tax rates of $2.5 million. These items were partially offset by the provision for state income taxes, net of the federal benefit, of $1.7 million, and miscellaneous items totaling $1.7 million.

For the first half of 2015, the difference between the effective tax rate and what would be computed using the U.S. federal statutory tax rate was attributable to increases for state income taxes, net of the federal benefit, of $2.2 million and miscellaneous other items totaling $1.0 million. These items were partially offset by reductions for the U.S. production activities deduction of $2.2 million and the effect of foreign income taxes lower than statutory tax rates and other foreign adjustments of $0.4 million.

The Company files a consolidated U.S. federal income tax return and numerous consolidated and separate-company income tax returns in many state, local, and foreign jurisdictions. The statute of limitations is open for the Company's federal tax return and most state income tax returns for 2012 and all subsequent years and is open for certain state and foreign returns for earlier tax years due to ongoing audits and differing statute periods. The Internal Revenue Service is currently auditing the Company's 2013 federal tax return. While the Company believes that it is adequately reserved for possible future audit adjustments, the final resolution of these examinations cannot be determined with certainty and could result in final settlements that differ from current estimates.

Note 10 – Accumulated Other Comprehensive Income

AOCI includes certain foreign currency translation adjustments from those subsidiaries not using the U.S. dollar as their functional currency, net deferred gains and losses on certain derivative instruments accounted for as cash flow hedges, adjustments to pension and OPEB liabilities, unrealized gains and losses on marketable securities classified as available-for-sale, and other comprehensive income attributable to unconsolidated affiliates.

The following table provides changes in AOCI by component, net of taxes and noncontrolling interests (amounts in parentheses indicate debits to AOCI):

	For the Six Months Ended July 2, 2016				
(In thousands)	Cumulative Translation Adjustment	Unrealized (Losses)/Gains on Derivatives	Minimum Pension/OPEB Liability Adjustment	Other	Total
Balance at December 26, 2015	$ (24,773)	$ (2,009)	$ (28,429)	$ 221	$ (54,990)
Other comprehensive income (loss) before reclassifications	(9,939)	2,457	1,910	1,461	(4,111)
Amounts reclassified from AOCI	—	(1,163)	792	—	(371)
Net current-period other comprehensive income	(9,939)	1,294	2,702	1,461	(4,482)
Balance at July 2, 2016	$ (34,712)	$ (715)	$ (25,727)	$ 1,682	$ (59,472)

	For the Six Months Ended June 27, 2015				
(In thousands)	Cumulative Translation Adjustment	Unrealized (Losses)/Gains on Derivatives	Minimum Pension/OPEB Liability Adjustment	Other	Total
Balance at December 27, 2014	$ (7,076)	$ (953)	$ (35,164)	$ 270	$ (42,923)
Other comprehensive income (loss) before reclassifications	(947)	(1,722)	(229)	7	(2,891)
Amounts reclassified from AOCI	—	621	998	—	1,619
Net current-period other comprehensive income	(947)	(1,101)	769	7	(1,272)
Balance at June 27, 2015	$ (8,023)	$ (2,054)	$ (34,395)	$ 277	$ (44,195)

Reclassification adjustments out of AOCI were as follows:

(In thousands)	Amount reclassified from AOCI For the Three Months Ended July 2, 2016	June 27, 2015	Affected line item
Unrealized losses/(gains) on derivatives:			
Commodity contracts	$ (2,108)	$ (111)	Cost of goods sold
Interest rate swap	92	98	Interest expense
	716	(5)	Income tax expense
	(1,300)	(18)	Net of tax
	—	—	Noncontrolling interests
	$ (1,300)	$ (18)	Net of tax and noncontrolling interests
Amortization of net loss and prior service cost on employee benefit plans	$ 502	$ 641	Selling, general, and administrative expense
	(122)	(164)	Income tax expense
	380	477	Net of tax
	—	—	Noncontrolling interests
	$ 380	$ 477	Net of tax and noncontrolling interests

(In thousands)	Amount reclassified from AOCI For the Six Months Ended July 2, 2016	June 27, 2015	Affected line item
Unrealized losses/(gains) on derivatives:			
Commodity contracts	$ (1,871)	$ 651	Cost of goods sold
Interest rate swap	200	204	Interest expense
	508	(234)	Income tax expense
	(1,163)	621	Net of tax
	—	—	Noncontrolling interests
	$ (1,163)	$ 621	Net of tax and noncontrolling interests
Amortization of net loss and prior service cost on employee benefit plans	$ 1,054	$ 1,360	Selling, general, and administrative expense
	(262)	(362)	Income tax expense
	792	998	Net of tax
	—	—	Noncontrolling interests
	$ 792	$ 998	Net of tax and noncontrolling interests

Note 11 – Noncontrolling Interests

(In thousands)		Noncontrolling Interests
Balance at December 26, 2015	$	32,417
Purchase of Jungwoo-Mueller		14,562
Net income attributable to noncontrolling interests		497
Other comprehensive loss attributable to noncontrolling interests, net of tax:		
Foreign currency translation		(1,359)
Balance at July 2, 2016	$	46,117

Note 12 – Recently Issued Accounting Standards

In March 2016, the Financial Accounting Standards Board (FASB) issued ASU (Accounting Standards Update) No. 2016-09, *Compensation – Stock Compensation (Topic 718): Improvement to Employee Share-Based Payment Accounting* (ASU 2016-09). The ASU requires all income tax effects of awards to be recognized in the income statement when the awards vest or are settled. It will also allow a company to make a policy election to account for forfeitures as they occur. The guidance is effective for public business entities in interim and fiscal periods beginning after December 15, 2016. Early adoption is permitted, but all of the guidance must be adopted in the same period. The Company is in the process of evaluating the impact of ASU 2016-09 on its Condensed Consolidated Financial Statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842) (ASU 2016-02).* ASU 2016-02 requires an entity to recognize a right-of-use asset and lease liability for all leases with terms of more than 12 months. Recognition, measurement and presentation of expenses will depend on classification as a financing or operating lease. The amendments also require certain quantitative and qualitative disclosures about leasing arrangements. The ASU will be effective for interim and fiscal periods beginning after December 15, 2018. Early adoption is permitted. The updated guidance requires a modified retrospective adoption. The Company is still evaluating the effects that the provision of ASU 2016-02 will have on its Condensed Consolidated Financial Statements.

In April 2015, the FASB issued ASU No. 2015-03, *Interest – Imputation of Interest (Topic 835-30): Simplifying the Presentation of Debt Issue Costs* (ASU 2015-03). The ASU simplifies the presentation of debt issuance costs by requiring debt issuance costs related to a recognized debt liability to be presented on the balance sheet as a direct deduction from the debt liability rather than as a separate asset. In circumstances in which there is not an associated debt liability amount recorded in the financial statements when the debt issuance costs are incurred, they will be reported on the balance sheet as an asset until the debt liability is recorded. The guidance is effective for public business entities in interim and fiscal periods beginning after December 15, 2015. Retrospective application is required. The Company adopted ASU 2015-03 effective December 27, 2015. The adoption of the ASU did not have a material impact on the Company's Condensed Consolidated Financial Statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). The ASU will supersede virtually all existing revenue recognition guidance under U.S. GAAP and will be effective for annual reporting periods beginning after December 15, 2017. The fundamental principles of the new guidance are that companies should recognize revenue in a manner that reflects the timing of the transfer of services to customers and the amount of revenue recognized reflects the consideration that a company expects to receive for the goods and services provided. The new guidance establishes a five-step approach for the recognition of revenue. The Company is in the process of evaluating the impact of ASU 2014-09 on its Condensed Consolidated Financial Statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General Overview

We are a leading manufacturer of copper, brass, aluminum, and plastic products. The range of these products is broad: copper tube and fittings; line sets; brass and copper alloy rod, bar, and shapes; aluminum and brass forgings; aluminum impact extrusions; plastic fittings and valves; refrigeration valves and fittings; fabricated tubular products; and steel nipples. We also resell imported brass and plastic plumbing valves, malleable iron fittings, faucets and plumbing specialty products. Mueller's operations are located throughout the United States and in Canada, Mexico, Great Britain, South Korea and China.

