TIMKENSTEEL CORP

FORM 8-K
(Current report filing)

Filed 06/13/14 for the Period Ending 06/09/14

Address	1835 DUEBER AVENUE SW CANTON, OH 44706-0928
Telephone	330-438-3000
CIK	0001598428
SIC Code	3312 - Steel Works, Blast Furnaces (Including Coke Ovens), and Rolling Mills
Fiscal Year	12/31

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

FORM 8-K

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

Date of Report (Date of earliest event reported): June 9, 2014

TimkenSteel Corporation
(Exact name of registrant as specified in its charter)

Ohio	**001-36313**	**46-4024951**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

1835 Dueber Ave., S.W. **Canton, Ohio** **(Address of principal executive offices)**	**44706-2798** **(Zip Code)**

Registrant's telephone number, including area code: 330-438-3000

Not Applicable
Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 9, 2014, the Board of Directors (the "Board") of TimkenSteel Corporation (the "Company") approved the adoption or assumption of the compensatory arrangements described below in which one or more of the Company's named executive officers participate or will participate.

Supplemental Pension Plan

The Board approved the Company's adoption of the Supplemental Pension Plan of TimkenSteel Corporation (Effective June 30, 2014) (the "SERP"). The SERP is intended to be a continuation of the Amended and Restated Supplemental Pension Plan of The Timken Company ("Timken") and is designed to allow the Company to provide supplemental retirement benefits to certain employees in excess of the limitations of the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code of 1986, as amended (the "Code"). Participation in the SERP is available to certain employees and former employees of the Company whose benefits under the TimkenSteel Corporation Retirement Plan (the "Qualified Plan") are limited by the Code, as well as employees of the Company who have Excess Benefits Agreements currently in effect with the Company.

For employees without an Excess Benefits Agreement, supplemental retirement income benefits under the SERP are generally equal to the excess of the benefit that would have been payable to the participant under the Qualified Plan in the absence of Code limitations over the amount actually payable to such participant under the Qualified Plan. Generally, payments under the SERP will begin following the later of the participant's separation from service or the participant's 55 th birthday. Benefits under the SERP may be forfeited if the participant engages in certain competitive activity against the Company within two years following his or her separation from service.

For employees with an Excess Benefits Agreement, supplemental retirement benefits are as described in such employees' Excess Benefits Agreements.

Excess Benefits Agreements

The Board has approved the assumption from Timken of Excess Benefits Agreements (in the form of Company Amended and Restated Employee Excess Benefits Agreements (the "Excess Benefits Agreements")) with Ward J. Timken, Jr. and Donald L. Walker.

Each of Mr. Walker and Mr. Timken's monthly supplemental retirement benefit will be an amount equal to (1) 60% of one-twelfth of such employee's Final Average Earnings, multiplied by a fraction, the numerator of which is his years of service and the denominator of which is 10, minus (2) any monthly defined benefit plan payments provided by the Company, minus (3) the monthly benefit under the formula discussed in the Supplemental Pension Plan section above, minus (4) the monthly annuity equivalent of the aggregate amount of employer contributions each had an opportunity to receive under the Timken defined contribution programs, The Timken Company Post-Tax Savings Plan, and the TimkenSteel Corporation Savings and Investment Pension Plan (the "SIP"). Mr. Timken's benefit also includes a lump sum amount equal to $58,323.23 plus interest.

The benefits under Mr. Walker and Mr. Timken's Excess Benefits Agreements are vested after five years of service as an officer of the Company.

Severance Agreements

The Board approved entering into Severance Agreements with Ward J. Timken, Jr., Donald L. Walker, Christopher J. Holding, and Frank A. DiPiero (the "Severance Agreements"). The Severance Agreements are intended to provide severance protection to key employees of the Company and provide for compensation in the event of (1) a change in control followed by certain events as described below or (2) involuntary termination other than (a) termination due to criminal activity, willful misconduct or gross negligence in the performance of the employee's duties, (b) termination of employment in connection with certain corporate transactions, or (c) a termination pursuant to a "Company Termination Event" (any such involuntary termination, a "Termination Without Cause"). For purposes of the Severance Agreements, "Company Termination Event" is defined to include the employee's death or disability, as well as certain acts constituting "cause" (such as intentional acts of fraud or wrongful engagement in competitive activity).

Change in Control . Under the Severance Agreements, when certain events occur, such as a material reduction in the employee's responsibilities or termination of the employee's employment other than pursuant to a Company Termination Event, during the three year period following a change in control of the Company (as defined in the Severance Agreements), an employee covered by a Severance Agreement will be entitled to receive a lump sum cash severance payment in an amount equal to three times the sum of: (1) the greater of (a) the employee's annual base salary in effect prior to the termination or (b) the employee's annual base salary in effect prior to the change in control plus (2) the greater of (a) the employee's target annual amount of incentive compensation for the year in which the officer terminates employment or (b) the employee's target annual amount of incentive compensation for the year in which the change in control occurs. In addition, the employee would receive a lump sum amount representing the SERP benefit, if applicable. The lump sum amount is determined by calculating the benefit under the Qualified Plan and the SERP assuming the employee continued to earn service until the first to occur of the third anniversary of the change in control or the end of the severance period (the "CIC Severance Period"), with annual earnings during the CIC Severance Period equal to the compensation described above. The lump sum amount is reduced by the lump sum equivalent of the benefit payable from the Qualified Plan. This lump sum is determined based on the mortality table and interest rate promulgated by the Internal Revenue Service under Section 417(e)(3) of the Code. The employee would also receive certain benefits based on contributions that would have been made to the SIP during the CIC Severance Period. In the event of a change in control, the amounts payable under the Severance Agreement may become secured by a trust arrangement.

Involuntary Termination Without Cause . In the event of a Termination Without Cause other than as described above following a change in control, an employee covered by a Severance Agreement will be entitled to a lump sum cash severance payment equal to 1.5 times (two times in the case of Mr. Timken) the sum of (1) his base salary plus (2) an amount equal to the highest annual incentive payout percentage during the preceding five years, multiplied by the target amount of incentive pay for the year in which he was terminated.

Other Benefits . An employee entitled to receive a severance payment under a Severance Agreement would also be eligible to continue to participate in the Company's medical, dental, vision and life insurance policies until the earlier of: (a) attaining eligibility for any such coverage under another medical plan or (b) the completion of the applicable severance period following the termination of the employee's employment. Such an employee would be required to pay the full cost of coverage under the Company's medical, dental and vision policies, but would be reimbursed on an after-tax basis for the amount paid for such coverage in excess of the amount Company employees are required to pay for such coverage. An employee covered by a Severance Agreement who is terminated without cause and other than in connection with certain corporate transactions will also be entitled to pro-rated incentive compensation for the year in which the termination occurs.

In the event that an employee's benefit under a Severance Agreement constitutes an "Excess Parachute Payment" under Section 280G of the Code, then such benefit will be reduced to the extent necessary such that no portion of such benefit constitutes an Excess Parachute Payment, but only if such reduction would result in an increase in the aggregate payments and benefits to be provided.

Deferred Compensation Plan

The Board approved the adoption of the TimkenSteel Corporation 2014 Deferred Compensation Plan (Effective June 30, 2014) that constitutes a continuation of a deferred compensation plan maintained by Timken and allows certain employees to defer receipt of all or a portion of their salary, certain Company contributions to the SIP and/or incentive compensation payable in cash or Company common shares until a specified point in the future. Cash deferrals earn interest quarterly at a rate based on the prime rate plus one percent, unless otherwise determined by the Compensation Committee of the Board. The Deferred Compensation Plan is not funded by the Company, and participants have an unsecured contractual commitment by the Company to pay the amounts due under the plan. When such payments are due, they will be distributed from the Company's general assets.

In the event of a change in control of the Company or, in some cases, a change in control of Timken (each as defined in the Deferred Compensation Plan), participants are entitled to receive deferred amounts immediately, unless it would result in adverse consequences under Section 409A of the Code. Further, certain deferrals under the Deferred Compensation Plan will be transferred to a trust in connection with certain changes in control of the Company.

The foregoing summaries of the SERP, the Excess Benefits Agreements, the Severance Agreements and the Deferred Compensation Plan are qualified in their entirety by reference to the full text of such plans and form agreements that are filed as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, to this Current Report on Form 8-K.

Item 5.03 Amendments to Articles of Incorporation of Bylaws; Changes in Fiscal Year.

On June 13, 2014, the Company filed its Amended and Restated Articles of Incorporation with the Ohio Secretary of State, which became effective immediately upon filing. The form of the

Amended and Restated Articles of Incorporation was previously filed as Exhibit 3.1 to the Company's Registration Statement on Form 10 filed with the Securities and Exchange Commission on February 11, 2014, as amended (the "Registration Statement"). The summary of the Amended and Restated Articles of Incorporation is contained in the "Description of Capital Stock" section of the Information Statement filed as Exhibit 99.1 to the Registration Statement and is incorporated herein by reference. Among other things, the Amended and Restated Articles of Incorporation increased the Company's authorized capital to 210,000,000 shares, comprised of 200,000,000 common shares without par value and 10,000,000 preferred shares without par value.

The Amended and Restated Articles of Incorporation were approved by Timken, the Company's sole shareholder, and by the Board. A copy of the Amended and Restated Articles of Incorporation is filed as Exhibit 3.1 to this Current Report on Form 8-K.

On June 11, 2014, Timken, the Company's sole shareholder, approved the Company's Code of Regulations (the "Regulations"), which became effective upon such approval. The Regulations were previously filed as Exhibit 3.2 to the Registration Statement. Summaries of certain provisions of the Regulations are contained in the "Description of Capital Stock" section of the Information Statement filed as Exhibit 99.1 to the Registration Statement and are incorporated herein by reference.

The Regulations were previously approved by the Board. A copy of the Regulations is filed as Exhibit 3.2 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

Exhibit Number	Description
3.1	Amended and Restated Articles of Incorporation of TimkenSteel Corporation
3.2	Code of Regulations of TimkenSteel Corporation (incorporated by reference to Exhibit 3.1 of Amendment No. 3 to the Company's Registration Statement on Form 10 filed on May 15, 2014, File No. 001-36313)
10.1	Supplemental Pension Plan of TimkenSteel Corporation (Effective June 30, 2014)
10.2	Form Amended and Restated Employee Excess Benefits Agreement with TimkenSteel Corporation
10.3	Form Severance Agreement with TimkenSteel Corporation
10.4	TimkenSteel Corporation 2014 Deferred Compensation Plan (Effective June 30, 2014)

SIGNATURES

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

TimkenSteel Corporation

By: /s/ Frank A. DiPiero
Name: Frank A. DiPiero
Title: Executive Vice President, General Counsel and Secretary

June 13, 2014

Exhibit Index

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EXHIBIT 3.1

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

TIMKENSTEEL CORPORATION

FIRST

The name of the corporation is TIMKENSTEEL CORPORATION (the "Corporation").

SECOND

The Corporation's principal office in the State of Ohio is located in Canton in Stark County.

THIRD

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be formed under Sections 1701.01 to 1701.98, inclusive, of the Ohio Revised Code Annotated.

FOURTH

A. Authorized Capital Stock . The Corporation is authorized to issue 210,000,000 shares of capital stock, consisting of 10,000,000 shares of Preferred Stock, without par value, and 200,000,000 shares of Common Stock, without par value.

B. Preferred Stock . The Board of Directors shall have authority to issue Preferred Stock from time to time in one or more series. The authority of the Board of Directors with respect to each such series will include, without limiting the generality of the foregoing, the determination of any or all of the following:

(a) the designation and authorized number of shares of each series;

(b) the voting rights, and whether such voting rights are full, limited, or denied, except as otherwise required by law;

(c) the redemption rights, if any, including the redemption price;

(d) whether dividends, if any, will be cumulative or noncumulative, the dividend rate, amount, or proportion of such series, and the preferences of dividends on such series;

(e) the liquidation rights of such series, including the liquidation price and preferences;

(f) the conversion rights, including statements for the protection of such rights, but without limiting the generality of such authority: the restriction of additional shares; provisions adjusting the conversion price; provisions concerning rights in the event of reorganization, merger, consolidation or exchange of the assets; provisions for the reservation of authorized but unissued shares; and restrictions of dividends or distributions;

(g) the provisions, if any, of a sinking fund applicable to such series, which may require the Corporation to provide a sinking fund out of earnings or for the purchase or redemption of the shares or for the dividends or distributions on the shares;

(h) the pre-emptive rights, if any, including the denial or limitation of such rights;

(i) any other relative, participating, optional or other special powers, preferences or rights and qualifications, limitations or restrictions thereof;

all as may be determined from time to time by the Board of Directors and stated or expressed in the amendment or amendments providing for the issuance of such Preferred Stock.

C. Common Stock . Subject to any Preferred Stock Designation (as hereinafter defined), the holders of shares of Common Stock shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders for each share of Common Stock held of record by such holder as of the record date for such meeting.

FIFTH

The Board of Directors may adopt an amendment to the articles. The Board of Directors shall be authorized hereby to exercise all powers now or hereafter permitted by law providing rights to the Board of Directors to adopt amendments to these Articles of Incorporation to fix or change the express terms of any unissued or treasury shares of any class whether with or without par value, including, without limiting the generality of the foregoing: division of such shares into series and the designation and authorized number of shares of each series; voting rights of such shares; dividend or distribution rate; dates of payment of dividends or distributions and the dates from which they are cumulative; liquidation price; redemption rights and price; sinking fund requirements; conversion rights; and restrictions on the issuance of shares of the same series or any other class or series; all as may be established by resolution of the Board of Directors from time to time (collectively, a “Preferred Stock Designation”). The Directors may adopt an amendment to eliminate from the articles all references to change of shares when amended articles change issued or unissued shares, but such an amendment must contain a statement of the number and par value of the shares of each class.

SIXTH

Except as may be provided in any Preferred Stock Designation, no holder of any shares of capital stock of the Corporation shall have any right to vote cumulatively in the election of directors.

SEVENTH

Except as may be provided in any Preferred Stock Designation, no holder of any shares of capital stock of the Corporation shall have any preemptive right to acquire any shares of unissued capital stock of any class or series, now or hereafter authorized, or any treasury shares or securities convertible into such shares or carrying a right to subscribe to or acquire such shares of capital stock.

EIGHTH

The Corporation may from time to time, pursuant to authorization by the Board of Directors and without action by the shareholders, purchase or otherwise acquire capital stock of the Corporation of any class or classes in such manner, upon such terms and in such amounts as the Board of Directors shall determine; subject, however, to such limitation or restriction, if any, as is contained in any Preferred Stock Designation at the time of such purchase or acquisition.

NINTH

A. The number of Directors constituting the Board of Directors shall be fixed from time to time by, or in the manner provided in, the Regulations of the Corporation, but in no case may the number of Directors be less than nine.

B. The Directors shall be divided into three classes, designated as Class I, Class II and Class III, each class consisting of not less than three Directors nor more than six Directors each (except as otherwise permitted by law). Each class shall consist, as nearly as may be possible, of one-third of the total number of Directors. Each class or Director of any class being elected at any election of Directors shall be separately elected. The directors first appointed to Class I will hold office for a term expiring at the annual meeting of shareholders to be held in 2015; the directors first appointed to Class II will hold office for a term expiring at the annual meeting of shareholders to be held in 2016; and the directors first appointed to Class III will hold office for a term expiring at the annual meeting of shareholders to be held in 2017, with the members of each class to hold office until their successors are elected and qualified. Except as otherwise provided in these Articles, a Director shall hold office for a term expiring at the annual meeting of shareholders held in the third year following the year of their election and until his successor shall be elected and qualified, or until his earlier resignation, death or removal from office. Any increase or decrease in the number of Directors shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible.

C. Any vacancy or vacancies among the Directors may be filled by the Directors then in office. Any Director elected to fill a vacancy may be elected for the term remaining for the Directors of any class, *provided* that each class shall continue to consist of not less than three Directors and the number of Directors in each class shall continue to be as nearly equal as possible.

TENTH

Any and every statute of the State of Ohio hereafter enacted, whereby the rights, powers or privileges of corporations or of the shareholders of corporations organized under the laws of the State of Ohio are increased or diminished or in any way affected, or whereby effect is given to the action taken by any number, less than all, of the shareholders of any such corporation, shall apply to the Corporation and shall be binding not only upon the Corporation but upon every shareholder of the Corporation to the same extent as if such statute had been in force at the date of filing these Articles of Incorporation in the office of the Secretary of State of Ohio.

EXHIBIT 10.1

SUPPLEMENTAL PENSION PLAN
OF TIMKENSTEEL CORPORATION
(Effective June 30, 2014)

TimkenSteel Corporation (the "Company") hereby adopts the Supplemental Pension Plan of TimkenSteel Corporation (the "Supplemental Plan"), effective June 30, 2014, for the purpose and in accordance with the provisions as set forth below. The Supplemental Plan was formed as a result of a spin-off and transfer of the liabilities, effective June 30, 2014 (the "Split Date"), from the Amended and Restated Supplemental Pension Plan of The Timken Company (Amended and Restated Effective June 1, 2013) (the "Timken Supplemental Plan") attributable to the benefits accrued for Transferred Participants under the Timken Supplemental Plan. The Supplemental Plan is a continuation of and a successor plan to the Timken Supplemental Plan solely with respect to such Transferred Participants. Effective as of the Split Date, the Transferred Participants shall cease to be participants in the Timken Supplemental Plan and shall become participants under this Supplemental Plan, and the terms of this Supplemental Plan will govern the benefits accrued by Transferred Participants under the Timken Supplemental Plan prior to the Split Date. Any election, waiver, consent, or designation made by a Participant, a Spouse, a DOMA Spouse or Lump Sum Beneficiary under the Timken Supplemental Plan prior to the Split Date that was recognized as valid by the Timken Supplemental Plan immediately prior to the Split Date will be recognized by this Supplemental Plan as a valid election, waiver, consent, or designation, as applicable.

1. Purpose

The purpose of the Supplemental Plan is to provide for, on or after the effective date hereof, the payment of supplemental retirement benefits:

(a) to those participants of the TimkenSteel Corporation Retirement Plan (the "Qualified Plan") whose benefits payable under the Qualified Plan are subject to certain benefit limitations imposed by ERISA and Section 401 and Section 415 of the Code (collectively referred to as "Code Limitations"); and

(b) to certain employees of the Company who have Employee Excess Benefits Agreements ("Excess Agreements") that have been assumed by, and are in effect with, the Company.

