LUFKIN KENT C
Form 4
November 21, 2011

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
LUFKIN KENT C
(Last) (First) (Middle)
18 RANDOLPH COURT
(Street)
NEWTOWN, PA 18940
(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
TF FINANCIAL CORP [THRD]

3. Date of Earliest Transaction (Month/Day/Year)
11/17/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/17/2011		M		3,150	A	$ 19.3333	30,800	D	
Common Stock	11/17/2011		F		2,670	D	$ 22.81	28,130	D	
Common Stock								4,467	I	By ESOP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. De Se (In
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Right to Buy Options	$ 19.67							10/22/2009 (1)	10/22/2015	Common Stock	18,917	
Right to Buy Options	$ 24.14							12/20/2003 (2)	12/20/2012	Common Stock	1,575	
Right to Buy Options	$ 32.51							12/17/2004 (3)	12/17/2013	Common Stock	4,617	
Right to Buy Options	$ 26.9							07/27/2006 (4)	07/27/2015	Common Stock	7,875	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LUFKIN KENT C 18 RANDOLPH COURT NEWTOWN, PA 18940			President and CEO	

Signatures

Kent C. Lufkin	11/21/2011
**Signature of Reporting Person	Date

Explanation of Responses:

*	If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
**	Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
(1)	These Stock Options vest over 5 years starting 10/22/09.
(2)	These Stock Options vest over 5 years starting 12/20/03.
(3)	These Stock Options vest over 5 years starting 12/17/04.
(4)	These Stock Options vest over 3 years starting 7/26/06.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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Central and South America
798 39 157
Total capital expenditures
$ 36,869 $ 17,430 $ 31,286

Although we manage our operations by the four geographic segments, revenue by project type is shown below:

Years Ended December 31,	**2005**	**2004**	**2003**
Revenue			
Process and Technology	$ 737,857	$ 665,607	$ 582,712
Low Temperature/Cryogenic Tanks and Systems	654,739	456,449	285,334
Standard Tanks	424,265	418,684	368,946
Specialty and Other Structures	223,479	153,841	116,059
Repairs and Turnarounds	168,259	135,071	167,994
Pressure Vessels	48,918	67,530	91,232
Total revenue	$ 2,257,517	$ 1,897,182	$ 1,612,277

15. SUBSEQUENT EVENTS

Waivers to the Credit Agreement As a result of a delay in furnishing financial information for the quarter ended September 30, 2005, we would have been in technical default of covenants related to our revolving credit facility and our senior notes, had waivers not been obtained. On November 14, 2005, we obtained waivers from the bank group and senior noteholders, extending the deadline of our quarterly financial submissions until January 13, 2006. On January 13, 2006, we obtained waivers from the bank group and senior noteholders which extended the deadline until April 1, 2006. On March 30, 2006, we obtained waivers from the bank group and senior noteholders which extended the deadline of our quarterly and fiscal year end 2005 and first quarter 2006 financial submissions until May 31, 2006. On May 31, 2006, we obtained waivers from the bank group and senior noteholders which extended the deadline of our quarterly and fiscal year end 2005 and first quarter 2006 financial submissions until June 16, 2006 and extended the deadline for providing a three year budget until September 30, 2006.

CHICAGO BRIDGE & IRON COMPANY N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Senior Executive Changes In February 2006, our Supervisory Board announced the terminations of Gerald M. Glenn as Chairman, President and Chief Executive Officer, and Robert B. Jordan as Executive Vice President and Chief Operating Officer, effective February 3, 2006. The Supervisory Board elected Philip K. Asherman as President and Chief Executive Officer and Jerry H. Ballengee as non-executive Chairman. On February 14, 2006, Richard A. Byers resigned as Vice President and acting Chief Financial Officer and Richard E. Goodrich was named acting Chief Financial Officer.

Dutch Court Proceedings On February 13, 2006, Gerald M. Glenn filed suit against us in the Dutch courts seeking reinstatement to his positions as a member of the Supervisory Board of CB&I and as a member of the Managing Board of Directors of Chicago Bridge & Iron Company B.V. (B.V.), our indirect wholly-owned subsidiary. Mr. Glenn did not seek to be reappointed as Chairman, President and CEO.

We agreed to provide Mr. Glenn, in his capacity as a member of the CB&I and B.V. Boards, certain documents and information related to our Audit Committee inquiry and, in accordance with his corporate duties and responsibilities as a Board member, the same documents and information that have been made available to the other members of the CB&I and B.V. Boards.