During the first quarter of 2016, the Company made changes to its management reporting structure as a result of a change in the way the Chief Executive Officer, who serves as the Chief Operating Decision Maker, manages and evaluates the business, makes key operating decisions, and allocates resources. Previously, the Company had two reportable segments: Plumbing & Refrigeration and OEM. During the first quarter, the Company realigned its operating segments into three reportable segments: Piping Systems, Industrial Metals, and Climate. Management has recast certain prior period amounts to conform to the current period presentation. Each of the reportable segments is composed of certain operating segments that are aggregated primarily by the nature of products offered as follows:

- Piping Systems: The Piping Systems segment is composed of Domestic Piping Systems Group, Canadian Operations, European Operations, Trading Group, Mueller-Xingrong (our Chinese joint venture), and Jungwoo-Mueller (our South Korean joint venture). The Domestic Piping Systems Group manufactures and sells copper tube, copper and plastic fittings, line sets, and valves in North America. The Canadian Operations manufacture copper tube and line sets in Canada and sells the products primarily in the U.S. and Canada. European Operations manufacture copper tube in the United Kingdom, which is sold throughout Europe. The Trading Group manufactures pipe nipples and sources products for import distribution in North America. Mueller-Xingrong manufactures engineered copper tube primarily for air-conditioning applications; these products are sold primarily to OEMs located in China. Jungwoo-Mueller manufactures copper-based joining products that are sold worldwide. The Piping Systems segment sells products to wholesalers in the plumbing and refrigeration markets, distributors to the manufactured housing and recreational vehicle industries, building material retailers, and air-conditioning OEMs.

- Industrial Metals: The Industrial Metals segment is composed of Brass Rod & Copper Bar Products, Impacts & Micro Gauge, and Brass-Value Added Products. The segment manufactures and sells brass and copper alloy rod, bar, and shapes; aluminum and brass forgings; aluminum impact extrusions; and gas valves and assemblies. The segment manufactures and sells its products primarily to domestic OEMs in the industrial, construction, heating, ventilation, and air-conditioning, plumbing, and refrigeration markets.

- Climate: The Climate segment is composed of Refrigeration Products, Fabricated Tube Products, Westermeyer, and Turbotec. The segment manufactures and sells refrigeration valves and fittings and fabricated tubular products. The segment sells its products primarily to the heating, ventilation, air-conditioning, and refrigeration markets in the U.S.

New housing starts and commercial construction are important determinants of the Company's sales to the heating, ventilation, and air-conditioning, refrigeration, and plumbing markets because the principal end use of a significant portion of our products is in the construction of single and multi-family housing and commercial buildings. Repairs and remodeling projects are also important drivers of underlying demand for these products.

Residential construction activity has shown improvement in recent years, but remains at levels below long-term historical averages. Continued improvement is expected, but may be tempered by continuing low labor participation rates, the pace of household formations, and tighter lending standards. Per the U.S. Census Bureau, the June 2016 seasonally adjusted annual rate of new housing starts was 1.2 million, which was consistent with the June 2015 rate. Mortgage rates remain at historically low levels, as the average 30-year fixed mortgage rate was 3.67 percent for the first six months of 2016 and 3.85 percent for the twelve months ended December 2015.

The private non-residential construction sector, which includes offices, industrial, health care and retail projects, has shown improvement since 2014. Per the U.S. Census Bureau, the actual (not seasonally adjusted) value of private nonresidential construction put in place was $389.9 billion in 2015 compared to $359.7 billion in 2014. The seasonally adjusted annual value of private non-residential construction put in place was $407.4 billion in May 2016 compared to the December 2015 rate of $393.9 billion and the May 2015 rate of $392.0 billion. We expect that most of these conditions will continue to improve.

Profitability of certain of the Company's product lines depends upon the "spreads" between the cost of raw material and the selling prices of its products. The open market prices for copper cathode and scrap, for example, influence the selling price of copper tube, a principal product manufactured by the Company. We attempt to minimize the effects on profitability from fluctuations in material costs by passing through these costs to our customers. Our earnings and cash flow are dependent upon these spreads that fluctuate based upon market conditions.

Earnings and profitability are also impacted by unit volumes that are subject to market trends, such as substitute products, imports, technologies, and market share. In our core product lines, we intensively manage our pricing structure while attempting to maximize our profitability. From time-to-time, this practice results in lost sales opportunities and lower volume. For plumbing systems, plastics are the primary substitute product; these products represent an increasing share of consumption. U.S. consumption of copper tube is still predominantly supplied by U.S. manufacturers. For certain air-conditioning and refrigeration applications, aluminum based systems are the primary substitution threat. We cannot predict the acceptance or the rate of switching that may occur. In recent years, brass rod consumption in the U.S. has declined due to the outsourcing of many manufactured products to offshore regions.

Results of Operations

Consolidated Results

The following table compares summary operating results for 2016 and 2015:

	Three Months Ended		Percent Change	Six Months Ended		Percent Change
(In thousands)	July 2, 2016	June 27, 2015	2016 vs. 2015	July 2, 2016	June 27, 2015	2016 vs. 2015
Net sales	$ 544,071	$ 555,593	(2.1) %	$ 1,076.880	$ 1,092,835	(1.5)%
Operating income	44,436	55,554	(20.0)	85,903	91,278	(5.9)
Net income	27,797	33,651	(17.4)	56,427	55,629	1.4

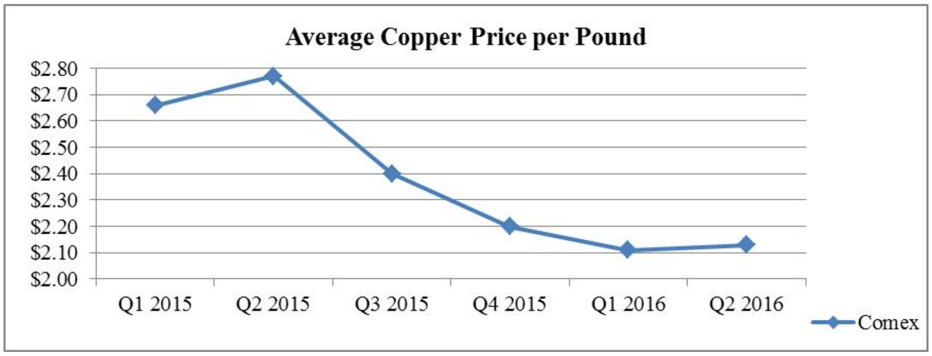
The following are components of changes in net sales compared to the prior year:

	Quarter-to-Date 2016 vs. 2015	Year-to-Date 2016 vs. 2015
Net selling price in core product lines	(12.8)%	(13.4)%
Unit sales volume in core product lines	(2.0)	(1.6)
Acquisitions	14.0	13.9
Other	(1.3)	(0.4)
	(2.1)%	(1.5)%

The decrease in net sales during the second quarter of 2016 was primarily due to (i) lower net selling prices of $71.4 million in our core product lines, primarily copper tube and brass rod, (ii) lower unit sales volume of $11.4 million, primarily in the Industrial Metals segment and at Mueller-Xingrong, and (iii) a decrease in net sales of $6.7 million in our non-core product lines. These decreases were offset by (i) $63.8 million of sales recorded by Great Lakes Copper Ltd. (Great Lakes), acquired in July 2015, (ii) $10.8 million of sales recorded by Sherwood Valve LLC (Sherwood), acquired in June 2015, and (iii) $3.2 million of sales recorded by Jungwoo Metal Ind. Co., LTD (Jungwoo-Mueller), acquired in April 2016.

The decrease in net sales during the first half of 2016 was primarily due to (i) lower net selling prices of $146.5 million in our core product lines, (ii) lower unit sales volume of $17.3 million, primarily in the Industrial Metals segment and at Mueller-Xingrong, and (iii) a decrease in net sales of $4.8 million in our non-core product lines. These decreases were offset by (i) $121.2 million of sales recorded by Great Lakes, (ii) $23.1 million of sales recorded by Sherwood, (iii) $4.5 million of incremental sales recorded by Turbotec Products, Inc. (Turbotec), acquired in March 2015, and (iv) $3.2 million of sales recorded by Jungwoo-Mueller.

Net selling prices generally fluctuate with changes in raw material costs. Changes in raw material costs are generally passed through to customers by adjustments to selling prices. The following graph shows the Comex average copper price per pound by quarter for the current and prior fiscal years:



The following tables compare cost of goods sold and operating expenses as dollar amounts and as a percent of net sales for 2016 and 2015:

	Three Months Ended		Six Months Ended	
(In thousands)	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	$ 456,060	$ 470,365	$ 902,702	$ 931,199
Depreciation and amortization	9,061	8,188	17,981	16,041
Selling, general and administrative expense	34,514	33,420	70,294	66,251
Gain on sale of assets	—	(15,376)	—	(15,376)
Severance	—	3,442	—	3,442
Operating expenses	$ 499,635	$ 500,039	$ 990,977	$ 1,001,557

	Three Months Ended		Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	83.8%	84.7%	83.8%	85.2%
Depreciation and amortization	1.7	1.5	1.7	1.5
Selling, general and administrative expense	6.3	6.0	6.5	6.0
Gain on sale of assets	—	(2.8)	—	(1.4)
Severance	—	0.6	—	0.3
Operating expenses	91.8%	90.0%	92.0%	91.6%

Q2 2016 compared to Q2 2015

The decrease in cost of goods sold was primarily due to the decrease in the average cost of copper, our principal raw material, partially offset by the increase in volume related to businesses acquired. Depreciation and amortization increased in the second quarter of 2016 primarily as a result of depreciation and amortization of long-lived assets of businesses acquired.Selling, general, and administrative expenses increased slightly for the second quarter of 2016 primarily as a result of incremental expenses of $2.6 million associated with businesses acquired during 2015 and 2016. This was offset by a reduction in employee compensation expenses, including incentive compensation, of $0.4 million. In addition, there were $1.0 million of equipment relocation costs and fixed asset impairment charges related to the rationalization of Yorkshire Copper Tube (Yorkshire) recorded in the second quarter of 2015.