2. Eligibility

Each of the following individuals shall be eligible for benefits under the Supplemental Plan and shall be known as a "Participant":

(a) Members of or participants in the Qualified Plan but only to the extent the members or participants are members or participants pursuant to Part Seven, Part Eight, Part Ten and Part Fifteen of the Qualified Plan, other than participants described in paragraph 2(d), who are eligible for a retirement benefit other than a deferred vested pension and whose retirement benefits under the Qualified Plan are limited pursuant to the Code Limitations;

(b) Transferred Participants who were members of or participants in the Timken Supplemental Plan as of the close of business on the Split Date, the liability for whose benefit was spun-off from the Timken Supplemental Plan to this Supplemental Plan effective as of the Split Date, other than participants described in paragraph 2(d), who are eligible for a retirement benefit other than a deferred vested pension and whose retirement benefits under the Qualified Plan are limited pursuant to the Code Limitations;

(c) (i) Former employees of the Company who separated from the service of the Company, and (ii) current employees of the Company who separate from the service

of the Company, in each case under circumstances which the Company, in its sole discretion, deems to be for mutually satisfactory reasons and in each case with eligibility for a deferred vested pension and whose retirement benefits under the Qualified Plan are limited by the Code Limitations; and

(d) Employees of the Company who have Excess Agreements currently in effect with the Company.

3. Incorporation of the Qualified Plan

The Qualified Plan, with any amendments thereto, is hereby incorporated by reference into and shall be a part of the Supplemental Plan as fully as if set forth herein. Any future amendment made to the Qualified Plan shall be also incorporated by reference into and form a part of the Supplemental Plan, effective as of the effective date of such amendment. The Qualified Plan, whenever referred to in the Supplemental Plan, shall mean such Qualified Plan as it exists as of the date any determination is made of benefits payable under the Supplemental Plan. All terms used herein shall have the meanings assigned to them under the provisions of the Qualified Plan unless otherwise qualified by the context of the Supplemental Plan. If there is any conflict between the provisions of the Qualified Plan and the provisions of the Supplemental Plan, the provisions of the Supplemental Plan will govern.

4. Amount of Benefit

(a) The benefit payable to a Participant described in paragraphs 2(a), (b) or (c) under the Supplemental Plan shall be equal to the excess, if any, of:

(i) The benefit which would have been payable to such Participant under the Qualified Plan, if the provisions of the Qualified Plan were administered without regard to the Code Limitations, over

(ii) The benefit which is in fact payable to such Participant under the Qualified Plan.

Such benefits payable under the Supplemental Plan to any Participant shall be computed in accordance with the foregoing using the normal form of payment under the Qualified Plan and with the objective that such Participant should receive under the Supplemental Plan and the Qualified Plan the total amount which would otherwise have been payable to that Participant solely under the Qualified Plan had not the Code Limitations been applicable thereto. The Participant's benefit under the Supplemental Plan will be paid in the form provided under paragraph 5(a). If any portion of a Participant's benefit under the Qualified Plan is not payable at the same time the Participant's benefit under the Supplemental Plan is payable, for purposes of this paragraph 4, the corresponding portion of the benefit under the Supplemental Plan shall be determined by calculating that portion of the benefit that would be payable under the Supplemental Plan and Qualified Plan at age 65 and then actuarially reducing such benefit from age 65 to the commencement date provided under the Supplemental Plan in accordance with paragraph 5(b). Any actuarial adjustments under this paragraph 4 shall be based on the Plan Assumptions and, for this purpose, the determinations made under this paragraph 4(a) will be made in the calendar year in which the Participant has a separation from service (as defined in paragraph 5).

(b) The benefit payable to a Participant described in paragraph 2(d) under the Supplemental Plan shall be the benefit described in such Participant's Excess Agreement.

(c)

(i) If a Participant dies prior to commencement of the Participant's benefit payments pursuant to paragraph 5(b) and the Participant has a Spouse on his or her date of death who is not eligible for a benefit under an Excess Agreement, the Supplemental Plan shall pay to the Participant's Spouse an amount equal to the difference between the monthly pension the Spouse would be entitled to receive under the Qualified Plan, were it not for the Code Limitations, and the monthly pension the Spouse will actually receive under the Qualified Plan. Notwithstanding the foregoing, if the Participant's Lump Sum Beneficiary is entitled to receive a benefit under paragraph 4(c)(ii), the Participant's Spouse is not entitled to receive any benefit under this paragraph 4(c)(i).

(ii) If a Participant who is eligible for a benefit described in paragraph 4(a) and who has elected a Lump Sum Option pursuant to a Subsequent Election, dies after the date the Participant's benefit would have commenced but for such Subsequent Election and prior to the Delayed Payment Date, the Supplemental Plan shall pay to the Participant's Lump Sum Beneficiary an amount equal to the benefit that the Participant would have received had the Participant commenced his benefit one day prior to his death (such amount to include any interest accrued up to the Participant's date of death as provided under paragraph 5(a)(iv)(D)) .

5. Payment of Benefits

(a) Form of Payment.

(i) Participants . Subject to the provisions of any domestic relations order described in paragraph 7(b), the benefits payable to Participants described in paragraphs 2(a), (b), (c) or (d) (unless otherwise provided in an Excess Agreement with a Participant) under the Supplemental Plan shall be paid in the form of a monthly annuity for the life of the Participant (a "Life Annuity") if the Participant does not have an Initial Election or Subsequent Election for the Lump Sum Option in effect. In lieu of receiving his or her benefit in the form of a Life Annuity, at any time prior to the date benefit payments are to commence in the form of a Life Annuity in accordance with paragraph 5(b) or the Excess Agreement, if applicable, a Participant described in paragraphs 2(a), (b), (c) or (d) (if provided for in the Excess Agreement with Participant) may elect, on a written form acceptable to the Company, to receive his or her benefit in one of the following forms (the "Optional Forms"), each of which are actuarially equivalent to the Life Annuity:

(A) Joint Pension Option . The Joint Pension Option provides for monthly benefit payments to the Participant during his or her lifetime and thereafter to the Participant's duly named joint pensioner, who shall be a natural person. The amount of each benefit payment to the Participant will be reduced so that the joint pensioner after the Participant's death will receive a monthly benefit equivalent to 25%, 50%, 75% or 100%, as elected by the

Participant at the time the Joint Pension Option is elected, of the monthly benefit paid to the Participant during his or her lifetime. If the joint pensioner dies after benefit payments to the Participant have started, the benefits will only be payable for the Participant's lifetime.

(B) Ten Year Certain and Continuous Pension Option . The Ten Year Certain and Continuous Pension Option provides monthly pension payments to the Participant during his lifetime and if he dies after benefit payments have started but before receiving 120 benefit payments, the remainder of the 120 monthly benefit payments will be paid to the Participant's beneficiary monthly.

If a Participant elects an Optional Form that provides for a benefit to a joint pensioner or beneficiary, such joint pensioner or beneficiary shall be designated at the time the Participant elects such Optional Form. If a Participant has a DOMA Spouse and wants to designate a joint pensioner or beneficiary other than his or her DOMA Spouse, such designation will not take effect unless (i) the Participant's DOMA Spouse consents in writing to such election, the election designates a beneficiary or a form of benefits which may not be changed without spousal consent (or the consent of the DOMA Spouse expressly permits designations by the Participant without any requirement of further consent by the DOMA Spouse), and the DOMA Spouse's consent acknowledges the effect of such election and is witnessed by a Plan representative or a notary public,

or (ii) it is established to the satisfaction of a Plan representative that the consent required under (i) cannot be obtained because there is no DOMA Spouse, because the DOMA Spouse cannot be located, or because of such other circumstances as the Secretary of the Treasury may prescribe by regulations. Any consent by a DOMA Spouse or establishment that the consent of a DOMA Spouse may not be obtained shall be effective only with respect to such DOMA Spouse.

(ii) Surviving Spouse and Lump Sum Beneficiary . Subject to paragraphs 5(a)(iii) and 5(a)(iv), any benefit payable to a surviving Spouse pursuant to paragraph 4(c)(i), shall be paid in the form of a monthly annuity for the life of the surviving Spouse. Any benefit payable to a Lump Sum Beneficiary pursuant to paragraph 4(c)(ii) shall be paid in a single, lump sum cash payment.

(iii) Election of Lump Sum Option Upon Initial Eligibility .

(A) Any Participant who is described in paragraphs 2(a) or (c) and who first accrues a benefit under the Supplemental Plan on and after the Split Date, may make an initial election, subject to the requirements of clause (B), below to receive his or her benefit and to provide that his or her Spouse will receive any Spouse's benefit under the Supplemental Plan in the form of a single, lump sum, cash payment determined using the Plan Assumptions (a " Lump Sum Option ") in lieu of receiving the benefits in the forms provided for under paragraphs 5(a)(i) and 5(a)(ii). Any such

election that does not meet all of the requirements of this paragraph 5(a)(iii) shall not be valid and, in such case, such election shall be disregarded. A Participant's or Spouse's benefit paid in a Lump Sum Option will be the actuarial equivalent (determined in the calendar year benefits commence, or would commence but for any delay pursuant to paragraph 5(c), using the Plan Assumptions) of the Participant's or Spouse's benefit payable in the form a monthly annuity for the life of the Participant (for the Participant's benefit) or the life of the Spouse (for the Spouse's benefit) and commencing on the date specified in paragraph 5(b).

(B) A Participant may only make an election described under paragraph 5(a)(iii)(A) if the election (1) is completed, in writing, signed by the Participant, in a form acceptable to the Plan Administrator, and (2) is received by the Plan Administrator no later than 30 days after the first day of the Participant's tax year immediately following the first year the Participant accrues a benefit under the Supplemental Plan. Any election made under this paragraph 5(a)(iii) will be irrevocable on the date the fully completed election form is received by the Plan Administrator.

(iv) Subsequent Election of Lump Sum Option .

(A) Each Plan Year, the Company may, in its discretion, designate a period of time during which a Participant described in paragraphs 2(a), (b), (c) or (d) (unless otherwise provided in an Excess

Agreement), who is an employee of the Company on or after the Split Date and who did not make an Initial Lump Sum Election or an initial lump sum election under the Timken Supplemental Plan, may make an election, subject to the requirements of clauses (B) and (C) below, to receive his or her benefit and to provide that his or her Spouse will receive any Spouse's benefit under the Supplemental Plan or, if applicable, the Excess Agreement, in the form of a Lump Sum Option in lieu of receiving the benefits in the forms provided for under paragraphs 5(a)(i) and 5(a)(ii) and, if applicable, the forms provided under the Excess Agreement.

(B) A Participant's election described under paragraph 5(a)(iv)(A) must be filed with the Plan Administrator, in writing, signed by the Participant, in a form acceptable to the Plan Administrator (which for a Participant described in paragraph 2(d) may include an amendment to the Participant's Excess Agreement) and must meet the following requirements: (1) the election is made at least 12 months prior to the date the Participant's benefit would have commenced but for the Subsequent Election (if the commencement date is the Participant's birthday or other specified time or fixed schedule described in Treasury Regulation section 1.409A-3(a)(4)); (2) except for a benefit being paid as a result of the Participant's death, the payment under such election will be made on the date that is 5 years after the first date the Participant's

benefit could have commenced but for the Subsequent Election (the "Delayed Payment Date"); and (3) such election will not take effect until the date that is 12 months after the date on which such election becomes irrevocable. Any election made under this paragraph 5(a)(iv) will be irrevocable on the date the fully completed election forms (including an amendment to the Excess Agreement, if applicable) are received by the Plan Administrator.

(C) Any such election that does not meet all of the requirements of this paragraph 5(a)(iv) shall not be valid and, in such case, shall be disregarded. Except as provided in an Excess Agreement, a Participant's or Spouse's benefit paid in a Lump Sum Option will be the actuarial equivalent (determined in the calendar year benefits would have commenced but for the Subsequent Election and any delay pursuant to paragraph 5(c) using the Plan Assumptions) of the Participant or Spouse's benefit payable in the form of a monthly annuity for the life of the Participant (for the Participant's benefit) or the life of the Spouse (for the Spouse's benefit) and commencing on the date such benefit would have commenced but for the Subsequent Election.

(D) If a Participant makes an effective election for a Lump Sum Option under this paragraph 5(a)(iv), his or her benefit will be increased at an annual rate equal to the Average Interest Rate for the period beginning on the date the Participant's benefit would have

commenced but for the Subsequent Election and any delay pursuant to paragraph 5(c) and ending on the date the benefit actually commences.

(b) Time of Payment .

(i) Participants . Subject to any required delay pursuant to paragraph 5(a)(iv)(B)(2), with respect to a Participant who is described in paragraphs 2(a), (b), (c) or (d) (unless otherwise provided in an Excess Agreement with the Participant or in a Transition Election), the benefits payable to such Participant under this Supplemental Plan or the Excess Agreement, as applicable, shall commence within 30 days of the later of (A) the Participant's separation from service, or (B) the Participant's 55 th birthday. The term " Transition Election " means a Participant's election made on or before December 31, 2008 under the Timken Supplemental Plan in accordance with IRS Notice 2007-86 and other applicable guidance under Code Section 409A to designate the time at which the Participant's benefits will commence.

(ii) Surviving Spouses and Lump Sum Beneficiaries . Any benefit payable to a surviving Spouse or Lump Sum Beneficiary pursuant to paragraph 4(c) shall commence within 30 days of the later of (A) the Participant's death, or (B) the date on which the Participant would have reached age 55.

(c) Delayed Benefits for Specified Employees . Notwithstanding any provision of this Supplemental Plan to the contrary, if a Participant is a "specified employee," determined pursuant to procedures adopted by the Company in compliance

with Section 409A of the Code, on the date the Participant separates from service, then to the extent necessary to comply with Section 409A, amounts that would otherwise be payable pursuant to this Supplemental Plan during the six-month period immediately following the Participant's separation from service will instead be paid or made available on the earlier of (i) the first business day of the seventh month after the date of the Participant's separation from service, or (ii) the Participant's death. Any benefit payments that are scheduled to be paid more than six months after such Participant's separation from service shall not be delayed and shall be paid in accordance with the schedule prescribed by paragraphs 5(a) and 5(b).

(d) Small Benefit Cash-Out . Notwithstanding any provision to the contrary but subject to paragraph 5(c), if, upon a Participant's separation from service, the actuarial present value of the benefit the Participant is entitled to receive under this Supplemental Plan and any other plans with respect to which deferrals of compensation are treated as having been deferred under a single nonqualified deferred compensation plan with the Supplemental Plan under Treasury Regulation Section 1.409A-1(c)(2) (the "Aggregate Benefit") is less than $15,000, the Company may in its discretion pay the Participant's entire Aggregate Benefit in a single lump sum payment on the 30 th day following the Participant's separation from service. To determine the Aggregate Benefit under this paragraph 5(d), the Plan Assumptions will be used.

(e) Separation from Service . For purposes of this paragraph 5, "separation from service" or "separates from service" shall mean termination of employment (within the meaning of Treasury Regulation Section 1.409A-1(h)(1)(ii)) with the Company and any member of its controlled group (as such term is used for purposes of ERISA and the

Code, except that a 50% ownership or common control threshold shall be used to determine controlled group status instead of an 80% ownership or common control threshold). For purposes of the preceding sentence a termination of employment shall also include a permanent decrease in the level of bona fide services performed by the Participant after a certain date to a level that is 20% or less of the average level of bona fide services performed by the Participant over the immediately preceding 36-month period.

6. Definitions . When the following capitalized terms are used in this Supplemental Plan, they will have the meaning specified below.

(a) " Aggregate Benefit " shall have the meaning given to such term in paragraph 5(d).

(b) " Average Interest Rate " means the single effective interest rate which results in the same lump sum amount for a benefit paid in the Lump Sum Option as results from use of the "applicable interest rate" as defined under "Plan Assumptions."

(c) " Claimant " shall have the meaning given to such term in paragraph 8(c).

(d) " Code " means the Internal Revenue Code of 1986, as amended.

(e) " Code Limitations " shall have the meaning given to such term in paragraph 1(a).

(f) " Company " shall have the meaning given to such term in the preamble.

(g) " Competitive Activity " shall have the meaning given to such term in paragraph 10.

(h) " Delayed Payment Date " shall have the meaning given to such term in paragraph 5(a)(iv)(B).

(i) " DOMA Spouse " means a Spouse who is a person of the opposite gender to whom a Participant is legally married under the laws of a U.S. state or foreign nation (including common law marriages if recognized by the laws of the U.S. state in which the Participant resides).

(j) " Initial Election " means a Participant's election to receive his or her benefit in a Lump Sum Option in accordance with the requirements of paragraph 5(a)(iii).

(k) " ERISA " means the Employee Retirement Income Security Act of 1974, as amended.

(l) " Excess Agreements " shall have the meaning given to such term in paragraph 1(b).

(m) " Optional Forms " shall have the meaning given to such term in paragraph 5(a)(i).

(n) " Life Annuity " shall have the meaning given to such term in paragraph 5(a)(i).

(o) " Lump Sum Beneficiary " means the beneficiary the Participant designates on a written form acceptable to the Company, in its discretion, provided that if a Participant has a DOMA Spouse on the date of such designation and designates a Lump Sum Beneficiary who is not the Participant's DOMA Spouse, that DOMA Spouse must have provided consent to such designation in accordance with the consent requirements set forth under paragraph 5(a)(i). If a Participant has not designated a Lump Sum Beneficiary in accordance with the preceding sentence, the Participant's Lump Sum Beneficiary shall be his or her Spouse on the Participant's date of death or, if there is no such Spouse, the Participant's estate. If the Participant has obtained the consent of the

individual who is his or her DOMA Spouse on the date the applicable Lump Sum Beneficiary is designated, the Participant will not be required to obtain the consent of any later Spouse for the prior designation of the Lump Sum Beneficiary. Notwithstanding any provision of the Plan to the contrary, if the Participant has designated his or her Spouse as a Lump Sum Beneficiary, that designation shall terminate and be of no further force and effect as of the date the individual ceases to be the Spouse of the Participant as result of divorce, dissolution, or other legal termination of the relationship.

(p) " Lump Sum Option " shall have the meaning given to such term in paragraph 5(a)(iii)(A).

(q) " Participant " shall have the meaning given to such term in paragraph 2.

(r) " Plan Assumptions " means the "applicable mortality table, " as defined in Code Section 417(e)(3) and the "applicable interest rate" as defined in Code Section 417(e)(3), during the third calendar month (October) immediately preceding the first day of the calendar year in which the determination is made.

(s) " Qualified Plan " shall have the meaning given to such term in paragraph 1(a).

(t) "Spouse" shall have the meaning given to such term in the Qualified Plan.

(u) " Subsequent Election " means a Participant's election to receive his or her benefit in a Lump Sum Option in accordance with the requirements of paragraph 5(a)(iv).

(v) " Supplemental Plan " shall have the meaning given to such term in the preamble.

(w) " Transferred Participant " shall have the meaning given to such term in the Qualified Plan.

(x) "Transition Election " shall have the meaning given to such term in paragraph 5(b)(i).