During the second quarter of 2015, our operating results were positively impacted by a net gain of $15.4 million recorded on the sale of certain assets. This was offset by $3.4 million of severance charges related to the rationalization of Yorkshire.

Interest expense decreased slightly in the second quarter of 2016 primarily as a result of decreased borrowing costs at Mueller-Xingrong. Other income, net, for the first quarter of 2016 was consistent with the first quarter of 2015.

Our effective tax rate for the second quarter of 2016 was 32 percent compared with 37 percent for the same period last year. The items impacting the effective tax rate for the second quarter of 2016 were primarily attributable to reductions for the U.S. production activities deduction of $1.0 million and the effect of foreign tax rates lower than statutory tax rates of $1.4 million. These items were partially offset by the provision for state income taxes, net of the federal benefit, of $0.8 million and miscellaneous items totaling $0.5 million.

For the second quarter of 2015, the difference between the effective tax rate and the amount computed using the U.S. federal statutory tax rate was primarily attributable to increases for state income taxes, net of the federal benefit, of $1.4 million and miscellaneous items totaling $0.6 million. These items were partially offset by reductions for the U.S. production activities deduction of $1.2 million.

We own a 50 percent interest in Tecumseh Products Holdings LLC, an unconsolidated affiliate that acquired Tecumseh Products Company (Tecumseh) during the third quarter of 2015. We also own a 50 percent interest in a second unconsolidated affiliate that provided financing to Tecumseh in conjunction with the acquisition. We account for these investments using the equity method of accounting. For the second quarter of 2016, we recognized a loss of $1.0 million on these investments.

2016 YTD compared to 2015 YTD

The decrease in cost of goods sold was primarily due to the decrease in the average cost of copper, partially offset by the increase in volume related to businesses acquired. Depreciation and amortization increased slightly in the first half of 2016 primarily as a result of depreciation and amortization of long-lived assets of businesses acquired.Selling, general, and administrative expenses increased for the first half of 2016 primarily as a result of incremental expenses of $6.2 million associated with businesses acquired during 2015 and 2016. In addition, there was $1.3 million of equipment relocation costs and fixed asset impairment charges related to the rationalization of Yorkshire recorded in the first half of 2015.

During the first half of 2015, our operating results were positively impacted by a net gain of $15.4 million recorded on the sale of certain assets. This was offset by $3.4 million of severance charges related to the rationalization of Yorkshire.

Interest expense decreased in the first half of 2016 primarily as a result of decreased borrowing costs at Mueller-Xingrong. Other income, net, for the first half of 2016 was consistent with the second quarter of 2015.

Our effective tax rate for the first half of 2016 was 34 percent compared with 36 percent for the same period last year. The items impacting the effective tax rate for the first half of 2016 were primarily attributable to reductions for the U.S. production activities deduction of $1.9 million and the effect of foreign tax rates lower than statutory tax rates of $2.5 million. These items were partially offset by the provision for state income taxes, net of the federal benefit, of $1.7 million, and miscellaneous items totaling $1.7 million.

For the first half of 2015, the difference between the effective tax rate and the amount computed using the U.S. federal statutory tax rate was attributable to increases for state income taxes, net of the federal benefit, of $2.2 million and miscellaneous other items totaling $1.0 million. These items were partially offset by reductions for the U.S. production activities deduction of $2.2 million and the effect of foreign income taxes lower than statutory tax rates and other foreign adjustments of $0.4 million.

During the first half of 2016, we recognized $1.9 million of income on our investment in unconsolidated affiliates. This included the gain that resulted from the allocation of the purchase price recorded by our equity method investees, which was offset by restructuring and impairment charges and operating losses.

Piping Systems Segment

The following table compares summary operating results for 2016 and 2015 for the businesses comprising our Piping Systems segment:

	Three Months Ended		Percent Change	Six Months Ended		Percent Change
(In thousands)	July 2, 2016	June 27, 2015	2016 vs. 2015	July 2, 2016	June 27, 2015	2016 vs. 2015
Net sales	$ 388,662	$ 379,750	2.3%	$ 757,552	$ 741,232	2.2%
Operating income	32,959	43,235	(23.8)	64,118	69,494	(7.7)

The following are components of changes in net sales compared to the prior year:

	Quarter-to-Date 2016 vs. 2015	Year-to-Date 2016 vs. 2015
Net selling price in core product lines	(13.4)%	(14.0)%
Unit sales volume in core product lines	(0.7)	0.1
Acquisitions	17.7	16.8
Other	(1.3)	(0.7)
	2.3%	2.2%

The increase in net sales during the second quarter of 2016 was primarily attributable to (i) $63.8 million of sales recorded by Great Lakes and (ii) $3.2 million of sales recorded by Jungwoo-Mueller. These increases were offset by (i) lower net selling prices of $51.0 million in the segment's core product lines, primarily copper tube, (ii) a decrease in net sales of $5.1 million in the segment's non-core product lines, and (iii) lower unit sales volume of $2.5 million in the segment's core product lines, primarily Mueller-Xingrong.

The increase in net sales during the first half of 2016 was primarily due to (i) $121.2 million of sales recorded by Great Lakes and (ii) $3.2 million of sales recorded by Jungwoo-Mueller. These increases were offset by (i) lower net selling prices of $104.0 million in the segment's core product lines and (ii) a decrease in net sales of $4.8 million in the segment's non-core product lines.

The following tables compare cost of goods sold and operating expenses as dollar amounts and as a percent of net sales for 2016 and 2015:

	Three Months Ended		Six Months Ended	
(In thousands)	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	$ 333,356	$ 326,338	$ 647,148	$ 639,028
Depreciation and amortization	5,787	5,335	11,436	10,522
Selling, general and administrative expense	16,560	16,776	34,850	34,122
Gain on sale of assets	—	(15,376)	—	(15,376)
Severance	—	3,442	—	3,442
Operating expenses	$ 355,703	$ 336,515	$ 693,434	$ 671,738

	Three Months Ended		Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	85.8%	85.9%	85.4%	86.2%
Depreciation and amortization	1.5	1.4	1.5	1.4
Selling, general and administrative expense	4.2	4.4	4.6	4.6
Gain on sale of assets	—	(4.0)	—	(2.1)
Severance	—	0.9	—	0.5
Operating expenses	91.5%	88.6%	91.5%	90.6%

The increase in cost of goods sold during the second quarter of 2016 was primarily due to the increase in volume related to Great Lakes and Jungwoo-Mueller, partially offset by the decrease in the average cost of copper. Depreciation and amortization increased slightly as a result of depreciation and amortization of the long-lived assets acquired at Great Lakes.Selling, general, and administrative expenses increased slightly for the second quarter of 2016, primarily as a result of incremental expenses associated with Great Lakes and Jungwoo-Mueller of $2.3 million. This was offset by a reduction in (i) sales commissions of $0.7 million, (ii) environmental remediation costs of $0.4 million, and (iii) employee compensation expenses, including incentive compensation, of $0.5 million. Lastly, there was $1.0 million of equipment relocation costs and fixed asset impairment charges related to the rationalization of Yorkshire recorded in the second quarter of 2015.

During the second quarter of 2015, the segment's operating results were positively impacted by a net gain of $15.4 million recorded on the sale of certain assets. This was offset by $3.4 million of severance charges related to the rationalization of Yorkshire.

The increase in cost of goods sold during the first half of 2016 was primarily due to the increase in volume related to Great Lakes and Jungwoo-Mueller, partially offset by the decrease in the average cost of copper. Depreciation and amortization increased as a result of depreciation and amortization of the long-lived assets acquired at Great Lakes.Selling, general, and administrative expenses increased slightly for the first half of 2016, primarily due to incremental expenses associated with Great Lakes and Jungwoo-Mueller of $4.0 million. This was offset by a reduction in (i) sales commissions of $1.4 million and (ii) environmental remediation costs of $0.4 million. Lastly, there was $1.3 million of equipment relocation costs and fixed asset impairment charges related to the rationalization of Yorkshire recorded in the first half of 2015.

During the first half of 2015, the segment's operating results were positively impacted by a net gain of $15.4 million recorded on the sale of certain assets. This was offset by $3.4 million of severance charges related to the rationalization of Yorkshire.

Industrial Metals Segment

The following table compares summary operating results for 2016 and 2015 for the businesses comprising our Industrial Metals segment:

	Three Months Ended		Percent Change	Six Months Ended		Percent Change
(In thousands)	July 2, 2016	June 27, 2015	2016 vs. 2015	July 2, 2016	June 27, 2015	2016 vs. 2015
Net sales	$ 127,737	$ 145,228	(12.0)%	$ 262,258	$ 296,264	(11.5)%
Operating income	17,124	20,475	(16.4)	37,036	39,434	(6.1)

The following are components of changes in net sales compared to the prior year:

	Quarter-to-Date 2016 vs. 2015	Year-to-Date 2016 vs. 2015
Net selling price in core product lines	(14.2)%	(14.3)%
Unit sales volume in core product lines	(6.1)	(6.1)
Acquisitions	7.5	7.8
Other	0.8	1.1
	(12.0)%	(11.5)%

The decrease in net sales during the second quarter of 2016 was primarily due to (i) lower net selling prices of $20.4 million in the segment's core product lines, primarily brass rod, and (ii) lower unit sales volume of $8.8 million in the segment's core product lines. These decreases were offset by $10.8 million of sales recorded by Sherwood.

The decrease in net sales during the first half of 2016 was primarily due to (i) lower unit sales volume of $42.5 million in the segment's core product lines, and (ii) lower net selling prices of $18.0 million in the segment's core product lines. These decreases were offset by $23.1 million of sales recorded by Sherwood.

The following tables compare cost of goods sold and operating expenses as dollar amounts and as a percent of net sales for 2016 and 2015:

(In thousands)	Three Months Ended		Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	$ 104,874	$ 120,808	$ 214,103	$ 248,532
Depreciation and amortization	2,120	1,643	4,255	3,298
Selling, general and administrative expense	3,619	2,302	6,864	5,000
Operating expenses	$ 110,613	$ 124,753	$ 225,222	$ 256,830

	Three Months Ended		Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	82.1%	83.2%	81.6%	83.9%
Depreciation and amortization	1.7	1.1	1.6	1.1
Selling, general and administrative expense	2.8	1.6	2.7	1.7
Operating expenses	86.6%	85.9%	85.9%	86.7%

The decrease in cost of goods sold during the second quarter of 2016 was primarily due to the decrease in the average cost of copper. Depreciation and amortization increased slightly as a result of the long-lived assets acquired at Sherwood and recent capital expenditures. Selling, general, and administrative expenses increased primarily due to incremental expenses associated with Sherwood of $1.5 million.

The decrease in cost of goods sold during the first half of 2016 was primarily due to the decrease in the average cost of copper. Depreciation and amortization increased as a result of the long-lived assets acquired at Sherwood and recent capital expenditures.Selling, general, and administrative expenses increased primarily due to incremental expenses associated with Sherwood of $2.1 million, offset by a decrease in net periodic pension costs of $0.3 million.

Climate Segment

The following table compares summary operating results for 2016 and 2015 for the businesses comprising our Climate segment:

(In thousands)	Three Months Ended		Percent Change	Six Months Ended		Percent Change
	July 2, 2016	June 27, 2015	2016 vs. 2015	July 2, 2016	June 27, 2015	2016 vs. 2015
Net sales	$ 31,359	$ 31,498	(0.4)%	$ 62,065	$ 57,309	8.3%
Operating income	5,837	4,250	37.3	9,716	6,515	49.1

Sales for the second quarter of 2016 were consistent with sales recorded in the second quarter of 2015. The increase in sales for the first half of 2016 was primarily due to incremental sales recorded by Turbotec of $4.5 million.

The following tables compare cost of goods sold and operating expenses as dollar amounts and as a percent of net sales for 2016 and 2015:

	Three Months Ended		Six Months Ended	
(In thousands)	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	$ 22,448	$ 24,134	$ 46,153	$ 45,401
Depreciation and amortization	618	614	1,217	1,039
Selling, general and administrative expense	2,456	2,500	4,979	4,354
Operating expenses	$ 25,522	$ 27,248	$ 52,349	$ 50,794

	Three Months Ended		Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Cost of goods sold	71.6%	76.6%	74.4%	79.2%
Depreciation and amortization	2.0	1.9	2.0	1.8
Selling, general and administrative expense	7.8	8.0	7.9	7.6
Operating expenses	81.4%	86.5%	84.3%	88.6%

The decrease in cost of goods sold during the second quarter of 2016 was primarily due to the decrease in the average cost of copper and product mix within the segment. Depreciation and amortization and selling, general, and administrative expenses for the second quarter of 2016 were consistent with the expense recorded for the second quarter of 2015.

The increase in cost of goods sold during the first half of 2016 was related to the increase in volume with the acquisition of Turbotec, partially offset by the decrease in the average cost of copper and product mix within the segment. Depreciation and amortization increased as a result of the depreciation and amortization of the long-lived assets acquired at Turbotec.Selling, general, and administrative expenses increased slightly primarily due to incremental expenses associated with Turbotec of $0.6 million.

Liquidity and Capital Resources

The following table presents selected financial information for the first half of 2016 and 2015:

(In thousands)	2016	2015
Increase (decrease) in:		
Cash and cash equivalents	$ 8,317	$ (52,987)
Property, plant, and equipment, net	17,715	15,239
Total debt	13,862	(18,680)
Working capital, net of cash and current debt	52,950	52,934
Cash provided by operating activities	41,865	17,150
Cash used in investing activities	(27,791)	(42,943)
Cash used in financing activities	(3,449)	(26,414)

Cash Provided by Operating Activities

During the six months ended July 2, 2016, cash provided by operating activities was primarily attributable to consolidated net income of $56.9 million, depreciation and amortization of $18.2 million, and decreased other assets of $17.0 million. These increases were offset by increased receivables of $52.3 million. The fluctuations are primarily due to increased sales volume in certain businesses and additional working capital needs in the first half of 2016.

During the six months ended June 27, 2015, cash provided by operating activities was primarily attributable to consolidated net income of $56.2 million and depreciation and amortization of $16.3 million. These cash increases were partially offset by increased receivables of $24.3 million, decreased current liabilities of $19.6 million, and the $15.4 million gain on the sale of certain assets. These fluctuations are primarily due to a net increase in working capital needs.

Cash Used in Investing Activities

The major components of net cash used in investing activities in the first six months of 2016 included $20.5 million for the purchase of a 60.0 percent equity interest in Jungwoo-Mueller, net of cash acquired, and capital expenditures of $10.2 million , offset by $1.5 million in proceeds from the sale of properties and net withdrawals from restricted cash balances of $1.5 million.

The major components of net cash used in investing activities in the first six months of 2015 included $36.0 million for the acquisition of Turbotec and Sherwood and capital expenditures of $16.0 million. These cash decreases were offset by $5.5 million in proceeds from the sale of certain assets and net withdrawals from restricted cash of $3.5 million.

Cash Used in Financing Activities

For the first half of 2016, net cash used in financing activities consisted primarily of $9.9 million used for the payment of regular quarterly dividends to stockholders of the Company. This was partially offset by the issuance of debt of $6.4 million.

For the first half of 2015, net cash used in financing activities consisted primarily of $17.8 million used for the repayment of debt by Mueller-Xingrong and $8.4 million used for payment of regular quarterly dividends to stockholders of the Company.

Liquidity and Outlook

Management believes that cash provided by operations, funds available under the credit agreement, and cash on hand will be adequate to meet our liquidity needs, including working capital, capital expenditures, and debt payment obligations. Our current ratio was 4.0 to 1 as of July 2, 2016.

We have significant environmental remediation obligations which we expect to pay over future years. Cash used for environmental remediation activities was approximately $0.3 million during the first six months of 2016. We expect to spend approximately $0.4 million for the remainder of 2016 for ongoing environmental remediation activities.

The Company declared and paid a quarterly cash dividend of 7.5 cents and 10.0 cents per common share in the first and second quarters of 2016, respectively, and 7.5 cents per common share in the first and second quarters of 2015. Payment of dividends in the future is dependent upon our financial condition, cash flows, capital requirements, earnings, and other factors.

On April 26, 2016, the Company entered into an agreement providing for the purchase of a 60.0 percent equity interest in Jungwoo-Mueller for KRW 25 billion, or approximately $21.8 million.