7. General

(a) The entire cost of the Supplemental Plan shall be paid from the general assets of the Company. It is the intent of the Company to so pay benefits under the Supplemental Plan as they become due; provided, however, that the Company may, in its sole discretion, establish or cause to be established a trust account for any or each Participant pursuant to an agreement, or agreements, with a bank and direct that some or all of a Participant's benefits under the Supplemental Plan be paid from the general assets of the Company which are transferred to the custody of such bank to be held by it in such trust account as property of the Company subject to the claims of its creditors until such time as benefit payments pursuant to the Supplemental Plan are made from such assets in accordance with such agreement; and until any such payment is made, neither the Plan nor any Participant, Spouse or other beneficiary shall have any preferred claim on, or any beneficial ownership interest in, such assets. Notwithstanding any provision of the Supplemental Plan to the contrary, no amounts shall be so transferred to a trust pursuant to the preceding sentence if, pursuant to Section 409A(b)(3)(A) of the Code, such amount would, for purposes of Section 83 of the Code, be treated as property transferred in connection with the performance of services. No liability for the payment of benefits under the Supplemental Plan shall (i) be imposed upon any officer, director, employee, or stockholder of the Company, (ii) be imposed upon the trust fund under the Qualified Plan, (iii) be paid from the trust fund under the Qualified Plan, or (iv) have any effect whatsoever upon the Qualified Plan or the payment of benefits from the trust fund under the Qualified Plan.

(b) No right or interest of a Participant, Spouse or other beneficiary under the Supplemental Plan shall be anticipated, assigned (either at law or in equity), or alienated by the Participant, Spouse or other beneficiary, nor shall any such right or interest be subject to attachment, garnishment, levy, execution, or other legal or equitable process or in any manner be liable for or subject to the debts of any Participant, Spouse or other beneficiary. The Company shall not recognize any attempt by any Participant, Spouse or other beneficiary to alienate, sell, transfer, assign, pledge, or otherwise encumber his or her benefits under the Supplemental Plan or any part thereof. To the extent permitted by Section 409A of the Code, this paragraph 7(b) shall not apply, however, in the case of a domestic relations order that would be a "qualified domestic relations order" within the meaning of Section 206(d)(3) of ERISA if the Supplemental Plan was subject to Section 206(d)(3) of ERISA. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to a Participant or for a Participant's benefit under this Supplemental Plan may not be reduced by, or offset against, any amount owing by a Participant to the Company or any of its affiliates.

(c) Employment rights shall not be enlarged or affected hereby. The Company shall continue to have the right to discharge or retire a Participant, with or without cause.

8. Miscellaneous

(a) The Company shall, in its discretion, interpret where necessary, in its reasonable and good faith judgment, the provisions of the Supplemental Plan and, except as otherwise provided in the Supplemental Plan, shall determine the rights and status of Participants, Spouses and other beneficiaries hereunder (including, without limitation, the amount of any benefit to which a Participant or beneficiary may be entitled under the

Supplemental Plan). Except to the extent federal law controls, all questions pertaining to the construction, validity, and effect of the provisions hereof shall be determined in accordance with the laws of the State of Ohio.

(b) The Company may, from time to time, delegate all or part of the administrative powers, duties, and authorities delegated to it under the Supplemental Plan to such person or persons, office or committee as it shall select. For the purposes of ERISA, the Company shall be the Plan sponsor and the Plan Administrator.

(c) Whenever there is denied, whether in whole or in part, a claim for benefits under the Supplemental Plan filed by any person (herein referred to as the "Claimant"), the Plan Administrator shall transmit a written notice of such decision to the Claimant within 90 days of receiving the claim from the Claimant, which notice shall be written in a manner calculated to be understood by the Claimant and shall contain a statement of the specific reasons for the denial of the claim, a reference to the relevant Supplemental Plan provisions, a description and explanation of additional information needed, and a statement advising the Claimant that, within 60 days of the date on which he or she receives such notice, he or she may obtain review of such decision in accordance with the procedures hereinafter set forth. Within such 60-day period, the Claimant or the Claimant's authorized representative may request that the claim denial be reviewed by filing with the Plan Administrator a written request therefor, which request shall contain the following information:

(i) the date on which the Claimant's request was filed with the Plan Administrator; provided, however, that the date on which the Claimant's request for review was in fact filed with the Plan Administrator shall control in the event that the date of the actual filing is later than the date stated by the Claimant pursuant to this paragraph;

(ii) the specific portions of the denial of the claim which the Claimant requests the Plan Administrator to review;

(iii) a statement by the Claimant setting forth the basis upon which the Claimant believes the Plan Administrator should reverse the previous denial of the Claimant's claim for benefits and accept the claim as made; and

(iv) any written material (offered as exhibits) which the Claimant desires the Plan Administrator to examine in its consideration of the Claimant's position as stated pursuant to clause (iii) above.

Within 60 days of the date determined pursuant to clause (i) above, the Plan Administrator shall conduct a full and fair review of the decision denying the Claimant's claim for benefits. Within 60 days of the date of such hearing, the Plan Administrator shall render its written decision on review, written in a manner calculated to be understood by the Claimant and including the reasons and Plan provisions upon which its decision was based, a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents and other information relevant to the claim, and a statement describing the Claimant's right to bring an action under Section 502(a) of ERISA.

9. Amendment and Termination

(a) The Company has reserved and does hereby reserve the right to amend, restate or terminate, at any time, any or all of the provisions of the Supplemental Plan,

without the consent of any Participant, Spouse, beneficiary, or any other person. Without limiting the authority of the Board of Directors of the Company or a duly authorized committee thereof to amend, restate or terminate the Supplemental Plan, the Board of Directors of the Company has authorized and instructed its Executive Vice President - Human Resources and Organizational Advancement (or any other officer or delegate of an officer) to amend, restate or terminate the Plan. Any amendment, restatement or termination of the Plan shall be expressed in an instrument executed in the name of the Company. Any such amendment, restatement or termination shall become effective as of the date designated in such instrument or, if no such date is specified, on the date of its execution.

(b) Notwithstanding paragraph 9(a) hereof, no amendment, restatement or termination of the Supplemental Plan shall, without the consent of the Participant (or, in the case of his or her death, his or her beneficiary or Spouse, as applicable), adversely affect (i) the benefit under the Supplemental Plan of any Participant, Spouse or beneficiary then entitled to receive a benefit under the Supplemental Plan or (ii) the right of any Participant to receive upon termination of employment with the Company (or the right of the Participant's Spouse or other beneficiary, as applicable, to receive upon the Participant's death) that benefit which would have been received under the Supplemental Plan if such employment of the Participant had terminated immediately prior to the amendment, restatement or termination of the Supplemental Plan; provided, however, that the consent requirement of Participants, Spouses or other beneficiaries to certain actions shall not apply to any amendment or termination made by the Company pursuant to paragraph 11(b). Notwithstanding any provision to the contrary, the Company, in its sole discretion, may terminate this Supplemental Plan in accordance with Treasury Regulation Section 1.409A-3(j)(4)(ix), or any successor provision.

10. Restriction on Competition

For a period of two years following a Participant's separation from service, the Participant shall not (a) engage or participate, directly or indirectly, in any Competitive Activity (as defined below), or (b) solicit or cause to be solicited on behalf of a competitor any person or entity which was a customer of the Company during the three year period ending on the Participant's retirement date, if the Participant had any direct responsibility for such customer while employed by the Company. The term "Competitive Activity" shall mean the Participant's participation, without the written consent of an officer of the Company, in the management of any business enterprise if such enterprise engages in substantial and direct competition with the Company and such enterprise's sales of any product or service competitive with any product or service of the Company amounted to 25% of such enterprise's net sales for its most recently completed fiscal year and if the Company's net sales of said product or service amounted to 25% of the Company's net sales for its most recently completed fiscal year. "Competitive Activity" shall not include (y) the mere ownership of securities in any enterprise and exercise of rights appurtenant thereto or (z) participation in management of any enterprise or business operation thereof other than in connection with the competitive operation of such enterprise. If a Participant engages in activity prohibited by this paragraph, then in addition to all other remedies available to the Company, the Company shall be released of any obligation under the Supplemental Plan to pay benefits to such Participant or to such Participant's Spouse or beneficiary under the Supplemental Plan.

11. Compliance with Section 409A of the Code.

(a) To the extent applicable, it is intended that this Supplemental Plan (including all amendments thereto) comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Participant, Spouse or a beneficiary. This Supplemental Plan shall be administered in a manner consistent with this intent.

(b) Notwithstanding any provision of this Supplemental Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to this Supplemental Plan as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code. In any case, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a Participant or for a Participant's account in connection with this Supplemental Plan (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold a Participant harmless from any or all of such taxes or penalties.

IN WITNESS WHEREOF, the Company has caused this Plan to be executed by a duly authorized officer at Canton, Ohio, this day of , 2014.

TIMKENSTEEL CORPORATION

Name: Donald L. Walker
Title: Executive Vice President – Human Resources and Organizational Advancement

EXHIBIT 10.2

FORM AMENDED AND RESTATED
EMPLOYEE EXCESS BENEFITS AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT, made this day of , 2014 by and between **[Ward J. Timken, Jr.][Donald L. Walker]** (the "Employee"), and TIMKENSTEEL CORPORATION ("TimkenSteel"), an Ohio corporation having its principal offices at Canton, Ohio.

WHEREAS, The Timken Company ("Timken") and the Employee currently are parties to an Amended and Restated Employee Excess Benefits Agreement, made the **[17th day of December, 2008][4th day of December, 2008, as amended on August 14, 2009]** (the "Prior Agreement");

WHEREAS, prior to June 30, 2014, TimkenSteel was a wholly owned subsidiary of Timken;

WHEREAS, on June 30, 2014, Timken distributed to its shareholders all of the outstanding common shares, without par value, of TimkenSteel (the "Spinoff"), and as a result thereof, TimkenSteel ceased to be a subsidiary of Timken;

WHEREAS, in connection with the Spinoff, TimkenSteel has agreed to assume and be solely responsible for all obligations and liabilities with respect to the Prior Agreement;

WHEREAS, TimkenSteel and the Employee desire to amend the Prior Agreement to reflect TimkenSteel's assumption of the obligations and liabilities thereunder and, as so amended, restate the Prior Agreement in its entirety;

WHEREAS, this Amended and Restated Agreement shall supersede and completely replace the Prior Agreement as of June 30, 2014;

NOW, THEREFORE, effective as of June 30, 2014, the parties covenant and agree as follows:

1. TimkenSteel shall provide the following Excess Benefits:

   (a) Except as provided in Section 2(a), if, under the Supplemental Pension Plan of TimkenSteel Corporation (the "Supplemental Plan"), the Employee would be eligible for a benefit pursuant to paragraph 2(a) of the Supplemental Plan but for this Agreement and the Employee Terminates Employment (as defined in Section 4(a) of this Agreement), the Employee shall be eligible to receive a benefit in an amount equal to the difference between

      (i) the monthly pension the Employee would be entitled to receive under the TimkenSteel Corporation Retirement Plan (hereinafter the "Retirement Plan") were it not for the limitations imposed by the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") and Sections 401 and 415 of the Internal Revenue Code of 1986, as amended (hereinafter collectively referred to as "the Code Limitations"), and

      (ii) the monthly pension he would actually receive under the Retirement Plan.

If any portion of the Employee's benefit under the Retirement Plan is not payable at the same time the Employee's Excess Benefits are payable, the corresponding portion of the Excess Benefit under this Section 1(a) shall be determined by calculating such corresponding portion of the Excess Benefit that would be payable under Section 1(a) and that portion of the benefit that would be payable under the Retirement Plan at age 65 and then actuarially reducing such Excess Benefit from age 65 to the commencement date provided under this Agreement for the Excess Benefits. Any actuarial adjustments under this Section 1(a) shall be based on the "applicable mortality table," as defined in Code Section 417(e)(3) and the "applicable interest rate" as defined in Code Section 417 (e)(3), during the third calendar month (October) immediately preceding the first day of the calendar year in which the determination is made.

The Excess Benefits to which the Employee is entitled under this Section 1(a) shall commence, subject to Section 3, on the first day of the month following the later of (A) the Employee's Termination of Employment or (B) the Employee's **[55th][53rd]** birthday. The form of payment of the Excess Benefits to which the Employee is entitled under this Section 1(a) shall be as specified under the provisions applicable to Participants under the Supplemental Plan.

(b) If a married Employee dies prior to commencement of the Employee's benefit payments and the Employee's Spouse is entitled to a monthly pension under the Retirement Plan, TimkenSteel shall pay to the Employee's Spouse an amount equal to the difference between the monthly pension the Employee's Spouse would be entitled to receive under the Retirement Plan, were it not for the Code Limitations, and the monthly pension the Employee's Spouse would actually receive under the Retirement Plan. Monthly payments shall be made until the Spouse's death. A Spouse's benefit under this Section 1(b), shall commence on the first day of the month following the later of (A) the Employee's death, or (B) the date on which the Employee would have reached age **[55][53]** .

(c) Except as provided in Section 2(a), if the Employee Terminates Employment, the Employee shall be entitled to a monthly benefit under this Agreement equal to 60% of one-twelfth of Final Average Earnings (as defined in the Retirement Plan without consideration of the pay limitation under Internal Revenue Code ("Code") Section 401(a)(17) and based on a five non-consecutive year average), multiplied by the following ratio:

$$\frac{\text{Years of Continuous Service (to a maximum of 10)}}{10}$$

reduced by each of the following:

(i) the monthly payment from the Retirement Plan before any adjustments for optional forms of benefits are made but after any adjustment for early commencement,

(ii) the monthly payment under subsection (a) above before any adjustments for optional forms of benefits are made but after any adjustment for early commencement, and

(iii) the monthly annuity value equal to the sum of (A) the account balance the Employee would have accumulated under The Timken Company Savings and Investment Pension Plan and any other qualified defined contribution plans sponsored by Timken and The Timken Company Post-Tax Savings Plan (the "Timken Savings Plans") as of December 31, 2008 but excluding amounts contributed by the Employee as of such date, such account balance being determined in the manner set forth in the next to last paragraph of this Section 1(c) and being equal to $, plus (B) the account balance the Employee would have accumulated under the Timken Savings Plans and the TimkenSteel Corporation Savings and Investment Pension Plan (the "TimkenSteel Savings Plan") during the period beginning on January 1, 2009 and ending on the date that Excess Benefits are to commence under this Section 1(c), but excluding amounts contributed by the Employee during such period, such account balance being determined in the manner set forth in the next to last paragraph of this Section 1(c).

[WALKER: Notwithstanding any provision to the contrary, if Employee ceases to be an elected officer, (i) Employee's Continuous Service after the date he ceases to be an elected officer shall count towards his years served as an elected officer with TimkenSteel and Timken for all purposes under the Agreement, and (ii) Employee's failure to be an elected officer on the date he terminates employment or retires shall not preclude him from eligibility for a benefit under Section 1(c).]

The benefit to which the Employee is entitled to receive under this Section 1(c) shall commence, subject to Section 3, on the first day of the month following the later of (I) the Employee's Termination of Employment, or (II) the Employee's **[55th][53rd]** birthday, and shall be paid in the form of a monthly annuity for the life of the Participant.

In the event the benefits described in Sections 1(c)(i) and 1(c)(ii) are not payable immediately because the Employee has not met the service requirements in the Retirement Plan, for purposes of this section, the benefits will be reduced for early commencement in the same manner as if the Employee met the service requirement for immediate commencement.

For purposes of Section 1(c)(iii)(A), the account balances related to the Savings Plans will be determined by (w) assuming the Employee received in an account

held for the Employee under the Savings Plans the maximum amount of matching contributions for each year he was an employee and eligible to participate in the Savings Plans and (x) using the actual contributions made by Timken for all other purposes to the Timken Savings Plans. For purposes of Section 1(c)(iii)(B), the account balances related to the Timken Savings Plans and the TimkenSteel Savings Plan (collectively, the "Savings Plans") will be determined by (y) assuming the Employee received in an account held for the Employee under the Savings Plans the maximum amount of matching contributions at the rate specified for matching contributions in Exhibit B without regard to the limits imposed by Code Sections 402(g) and 401(a)(17) for each year he was an employee and eligible to participate in the Savings Plans, and (z) assuming Timken's and TimkenSteel's contributions to the account held for the Employee under the Savings Plans, in addition to the matching contributions described in (y), consisted only of the Core Contributions (as defined in the Savings Plans) under the Savings Plans at the rate specified for Core Contributions in Exhibit B without regard to the limits imposed by Code Section 401(a)(17) for each year he was an employee and eligible for Core Contributions in the Savings Plans. For purposes of Section 1(c)(iii), interest will be credited to such account at a rate of eight percent (8%) per annum beginning at the end of the year to which the contributions are attributable. For purposes of Section 1(c)(iii), the monthly annuity will be that which could be purchased on the date of the Employee's Termination of Employment with the account balance at the date that Excess Benefits are to commence under this Section 1(c) from an insurance company which at the time of purchase has the highest rating by A.M. Best assuming that the annuity is purchased with assets from a qualified retirement plan, is based on group rates, is on a no commission basis and is payable for the Employee's lifetime, with no continuation after the Employee's death.

Notwithstanding the foregoing provisions of this subsection (c), if the Employee's benefit payable under this subsection (c) commences prior to attaining age 62, such benefit (before the reductions described in Sections 1(c)(i), 1(c)(ii) and 1(c)(iii) are made) shall be reduced by 4% for each year by which the commencement date of the benefit precedes age 62.

[TIMKEN: (d) Except as provided in Section 2(a), if the Employee Terminates Employment, the Employee shall be entitled to a lump sum benefit under this Agreement equal to $58,323.32 plus interest on such amount at a rate equal to 8% per year during the period beginning on January 1, 2009 and ending on the last day of the month preceding the month in which such amount is paid in accordance with the following sentence. The benefit to which the Employee is entitled to receive under this Section 1(d) shall be paid in a single lump sum, subject to Section 3, on the first day of the month following the later of (A) the Employee's Termination of Employment, or (B) the Employee's 55th birthday.]

[(e)][(d)] If a married Employee is eligible for a benefit under Section 1(c), his surviving spouse shall be entitled to a monthly benefit after the death of the Employee as follows:

(iv) If a married Employee dies after the Employee has started to receive the benefit provided for under Section 1(c), the Employee's surviving spouse shall be entitled to receive an immediate monthly benefit equal to 50% of the amount the Employee was receiving pursuant to Section 1(c). Such benefit will commence on the first day of the month next following the month of the Employee's death.

(v) If a married Employee dies before the Employee has started to receive the benefit provided for under Section 1(c), the Employee's Surviving Spouse shall be entitled to a monthly benefit equal to 50% of the amount the Employee would have received pursuant to Section 1(c) if the Employee had commenced to receive that monthly benefit at the Surviving Spouse's benefit commencement date specified below, determined by taking into account the Employee's Final Average Earnings and years of Continuous Service as of the Employee's date of death. The surviving spouse's benefit payments pursuant to this subsection (ii) will commence on the first day of the month next following the later of (A) the Employee's death, or (B) the date on which the Employee would have reached age **[55][53]** .

(vi) Monthly payments to a surviving spouse pursuant to this Section 1 **[(e)][(d)]** shall be made until the spouse's death.

2. (a) If the Employee's employment with TimkenSteel terminates for Cause, no Excess Benefits shall become due and payable to the Employee and this Agreement shall be considered terminated.