Long-Term Debt

The Company's credit agreement provides for an unsecured $200.0 million revolving credit facility (the Revolving Credit Facility) and a $200.0 million Term Loan Facility, both of which mature on December 11, 2017. The Revolving Credit Facility backed approximately $7.0 million in letters of credit at the end of the second quarter of 2016.

On March 23, 2016, Mueller-Xingrong entered into a new secured revolving credit arrangement with a total borrowing capacity of RMB 150 million (or approximately $24.1 million). In addition, Mueller-Xingrong occasionally finances working capital through various accounts receivable and bank draft discount arrangements. Borrowings are secured by the real property and equipment and bank draft receivables of Mueller-Xingrong and bear interest at the latest base-lending rate published by the People's Bank of China, which was 4.35 percent as of July 2, 2016. Total borrowings at Mueller-Xingrong were $10.6 million as of July 2, 2016.

Jungwoo-Mueller has several secured revolving credit arrangements with a total borrowing capacity of KRW 35.7 billion (or approximately $30.0 million). Borrowings are secured by the real property and equipment of Jungwoo-Mueller and bear interest at 3.28 percent as of July 2, 2016. Total borrowings at Jungwoo-Mueller were $12.5 million as of July 2, 2016.

As of July 2, 2016, the Company's total debt was $229.9 million or 20.0 percent of its total capitalization.

Covenants contained in the Company's financing obligations require, among other things, the maintenance of minimum levels of tangible net worth and the satisfaction of certain minimum financial ratios. As of July 2, 2016, the Company was in compliance with all of its debt covenants.

Share Repurchase Program

The Company's Board of Directors has extended, until October 2016, its authorization to repurchase up to 20 million shares of the Company's common stock through open market transactions or through privately negotiated transactions. The Company has no obligation to repurchase any shares and may cancel, suspend, or extend the time period for the repurchase of shares at any time. Any repurchases will be funded primarily through existing cash and cash from operations. The Company may hold any shares repurchased in treasury or use a portion of the repurchased shares for employee benefit plans, as well as for other corporate purposes. From its initial authorization in 1999 through July 2, 2016, the Company had repurchased approximately 4.7 million shares under this authorization.

Contractual Cash Obligations

There have been no significant changes in the Company's contractual cash obligations reported at December 26, 2015.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk from changes in raw material and energy costs, interest rates, and foreign currency exchange rates. To reduce such risks, the Company may periodically use financial instruments. Hedging transactions are authorized and executed pursuant to policies and procedures. Further, the Company does not buy or sell financial instruments for trading purposes.

Cost and Availability of Raw Materials and Energy

Raw materials, primarily copper and brass, represent the largest component of the Company's variable costs of production. The cost of these materials is subject to global market fluctuations caused by factors beyond our control. Significant increases in the cost of metal, to the extent not reflected in prices for our finished products, or the lack of availability could materially and adversely affect our business, results of operations, and financial condition.

The Company occasionally enters into forward fixed-price arrangements with certain customers. We may utilize futures contracts to hedge risks associated with these fixed-price arrangements. The Company may also utilize futures contracts to manage price risk associated with inventory. Depending on the nature of the hedge, changes in the fair value of the futures contracts will either be offset against the change in fair value of the inventory through earnings or recognized as a component of accumulated other comprehensive income (AOCI) and reflected in earnings upon the sale of inventory. Periodic value fluctuations of the contracts generally offset the value fluctuations of the underlying fixed-price transactions or inventory. At quarter-end, we held open futures contracts to purchase approximately $22.3 million of copper over the next 18 months related to fixed-price sales orders and to sell approximately $15.5 million of copper over the next six months related to copper inventory.

We may enter into futures contracts or forward fixed-price arrangements with certain vendors to manage price risk associated with natural gas purchases. The effective portion of gains and losses with respect to these positions are deferred in equity as a component of AOCI and reflected in earnings upon consumption of natural gas. Periodic value fluctuations of the contracts generally offset the value fluctuations of the underlying natural gas prices. There were no open futures contracts to purchase natural gas at July 2, 2016.

Interest Rates

At July 2, 2016, the Company had variable-rate debt outstanding of $229.9 million. At these borrowing levels, a hypothetical 10 percent increase in interest rates would have had an insignificant unfavorable impact on the Company's pretax earnings and cash flows. The primary interest rate exposures on floating-rate debt are based on LIBOR and the base-lending rate published by the People's Bank of China. There was no fixed rate debt outstanding as of July 2, 2016.

Included in the variable-rate debt outstanding is the Company's $200.0 million Term Loan Facility which bears interest based on LIBOR. We have reduced our exposure to increases in LIBOR by entering into interest rate swap contracts. These contracts have been designated as cash flow hedges. The fair value of these contracts has been recorded in the Condensed Consolidated Balance Sheets, and the related gains and losses on the contracts are deferred in stockholders' equity as a component of AOCI. Deferred gains or losses on the contracts will be recognized in interest expense in the period in which the related interest payment being hedged is expensed.

Foreign Currency Exchange Rates

Foreign currency exposures arising from transactions include firm commitments and anticipated transactions denominated in a currency other than an entity's functional currency. The Company and its subsidiaries generally enter into transactions denominated in their respective functional currencies. We may utilize certain futures or forward contracts with financial institutions to hedge foreign currency transactional exposures. Gains and losses with respect to these positions are deferred in equity as a component of AOCI and reflected in earnings upon collection of receivables or payment of commitments. At July 2, 2016, the Company had open futures contracts with a financial institution to sell approximately 2.7 million euros, 12.3 million Swedish kronor, 9.0 million Norwegian kroner, and 7.7 million U.S. dollars through February 2017. It also held open futures contracts to buy approximately 1.8 million euros through November 2016.

The Company's primary foreign currency exposure arises from foreign-denominated revenues and profits and their translation into U.S. dollars. The primary currencies to which we are exposed include the Canadian dollar, the British pound sterling, the euro, the Mexican peso, the South Korean won, and the Chinese renminbi. The Company generally views its investments in foreign subsidiaries with a functional currency other than the U.S. dollar as long-term. As a result, we generally do not hedge these net investments.

Cautionary Statement Regarding Forward Looking Information

This Quarterly Report contains various forward-looking statements and includes assumptions concerning the Company's operations, future results, and prospects. These forward-looking statements are based on current expectations and are subject to risk and uncertainties, and may be influenced by factors that could cause actual outcomes and results to be materially different from those predicted. The forward-looking statements reflect knowledge and information available as of the date of preparation of the Quarterly Report, and the Company undertakes no obligation to update these forward-looking statements. We identify the forward-looking statements by using the words "anticipates," "believes," "expects," "intends" or similar expressions in such statements.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company provides the following cautionary statement identifying important economic, political, and technological factors, among others, which could cause actual results or events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions. In addition to those factors discussed under "Risk Factors" in this Annual Report on Form 10-K, such factors include: (i) the current and projected future business environment, including interest rates and capital and consumer spending; (ii) the domestic housing and commercial construction industry environment; (iii) availability and price fluctuations in commodities (including copper, natural gas, and other raw materials, including crude oil that indirectly affects plastic resins); (iv) competitive factors and competitor responses to the Company's initiatives; (v) stability of government laws and regulations, including taxes; (vi) availability of financing; and (vii) continuation of the environment to make acquisitions, domestic and foreign, including regulatory requirements and market values of candidates.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure information required to be disclosed in Company reports filed under the Securities Exchange Act of 1934, as amended (the Exchange Act), is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in Company reports filed under the Exchange Act is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures pursuant to Rule 13a-15(e) of the Exchange Act as of July 2, 2016. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective as of July 2, 2016 to ensure that information required to be disclosed in Company reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to management, including the Company's principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the Company's fiscal quarter ending July 2, 2016, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

General

The Company is involved in certain litigation as a result of claims that arose in the ordinary course of business. Additionally, the Company may realize the benefit of certain legal claims and litigation in the future; these gain contingencies are not recognized in the Condensed Consolidated Financial Statements.

Item 1A. Risk Factors

The Company is exposed to risk as it operates its businesses. To provide a framework to understand the operating environment of the Company, we have provided a brief explanation of the more significant risks associated with our businesses in our 2015 Annual Report on Form 10-K. There have been no material changes in risk factors that were previously disclosed in our 2015 Annual Report on Form 10-K, except as set forth below.

The vote by the United Kingdom (U.K.) to leave the European Union (EU) could adversely affect us.

The recent U.K. referendum on its membership in the EU resulted in a majority of U.K. voters voting to exit the EU ("Brexit"). As a result, we face risks associated with the potential uncertainty and consequences that may follow Brexit, including with respect to volatility in exchange rates and interest rates and disruptions affecting our relationships with our existing and future customers, suppliers and employees. Brexit could adversely affect European or worldwide political, regulatory, economic or market conditions and could contribute to instability in global political institutions, regulatory agencies and financial markets. Any of these effects of Brexit, and others we cannot anticipate, could adversely affect our business, results of operations and financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The Company's Board of Directors has extended, until October 2016, its authorization to repurchase up to 20 million shares of the Company's common stock through open market transactions or through privately negotiated transactions. The Company has no obligation to repurchase any shares and may cancel, suspend, or extend the time period for the repurchase of shares at any time. Any repurchases will be funded primarily through existing cash and cash from operations. The Company may hold any shares repurchased in treasury or use a portion of the repurchased shares for employee benefit plans, as well as for other corporate purposes. From its initial authorization in 1999 through July 2, 2016, the Company had repurchased approximately 4.7 million shares under this authorization. Below is a summary of the Company's stock repurchases for the period ended July 2, 2016.

	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
				15,287,060 (1)
April 3 – April 30, 2016	962 (2)	$ 19.71	—	
May 1 – May 28, 2016	1,062 (2)	30.51	—	
May 29 – July 2, 2016	38,983 (2)	31.23	—	

(1) Shares available to be purchased under the Company's 20 million share repurchase authorization until October 2016. The extension of the authorization was announced on October 21, 2015.

(2) Shares tendered to the Company by holders of stock-based awards in payment of the purchase price and/or withholding taxes upon exercise and/or vesting. Also includes shares resulting from restricted stock forfeitures.

Item 5. Other Information

Change in Control Agreements

On July 26, 2016, the Company and each of Jeffrey A. Martin, Nicholas W. Moss, Steffen Sigloch, Mark Millerchip, Daniel R. Corbin and Brian K. Barksdale entered into a Change in Control Agreement (the "Change in Control Agreement"). Pursuant to the Change in Control Agreement, if, upon or within two years following a Change in Control, an executive's employment is terminated by the Company without Cause (other than on account of death or Disability), or by the executive for Good Reason, the executive shall be entitled to: (i) an amount equal to two times the executive's base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and (ii) an amount equal to two times the average annual bonus paid to the executive (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater). The Change in Control Agreement also provides that for two years following termination under the circumstances described above, the executive will receive (subject to the executive's election of COBRA continuation coverage under the Company's group health plan) continued coverage under the Company's group health plan at the Company's cost (or at the direction of the Company, reimbursement for COBRA premiums) for two years following such termination. The provision of any payments and/or benefits under the Change in Control Agreement is subject to the executive's execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination.

The foregoing description of the Change in Control Agreement is a summary and is qualified in its entirety by reference to the Change in Control Agreements, which are filed as Exhibits 10.3 through 10.8 to this Quarterly Report on Form 10-Q and are incorporated herein by reference. Capitalized terms as used in the foregoing description have the same meaning as set forth in the Change in Control Agreement.

Amendment to Employment Agreement of Chief Executive Officer

On July 26, 2016, the Company and Gregory L. Christopher, its Chief Executive Officer, executed an amendment to Mr. Christopher's employment agreement (the "Amendment"). The Amendment changes the manner in which the Bonus component of Mr. Christopher's severance is calculated. Pursuant to the Amendment, the Bonus component of Mr. Christopher's severance will be an amount equal to the greater of (x) the target Bonus for the year in which Mr. Christopher's termination of employment occurs and (y) the target Bonus for the year immediately preceding the year in which Mr. Christopher's termination of employment occurs, in each case, as established by the Company for such year. Consistent with the existing terms of Mr. Christopher's employment agreement, Mr. Christopher will be entitled to receive the Bonus component of his severance in the event his employment is terminated by the Company without Cause, or by him for Good Reason, as if his employment had continued for the remainder of the then-current employment term. Pursuant to the Amendment, under such circumstances, Mr. Christopher would also be entitled to receive payment of the Bonus that would otherwise have been earned in respect of the year in which such termination occurred, pro-rated to reflect the number of days he was employed during such year of termination. Consistent with the existing terms of Mr. Christopher's employment agreement, Mr. Christopher will also be entitled to receive the Bonus component of his severance, multiplied by the number of full and partial years remaining in the then-current employment term, in a lump sum in the event of his resignation following a Change in Control.

The foregoing description of the Amendment is a summary and is qualified in its entirety by reference to the Amendment, which is filed as Exhibit 10.2 to this Quarterly Report on Form 10-Q and is incorporated herein by reference. Capitalized terms as used in the foregoing description have the same meaning as set forth in Mr. Christopher's employment agreement previously filed with the SEC.

Item 6. **Exhibits**

10.1	Amendment No. 3 to Credit Agreement among the Registrant (as borrower), Bank of America N.A. (as agent), and certain lenders named therein, dated July 26, 2016
10.2	Amendment No. 2 to Amended and Restated Employment Agreement by and between the Registrant and Gregory L. Christopher, dated July 26, 2016
10.3	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Brian K. Barksdale
10.4	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Daniel R. Corbin
10.5	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Jeffrey A. Martin
10.6	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Mark Millerchip
10.7	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Nicholas W. Moss
10.8	Change in Control Agreement, effective July 26, 2016 by and between the Registrant and Steffen Sigloch
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.INS	XBRL Instance Document
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Presentation Linkbase Document
101.SCH	XBRL Taxonomy Extension Schema

Items 3 and 4 are not applicable and have been omitted.

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 thereunto duly authorized.

MUELLER INDUSTRIES, INC.

	/s/Jeffrey A. Martin
	Jeffrey A. Martin
July 28, 2016	Chief Financial Officer and Treasurer
Date	(Principal Financial and Accounting Officer)
	/s/Anthony J. Steinriede
July 28, 2016	Anthony J. Steinriede
Date	Vice President – Corporate Controller

EXHIBIT INDEX

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31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.INS	XBRL Instance Document
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Presentation Linkbase Document
101.SCH	XBRL Taxonomy Extension Schema

Exhibit 10.1

AMENDMENT NO. 3 TO CREDIT AGREEMENT

This **AMENDMENT NO. 3 TO CREDIT AGREEMENT** (this "Amendment") dated as of July 26, 2016 is entered into by and among **MUELLER INDUSTRIES, INC.**, a Delaware corporation (the "Borrower"), **BANK OF AMERICA, N.A.**, in its capacity as administrative agent for the Lenders (as defined in the Credit Agreement described below) (in such capacity, the "Administrative Agent") and in its capacity as L/C Issuer and Swing Line Lender (each as defined in the Credit Agreement described below), each of the Lenders signatory hereto, and each of the Subsidiary Guarantors (as defined in the Credit Agreement described below) signatory hereto. Each capitalized term used and not otherwise defined in this Amendment has the definition specified in the Credit Agreement described below.

WITNESSETH:

WHEREAS, the Borrower, the Administrative Agent, the L/C Issuer, the Swing Line Lender and the Lenders party thereto have entered into that certain Credit Agreement dated as of March 7, 2011 (as amended by that certain Amendment No. 1 to Credit Agreement dated as of August 12, 2011 and Amendment No. 2 to Credit Agreement dated as of December 11, 2012, the "Credit Agreement"), pursuant to which the Lenders have made available to the Borrower a revolving credit facility with a swing line sublimit and a letter of credit sublimit;

WHEREAS, each of the Subsidiary Guarantors has entered into the Subsidiary Guaranty pursuant to which it has guaranteed the payment and performance of the obligations of the Borrower under the Credit Agreement and the other Loan Documents;

WHEREAS, the Borrower has advised the Administrative Agent, the L/C Issuer, the Swing Line Lender and the Lenders that it desires to amend the Credit Agreement as set forth below; and

WHEREAS, the Administrative Agent, the L/C Issuer and the Lenders are willing to so amend the Credit Agreement on the terms and conditions contained in this Amendment;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto hereby agree as follows:

1. Amendments to Credit Agreement. Subject to the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the Credit Agreement is amended as follows:

(a) Section 1.01 of the Credit Agreement is amended to add the following new definitions in the appropriate alphabetical location therein:

"LIBOR" has the meaning specified in the definition of Eurocurrency Rate.

"LIBOR Quoted Currency" means each of the following currencies: Dollars; Euro; Sterling; Yen; and Swiss Franc; in each case as long as there is a published LIBOR rate with respect thereto.

"Non-LIBOR Quoted Currency" means any currency other than a LIBOR Quoted Currency.

"Notice of Loan Prepayment" means a notice of prepayment with respect to a Loan, which shall be in a form approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

"Swiss Franc" means the lawful currency of Switzerland.

"Yen" and "¥" means the lawful currency of Japan.

(b) The definition of "Change of Control" in Section 1.01 of the Credit Agreement is amended by deleting the parenthetical at the end of clause (b) therein.