(b) For purposes of this Section 2, a termination shall be deemed to have been for "Cause" only if based on the fact that the Employee has done any of the following acts and such is materially harmful to TimkenSteel:

(i) An intentional act of fraud, embezzlement or theft in connection with the Employee's duties with TimkenSteel and resulting or intended to result directly or indirectly in substantial personal gain to the Employee at the expense of TimkenSteel;

(ii) Intentional wrongful disclosure of secret processes or confidential information of TimkenSteel or any of its subsidiaries; or

(iii) Intentional wrongful engagement in any Competitive Activity which would constitute a material breach of the Employee's duty of loyalty to TimkenSteel.

For purposes of this Section 2, the term "Competitive Activity" shall mean the Employee's participation, without the written consent of an officer of TimkenSteel, in the management of any business enterprise if such enterprise engages in substantial and direct competition with TimkenSteel and such enterprise's sales of any product or service competitive with any product or service of TimkenSteel amounted to 25% of such enterprise's net sales for its most recently completed fiscal year and if TimkenSteel's net sales of said product or service amounted to 25% of TimkenSteel's net sales for its most recently completed fiscal year. "Competitive Activity" shall not include (A) the mere ownership of securities in any enterprise and exercise of rights appurtenant thereto or (B) participation in the management of any enterprise or business operation thereof other than in connection with the competitive operation of such enterprise.

For purposes of this Section 2(b), no act, or failure to act, on the part of the Employee shall be deemed "intentional" unless done, or omitted to be done, by the Employee not in good faith and without reasonable belief that his action or omission was in or not opposed to the best interest of TimkenSteel. Notwithstanding the foregoing, the Employee shall not be deemed to have been terminated for "Cause" hereunder unless and until there shall have been delivered to the Employee a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the members of the TimkenSteel Board of Directors (the "Directors") then in office at a meeting of the Directors called and held for such purpose (after reasonable notice to the Employee and an opportunity for the Employee, together with his counsel, to be heard before the Directors), finding that, in the good faith opinion of the Directors, the Employee had committed an act set forth in subsection (b) of this Section and specifying the particulars thereof in detail. Nothing herein shall limit the right of the Employee or his beneficiaries to contest the validity or propriety of any such determination.

3. Notwithstanding any provision of this Agreement to the contrary, if the Employee is a "specified employee," determined pursuant to procedures adopted by TimkenSteel in compliance with Section 409A of the Code, on the date the Employee Terminates Employment and if any portion of the payments to be received by the Employee are by reason of his Termination of Employment, then to the extent necessary to comply with Section 409A, amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination of Employment will instead be paid or made available on the earlier of (i) the first business day of the seventh month after the date of the Employee's Termination of Employment, or (ii) the Employee's death. Any benefit payments that are scheduled to be paid more than six months after such Employee's Termination of Employment shall not be delayed and shall be paid in accordance with the schedule prescribed by Sections 1(a) and 1(c), as applicable.

4. (a) For purposes of this Agreement, "Terminates Employment" and "Termination of Employment" shall mean a termination of employment (within the meaning of Treasury Regulation Section 1.409A-1(h)(1)(ii)) with TimkenSteel and any member of its controlled group (as such term is used for purposes of ERISA and the Code, except that a 50% ownership or common control threshold shall be used to determine controlled group status instead of an 80% ownership or common control threshold). For purposes of the preceding sentence a termination of employment shall also include a permanent decrease in the level of bona fide services performed by the Employee after a certain date to a level that is 20% or less of the average level of bona fide services performed by the Employee over the immediately preceding 36-month period.

   (b) Any references to the Employee's Spouse herein shall mean the Employee's Spouse at the time of the Employee's death or commencement of Participant's Excess Benefits, whichever is applicable, under the Retirement Plan or TimkenSteel Savings Plan if the Employee is not a participant in the Retirement Plan, provided that if a qualified domestic relations order provides that a former spouse of the Employee is to be considered the Employee's Spouse for purposes of pension benefits, TimkenSteel shall consider such former spouse of the Employee to be the Employee's Spouse for purposes of this Agreement.

5. This Agreement shall be binding upon and shall inure to the benefit of TimkenSteel and the Employee and their respective successors and assigns; provided, however, that, except as set forth herein, no rights to any benefit under this Agreement shall be transferable or assignable by the Employee or any other person, or be subject to alienation, encumbrance, garnishment, attachment, execution or levy of any kind, voluntary or involuntary. Any such attempted assignment or transfer shall terminate this Agreement and TimkenSteel shall have no further liability hereunder.

6. TimkenSteel is hereby designated as the Named Fiduciary of this Agreement, in accordance with ERISA. The Named Fiduciary shall have the authority to control and manage the operation and administration of this Agreement and is hereby designated as the Agreement Administrator.

7. The obligations of TimkenSteel hereunder constitute an unsecured promise of TimkenSteel to make payment of the amounts provided for in this Agreement. No property of TimkenSteel is or shall be, by reason of this Agreement, held in trust for the Employee, or any other person, and neither the Employee nor any other person shall have, by reason of this Agreement, any rights, title or interest of any kind in or to any property of TimkenSteel.

   Notwithstanding the foregoing paragraph, upon the earlier to occur of (i) a Change in Control that involves a transaction that was not approved by the Board of Directors, and was not recommended to TimkenSteel's shareholders by the Board of Directors, (ii) a declaration by the Board of Directors that the trusts under the Employee Excess Benefits Agreements should be funded in connection with a Change in Control that involves a transaction that was approved by the Board of Directors, or was recommended to

shareholders by the Board of Directors, or (iii) a declaration by the Board of Directors that a Change in Control is imminent, TimkenSteel shall promptly, to the extent it has not previously done so, and in any event within five business days fund a trust established for the sole purpose of the payment of the amounts payable under this Agreement. The amount to be contributed by TimkenSteel prior to the Change in Control shall be calculated, using the actuarial assumptions set forth in Exhibit A , by Towers Watson or another independent actuary appointed by TimkenSteel. Notwithstanding any provision of this Agreement to the contrary, no amount shall be transferred to a trust in accordance with this paragraph if, pursuant to Section 409A(b)(3)(A) of the Code, such amount would, for purposes of Section 83 of the Code, be treated as property transferred in connection with the performance of services. Upon a Change in Control, the rights of the Employee under this Agreement shall be fully vested.

For purposes of this Agreement, "Change in Control" shall mean the occurrence of any of the following events:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either: (i) the then-outstanding common shares, without par value, of TimkenSteel (the "Common Shares"); or (ii) the combined voting power of the then-outstanding voting securities of TimkenSteel entitled to vote generally in the election of Directors ("Voting Shares"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from TimkenSteel; (B) any acquisition by TimkenSteel; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by TimkenSteel or any of its subsidiaries; or (D) any acquisition by any Person pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c); or

(b) Individuals who, as of the date hereof, constitute the Board of Directors (the "Incumbent Board") cease for any reason (other than death or disability) to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a Director subsequent to the date hereof whose election, or nomination for election by TimkenSteel's shareholders, was approved by a vote or the approval of at least a majority of the Directors then comprising the Incumbent Board (either by a specific vote or written action or by approval of the proxy statement of TimkenSteel in which such person is named as a nominee for Director, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of TimkenSteel (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Common Shares and Voting Shares immediately prior to such Business Combination beneficially own, directly or indirectly, more than 66-2/3% of, respectively, the then-outstanding common shares and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns TimkenSteel or all or substantially all of TimkenSteel's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Combination, of the Common Shares and Voting Shares of TimkenSteel, as the case may be, (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) sponsored or maintained by TimkenSteel or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 30% or more of, respectively, the then-outstanding common shares of the entity resulting from such Business Combination, or the combined voting power of the then-outstanding voting securities of such entity except to the extent that such ownership existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination; or

(d) Approval by the shareholders of TimkenSteel of a complete liquidation or dissolution of TimkenSteel.

8. In the event that, in its discretion, TimkenSteel purchases an insurance policy or policies insuring the life of the Employee to allow TimkenSteel to recover in whole or in part, the cost of providing the benefits under this Agreement, neither the Employee nor any beneficiary shall have any right whatsoever therein; TimkenSteel shall be the sole owner and beneficiary of such, insurance policy or policies and shall possess and may exercise all incidents of ownership therein.

9. All questions of interpretation, construction or application arising under this Agreement shall be decided by the Board of Directors of TimkenSteel and its decision shall be final and conclusive upon all parties. TimkenSteel, in its discretion, shall make all determinations as to rights to benefits under this Agreement. Any decision by TimkenSteel denying a claim for benefits under this Agreement shall be stated in writing and delivered or mailed to the Employee or the Employee's Spouse. Such decision shall (i) be made and issued in accordance with the claims regulations issued by the Department of Labor, (ii) set forth the specific reasons for the denial of the claim, and (iii) state that the decision may be appealed by the Employee.

10. Nothing contained in this Agreement shall be construed to be a contract of employment nor as conferring upon the Employee the right to continue in the employ of TimkenSteel in any capacity. It is expressly understood by the parties hereto that this Agreement relates exclusively to Excess Benefits and is not intended to be an employment contract.

11. This Agreement may not be amended, altered or modified, except by a written instrument signed by the parties hereto. This Agreement shall supersede the provisions of the Prior Agreement and the Employee shall be entitled to benefits solely under this Agreement

12. Following Termination of Employment, the Employee shall comply with the Restriction on Competition in paragraph 9 of the Supplemental Plan. If the Employee engages in activity prohibited by this Section, then in addition to all other remedies available to TimkenSteel, TimkenSteel shall be released from any obligation under this Agreement to pay benefits to the Employee or the Employee's Spouse under this Agreement. Any such cessation of payments shall not reduce any monetary damages that may be available to TimkenSteel as a result of the Employee's breach.

13. The failure at any time to require performance of any provision expressed herein shall in no way affect the right thereafter to enforce such provision; nor shall the waiver of any breach of any provision expressed herein be taken or held to be a waiver of any succeeding breach of any such provision or as a waiver of a provision itself.

    In the event that any provision or term of this Agreement is finally determined by any judicial, quasi-judicial or administrative body to be void or not enforceable for any reason, it is the agreed upon intent of the parties hereto that all other provisions or terms of the Agreement shall remain in full force and effect and that the Agreement shall be enforceable as if such void or unenforceable provision or term had never been included herein.

14. Every designation, election, revocation or notice authorized or required hereunder shall be deemed delivered to TimkenSteel: (a) on the date it is personally delivered to TimkenSteel offices at 1835 Dueber Avenue, S.W., Canton, OH 44706-0927 or (b) three business days after it is sent by registered or certified mail, postage prepaid, addressed to TimkenSteel at the offices indicated above. Every designation, election, revocation or notice authorized or required hereunder which is to be delivered to the Employee or a beneficiary shall be deemed delivered to the Employee or beneficiary: (a) on the date it is personally delivered to such individual (either physically or through interactive electronic communication), or (b) three business days after it is sent by registered or certified mail, postage prepaid, addressed to such individual at the last address shown for him on TimkenSteel records. Any notice required hereunder may be waived by the person entitled thereto.

15. In the event the Employee or the Employee's Spouse is declared incompetent and a guardian, conservator or other person is appointed and legally charged with the care of the person or the person's estate, the payments under this Agreement to which the Employee or the Employee's Spouse is entitled shall be paid to such guardian, conservator or other person legally charged with the care of the person or the estate.

Except as provided hereinabove, when TimkenSteel, in its sole discretion, determines that the Employee or the Employee's Spouse is unable to manage his financial affairs, TimkenSteel may make distribution(s) of the amounts payable to the Employee or the Employee's Spouse to any one or more of the spouse, lineal ascendants or descendants or other closest living relatives of the Employee or the Employee's Spouse who demonstrate to the satisfaction of TimkenSteel the propriety of making such distribution(s). Any payment so made shall be made at the same time and in the same form as such benefit would be made to the Employee and shall be in complete discharge of any liability under this Agreement for such payment. TimkenSteel shall not be required to see to the application of any such distribution made under this Section 15.

16. This Agreement shall be subject to and construed under the laws of the State of Ohio.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this day of , 2014.

TIMKENSTEEL CORPORATION

Employee

By:

Its:

EXHIBIT A

The amount to be contributed to a trust fund pursuant to Section 7 of this Agreement to insure the performance of TimkenSteel's obligations under this Agreement in the event of a Change in Control shall be calculated using the "applicable mortality table," and the "applicable interest rate" as defined in Code Section 417(e)(3), during the third calendar month immediately preceding the date in which the contribution to the trust fund occurs.

EXHIBIT B

Assumptions for Determination of Savings Plans Account Balances

Matching Contributions Rate:

4.5% of the Employee's Gross Earnings (as defined in the Timken Savings Plan on December **[17][4]** , 2008)

Core Contributions Rate:

The contribution percentage rate of the Core Contribution is based on the sum of the Employee's full years of Credited Service and age as of December 31 of the previous calendar year with any fractional portion of a year of Credited Service or age disregarded, and calculated as follows:

Age Plus Years of Credited Service*	**Contribution Percentage**
0-34	1.00% of Gross Earnings*
35-44	2.00% of Gross Earnings*
45-54	3.00% of Gross Earnings*
55-64	3.50% of Gross Earnings*
65-74	4.00% of Gross Earnings*
75+	4.50% of Gross Earnings*

* "Credited Service" and "Gross Earnings" have the meanings given to such terms in the Timken Savings Plan on December **[17][4]** , 2008.

EXHIBIT 10.3

FORM SEVERANCE AGREEMENT

This Severance Agreement (the "Agreement") is dated as of the day of , 20 , between TimkenSteel Corporation, an Ohio corporation (the "Company"), and (the "Employee").

Recitals

WHEREAS, the Employee is a key employee of the Company and has made and is expected to continue to make major contributions to the profitability, growth and financial strength of the Company; **[and]**

WHEREAS, the Company wishes to induce its key employees to remain in the employment of the Company and to assure itself of stability and continuity of operations by providing severance protection to those key employees who are expected to make major contributions to the success of the Company. In addition, the Company recognizes that a termination of employment may occur following a change in control in circumstances where the Employee should receive additional compensation for services theretofore rendered and for other good reasons, the appropriate amount of which would be difficult to ascertain. Hence, the Company has agreed to provide special severance in the event of a change in control of the Company **[;**

WHEREAS, The Timken Company and the Employee are parties to a Severance Agreement, dated (the "Prior Agreement");

WHEREAS, the Company has agreed to assume and be solely responsible for all obligations and liabilities with respect to the Prior Agreement;

WHEREAS, the Company and the Employee desire to enter into this Agreement to supersede and completely replace the Prior Agreement] .

NOW, THEREFORE, in consideration of the premises provided for in this Agreement, including the Release provided for in Section 7 hereof, the Company and the Employee agree as follows:

1. Definitions :

1.1 Base Salary : The term "Base Salary" shall mean the Employee's annual base salary as in effect on the date this Agreement becomes operative, as the same may be increased from time to time.

1.2 Board : The term "Board" shall mean the Board of Directors of the Company.

1.3 Change in Control : “Change in Control” means the occurrence during the Term of any of the following events:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either: (i) the then-outstanding Common Shares; or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (“Voting Shares”); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company; (B) any acquisition by the Company; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries; or (D) any acquisition by any Person pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c); or

(b) Individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason (other than death or disability) to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company’s shareholders, was approved by a vote or the approval of at least a majority of the directors then comprising the Incumbent Board (either by a specific vote or written action or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a “Business Combination”), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Common Shares and Voting Shares immediately prior to such Business Combination beneficially own, directly or indirectly, more than 66-2/3% of, respectively, the then-outstanding common shares and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Combination, of the Common Shares and Voting Shares of the Company, as the case may be, (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) sponsored or maintained by the Company or such entity resulting from such Business Combination) beneficially owns, directly or

indirectly, 30% or more of, respectively, the then-outstanding common shares of the entity resulting from such Business Combination, or the combined voting power of the then-outstanding voting securities of such entity except to the extent that such ownership existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

The Company shall give the Employee written notice, delivered to the Employee in the manner specified in Section 9 hereof, of the occurrence of any event constituting a Change in Control as promptly as practical, and in no case later than 10 calendar days, after the occurrence of such event.

1.4 CIC Severance Amount : The term "CIC Severance Amount" shall mean an amount equal to the sum of:

(a) three times the greater of (i) the Employee's Base Salary in effect immediately prior to the Employee's Termination of Employment or (ii) the Employee's Base Salary in effect immediately prior to the Change in Control;

(b) three times the greater of (i) the Employee's Incentive Pay for the year in which the Employee's employment is terminated or (ii) the Employee's Incentive Pay for the year in which the Change in Control occurred;

(c) The Enhanced Supplemental Pension Benefit; and

(d) The Supplemental SIP Plan Benefit.

1.5 Code : The term "Code" shall mean the Internal Revenue Code of 1986, as amended.

1.6 Common Shares : The term "Common Shares" means the common shares, without par value, of the Company.

1.7 Company Termination Event : The term "Company Termination Event" shall mean the Termination of Employment of the Employee by the Company or otherwise in any of the following events and prior to any Employee Termination Event:

(a) The Employee's death;

(b) If the Employee shall become eligible to receive and begins actually to receive long-term disability benefits under the Long Term Disability Program of TimkenSteel Corporation or any successor plan; or

(c) For Cause. Termination of Employment shall be deemed to be for "Cause" only if based on the fact that the Employee has done any of the following:

(i) An intentional act of fraud, embezzlement or theft in connection with his duties with the Company;

(ii) Intentional wrongful disclosure of secret processes or confidential information of the Company or a Company subsidiary; or

(iii) Intentional wrongful engagement in any Competitive Activity which would constitute a material breach of the Employee's duty of loyalty to the Company.

For purposes of this Agreement, no act, or failure to act, on the part of the Employee shall be deemed "intentional" unless done or omitted to be done, by the Employee not in good faith and without reasonable belief that his action or omission was in or not opposed to the best interest of the Company.

1.8 Competitive Activity : The term "Competitive Activity" shall mean the Employee's participation, without the written consent of an officer of the Company, in the management of any business enterprise if such enterprise engages in substantial and direct competition with the Company and such enterprise's sales of any product or service competitive with any product or service of the Company amounted to 25% of such enterprise's net sales for its most recently completed fiscal year and if the Company's net sales of said product or service amounted to 25% of the Company's net sales for its most recently completed fiscal year. "Competitive Activity" shall not include (a) the mere ownership of securities in any enterprise and exercise of rights appurtenant thereto or (b) participation in management of any enterprise or business operation thereof other than in connection with the competitive operation of such enterprise.

1.9 Employee Termination Event : The term "Employee Termination Event" shall mean the Termination of Employment of the Employee (including a decision to retire if eligible under the TimkenSteel Corporation Retirement Plan, or any successor plan (the "Retirement Plan")) by the Employee in any of the following events:

(a) A determination by the Employee made in good faith that upon or after the occurrence of a Change in Control: (i) a material reduction in the nature or scope of the responsibilities, authorities or duties of the Employee attached to the Employee's position held immediately prior to the Change in Control has occurred; or (ii) a change of more than 60 miles has occurred in the location of the Employee's principal office immediately prior to the Change in Control;

(b) A material reduction by the Company in the Employee's Base Salary upon or after the occurrence of a Change in Control;

For purposes of this Agreement, the amount of any reduction in annual base salary elected by the Employee pursuant to any qualified or non-qualified salary

reduction arrangement maintained by the Company, including, without limitation, the TimkenSteel Corporation Savings and Investment Pension Plan (the "SIP Plan") and the TimkenSteel Corporation 2014 Deferred Compensation Plan (the "Deferred Compensation Plan"), shall be included in the determination of Base Salary; or

(c) An action or inaction that constitutes a material breach by the Company of this Agreement (including, but not limited to, a breach of Section 8.1 hereof) upon or after the occurrence of a Change in Control.

Notwithstanding the foregoing, no Termination of Employment by the Employee will be an Employee Termination Event unless (x) the Employee gives the Company notice of the existence of a condition described in subsection (a), (b), or (c), above within 90 days of the initial existence of such condition, and (y) the Company does not remedy such condition described in clause (a), (b), or (c) above, as applicable, within 30 days of receiving the notice described in the preceding clause (x), and (z) the Employee terminates employment within 2 years after the initial existence of a condition described in subsection (a), (b), or (c), above.

1.10 Enhanced Supplemental Pension Benefit : The term "Enhanced Supplemental Pension Benefit" shall mean (a) less (b), where:

(a) is the Primary Supplemental Pension Benefit determined by assuming (i) the Employee was credited with additional service with the Company equal to the period of time between the Termination Date and the first to occur of either (A) the end of the Limited Period or (B) the end of the Severance Period, provided that for purposes of the Retirement Plan, the Excess Agreement and the Supplemental Plan the Employee will only be credited with such additional service if the Employee was being credited with service for benefit accrual purposes under such plans immediately prior to the Termination Date, and (ii) the Employee's compensation for purposes of benefit calculation under the Retirement Plan, the Excess Agreement and the Supplemental Plan included a period of the Employee's full-time employment with the Company equal to the period of time between the Termination Date and the first to occur of either (A) the end of the Limited Period or (B) the end of the Severance Period during which the Employee had Base Salary equal to the greater of (1) his Base Salary for the calendar year in which the Employee's employment is terminated or (2) his Base Salary for the calendar year in which the Change in Control occurred, and Incentive Pay equal to the greater of (I) the Employee's Incentive Pay for the calendar year in which the Termination Date occurs or (II) the Employee's Incentive Pay for the calendar year in which the Change in Control occurs; and

(b) is the Primary Supplemental Pension Benefit.

The calculations of the Enhanced Supplemental Pension Benefit (and its actuarial equivalence) shall be made, as of the Termination Date, by Towers Watson or such other independent actuary appointed by the administrator of the Retirement Plan and acceptable to the Employee (the

"Actuary"). The lump sum of actuarial equivalence shall be calculated using the applicable mortality table promulgated by the Internal Revenue Service ("IRS") under Section 417(e)(3) of the Code as in effect on the Termination Date and the applicable interest rates promulgated by the IRS under Section 417(e)(3) of the Code for the month third preceding the month in which the Termination Date occurs, and if the IRS ceases to promulgate such interest rates, an interest rate determined by the Actuary.

1.11 Exchange Act : The term "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time.

1.12 Incentive Pay : The term "Incentive Pay" shall mean an annual amount equal to the target annual amount of Incentive Payments payable to the Employee. However, for purposes of Section 4.2 for a Termination of Employment other than in the Limited Period, Incentive Pay shall mean an amount equal to the annual incentive amount actually paid, based on the attainment of pre-established goals, and subject to the generally applicable terms of the TimkenSteel Corporation Senior Executive Management Performance Plan, or similar or successor plan, for the calendar year in which the Termination Date occurs.

1.13 Incentive Payments : The term "Incentive Payments" shall mean any cash incentive compensation paid based on an annual performance period (whether pursuant to the TimkenSteel Corporation Senior Executive Management Performance Plan or any successor similar plan or through any other means), without regard to any reduction thereof elected by the Employee pursuant to any qualified or non-qualified salary reduction arrangement maintained by the Company, including, without limitation, the SIP Plan and the Deferred Compensation Plan.

1.14 Incentive Payout Percentage : The term "Incentive Payout Percentage" shall mean, for a given year, (a) the amount of Incentive Payments paid to the Employee, divided by (b) the corresponding amount of Incentive Pay, expressed as a percentage, but in no event exceeding one hundred percent (100%).

1.15 Limited Period : The term "Limited Period" shall mean that period of time commencing on the date of a Change in Control and continuing for a period of three years.

1.16 Notice of Termination : The term "Notice of Termination" shall mean a written notice delivered to the Employee in the manner specified in Section 9 of this Agreement, which notice indicates the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Employee's employment.

1.17 Primary Supplemental Pension Benefit : The term "Primary Supplemental Pension Benefit" shall mean (a) less (b), where:

(a) is the sum of the accrued pension benefits (converted to a lump sum of actuarial equivalence as of the Termination Date) which the Employee would have been entitled to receive at or after the Termination Date under (i) the Retirement Plan, (ii) any annuity distributed to the Employee as a result of the termination on October 31, 1984 of the Retirement Plan for Salaried Employees

of The Timken Company (the "Terminated Pension Plan"), (iii) any Employee Excess Benefits Agreement ("Excess Agreement"), and (iv) the Supplemental Pension Plan of TimkenSteel Corporation ("Supplemental Plan"), assuming for purposes of this calculation that (A) the Employee's benefits under the Retirement Plan, the Excess Agreement and the Supplemental Plan were vested and non-forfeitable, (B) the Employee satisfied any other condition under the Retirement Plan, the Excess Agreement and the Supplemental Plan to his receipt of benefits thereunder, (C) the Employee's compensation for purposes of the Retirement Plan, the Excess Agreement and the Supplemental Plan was determined without regard to any reduction in compensation elected by the Employee pursuant to any qualified or non-qualified salary reduction arrangement maintained by the Company, including without limitation, the SIP Plan and the Deferred Compensation Plan, (D) solely for purposes of determining the time at which the Employee would receive benefits under the Retirement Plan, the Terminated Pension Plan, the Excess Agreement and the Supplemental Plan, the Employee had continued his employment with the Company until such time Employee would have received such benefits, and (E) the Employee commenced receiving benefits from the Retirement Plan, the Terminated Pension Plan, the Excess Agreement and the Supplemental Plan at the point in time when the total of the lump sums of actuarial equivalence under the Retirement Plan, the Terminated Pension Plan, the Excess Agreement and the Supplemental Plan is the greatest; and

(b) is the sum of the accrued pension benefits (converted to a lump sum of actuarial equivalence as of the Termination Date) which the Employee is entitled to receive at or after the Termination Date under (i) the Retirement Plan, and (ii) any annuity distributed to the Employee as a result of the termination on October 31, 1984 of the Terminated Pension Plan.

The calculations of the Primary Supplemental Pension Benefit (and its actuarial equivalence) shall be made, as of the Termination Date, by the Actuary. The lump sum of actuarial equivalence shall be calculated using the applicable mortality table promulgated by the IRS under Section 417(e)(3) of the Code as in effect on the Termination Date and the applicable interest rate promulgated by the IRS under Section 417(e)(3) of the Code for the month third preceding the month in which the Termination Date occurs, and if the IRS ceases to promulgate such interest rates, an interest rate determined by the Actuary.

1.18 Sale Termination : The term "Sale Termination" shall mean a Termination of Employment with the Company or a Subsidiary of the Company in connection with:

(a) a sale by the Company or a Subsidiary of the Company of a plant or other facility or property or assets; or

(b) a sale of the ownership of the Company or a Subsidiary of the Company,

when the acquirer in such sale described in subsection (a) or (b) or its affiliate makes an offer of employment to the Employee in connection with such sale. Notwithstanding the foregoing, a Termination of Employment shall not be a Sale Termination if such Termination of Employment occurs during the Limited Period or during the 90 days prior to a Change in Control under the circumstances described in Section 4.1(a).

1.19 Severance Amount : The term "Severance Amount" shall mean an amount equal to the sum of:

(a) **[one and one-half][two]** times the Employee's Base Salary in effect immediately prior to the Employee's Termination of Employment; and

(b) **[one and one-half][two]** times an amount equal to (x) the Employee's highest Incentive Payout Percentage during the five years immediately preceding the year in which the Employee's employment is terminated, multiplied by (y) the amount of the Incentive Pay for the year in which Employee's employment is terminated.

1.20 Severance Period : The term "Severance Period" shall mean the period beginning on the Employee's Termination Date and ending on the **[18-month][second]** anniversary of the Termination Date.

1.21 Subsidiary : The term "Subsidiary" means a corporation, partnership, joint venture, unincorporated association or other entity in which the Company directly or indirectly beneficially owns 50% or more ownership or other equity interest.

1.22 Supplemental SIP Plan Benefit : The "Supplemental SIP Plan Benefit" shall mean the sum of (a) and (b), where:

(a) Is equal to:

(i) The amount of the Company Matching Contributions and Core Contributions (as such terms are defined in the SIP Plan) that would have been made to the SIP Plan by the Company and allocated to the Employee's account thereunder as if the Employee had remained in the full-time employment of the Company until the earlier of (A) the end of the Limited Period or (B) the end of the Severance Period, at the greater of (I) his Base Salary for the calendar year in which the Employee's employment is terminated, or (II) his Base Salary immediately prior to the Change in Control, and the greater of (y) the Employee's Incentive Pay for the calendar year in which the Termination Date occurs and (z) the Employee's Incentive Pay for the calendar year in which the Change in Control occurred, and assuming the Employee's salary deferral was at the maximum permissible level; less

(ii) The amount of the Company Matching Contributions and Core Contributions made to the SIP Plan by the Company and allocated to the Employee's account thereunder as of the Termination Date; and

(b) Is equal to the sum of (i) and (ii), where:

(i) Is equal to the sum of Excess Deferrals and Excess Company Contributions attributable to the Employee as of the Termination Date, to the extent the Employee has not elected to defer his Excess Deferrals and Excess Company Contributions to the Deferred Compensation Plan, and

(ii) Is equal to the amount of Excess Deferrals and Excess Company Contributions that would have been attributable to the Employee after the Termination Date if the Employee had remained in the full-time employment of the Company until the earlier of (A) end of the Limited Period or (B) the end of the Severance Period at the greater of (I) his Base Salary and Incentive Pay for the calendar year in which the Employee's employment is terminated, or (II) his Base Salary and Incentive Pay for the calendar year in which the Change in Control occurred, and assuming the Employee's contributions to the SIP Plan following the Termination Date had been at the highest rate at which such contributions had been made at any time during the three-year period ending on the Termination Date; and where

(iii) "Excess Deferrals" means the amount of the Employee's salary reduction contributions to the SIP Plan in excess of the limits imposed by Section 402(g) of the Code, if his elections for the SIP Plan (including catch-up contributions authorized by and subject to the limitations of Section 414(v) of the Code) place his salary reduction contributions under the SIP Plan in excess of the amount permitted under Section 402(g) or to the extent of his elective deferral contributions on compensation in excess of the limitation under Section 401(a)(17) of the Code; and

(iv) "Excess Company Contributions" means the amount of the company contributions that would be made for his benefit to the SIP Plan with respect to his Excess Deferrals, based on his elections under the SIP Plan, or on the basis of his compensation in excess of the limitation under Section 401(a)(17) of the Code.

1.23 Termination Date : The term "Termination Date" shall mean the effective date of the Employee's Termination of Employment with the Company.

1.24 Termination of Employment : The term "Termination of Employment" means termination of employment within the meaning of Treasury Regulation Section 1.409A-1(h)(1)(ii).

2. Operation of Agreement : This Agreement shall be effective immediately upon its execution.

3. Conditions During the Limited Period : During the Limited Period:

(a) the Employee shall remain in the same or better office and position in the Company (or a successor thereto) or any Subsidiary that the Employee held immediately prior to the Change in Control;

(b) if the Employee was a Director of the Company or a Subsidiary immediately prior to a Change in Control, the Employee shall remain a Director of the Company (or a successor thereto) or a Director of such Subsidiary;

(c) Employee shall be entitled to receive Incentive Payments equal to or in excess the Employee's average Incentive Pay for the previous three calendar years; and such amounts will be paid in the calendar year following the calendar year in which the amounts are earned but in no event later than 2 $^{1}/_{2}$ months after the end of the calendar year following the calendar year in which such amounts are earned;

(d) (i) the Company shall continue in effect without a material negative change to any compensation or benefit plan in which the Employee participated immediately prior to the Change in Control and, as applicable, the Company shall continue Employee's participation in any such compensation or benefit plan; (ii) neither the Company nor its Subsidiaries shall take any action that would directly or indirectly materially reduce any of the benefits of any compensation or benefit plan enjoyed by the Employee at the time of the Change in Control; (iii) the Employee shall continue to be entitled to no less than the same number of paid vacation days to which the Employee was entitled immediately prior to the Change in Control, based on years of service with the Company or its Subsidiaries in accordance with the normal vacation policy, in effect immediately prior to the Change in Control, of the Company or any of its Subsidiaries that employ Employee immediately prior to the Change in Control, and (iv) neither the Company nor any of its Subsidiaries shall take any other action which would materially adversely change the conditions or prerequisites of the Employee's employment as in effect immediately prior to the Change in Control; and

(e) the termination of Employee's employment by the Company or its Subsidiaries shall only be effected pursuant to a Notice of Termination satisfying the requirements of Section 1.16 of this Agreement.

Employee acknowledges that if the Company fails to fulfill any of its obligations under this Section 3, Employee's only recourse is to cause such failure to be considered an Employee Termination Event if the breach is considered a material breach of this Agreement and Employee's damages will be limited to the payments provided for in Section 4, as applicable.

4. Severance Compensation :

4.1 Severance Compensation:

(a) If the Employee experiences a Termination of Employment during the Limited Period because the Company terminated the Employee's employment

during the Limited Period other than pursuant to a Company Termination Event, or because the Employee voluntarily terminated his employment during the Limited Period pursuant to an Employee Termination Event, then the Company shall pay as severance compensation to the Employee a lump sum cash payment in the amount of the CIC Severance Amount. Anything in this Agreement to the contrary notwithstanding, if a Change in Control occurs and not more than 90 days prior to the date on which the Change in Control occurs, the Employee experiences a Termination of Employment because the Company terminated the Employee's employment, such Termination of Employment will be deemed to be a Termination of Employment during the Limited Period for purposes of this Agreement if the Employee has reasonably demonstrated that such Termination of Employment (A) was at the request of a third party who has taken steps reasonably calculated to effect a Change in Control, or (B) otherwise arose in connection with or in anticipation of a Change in Control. In the event the Employee is entitled to the benefits under this Agreement as a result of the preceding sentence, then the 60-calendar-day period specified in Section 4.1(c) shall be deemed to commence on the date on which the Employee receives the notice contemplated by the last sentence of Section 1.3 hereof.

(b) If the Employee experiences a Termination of Employment because the Company has terminated the Employee's employment, the Company shall pay as severance compensation to the Employee a lump sum cash payment in the amount of the Severance Amount unless the Termination of Employment occurs:

(i) during the Limited Period, or

(ii) pursuant to a Company Termination Event, or

(iii) for reasons of (A) criminal activity or (B) willful misconduct or gross negligence in the performance of the Employee's duties, or

(iv) pursuant to a Sale Termination.

(c) The payment of the Severance Amount or the CIC Severance Amount required by this Section 4.1 shall, subject to Section 19.2 and to the execution and delivery by the Employee of the Release described in Section 7 hereof, and the expiration of all applicable rights of the Employee to revoke the Release or any provision thereof, be made to the Employee within 60 calendar days after the Termination Date. In no event will the Employee have a right to designate the taxable year of any such payment.

4.2 Compensation through Termination : If the Employee experiences a Termination of Employment, the Company shall pay the Employee any Base Salary that has accrued but is unpaid through the Termination Date. If the Employee experiences a Termination of Employment because his employment is terminated by the Company other than for Cause and

other than pursuant to a Sale Termination, the Company shall pay the Employee an amount equivalent to the Incentive Pay for the calendar year in which the Termination Date occurs multiplied by a fraction, the numerator of which is the number of days in the calendar year in which the Termination Date occurs that have expired prior to the Termination Date and the denominator of which is three hundred sixty-five. Such payment shall be made, in the case of a Termination of Employment during the Limited Period, in accordance with the provisions governing payment of the Severance Amount or CIC Severance Amount under Section 4.1(c), and in the case of a Termination of Employment other than during the Limited Period, in the year following the year in which the Termination Date occurs but no later than March 15th of such year.

4.3 Offset : To the full extent permitted by applicable law, the Company retains the right to offset against the Severance Amount otherwise due to the Employee hereunder any amounts then owing and payable by such Employee to the Company or any of its affiliates.

4.4 Interest on Overdue Payments : Without limiting the rights of the Employee at law or in equity, if the Company fails to make any payment required to be made under this Agreement on a timely basis, the Company shall pay interest on the amount thereof at an annualized rate of interest equal to the "prime rate" as set forth from time to time during the relevant period in The Wall Street Journal , plus 1%.

4.5 Adjustments of Payments and Benefits : Notwithstanding any provision of this Agreement to the contrary, if any payment or benefit to be paid or provided hereunder or under any other plan or agreement would be an "Excess Parachute Payment," within the meaning of Section 280G of the Code, or any successor provision thereto, but for the application of this sentence, then the payments and benefits to be paid or provided hereunder shall be reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an Excess Parachute Payment; provided, however, that the foregoing reduction shall be made only if and to the extent that such reduction would result in an increase in the aggregate payments and benefits to be provided, determined on an after-tax basis (taking into account the excise tax imposed pursuant to Section 4999 of the Code, or any successor provision thereto, any tax imposed by any comparable provision of state law, and any applicable federal, state and local income taxes). The determination of whether any reduction in such payments or benefits to be provided hereunder is required pursuant to the preceding sentence shall be made at the expense of the Company, if requested by Employee or the Company, by the Company's independent accountants or a nationally recognized law firm chosen by the Company. The fact that Employee's right to payments or benefits may be reduced by reason of the limitations contained in this Section shall not of itself limit or otherwise affect any other rights of Employee under this Agreement. In the event that any payment or benefit intended to be provided hereunder is required to be reduced pursuant to this Section, then the reduction shall occur in the following order: (a) reduction of the portion of the CIC Severance Amount described under Section 1.4(a); (b) reduction of the portion of the CIC Severance Amount described under Section 1.4(b); (c) reduction of the Enhanced Supplemental Pension Benefit; (d) Reduction of the Supplemental SIP Plan Benefit; and (e) reduction of the cash reimbursements described in Section 4.6(a).