(c) The definitions of "Eurocurrency Rate", "Loan Notice", "Responsible Officer" and "Swing Line Loan Notice" in Section 1.01 of the Credit Agreement are amended and restated in their entirety as follows:

"Eurocurrency Rate" means:

(a) for any Interest Period with respect to a Eurocurrency Rate Loan,

(i) in the case of a Eurocurrency Rate Loan denominated in a LIBOR Quoted Currency, the rate per annum equal to the London Interbank Offered Rate ("LIBOR") or a comparable or successor rate approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(ii) in the case of any other Eurocurrency Rate Loan denominated in a Non-LIBOR Quoted Currency, the rate per annum as designated with respect to such currency at the time such currency was approved by the Administrative Agent and the Lenders pursuant to Section 1.06(a) or, if such rate is unavailable on any date of determination for any reason, a comparable or successor rate approved by the Administrative Agent; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR or a comparable or successor rate approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time determined two Business Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one month commencing that day;

provided that (i) to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice (however, to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent) and (ii) if the Eurocurrency Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to LIBOR or any comparable or successor rate referenced in this definition above.

"Loan Notice" means a notice of (a) a Term Loan Borrowing, (b) a Committed Borrowing, (c) a conversion of Loans from one Type to the other, or (d) a continuation of Eurocurrency Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

"Responsible Officer" means the chief executive officer, president, chief financial officer, treasurer, vice president, assistant treasurer or controller of a Loan Party, solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Swing Line Loan Notice" means a notice of a Swing Line Borrowing pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B or such other form as approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent pursuant), appropriately completed and signed by a Responsible Officer of the Borrower.

(d) The definition of "Federal Funds Rate" in Section 1.01 of the Credit Agreement is amended by deleting the reference therein to "arranged by Federal funds brokers on such day".

(e) The first sentence of Section 2.02(a) of the Credit Agreement is amended and restated in its entirety as follows:

Each Committed Borrowing, the Term Loan Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by: (A) telephone or (B) a Loan Notice.

(f) The first sentence of Section 2.04(b) of the Credit Agreement is amended and restated in its entirety as follows:

Each Swing Line Borrowing shall be made upon the Borrower's irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by: (A) telephone or (B) a Swing Line Loan Notice.

(g) Section 2.05(a) of the Credit Agreement is amended by replacing the reference therein to ", upon notice to the Administrative Agent," with ", upon notice to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment,".

(h) Section 2.05(b) of the Credit Agreement is amended by replacing the reference therein to ",upon notice to the Swing Line Lender (with a copy to the Administrative Agent)," with ", upon notice to the Swing Line Lender pursuant to delivery to the Swing Line Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent),".

(i) Each of Section 6.12 and Section 7.04 of the Credit Agreement is amended by (i) replacing each reference therein to "30%" with "50%" and (ii) replacing each reference therein to "40%" with "50%".

(j) Section 10.17 of the Credit Agreement is amended and restated in its entirety as follows:

10.17 Electronic Execution of Assignments and Certain Other Documents. The words "delivery," "execute," "execution," "signed," "signature," and words of like import in any Loan Document or any other document executed in connection herewith shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; ***provided* that notwithstanding anything contained herein to the contrary neither the Administrative Agent, the L/C Issuer nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent, the L/C Issuer or such Lender pursuant to procedures approved by it and *provided further* without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed counterpart.**

2. Effectiveness; Condition Precedent. The parties hereto agree that this Amendment and the amendments provided in Section 1 shall become effective upon the Administrative Agent's receipt of a counterpart of this Amendment, duly executed and delivered by each of the Borrower, the Subsidiary Guarantors, the Administrative Agent and Lenders constituting Required Lenders.

3. Representations and Warranties. In order to induce the Administrative Agent, the Lenders, the Swing Line Lender and the L/C Issuer to enter into this Amendment, the Borrower represents and warrants to the Administrative Agent, the Swing Line Lender, such Lenders and the L/C Issuer as follows:

(a) The representations and warranties made by it in Article V of the Credit Agreement, and by each Loan Party in each of the Loan Documents to which such Loan Party is a party, are true and correct in all material respects on and as of the date hereof, except that (i) if a qualifier relating to materiality or Material Adverse Effect applies, such representation or warranty is true and correct in all respects and (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date (except that if a qualifier relating to materiality or Material Adverse Effect applies, such representation or warranty is true and correct in all respects as of such earlier date).

(b) Since the date of the most recent financial reports of the Borrower delivered pursuant to Section 6.01 of the Credit Agreement, no act, event, condition or circumstance has occurred or arisen which, singly or in the aggregate with one or more other acts, events, occurrences or conditions (whenever occurring or arising), has had or could reasonably be expected to have a Material Adverse Effect;

(c) This Amendment has been duly authorized, executed and delivered by the Borrower and the Subsidiary Guarantors party hereto and constitutes a legal, valid and binding obligation of each such Person, except as may be limited by general principles of equity or by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally; and

(d) No Default or Event of Default has occurred and is continuing or will exist after giving effect to this Amendment.

4. Fees and Expenses. The Borrower shall pay on demand all reasonable costs and expenses of the Administrative Agent in connection with the preparation, negotiation, execution, and delivery of this Amendment and any other documents prepared in connection herewith, including, without limitation, the reasonable fees, charges and disbursements of one counsel for the Administrative Agent.

5. Entire Agreement. This Amendment, together with the Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other in relation to the subject matter hereof or thereof. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise, except in writing and in accordance with Section 10.01 of the Credit Agreement.

6. Ratification and Confirmation of Loan Documents. The Borrower and the Subsidiary Guarantors each hereby consents, acknowledges and agrees to the amendments set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Subsidiary Guarantor, the continuation of its payment and performance obligations under the Subsidiary Guaranty), in each case upon and after the effectiveness of the amendments contemplated hereby.

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by telecopy, facsimile or other electronic transmission (including .pdf) shall be effective as delivery of a manually executed counterpart of this Amendment.

8. Governing Law. This Amendment shall in all respects be governed by, and construed in accordance with, the laws of the State of New York.

9. Enforceability. Should any one or more of the provisions of this Amendment be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

10. References. All references in any of the Loan Documents to the "Credit Agreement" shall mean the Credit Agreement, as amended hereby and as from time to time hereafter further amended, modified, supplemented, restated or amended and restated.

11. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assignees to the extent such assignees are permitted assignees as provided in Section 10.06 of the Credit Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 3 to Credit Agreement to be executed as of the date first above written.

BORROWER:

MUELLER INDUSTRIES, INC.

By: /s/ Jeffrey A. Martin
Name: Jeffrey A. Martin
Title: Chief Financial Officer and Treasurer

SUBSIDIARY GUARANTORS:

B&K LLC
DENO INVESTMENT COMPANY II, INC.
EXTRUDED METALS, INC.
HOWELL METAL COMPANY
ITAWAMBA INDUSTRIAL GAS COMPANY, INC.
MUELLER BRASS CO.
MUELLER BRASS FORGING COMPANY, INC.
MUELLER COPPER TUBE COMPANY, INC.
MUELLER COPPER TUBE PRODUCTS, INC.
MUELLER EAST, INC.
MUELLER FITTINGS COMPANY, INC.
MUELLER FITTINGS, LLC
MUELLER IMPACTS COMPANY, INC.
MUELLER INDUSTRIAL REALTY CO.
MUELLER PLASTICS CORPORATION, INC.
MUELLER PRESS COMPANY, INC.
MUELLER REFRIGERATION, LLC
MUELLER STREAMLINE CO.
MUELLER SOUTHEAST, INC. *(f/k/a Precision Tube Company, Inc.*
SHERWOOD VALVE, LLC
WESTERMEYER INDUSTRIES, INC.

By: /s/ Jeffrey A. Martin
Name: Jeffrey A. Martin
Title: Treasurer

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as
Administrative Agent

By: /s/ Angela Larkin
Name: Angela Larkin
Title: Assistant Vice President

BANK OF AMERICA, N.A.,
as a Lender, Swing Line Lender and L/C Issuer

By: /s/ Bruce Clark
Name: Bruce Clark
Title: Vice President

REGIONS BANK, as a Lender

By: /s/ Jon-Paul Hickey
Name: Jon-Paul Hickey
Title: Director

SUNTRUST BANK, as a Lender

By: /s/ Elizabeth Tallmadge
Name: Elizabeth Tallmadge
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ George Linhart
Name: George Linhart
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Kenneth Gorski
Name: Kenneth Gorski
Title: Vice President

FIRST TENNESSEE BANK NATIONAL ASSOCIATION, as a Lender

By:	/s/ Bob Nieman
Name:	Bob Nieman
Title:	Senior Vice President

HSBC BANK USA, NA, as a Lender

By:	/s/ Devin Moore
Name:	Devin Moore
Title:	Vice President

Exhibit 10.2

MUELLER INDUSTRIES, INC.
AMENDMENT NO. 2 TO AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This Amendment No. 2 (this "Amendment") to the Amended and Restated Employment Agreement (the "Employment Agreement"), dated October 30, 2008, and amended as of February 14, 2013, by and between Mueller Industries, Inc. (the "Company") and Gregory L. Christopher (the "Executive") is entered into as of this 26th day of July 2016, to be effective as of the date hereof.