4.6 Continuation of Certain Benefits .

(a) If the Company terminates the Employee's employment during the Limited Period other than pursuant to a Company Termination Event, or if the Employee voluntarily terminates his employment during the Limited Period pursuant to an Employee Termination Event, then the Employee, and the Employee's eligible dependents, shall be entitled to continue to participate in the Company's medical, dental, vision and life insurance plans for which the Employee was eligible immediately prior to the Employee's Termination Date, until the earlier of (i) Employee's eligibility for any such coverage under another employer's or any other medical plan or (ii) three years following the termination of Employee's employment (the "CIC Benefit Continuation Period"). The Employee's continued participation in the Company's life insurance plans shall be on the terms (including access fees) not less favorable than those in effect for actively employed key employees of the Company. The Employee's continued participation in the Company's medical, dental, and vision plans shall be on the terms not less favorable than those in effect for actively employed key employees of the Company but only if the Employee makes a payment to the Company in an amount equal to the monthly premium payments (both the employee and employer portion) required to maintain such coverage on the first day of each calendar month during the CIC Benefit Continuation Period commencing with the first calendar month following the Termination Date. Subject to Section 19.2, the Company shall reimburse the Employee on an after-tax basis for the amount of such premiums paid by the Employee pursuant to the preceding sentence, if any, in excess of any employee contributions (access fees) necessary to maintain such coverage during the CIC Benefit Continuation Period (the "CIC Reimbursement Payments"), and such CIC Reimbursement Payments shall be paid to the Employee on the 15 th day of each calendar month during the CIC Benefit Continuation Period commencing with the calendar month in which the Employee's first premium payment is due pursuant to the preceding sentence or, if later, the calendar month following the calendar month in which the release provided for in Section 7 becomes irrevocable. Each CIC Reimbursement Payment shall be considered a separate payment and not one of a series of payments for purposes of Section 409A. Employee agrees that the period of coverage under such plan shall count against the medical plan's obligation to provide continuation coverage pursuant to Part 6 of Subtitle B of Title I of the Employee Retirement Income Security Act of 1974, as amended ("COBRA").

(b) If the Company terminates the Employee's employment other than during the Limited Period and other than (i) pursuant to a Company Termination Event; (ii) for reasons of (A) criminal activity or (B) willful misconduct or gross negligence in the performance of the Employee's duties; or (iii) pursuant to a Sale Termination, then the Employee, and the Employee's eligible dependents, shall be entitled to continue to participate in the Company's medical, dental, vision and life insurance plans for which the Employee was eligible immediately prior to the Employee's Termination Date, until the earlier of (x) Employee's eligibility for any such coverage under another employer's or any other medical plan or (y) **[18**

months][two years] following the termination of Employee's employment (the "Severance Benefit Continuation Period"). The Employee's continued participation in the Company's life insurance plans shall be on the terms (including access fees) not less favorable than those in effect for actively employed key employees of the Company. The Employee's continued participation in the Company's medical, dental, and vision plans shall be on the terms not less favorable than those in effect for actively employed key employees of the Company but only if the Employee makes a payment to the Company in an amount equal to the monthly premium payments (both the employee and employer portion) required to maintain such coverage on the first day of each calendar month during the Severance Benefit Continuation Period commencing with the first calendar month following the Termination Date. Subject to Section 19.2, the Company shall reimburse the Employee on an after-tax basis for the amount of such premiums paid by the Employee pursuant to the preceding sentence, if any, in excess of any employee contributions (access fees) necessary to maintain such coverage during the Benefit Continuation Period (the " Severance Reimbursement Payments"), and such Severance Reimbursement Payments shall be paid to the Employee on the 15 th day of each calendar month during the Severance Benefit Continuation Period commencing with the calendar month in which the Employee's first premium payment is due pursuant to the preceding sentence or, if later, the calendar month following the calendar month in which the release provided for in Section 7 becomes irrevocable. Each Severance Reimbursement Payment shall be considered a separate payment and not one of a series of payments for purposes of Section 409A. Employee agrees that the period of coverage under such plan shall count against the medical plan's obligation to provide continuation coverage pursuant to COBRA.

5. No Obligation to Mitigate Damages : The Employee shall not be required to mitigate damages or the amount of any payment provided for under this Agreement by seeking other employment or otherwise, nor, except as provided in Sections 4.6(a) and 4.6(b), shall the amount of any payment or benefit provided for under this Agreement be reduced by any compensation earned by the Employee as the result of employment by another employer after the Termination Date, or otherwise.

6. Confidential Information; Covenant Not To Compete :

6.1 The Employee acknowledges that all trade secrets, customer lists and other confidential business information are the exclusive property of the Company. The Employee shall not (following the execution of this Agreement, during the Limited Period, or at any time thereafter) disclose such trade secrets, customer lists, or confidential business information without the prior written consent of the Company. The Employee also shall not (following the execution of this Agreement, during the Limited Period, or at any time thereafter) directly or indirectly, or by acting in concert with others, employ or attempt to employ or solicit for any employment competitive with the Company any person(s) employed by the Company. The Employee recognizes that any violation of this Section 6.1 and Section 6.2 is likely to result in immediate and irreparable harm to the Company for which money damages are likely to be inadequate. Accordingly, the Employee consents to the entry of injunctive and other appropriate

equitable relief by a court of competent jurisdiction, after notice and hearing and the court's finding of irreparable harm and the likelihood of prevailing on a claim alleging violation of this Section 6, in order to protect the Company's rights under this Section. Such relief shall be in addition to any other relief to which the Company may be entitled at law or in equity. The Employee agrees that the state and federal courts located in the State of Ohio shall have jurisdiction in any action, suit or proceeding against Employee based on or arising out of this Agreement and Employee hereby: (a) submits to the personal jurisdiction of such courts; (b) consents to service of process in connection with any action, suit or proceeding against Employee; and (c) waives any other requirement (whether imposed by statute, rule of court or otherwise) with respect to personal jurisdiction, venue or service of process.

6.2 For a period of time beginning upon the Termination Date and ending upon the first anniversary of the Termination Date, the Employee shall not (a) engage or participate, directly or indirectly, in any Competitive Activity, as defined in Section 1.8 or (b) solicit or cause to be solicited on behalf of a competitor any person or entity which was a customer of the Company during the term of this Agreement, if the Employee had any direct responsibility for such customer while employed by the Company.

7. Release :

Payment of the severance payments set forth in Section 4 hereof is conditioned upon the Employee executing and delivering a full and complete release of all claims satisfactory to the Company within 50 days of the Employee's Termination Date.

8. Successors, Binding Agreement and Complete Agreement :

8.1 Successors : The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance satisfactory to the Employee, to assume and agree to perform this Agreement.

8.2 Binding Agreement : This Agreement shall inure to the benefit of and be enforceable by the Employee's personal or legal representative, executor, administrators, successors, heirs, distributees and legatees. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of or to the Company, including, without limitation, any person acquiring directly or indirectly all or substantially all of the assets of the Company whether by merger, consolidation, sale or otherwise (and such successor shall thereafter be deemed "the Company" for the purposes of this Agreement), but shall not otherwise be assignable by the Company.

8.3 Complete Agreement . This Agreement embodies the complete agreement and understanding between the parties with respect to the subject matter hereof and effective as of its date supersedes and preempts **[the Prior Agreement and]** any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way.

9. Notices : For the purpose of this Agreement, all communications provided for herein shall be in writing and shall be deemed to have been duly given when delivered or mailed

by United States registered or certified mail, return receipt requested, postage prepaid, addressed as indicated below, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of change of address shall be effective only upon receipt.

If to the Company: TimkenSteel Corporation
1835 Dueber Avenue, S.W.
Canton, Ohio 44706

If to the Employee: _____
_____
_____

10. Governing Law : The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Ohio, without giving effect to the principles of conflict of laws of such State.

11. Miscellaneous : No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. If the Employee files a claim for benefits under this Agreement with the Company, the Company will follow the claims procedures set out in 29 C.F.R. Section 2560.503-1.

12. Validity : The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement which shall remain in full force and effect.

13. Counterparts : This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same Agreement.

14. Employment Rights : Nothing expressed or implied in this Agreement shall create any right or duty on the part of the Company or the Employee to have the Employee remain in the employment of the Company.

15. Withholding of Taxes : The Company may withhold from any amount payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or government regulation or ruling.

16. Nonassignability : This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or transfer this Agreement or any rights or

obligations, hereunder, except as provided in Sections 8.1 and 8.2 above. Without limiting the foregoing, the Employee's right to receive payments hereunder shall not be assignable or transferable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by his will or by the laws of descent and distribution and in the event of any attempted assignment or transfer contrary to this Section the Company shall have no liability to pay any amounts so attempted to be assigned or transferred.

17. Termination of Agreement : The term of this Agreement (the "Term") shall commence as of the date hereof and shall expire on the close of business on December 31, 20 ; provided , however , that (i) commencing on January 1, 20 and each January 1 thereafter, the term of this Agreement will automatically be extended for an additional year unless, not later than September 30 of the immediately preceding year, the Company or the Employee shall have given notice that it or the Employee, as the case may be, does not wish to have the Term extended; (ii) if a Change in Control occurs during the Term, the Term will expire on the last day of the Limited Period; and (iii) subject to Section 4.1, if the Employee ceases for any reason to be a key employee of the Company or any Subsidiary, thereupon without further action the Term shall be deemed to have expired and this Agreement will immediately terminate and be of no further effect. For purposes of this Section 17, the Employee shall not be deemed to have ceased to be an employee of the Company or any Subsidiary by reason of the transfer of Employee's employment between the Company and any Subsidiary, or among any Subsidiaries.

18. Indemnification of Legal Fees and Expenses; Security for Payment :

18.1 Indemnification of Legal Fees . It is the intent of the Company that in the case of a Change in Control, the Employee not be required to incur the expenses associated with the enforcement of his rights under this Agreement by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Employee hereunder. Accordingly, after a Change in Control, if it should appear to the Employee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any litigation designed to deny, or to recover from, the Employee the benefits intended to be provided to the Employee hereunder, the Company irrevocably authorizes the Employee from time to time to retain counsel of his choice, at the expense of the Company as hereafter provided, to represent the Employee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company or any Director, officer, stockholder or other person affiliated with the Company, in any jurisdiction. The Company shall pay or cause to be paid and shall be solely responsible for any and all attorneys' and related fees and expenses incurred by the Employee after a Change in Control and as a result of the Company's failure to perform this Agreement or any provision hereof or as a result of the Company or any person contesting the validity or enforceability of this Agreement or any provision hereof as aforesaid.

If the Employee is entitled to reimbursement pursuant to this Section 18.1, this Section shall apply to any such eligible costs and expenses incurred during the Employee's lifetime. Subject to Section 19.2, any amounts the Company owes to the Employee pursuant to this Section 18.1 will be paid to the Employee by the Company within 30 days following the Company's receipt of a statement or statements prepared by Employee or Employee's legal

counsel that sets forth the amount of such costs and expenses eligible for reimbursement but in no event will such amounts be paid later than December 31 of the year following the year in which Employee incurs such expenses. In no event will the costs and expenses paid by the Company pursuant to this Section 18.1 in one year affect the amount of costs and expenses the Company is obligated to pay pursuant to this Section 18.1 in any other taxable year.

18.2 Trust Agreements . To ensure that the provisions of this Agreement can be enforced by the Employee, two agreements (the "Trust Agreement" and the "Trust Agreement No. 2"), as they may be amended, have been established with a Trustee selected by the members of the Compensation Committee of the Board or any officer (the "Trustee") and the Company. The Trust Agreement sets forth the terms and conditions relating to payment pursuant to the Trust Agreement of the CIC Severance Amount and Primary Supplemental Pension Benefit owed by the Company, and Trust Agreement No. 2 sets forth the terms and conditions relating to payment pursuant to Trust Agreement No. 2 of attorneys' and related fees and expenses pursuant to Section 18.1 owed by the Company. Employee shall make demand on the Company for any payments due Employee pursuant to Section 18.1 prior to making demand therefor on the Trustee under Trust Agreement No. 2. Payments by such Trustee shall discharge the Company's liability under Section 18.1 only to the extent that trust assets are used to satisfy such liability.

18.3 Obligation of the Company to Fund Trusts . Upon the earlier to occur of (x) a Change in Control that involves a transaction that was not approved by the Board, and was not recommended to the Company's shareholders by the Board, (y) a declaration by the Board that the trusts under the Trust Agreement and Trust Agreement No. 2 should be funded in connection with a Change in Control that involves a transaction that was approved by the Board, or was recommended to shareholders by the Board, or (z) a declaration by the Board that a Change in Control is imminent, the Company shall promptly to the extent it has not previously done so, and in any event within five (5) business days:

(a) transfer to the Trustee to be added to the principal of the trust under the Trust Agreement a sum equal to the aggregate value on the date of the Change in Control of the CIC Severance Amount and Primary Supplemental Pension Benefit, which could become payable to the Employee under the provisions of Section 4.1 hereof or pursuant to the terms of any Excess Agreement or Supplemental Plan. The payment of any CIC Severance Amount, Primary Supplemental Pension Benefit, or other payment by the Trustee pursuant to the Trust Agreement shall, to the extent thereof, discharge the Company's obligation to pay the CIC Severance Amount, Primary Supplemental Pension Benefit, or other payment hereunder, it being the intent of the Company that assets in such Trust Agreement be held as security for the Company's obligation to pay the CIC Severance Amount, Primary Supplemental Pension Benefit, and other payments under this Agreement; and

(b) transfer to the Trustee to be added to the principal of the trust under Trust Agreement No. 2 the sum authorized by the members of the Compensation Committee from time to time.

Any payments of attorneys' and related fees and expenses, which are the obligation of the Company under Section 18.1, by the Trustee pursuant to Trust Agreement No. 2 shall, to the extent thereof, discharge the Company's obligation hereunder, it being the intent of the Company that such assets in such Trust Agreement No. 2 be held as security for the Company's obligation under Section 18.1.

Notwithstanding any provision of this Agreement to the contrary, no amounts shall be transferred to the Trustee with respect to the Trust Agreement or the Trust Agreement No. 2 for payments of any amount under this Agreement if, pursuant to Section 409A(b)(3)(A) of the Code, such amount would, for purposes of Section 83 of the Code, be treated as property transferred in connection with the performance of services.

19. Code Section 409A of the Code .

19.1 General . To the extent applicable, it is intended that this Agreement comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Employee. This Agreement shall be administered and interpreted in a manner consistent with this intent.

19.2 Delayed Payments . Notwithstanding any provision of this Agreement to the contrary, if the Employee is a "specified employee," determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code, on his Termination Date and if any portion of the payments or benefits to be received by the Employee upon Termination of Employment would constitute a "deferral of compensation" subject to Section 409A, then to the extent necessary to comply with Section 409A, amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Employee's Termination Date will instead be paid or made available on the earlier of (i) the first business day of the seventh month after Employee's Termination Date, or (ii) the Employee's death.

19.3 Amendments . Notwithstanding any provision of this Agreement to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to this Agreement as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code. In any case, Employee shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on Employee in connection with this Agreement (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold Employee harmless from any or all of such taxes or penalties.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the date first set forth above.

By: _____
Employee

TIMKENSTEEL CORPORATION

By: _____

Its:

EXHIBIT 10.4

TIMKENSTEEL CORPORATION
2014 DEFERRED COMPENSATION PLAN

(EFFECTIVE JUNE 30, 2014)

TimkenSteel Corporation (the "Company") hereby adopts the 2014 Deferred Compensation Plan (the "Plan"), effective June 30, 2014, as set forth herein. The Plan provides key executives with the opportunity to defer base salary, incentive compensation payments payable in cash or Common Shares, and certain Company contributions, in accordance with the provisions set forth below. The Plan was formed as a result of a spin-off (the "Spin-Off"), effective June 30, 2014 (the "Spin-Off Date") of certain assets and liabilities from The Timken Company 1996 Deferred Compensation Plan (As Amended and Restated Effective December 31, 2010) (the "Timken Plan") relating to the benefits accrued for the Transferred Participants. The Plan is a continuation of and successor to the Timken Plan solely with respect to the Transferred Participants. Any election, waiver, consent, or designation made by a Participant or a Beneficiary under the Timken Plan prior to the Spin-Off Date that was recognized as valid by the Timken Plan immediately prior to the Spin-Off Date will be recognized by this Plan as a valid election, waiver, consent, or designation, as applicable. Effective as of the Spin-Off Date, the Transferred Participants will cease to be participants in the Timken Plan and shall become participants in this plan.

ARTICLE I

DEFINITIONS

For the purposes of the Plan, the following words and phrases shall have the meanings indicated in this Article I. Certain other words and phrases are defined throughout the Plan and shall have the meaning so ascribed to them.

1. “Account” shall mean a bookkeeping account maintained on behalf of each Participant pursuant to Section 4 of Article II that is comprised of (i) the Base Salary Subaccount that is credited with Base Salary deferred by a Participant, (ii) the Incentive Compensation Subaccount that is credited with cash Incentive Compensation deferred by a Participant, (iii) a Vested Excess Core Contribution Subaccount that is credited with Vested Excess Core Contributions deferred by a Participant, and (iv) an Unvested Excess Core Contributions Subaccount that is credited with Unvested Excess Core Contributions deferred (or deemed deferred) by a Participant. A separate subaccount shall be maintained for Incentive Compensation payable in the form of Common Shares. Certain Participants may also have a separate Timken Shares Subaccount maintained for Incentive Compensation that is payable in the form of Timken Shares, as provided in Section 4(v) of Article II. A Participant’s Account(s) shall be further divided into the following subaccounts: (a) a “Pre-2005 Subaccount” for amounts deferred by a Participant as of December 31, 2004 (and earnings and losses thereon) as determined under Treasury Regulation Section 1.409A-6(a) or any successor provision, and (b) a “Post-2004 Subaccount” for amounts deferred for purposes of Section 409A of the Code by a Participant after December 31, 2004 (and earnings and losses thereon). Amounts in the Pre-2005 Subaccounts are intended to qualify for “grandfathered” status pursuant to Treasury Regulation Section 1.409A-6(a) and therefore they shall be subject to the terms and conditions specified in the Timken Plan as in effect prior to January 1, 2005 which shall be considered part of this Plan to the extent applicable to a Transferred Participant’s Pre-2005 Subaccount. A Participant’s Account(s) shall be credited with earnings as described in Section 4 of Article II of the Plan.

2. “Base Salary” shall mean the annual fixed or base compensation, payable monthly or otherwise to a Participant.

3. “Beneficiary” or “Beneficiaries” shall mean the person or persons designated by a Participant in accordance with the Plan to receive payment of the remaining balance of the Participant’s Account(s) in the event of the death of the Participant prior to receipt of the entire amount credited to the Participant’s Account(s).

4. “Board” shall mean the Board of Directors of the Company.

5. “Code” shall mean the Internal Revenue Code of 1986, as amended.