WHEREAS, the Company and the Executive are parties to the Employment Agreement; and

WHEREAS, each of the Company and the Executive wish to amend the Employment Agreement.

NOW, **THEREFORE**, the Employment Agreement is hereby amended as follows (with terms not otherwise defined in this Amendment having the same meaning as set forth in the Employment Agreement):

1. Amendments to the Employment Agreement.

a. The second sentence of Section 4(c) of the Employment Agreement shall be deleted in its entirety and replaced with the following:

"In such event, (i) subject to achievement of the applicable performance objectives for the year in which such termination occurs, Executive shall receive payment of the Bonus that would otherwise have been earned in respect of the year in which such termination occurred, pro-rated to reflect the number of days Executive was employed during such year, to be paid at the same time it would otherwise be paid to Executive had no termination occurred, but in no event later than one day prior to the date that is two and one-half (2 1/2) months following the last day of the fiscal year to which the Bonus relates, (ii) the Executive shall continue to receive (1) his then current Base Salary, payable in accordance with Section 3 hereof as if his employment had continued for the remainder of the Employment Period and (2) an annual amount for each year remaining in the Employment Period equal to the greater of (x) the target Bonus for the year in which such termination occurs and (y) the target Bonus for the year immediately preceding the year in which such termination occurs, in each case, as established by the Employer for such year, with the first such amount to be paid in the year following the year in which such termination occurs, such amount to be paid in the normal course at the time other executive bonuses are normally paid, but in no event later than December 31 of such year, and each subsequent amount to be paid on a yearly basis thereafter, but in no event later than December 31 of each such year, and (iii) all of the outstanding unvested Employer stock options then held by Executive shall immediately vest and become exercisable upon such notice."

b. Clause (x) of Section 4(g)(i)(3) of the Employment Agreement shall be deleted in its entirety and replaced with the following:

"(x) the greater of (A) the target Bonus for the year in which such termination occurs and (B) the target Bonus for the year immediately preceding the year in which such termination occurs, in each case, as established by the Employer for such year, multiplied by".

2. Ratification and Confirmation. To the extent not amended hereby, the Employment Agreement is hereby ratified and confirmed in all respects and shall continue with full force and effect in accordance with its terms.

3. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Tennessee, without reference to principles of conflict of laws.

4. Headings. Section headings are for convenience only and shall not be considered a part of this Amendment.

IN WITNESS WHEREOF, this Amendment has been entered into as of the date first set forth above.

EXECUTIVE

/s/Gregory L. Christopher

Gregory L. Christopher

Chief Executive Officer

MUELLER INDUSTRIES, INC.
By: /s/Gary C. Wilkerson

Gary C. Wilkerson

Title: Vice President, General Counsel and Secretary

Exhibit 10.3

July 26, 2016

Re: Change in Control Protections

Dear Brian:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

* * *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: /s/Gregory L. Christopher
Name: Gregory L. Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

/s/Brian K. Barksdale

Brian K. Barksdale

Exhibit 10.4

July 26, 2016

Re: Change in Control Protections

Dear Dan:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

* * *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: /s/ Gregory L. Christopher
Name: Gregory Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

/s/ Daniel R. Corbin

Daniel R. Corbin

Exhibit 10.5

July 26, 2016

Re: Change in Control Protections

Dear Jeff:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

* * *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: /s/Gregory L. Christopher
Name: Gregory Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

/s/ Jeffrey A. Martin

Jeffrey A. Martin

Exhibit 10.6

July 26, 2016

Re: <u>Change in Control Protections</u>

Dear Mark:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

* * *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: <u>/s/ Gregory L. Christopher</u>
Name: Gregory Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

<u>/s/ Mark Millerchip</u>

Mark Millerchip

Exhibit 10.7

July 26, 2016

Re: Change in Control Protections

Dear Nick:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

* * *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: /s/Gregory L. Christopher
Name: Gregory Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

/s/ Nicholas W. Moss

Nicholas W. Moss

Exhibit 10.8

July 26, 2016

Re: Change in Control Protections

Dear Steffen:

This letter (this "***Agreement***") sets forth Change in Control protections that are being provided to you as a key executive in the Company. Described are the payments and benefits that you may be eligible to receive in the event that your employment with Mueller Industries, Inc. and its direct and indirect subsidiaries (the "***Company***") is terminated in relation to a Change in Control, as set forth below.

In the event the Company has a Change in Control occurrence and upon or within two (2) years following this occurrence, your employment with the Company is terminated by the Company without Cause (other than on account of your death or Disability) or by you for Good Reason, you shall be entitled to a lump sum cash payment in an amount equal to the sum of:

1.) An amount equal to two (2) times your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such termination); and

2.) An amount equal to two (2) times the average annual bonus paid to you (including, for this purpose only, any amounts deferred) in respect of the three calendar years immediately preceding the calendar year in which the Change in Control occurs (or the three calendar years immediately preceding the calendar year of such termination, if greater).

In addition, to the extent permitted by applicable law without any penalty to you or the Company and subject to your election of COBRA continuation coverage for you and your covered dependents under the Company's group health plan, continued coverage under the Company's group health plan at the Company's cost (or at the discretion of the Company, reimbursement for COBRA premiums) for two years following your termination. For purposes of this Agreement, " ***Good Reason***" means, without your written consent (1) a material reduction in your base salary (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction) or your annual bonus opportunity (as in effect immediately prior to the Change in Control or, if greater, the date of such reduction), or (2) the relocation of your principal place of employment more than fifty (50) miles from the location where you were principally employed immediately prior to the Change in Control. To terminate your employment for Good Reason, within sixty (60) days following the occurrence of an event that constitutes Good Reason, you must give the Company ten (10) days' prior written notice of your termination, setting forth in reasonable specificity the event that constitutes Good Reason, during which ten (10) day notice period the Company will have a cure right (if curable).

Please note that this Agreement is not to be construed as a contract of employment or to alter your "at-will" employment status, and nothing herein prohibits either the Company or you from terminating your employment with the Company at any time for any reason. All payments and or extension of benefits and vesting are subject to your execution and delivery to the Company of a general release of claims in a form reasonably acceptable to the Company that becomes effective within sixty (60) days of such termination. In addition, all payments described herein will be subject to withholding for federal, state, and local taxes and other regular payroll deductions.

You may not assign, transfer, or otherwise dispose of this Agreement, or any of your other rights or obligations hereunder (other than your rights to payments hereunder, which may be transferred only by will or by the laws of descent and distribution), without the prior written consent of the Company, and any such attempted assignment, transfer, or other disposition without such consent will be null and void.

This Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all other agreements and understandings, written or oral, between the parties hereto with respect to the subject matter hereof. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Mueller Industries, Inc. 2014 Incentive Plan.

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement will be valid only if made in writing and signed by the parties hereto. No waiver by either of the parties hereto of their rights hereunder will be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

This Agreement will be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to the choice of law principles thereof) applicable to contracts made and to be performed entirely within such jurisdiction.

*   *   *

Please acknowledge your agreement with the terms as set forth in this Agreement by signing and dating the enclosed copy and returning it to me. Thank you for your service to the Company in the past and for your contributions in the months ahead.

Sincerely,

MUELLER INDUSTRIES, INC.

By: /s/Gregory L. Christopher
Name: Gregory Christopher
Title: Chief Executive Officer

Acknowledged and agreed to as of this
26th day of July 2016 by:

/s/ Steffen Sigloch

Steffen Sigloch

Exhibit 31.1

CERTIFICATION

I, Gregory L Christopher, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mueller Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

/s/ Gregory L. Christopher
Gregory L. Christopher
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Jeffrey A. Martin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mueller Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

/s/ Jeffrey A. Martin
Jeffrey A. Martin
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906

OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Mueller Industries, Inc. (the "Company") on Form 10-Q for the period ending July 2, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory L. Christopher, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gregory L. Christopher
Gregory L. Christopher
Chief Executive Officer
July 28, 2016

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906

OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Mueller Industries, Inc. (the "Company") on Form 10-Q for the period ending July 2, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey A. Martin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jeffrey A. Martin
Jeffrey A. Martin
Chief Financial Officer
July 28, 2016