6. “Change in Control” shall mean the occurrence of any of the following events:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either: (1) the then-outstanding Common Shares; or (2) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (“Voting Shares”); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company; (B) any acquisition by the Company; (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries; or (D) any acquisition by any Person pursuant to a transaction which complies with clauses (1), (2) and (3) of subsection (iii); or

(ii) Individuals who, as of the Spin-Off Date, constitute the Board (the “Incumbent Board”) cease for any reason (other than death or disability) to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Spin-Off Date whose election, or nomination for election by the

Company's shareholders, was approved by a vote or the approval of at least a majority of the directors then comprising the Incumbent Board (either by a specific vote or written action or by approval of the proxy statement of the Corporation in which such person is named as a nominee for director, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (1) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Common Shares and Voting Shares immediately prior to such Business Combination beneficially own, directly or indirectly, more than 66-2/3% of, respectively, the then-outstanding common shares and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Combination, of the Common Shares and Voting Shares of the Company, as the case may be, (2) no Person (excluding any entity

resulting from such Business Combination or any employee benefit plan (or related trust) sponsored or maintained by the Company or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 30% or more of, respectively, the then-outstanding common shares of the entity resulting from such Business Combination, or the combined voting power of the then-outstanding voting securities of such entity except to the extent that such ownership existed prior to the Business Combination, and (3) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

7. “Committee” shall mean the Compensation Committee of the Board or such other Committee as may be authorized by the Board to administer the Plan.

8. “Common Shares” shall mean shares of common stock without par value of the Company or any security into which such Common Shares may be changed by reason of any transaction or event of the type referred to in Section 8 of Article II of the Plan.

9. “Company” shall mean TimkenSteel Corporation and its successors, including, without limitation, the surviving corporation resulting from any merger or consolidation of TimkenSteel Corporation with any other corporation or corporations.

10. “Deferral Election” shall mean the Election Agreement (or portion thereof) completed by a Participant and filed with the Company that indicates the percentage or dollar amount of his or her Base Salary, Incentive Compensation and/or Excess Core Contributions that is or will be deferred under the Plan for the Deferral Period.

11. “Deferral Period” shall mean the Year that commences after each Election Filing Date, provided that a Deferral Period with respect to Performance Units and Restricted Stock Units granted under the Long-Term Incentive Plans may be a period of more than one Year.

12. “Election Agreement” shall mean an agreement in the form that the Company may designate from time to time that is consistent with the terms of the Plan.

13. “Election Filing Date” shall mean December 31 of the Year immediately prior to the first day of the Year (or other Deferral Period described in Section 11 of this Article) for which Base Salary, Incentive Compensation and/or Excess Core Contributions would otherwise be earned.

14. “Eligible Employee” shall mean an employee of the Company (or a Subsidiary that has adopted the Plan) who meets the requirements of the following clauses (i) and (ii):

(i) the employee is a participant in the Annual Performance Award Plan or the Senior Executive Management Performance Plan of the Company, and

(ii) the employee is a “highly compensated employee” within the meaning of Section 414(q) of the Code (determined in the same manner determined under the tax-qualified defined contribution plan in which the employee is a participant, if applicable to such plan).

15. “Employee Matters Agreement” shall mean the Employee Matters Agreement which The Timken Company and the Company entered into in connection with the Spin-Off.

16. “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

17. “Excess Company Contributions” shall mean the amount of Company contributions that would be made for a Participant’s benefit to the Savings and Investment Pension Plan with respect to his Excess Deferrals, based on his elections under the Savings and Investment Pension Plan, or on the basis of his compensation in excess of the limitation under Section 401(a)(17) of the Code.

18. “Excess Core Contributions” shall mean Excess Company Contributions, other than the Company contributions that are made with respect to a Participant’s Excess Deferrals.

19. “Excess Deferrals” shall mean the amount of a Participant’s salary reduction contributions under the Savings and Investment Pension Plan that are in excess of the limits imposed by Sections 402(g) and 401(a)(17) of the Code.

20. “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time.

21. “Forfeitable Right” shall mean the right to payment of Base Salary, Incentive Compensation and/or Excess Core Contributions in a subsequent year that is subject to a forfeiture condition requiring the Eligible Employee to remain an employee with the Company or a Subsidiary through at least the 12-month anniversary of the date on which the Eligible

Employee obtains the legally binding right to the Forfeitable Right. For purposes of this Section 1.20 and Section 2(ii)(3), a Forfeitable Right will be considered to be subject to a forfeiture condition even if such right to payment could become nonforfeitable upon death, disability (as defined in Treasury Regulation Section 1.409A-3(i)(4)), or a change in control event (as defined in Treasury Regulation Section 1.409A-3(i)(5)).

22. "Forfeitable Rights Filing Date" shall mean the date that is 30 days after the date an Eligible Employee first obtains a legally binding right to a Forfeitable Right.

23. "Incentive Compensation" shall mean (i) cash incentive compensation earned as an employee pursuant to an incentive compensation plan now in effect or hereafter established by the Company, including, without limitation, the Senior Executive Management Performance Plan , the Annual Performance Award Plan, the Long-Term Incentive Plans, and Excess Deferrals and Excess Company Contributions (other than Excess Core Contributions) and (ii) incentive compensation payable in the form of Common Shares pursuant to the Long-Term Incentive Plans (other than restricted shares or options) or any similar plan approved by the Committee for purposes of the Plan.

24. "Incentive Filing Date" shall mean the date six months prior to the end of a performance period with respect to which certain Incentive Compensation is earned.

25. "Long-Term Incentive Plans" shall mean The TimkenSteel Corporation 2014 Equity and Incentive Compensation Plan or other similar long-term incentive plans, as amended from time to time.

26. "Participant" shall mean any Eligible Employee who has at any time elected to defer the receipt of Base Salary, Incentive Compensation, or Excess Core Contributions in accordance with the Plan, or any Transferred Participant.

27. “Payment Election” shall mean the Election Agreement (or portion thereof) completed by a Participant and filed with the Company that indicates the time of the commencement of a payment and the form of a payment of that portion of the Participant’s Base Salary, Incentive Compensation and/or Excess Core Contributions that is deferred pursuant to a Deferral Election under the Plan. A Payment Election shall include such an election made by a Transferred Participant under the Timken Plan.

28. “Plan” shall mean this deferred compensation plan, which shall be known as the TimkenSteel Corporation 2014 Deferred Compensation Plan. The Plan is a continuation of and successor to the Timken Plan.

29. “Savings and Investment Pension Plan” shall mean The TimkenSteel Corporation Savings and Investment Pension Plan.

30. “Specified Employee” shall mean a “specified employee” with respect to the Company (or a controlled group member) determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code and Treasury Regulation Section 1.409A-1(i) or any successor provision.

31. “Subsidiary” shall mean any corporation, joint venture, partnership, unincorporated association or other entity in which the Company has a direct or indirect ownership or other equity interest and directly or indirectly owns or controls more than 50 percent of the total combined voting or other decision-making power.

32. “Termination of Employment” means a separation from service within the meaning of Treasury Regulation Section 1.409A-1(h)(1).

33. “Timken Shares” shall mean shares of common stock without par value of The Timken Company that are payable to certain Participants, as provided in Section 4(v) of Article II.

34. “Transferred Participant” shall mean (i) an individual who, as of the close of business on the Spin-Off Date, is employed by the Company or a Subsidiary of the Company and who immediately prior to the Spin-Off Date was a participant in the Timken Plan, and (ii) any former employee of The Timken Company or its affiliates who immediately prior to the Spin-Off Date was a participant in the Timken Plan and who is designated by The Timken Company and the Company as a former employee whose employment was associated with the business of the Company at the time of the individual’s termination of employment with The Timken Company or its affiliates.

35. “Unforeseeable Emergency” means an event that results in severe financial hardship to a Participant resulting from (a) an illness or accident of the Participant or his or her spouse, dependent (as defined in Section 152(a) of the Code), or Beneficiary, (b) loss of the Participant’s property due to casualty, or (c) other similar extraordinary and unforeseeable circumstances arising as of result of events beyond the control of the Participant.

36. “Unvested Excess Core Contribution” shall mean an Excess Core Contribution made with respect to an Eligible Employee who has less than three Years of Service as of the date such contribution is made.

37. “Vested Excess Core Contribution” shall mean an Excess Core Contribution made with respect to an Eligible Employee who has at least three Years of Service as of the date such contribution is made.

38. “Year” shall mean a calendar year.

39. “Years of Service” shall mean “Years of Service” as defined in and determined under the Savings and Investment Pension Plan.

ARTICLE II

ELECTION TO DEFER

1. Eligibility . An Eligible Employee may make an annual Deferral Election to defer receipt of all or a specified part of his or her Base Salary, Incentive Compensation, or Vested or Unvested Excess Core Contributions for any Deferral Period in accordance with Section 2 of this Article. Subject to Section 3(iv) of this Article, an Eligible Employee who makes a Deferral Election must also make a Payment Election with respect to the amount deferred in accordance with Section 3 of this Article. An Eligible Employee's entitlement to defer shall cease on the last day of the Deferral Period in which he or she ceases to be an Eligible Employee.

2. Deferral Elections . All Deferral Elections, once effective, shall be irrevocable, shall be made on an Election Agreement filed with the Vice President – Total Rewards of the Company (or other Company administrative representative as may be designated by the Vice President – Total Rewards), and shall comply with the following requirements:

(i) The Deferral Election on the Election Agreement shall specify the percentage or the dollar amount of a Participant's Base Salary, Incentive Compensation and/or Excess Core Contributions that is to be deferred.

(ii) The Deferral Election shall be made by, and shall be effective as of, the applicable Election Filing Date, except as provided in the following clauses (1), (2), or (3):

(1) To the extent permitted by Section 409A of the Code, the Company may permit Eligible Employees to make a Deferral Election with respect to

Incentive Compensation that constitutes “performance-based compensation” (within the meaning of Section 409A(a)(4)(B)(iii) of the Code) at a time later than the Election Filing Date but no later than the Incentive Filing Date, and in such event, the Deferral Election shall be effective as of such Incentive Filing Date. If Incentive Compensation with respect to which an Eligible Employee has made a Deferral Election under this Section 2(ii)(1) is paid without satisfaction of the applicable performance criteria upon death, disability (as defined in Treasury Regulation Section 1.409A-1(e)(1)), or a change in control event (as defined in Treasury Regulation Section 1.409A-3(i)(5)(i)), such Deferral Election will only be given effect if the Deferral Election could have been made pursuant to a provision of the Plan other than this Section 2(ii)(1).

(2) An employee who first becomes an Eligible Employee during the course of a Year, rather than as of the applicable Election Filing Date, may make a Deferral Election with respect to Base Salary, Incentive Compensation and/or Excess Core Contributions within thirty days following the date the employee first becomes eligible to participate in the Plan. Such Deferral Election shall be effective on the date made and, unless Section 2(ii)(1) or 2(ii)(3) applies, shall be effective with regard to Base Salary, Incentive Compensation and/or Excess Core Contributions (whichever is elected for deferral by the Participant) earned during such Year following the filing of the Election Agreement with the Company, as determined pursuant to the pro-ration method permitted under Section 409A of the Code. For purposes of the preceding sentence, where an individual has ceased being eligible to participate in the Plan (other than the accrual of earnings),

regardless of whether all amounts deferred under the Plan have been paid, and subsequently becomes eligible to participate in the Plan again, the individual shall be treated as being initially eligible to participate in the Plan if the individual had not been eligible to participate in the Plan (other than the accrual of earnings) at any time during the twenty-four month period ending on the date the individual again becomes eligible to participate in the Plan.

(3) To the extent permitted by Section 409A of the Code, the Company may permit an Eligible Employee to make a Deferral Election with respect to a Forfeitable Right no later than the Forfeitable Rights Filing Date so long as such Forfeitable Right remains subject to a forfeiture condition through the 12-month anniversary of the date on which the Eligible Employee makes such Deferral Election. In such event, the Deferral Election shall be effective as of such Forfeitable Rights Filing Date. If a Forfeitable Right with respect to which an Eligible Employee has made a Deferral Election under this Section 2(ii)(3) becomes nonforfeitable upon death, disability (as defined in Treasury Regulation Section 1.409A-3(i)(4)), or a change in control event (as defined in Treasury Regulation Section 1.409A-3(i)(5)) prior to the 12-month anniversary of the date on which the Eligible Employee made such Deferral Election, such Deferral Election will only be given effect if the Deferral Election could have been made pursuant to a provision of the Plan other than this Section 2(ii)(3).

(iii) Notwithstanding the foregoing provisions of Section 2 of this Article, an Eligible Employee with less than three Years of Service as of the date of an Excess Core Contribution shall elect (or, in the absence of a properly filed Election Agreement, shall

be deemed to have elected) to defer all of his or her Unvested Excess Core Contribution for a Year (and any Election Agreement to the contrary shall be disregarded and treated as not properly filed hereunder).

(iv) Subject to Section 3(iv) of this Article, in order to revoke or modify a Deferral Election with respect to Base Salary, Incentive Compensation and/or Excess Core Contributions for any particular Year, a revocation or modification must be delivered to the Vice President – Total Rewards of the Company (or other Company administrative representative as was previously designated by the Vice President – Total Rewards) prior to the Election Filing Date, Forfeitable Rights Filing Date or the Incentive Filing Date (as applicable).

3. Payment Elections . Subject to Sections 3(iv), 5, 6, and 7 of this Article, all Payment Elections are irrevocable, shall be made on an Election Agreement filed with the Vice President – Total Rewards of the Company (or other Company administrative representative as may be designated by the Vice President – Total Rewards), and shall comply with the following requirements:

(i) Each Participant shall make a separate Payment Election with respect to his or her Base Salary, Incentive Compensation, and Excess Core Contributions that the Participant defers for the Deferral Period pursuant to the applicable Deferral Election.

(ii) Each Payment Election shall contain the Participant's elections regarding the time at which the payment of amounts deferred pursuant to the specific Deferral Election shall commence.

(1) A Participant may elect to commence payment upon either (A) the date the Participant incurs a Termination of Employment for any

reason (other than by reason of death), including, without limitation, by reason of retirement or (B) the date otherwise specified by the Participant in the Election Agreement, including a date determined by reference to the date the Participant incurs a Termination of Employment for any reason (other than by reason of death), including, without limitation, by reason of retirement; provided , however , that with respect to the deferral of any Unvested Excess Core Contributions, payment shall not commence any sooner than the date on which the Eligible Employee has achieved three Years of Service.

(2) Subject to Section 3(vi) of this Article, payments made in accordance with the Participant's election under Section 3(ii)(1)(A) of this Article shall be paid or commence to be paid within 90 days following the Termination of Employment and payments made in accordance with the Participant's election under Section 3(ii)(1)(B) of this Article shall be paid or commence to be paid within 90 days following the date specified in the Election Agreement, provided that , in either case, the Participant shall not have the right to designate the year of payment.

(iii) Each Payment Election shall contain the Participant's elections regarding the form of payment of the amount of his or her Base Salary, Incentive Compensation, and Excess Core Contributions that the Participant deferred for the Deferral Period pursuant to his or her Deferral Election.

(1) A Participant may elect to receive payment in one of the following forms: (A) a single, lump sum payment; (B) in a number of approximately equal quarterly installments, not to exceed 40, as designated by the

Participant in his or her Election Agreement; or (C) subject to the approval of the Vice President – Total Rewards of the Company (or other Company administrative representative as may be designated by the Committee) at the time the Participant makes his or her Payment Election, pursuant to an alternate payment schedule designated by the Participant in his or her Election Agreement.

(2) In the event that a Participant's deferral of Base Salary, Incentive Compensation, and Excess Core Contributions pursuant to his or her Payment Election is payable in quarterly installments, all of the quarterly installments during the installment period shall be approximately equal in amount. The amount of the unpaid installment payments remaining in the Participant's Account(s) that is (a) attributable to the deferral of cash compensation shall continue to bear interest as provided in Section 4(i) of this Article, (b) attributable to the deferral of Incentive Compensation payable in the form of Common Shares shall continue to be credited with dividends, distributions and interest thereon as provided in Section 4(iv) of this Article and (c) attributable to the deferral of Incentive Compensation payable in the form of Timken Shares shall continue to be credited with dividends, distributions and interest thereon as provided in Section 4(v) of this Article.

(iv) If in the case of a Vested Excess Core Contribution an Eligible Employee fails to timely file an Election Agreement, the Company, within 2 $^{1}/_{2}$ months after the close of the Year during which the Vested Excess Core Contribution was earned, shall pay to the Eligible Employee in a lump sum an amount equal to the Vested Excess Core Contribution without interest. If in the case of an Unvested Core Contribution an Eligible

Employee fails to file properly an Election Agreement, the Eligible Employee nevertheless shall be deemed as if the Eligible Employee had timely filed an Election Agreement electing a lump sum payment to be made within 2 1/2 months after the close of the Year during which the Eligible Employee achieved three Years of Service, or if earlier, the close of the Year during which the Eligible Employee incurs a Termination of Employment due to death, Disability (as defined in the Savings and Investment Pension Plan) or Retirement (as defined in the Savings and Investment Pension Plan).

(v) Subject to Section 3(iv) of this Article, if the Payment Elections are not made by the applicable Election Filing Date, Forfeitable Rights Filing Date, or Incentive Filing Date, as the case may be, or are insufficient to be deemed effective as of such date, then a Participant's Deferral Election shall be null and void.

(vi) Notwithstanding the foregoing provisions of Section 3 of this Article, if the Participant is a Specified Employee, then any payment on account of Termination of Employment that was scheduled to commence during the six-month period immediately following the Participant's Termination of Employment shall commence on the first day of the seventh month after such Termination of Employment (or, if earlier, the date of death). Any payments on account of Termination of Employment that are scheduled to be paid more than six months after such Participant's Termination of Employment shall not be delayed and shall be paid in accordance with provisions of Section 3(iii) of this Article.

4. Accounts .

(i) Cash compensation that a Participant elects to defer shall be treated as if it were set aside in an Account on the date the Base Salary or Incentive Compensation would otherwise have been paid to the Participant. The Base Salary and Incentive Compensation Subaccounts will be credited with interest computed quarterly (based on calendar quarters) on the lowest balance in such Subaccounts during each quarter at such rate and in such manner as determined from time to time by the Committee. Unless otherwise determined by the Committee, interest to be credited hereunder shall be credited at the prime rate in effect according to the Wall Street Journal on the last day of each calendar quarter plus one percent. Interest for a calendar quarter shall be credited to the Base Salary and Incentive Compensation Subaccounts as of the first day of the following quarter.

(ii) An Excess Core Contribution that a Participant defers under the Plan shall be treated as if it was credited to the Participant's Account on the date the Excess Core Contribution is made. An Excess Core Contributions Subaccount shall be credited with interest computed quarterly (based on calendar quarters) on the lowest balance in the Excess Core Contributions Subaccount during each quarter at such rate and in such manner as determined from time to time by the Committee. Unless otherwise determined by the Committee, interest to be credited hereunder shall be credited at the prime rate in effect according to the Wall Street Journal on the last day of each calendar quarter plus one percent. Interest for a calendar quarter shall be credited to the Excess Core Contributions Subaccount as of the first day of the following quarter.

(iii) If as of the date of a Participant's Termination of Employment the Participant has not achieved three Years of Service, the Participant shall forfeit his or her Unvested Excess Core Contributions Subaccount, including any interest credited to such Subaccount. Notwithstanding the preceding sentence, a Participant shall not forfeit his or her Unvested Excess Core Contributions Subaccount if the Participant's Termination of Employment is due to death, Disability (as defined in the Savings and Investment Pension Plan) or Retirement (as defined in the Savings and Investment Pension Plan).

(iv) Incentive Compensation payable in the form of Common Shares that a Participant elects to defer and Common Shares to which a Transferred Participant becomes entitled as a result of the Spin-Off under the Employee Matters Agreement shall be reflected in a separate Account, which shall be credited with the number of Common Shares that would otherwise have been issued or transferred and delivered to the Participant. Such Account, following any applicable vesting period, shall be credited from time to time with amounts equal to dividends or other distributions paid on the number of Common Shares reflected in such Account, and such Account shall be credited with interest on cash amounts credited to such Account from time to time in the manner provided in Subsection (i) above.

(v) Notwithstanding anything in the Plan to the contrary, any election made by a Transferred Participant prior to the Spin-Off Date to defer Incentive Compensation payable in the form of Timken Shares shall, as of the Spin-Off Date, be adjusted in the manner provided in Article X of the Employee Matters Agreement, such that the Participant will become entitled to payment in the form of a combination of Common Shares and Timken Shares. Incentive Compensation payable in the form of Timken

Shares shall be reflected in a separate Timken Shares Subaccount, which shall be credited with the number of Timken Shares that would otherwise have been issued or transferred and delivered to the Participant; provided , however , that payment of any Timken Shares to the Participant, including any dividends, distributions and interest thereon, shall be made by The Timken Company.

(vi) Except as described in Section 4(iii) of this Article, a Participant's Account shall be nonforfeitable.

5. Death of a Participant . In the event of the death of a Participant, the amount of the Participant's Account(s) shall be paid to the Beneficiary or Beneficiaries designated in a writing on a form that the Company may designate from time to time (the "Beneficiary Designation"), in a lump sum within 90 days of the day of death; provided that the Beneficiary or Beneficiaries shall not have the right to designate the year of payment. A Participant's Beneficiary Designation may be changed at any time prior to his or her death by the execution and delivery of a new Beneficiary Designation. The Beneficiary Designation on file with the Company that bears the latest date at the time of the Participant's death shall govern. In the absence of a Beneficiary Designation or the failure of any Beneficiary to survive the Participant, the amount of the Participant's Account(s) shall be paid to the Participant's estate in a lump sum within 90 days of the day of death; provided that the representative of the estate shall not have the right to designate the year of payment. In the event of the death of the Beneficiary or Beneficiaries after the death of a Participant, the remaining amount of the Account(s) shall be paid in a lump sum to the estate of the last Beneficiary to receive payments within 90 days of the day of death; provided that the representative of the estate shall not have the right to designate the year of payment.

6. Small Payments . Notwithstanding the foregoing provisions of this Article II, if upon the applicable distribution date the Participant's total balance in his or her Account(s), in addition to the balances and accounts under and any other agreements, methods, programs, plans or other arrangements with respect to which deferrals of compensation are treated as having been deferred under a single nonqualified deferred compensation plan with the account balances under the Plan under Treasury Regulation Section 1.409A-1(c)(2) (the "Aggregate Account Balance"), is less than $5,000, then the amount of the Participant's Aggregate Account Balance may, at the discretion of the Company, be paid in a lump sum.

7. Accelerations . Notwithstanding the foregoing provisions of this Article II:

(i) If a Change in Control occurs, the amount of each Participant's Post-2004 Base Salary Subaccount, Post-2004 Incentive Compensation Subaccount, and Post-2004 Vested Excess Core Contribution Subaccount that was deferred pursuant to an election made after the Spin-Off Date, in each case including earnings and losses thereon and Common Shares received with respect to Timken Shares included therein, shall immediately be paid to the Participant in the form of a single, lump sum payment. With respect to amounts in a Participant's Post-2004 Subaccounts that were deferred pursuant to an election made prior to the Spin-Off Date (including earnings and losses thereon and Common Shares received with respect to Timken Shares included therein) (the "Pre-Spin Deferrals"), if a Timken Change in Control (as defined in Appendix A) occurs, such amounts shall immediately be paid to the Participant in the form of a single, lump sum payment. Notwithstanding any provision of this Plan to the contrary, if a Change in Control or a Timken Change in Control does not constitute a "change in the ownership or effective control" or a "change in the ownership of a substantial portion of the assets" of

a relevant corporation within the meaning of Section 409A(a)(2)(A)(v) of the Code and Treasury Regulation Section 1.409A-3(i)(5), or any successor provision, then payment shall be made, to the extent necessary to comply with the provisions of Section 409A of the Code, to the Participant on the date (or dates) the Participant would otherwise be entitled to a distribution (or distributions) in accordance with the provisions of the Plan.

(ii) Upon the earlier to occur of (1) a Change in Control that involves a transaction that was not approved by the Board, and was not recommended to the Company's shareholders by the Board, (2) a declaration by the Board that the trust (the "Trust") established by and between the Company and a trustee (the "Trustee"), should be funded in connection with a Change in Control that involves a transaction that was approved by the Board, or was recommended to shareholders by the Board, or (3) a declaration by the Board that a Change in Control is imminent, the Company shall promptly to the extent it has not previously done so, and in any event within five (5) business days:

(A) transfer to the Trustee to be added to the principal of the Trust a sum equal to the Pre-Spin Deferrals for all Participants under this Plan (together with an additional amount to cover all estimated administration expenses associated with the payment of such Pre-Spin Deferrals). The payment of the Pre-Spin Deferrals or other payment by the Trustee pursuant to the Trust shall, to the extent thereof, discharge the Company's obligation to pay the Pre-Spin Deferrals or other payment hereunder, it being the intent of the Company that assets in such Trust be held as security for the Company's obligation to pay the Pre-Spin Deferrals and other payments under this Agreement; and

(B) transfer to the Trustee to be added to the principal of the Trust the sum authorized by the members of the Committee from time to time.

Notwithstanding any provision of this Plan to the contrary, no amounts shall be transferred to the Trustee with respect to the Trust for payments of any amount under this Plan if, pursuant to Section 409A(b)(3)(A) of the Code, such amount would, for purposes of Section 83 of the Code, be treated as property transferred in connection with the performance of services.

(iii) In the event of an Unforeseeable Emergency and at the request of a Participant or Beneficiary, the Committee may in its sole discretion accelerate the payment to the Participant or Beneficiary of all or a part of his or her Account(s). Payments of amounts as a result of an Unforeseeable Emergency may not exceed the amount necessary to satisfy such Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution(s), after taking into account the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship).

8. Adjustments . The Committee may make or provide for such adjustments in the numbers of Common Shares or Timken Shares credited to Participants' Account, and in the kind of shares so credited, as the Committee in its sole discretion, exercised in good faith, may determine is equitably required to prevent dilution or enlargement of the rights of Participants that otherwise would result from (i) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company or The Timken Company, or (ii) any merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization,

partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities, or (iii) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event, the Committee, in its discretion, may provide in substitution for any or all Common Shares or Timken Shares deliverable under the Plan such alternative consideration as it, in good faith, may determine to be equitable in the circumstances.

9. Fractional Shares . The Company shall not be required to issue any fractional Common Shares pursuant to the Plan. The Committee may provide for the elimination of fractions or for the settlement of fractions in cash.

ARTICLE III

ADMINISTRATION

1. Administration . The Company, through the Committee, shall be responsible for the general administration of the Plan and for carrying out the provisions hereof. The Committee shall have all such powers as may be necessary to carry out the provisions of the Plan, including the power to (i) determine all questions relating to eligibility for participation in the Plan and the amount in the Account or Accounts of any Participant and all questions pertaining to claims for benefits and procedures for claim review, (ii) resolve all other questions arising under the Plan, including any questions or construction, and (iii) take such further action as the Company shall deem advisable in the administration of the Plan. The actions taken and the decisions made by the Committee hereunder shall be final and binding upon all interested parties. It is intended that all Participant elections hereunder shall comply with Section 409A of the Code. The Committee is authorized to adopt rules or regulations deemed necessary or appropriate in connection therewith to anticipate and/or comply with the requirements thereof (including any transition rules thereunder).

2. Claims Procedures . Whenever there is denied, whether in whole or in part, a claim for benefits under the Plan filed by any person (herein referred to as the "Claimant"), the Committee shall transmit a written notice of such decision to the Claimant within 90 days of receiving the claim from the Claimant, which notice shall be written in a manner calculated to be understood by the Claimant and shall contain a statement of the specific reasons for the denial of the claim, a reference to the relevant Plan provisions, a description and explanation of additional information needed, and a statement advising the Claimant that, within 60 days of the date on which he or she receives such notice, he or she may obtain review of such decision in accordance with the procedures hereinafter set forth. Within such 60-day period, the Claimant or the Claimant's authorized representative may request that the claim denial be reviewed by filing with the Committee a written request therefor, which request shall contain the following information:

(i) the date on which the Claimant's request was filed with the Committee; provided , however , that the date on which the Claimant's request for review was in fact filed with the Committee shall control in the event that the date of the actual filing is later than the date stated by the Claimant pursuant to this paragraph;

(ii) the specific portions of the denial of the claim which the Claimant requests the Committee to review;

(iii) a statement by the Claimant setting forth the basis upon which the Claimant believes the Committee should reverse the previous denial of the Claimant's claim for benefits and accept the claim as made; and

(iv) any written material (offered as exhibits) which the Claimant desires the Committee to examine in its consideration of the Claimant's position as stated pursuant to clause (iii) above.

Within 60 days of the date determined pursuant to clause (i) above, the Committee shall conduct a full and fair review of the decision denying the Claimant's claim for benefits. Within 60 days of the date of such hearing, the Committee shall render its written decision on review, written in a manner calculated to be understood by the Claimant and including the reasons and Plan provisions upon which its decision was based, a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents and other information relevant to the claim, and a statement describing the Claimant's right to bring an action under Section 502(a) of ERISA.

ARTICLE IV

AMENDMENT AND TERMINATION

The Company reserves the right to amend or terminate the Plan at any time by action of the Board or its delegate; provided , however , that no such action shall adversely affect any Participant or Beneficiary who has an Account, or result in the acceleration of payment of the amount of any Account (except as otherwise permitted under the Plan), without the consent of the Participant or Beneficiary; (provided , however , that the consent requirement of Participants or Beneficiaries to certain actions shall not apply to any amendment or termination made by the Company pursuant to Section 8(iii) of Article V). Notwithstanding the preceding sentence, the Committee, in its sole discretion, may terminate the Plan to the extent and in circumstances described in Treasury Regulation Section 1.409A-3(j)(4)(ix), or any successor provision.

ARTICLE V

MISCELLANEOUS

1. Non-alienation of Deferred Compensation . Except as permitted by the Plan and subject to Section 8(ii) of this Article V, no right or interest under the Plan of any Participant or Beneficiary shall, without the written consent of the Company, be (i) assignable or transferable in any manner, (ii) subject to alienation, anticipation, sale, pledge, encumbrance, attachment, garnishment or other legal process or (iii) in any manner liable for or subject to the debts or liabilities of the Participant or Beneficiary.

2. Participation by Employees of Subsidiaries . An Eligible Employee who is employed by a Subsidiary and elects to participate in the Plan shall participate on the same basis as an employee of the Company. The Account or Accounts of a Participant employed by a Subsidiary shall be paid in accordance with the Plan solely by such Subsidiary to the extent attributable to Base Salary or Incentive Compensation that would have been paid by such Subsidiary in the absence of deferral pursuant to the Plan.

3. Interest of Employee . Except as otherwise provided in Section 7(ii) of Article II, the obligation of the Company under the Plan to make payment of amounts reflected in an Account merely constitutes the unsecured promise of the Company to make payments from its general assets or in the form of its Common Shares, or to cause The Timken Company to make payments in the form of Timken Shares, as the case may be, as provided herein, and no Participant or Beneficiary shall have any interest in, or a lien or prior claim upon, any property of the Company. The obligation of The Timken Company under the Plan to make payment of amounts reflected in a Timken Shares Subaccount merely constitutes the unsecured promise of The Timken Company to make payments in the form of its Timken Shares, as provided herein, and no Participant or Beneficiary shall have any interest in, or a lien or prior claim upon, any

property of The Timken Company. Further, no Participant or Beneficiary shall have any claim whatsoever against any Subsidiary for amounts reflected in an Account. Nothing in the Plan shall be construed as guaranteeing future employment to Eligible Employees and nothing in the Plan shall be considered in any manner a contract of employment. It is the intention of the Company that the Plan be unfunded for tax purposes of Title I of ERISA. The Company may create a trust to hold funds, Common Shares or other securities to be used in payment of its obligations under the Plan, and may fund such trust; provided , however , that any funds contained therein shall remain liable for the claims of the Company's general creditors and provided , further , that no amount shall be transferred to trust if, pursuant to Section 409A of the Code, such amount would, for purposes of Section 83 of the Code, be treated as property transferred in connection with the performance of services.

4. Claims of Other Persons . The provisions of the Plan shall in no event be construed as giving any other person, firm or corporation any legal or equitable right as against the Company or any Subsidiary or the officers, employees or directors of the Company or any Subsidiary, except any such rights as are specifically provided for in the Plan or are hereafter created in accordance with the terms and provisions of the Plan.

5. Severability . The invalidity and unenforceability of any particular provision of the Plan shall not affect any other provision hereof, and the Plan shall be construed in all respects as if such invalid or unenforceable provision were omitted herefrom.

6. Governing Law . Except to the extent preempted by federal law, the provisions of the Plan shall be governed and construed in accordance with the laws of the State of Ohio.

7. Relationship to Other Plans .

(i) The Plan is intended to serve the purposes of and to be consistent with the Long-Term Incentive Plans and any similar plan approved by the Committee for purposes of the Plan. The issuance or transfer of Common Shares pursuant to the Plan shall be subject in all respects to the terms and conditions of the Long-Term Incentive Plans and any other such plan. Without limiting the generality of the foregoing, Common Shares credited to the Account(s) of Participants pursuant to the Plan as Incentive Compensation shall be taken into account for purposes of Section 3 of the Long-Term Incentive Plans (Shares Available Under the Plans) and for purposes of the corresponding provisions of any other such plan.

(ii) The issuance or transfer of Timken Shares pursuant to the Plan shall be made by The Timken Company and shall be subject in all respects to the terms and conditions of The Timken Company Long-Term Incentive Plan(s) and any other such plan. Without limiting the generality of the foregoing, Timken Shares credited to the Timken Shares Subaccount of Participants pursuant to the Plan as Incentive Compensation shall be taken into account for purposes of Section 3 of The Timken Company Long-Term Incentive Plans (Shares Available Under the Plans) and for purposes of the corresponding provisions of any other such plan.

8. Compliance with Section 409A of the Code .

(i) To the extent applicable, it is intended that the Plan (including all amendments thereto) comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Participant or a Beneficiary. The Plan shall be administered in a manner consistent with

this intent. In furtherance of, but without limiting the generality of the foregoing, amounts in the Pre-2005 Subaccounts, which are intended to qualify for "grandfathered" status pursuant to Treasury Regulation Section 1.409A-6(a), shall not be subject to the provisions of Section 409A of the Code and shall be governed by the terms and conditions specified in the Timken Plan as in effect prior to January 1, 2005.

(ii) Neither a Participant nor any of a Participant's creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A of the Code) payable under the Plan to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment, provided that to the extent permitted by Section 409A of the Code, payment of part or all of a Participant's interest under the Plan may be made to an individual other than the Participant to the extent necessary to fulfill a domestic relations order as defined in Section 414(p)(1)(B) of the Code. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to a Participant or for a Participant's benefit under the Plan may not be reduced by, or offset against, any amount owing by a Participant to the Company or any of its affiliates.

(iii) Notwithstanding any provision of the Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to the Plan as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code. In any case, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a Participant or for a Participant's Account in connection with the Plan (including any taxes and penalties

under Section 409A of the Code), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold a Participant harmless from any or all of such taxes or penalties.

9. Headings; Interpretation .

(i) Headings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of the provisions hereof.

(ii) Any reference in the Plan to Section 409A of the Code will also include any applicable proposed, temporary, or final regulations or any other applicable formal guidance promulgated with respect to such Section 409A of the Code by the U.S. Department of Treasury or the Internal Revenue Service. Further, any specific reference to a Code section or a Treasury Regulation section shall include any successor provision of the Code or the Treasury Regulation, as applicable.

(iii) For purposes of the Plan, the phrase "permitted by Section 409A of the Code," or words or phrases of similar import, shall mean that the event or circumstance that may occur or exist only if permitted by Section 409A of the Code would not cause an amount deferred or payable under the Plan to be includible in the gross income of a Participant or Beneficiary under Section 409A(a)(1) of the Code.

IN WITNESS WHEREOF, the Company has caused this Plan to be executed by a duly authorized officer at Canton, Ohio, this day of , 2014.

TIMKENSTEEL CORPORATION

Name: Donald L. Walker
Title: Executive Vice President – Human Resources and Organizational Advancement

Solely with respect to the obligations set forth in Section 4(v) of Article II and Section 3 and 7(ii) of Article V:

THE TIMKEN COMPANY

Name: William R. Burkhart
Title: Senior Vice President and General Counsel

Appendix A

For purposes of this Appendix A, "Timken Change in Control" shall mean that:

(i) All or substantially all of the assets of The Timken Company ("Timken") are sold or transferred to another corporation or entity, or Timken is merged, consolidated or reorganized into or with another corporation or entity, with the result that upon conclusion of the transaction less than 51 percent of the outstanding securities entitled to vote generally in the election of directors or other capital interests of the acquiring corporation or entity is owned, directly or indirectly, by the shareholders of Timken generally prior to the transaction; or

(ii) There is a report filed on Schedule 13D or Schedule 14D-1 (or any successor schedule, form or report thereto), as promulgated pursuant to the Securities Exchange Act of 1934 (the "Exchange Act"), disclosing that any person (as the term "person" is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) has become the beneficial owner (as the term "beneficial owner" is defined under Rule 13d-3 or any successor rule or regulation thereto under the Exchange Act) of securities representing 30 percent or more of the combined voting power of the then-outstanding voting securities of Timken; or

(iii) Timken shall file a report or proxy statement with the Securities and Exchange Commission (the "SEC") pursuant to the Exchange Act disclosing in response to Item 1 of Form 8-K thereunder or Item 5(f) of Schedule 14A thereunder (or any successor schedule, form, report or item thereto) that a change in control of Timken has or may have occurred, or will or may occur in the future, pursuant to any then-existing contract or transaction; or

(iv) The individuals who constituted the Board of Directors of Timken (the "Timken Board") at the beginning of any period of two consecutive calendar years cease for any reason to constitute at least a majority thereof unless the nomination for election by Timken's shareholders of each new member of the Timken Board was approved by a vote of at least two-thirds of the members of the Timken Board still in office who were members of the Timken Board at the beginning of any such period.