The suit against us in the Dutch courts was dismissed on March 3, 2006.

On May 2, 2006, we executed an Agreement and Mutual Release with Mr. Glenn (see Exhibit 10.19 to this Form 10-K).

16. QUARTERLY OPERATING RESULTS (UNAUDITED)

Quarterly Operating Results The following table sets forth our selected unaudited consolidated income statement information on a quarterly basis for the two years ended December 31, 2005:

Quarter Ended 2005	March 31	Restated June 30(1)	Sept. 30(2)	Dec. 31(3)
	(In thousands, except per share data)			
Revenue	$ 478,783	$ 548,775	$ 555,337	$ 674,622
Cost of revenue	427,920	496,621	569,032	615,540
Gross Profit (Loss)	50,863	52,154	(13,695)	59,082
Selling and administrative expenses	25,517	28,262	22,739	30,419
Intangibles amortization	386	386	385	342
Other operating income, net	(102)	(1,631)	(601)	(7,933)
Income (loss) from operations	25,062	25,137	(36,218)	36,254
Interest expense	(2,232)	(2,681)	(1,781)	(2,164)
Interest income	1,365	1,439	1,589	2,118

Income (loss) before taxes and minority interest		24,195		23,895		(36,410)		36,208
Income tax (expense) benefit		(8,105)		(8,016)		5,870		(18,128)
Income (loss) before minority interest		16,090		15,879		(30,540)		18,080
Minority interest in income		(340)		(934)		(1,340)		(918)
Net income (loss)	$	15,750	$	14,945	$	(31,880)	$	17,162
Net income (loss) per share								
Basic	$	0.16	$	0.15	$	(0.33)	$	0.18
Diluted	$	0.16	$	0.15	$	(0.33)	$	0.17

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CHICAGO BRIDGE & IRON COMPANY N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Quarter Ended 2004	**March 31**	**June 30**	**Sept. 30**	**Dec. 31**
	(In thousands, except per share data)			
Revenue	$ 443,553	$ 415,373	$ 465,539	$ 572,717
Cost of revenue	396,790	385,808	405,869	506,404
Gross Profit	46,763	29,565	59,670	66,313
Selling and administrative expenses	23,847	23,616	23,347	27,693
Intangibles amortization	506	519	404	388
Other operating (income) loss, net	(23)	(97)	180	(148)
Income from operations	22,433	5,527	35,739	38,380
Interest expense	(1,726)	(1,734)	(2,380)	(2,392)
Interest income	206	243	717	1,067
Income before taxes and minority interest	20,913	4,036	34,076	37,055
Income tax expense	(6,692)	(1,292)	(11,494)	(11,806)
Income before minority interest	14,221	2,744	22,582	25,249
Minority interest in loss (income)	383	2,200	(962)	(497)
Net income	$ 14,604	$ 4,944	$ 21,620	$ 24,752
Net income per share				
Basic	$ 0.16	$ 0.05	$ 0.23	$ 0.26
Diluted	$ 0.15	$ 0.05	$ 0.22	$ 0.25

(1) As noted in our Item 7. Management s Discussion & Analysis of Financial Condition and Results of Operations, we discovered errors in our second quarter 2005 financial statements which had a material effect on our results of operations for the period. Accordingly, we have restated the quarterly results for the second quarter of 2005 in the table presented above. The errors were not material to prior year financial statements or the first quarter of 2005.

The primary issues, which resulted in a $8,406 reduction in income from operations or $0.06 per share, are as follows:

1. Losses on derivative contracts, which amounted to $2.2 million or $0.02 per share, were incurred on certain foreign currency derivatives used to hedge certain material purchases where and because of extended delays in the actual purchase of the materials, we should have recorded the loss (or gain) on the derivative contract while the offsetting gain (or loss) on the material purchase is recognized over the life of the project as an adjustment to the overall project margin. Instead of recording the net loss on certain derivative contracts as an increase to cost of revenues, the item was recorded as a deferred charge on the balance sheet. Although the hedges were

established to offset their underlying exposures over the lives of their respective projects, they did not meet the requirements of SFAS No. 133 to defer recognition of changes in their fair value until settlement.

2. Costs incurred for subcontractor services on two related projects, which amounted to $4.0 million or $0.03 per share, were not updated to reflect a change from a lump sum contract to a higher cost time and materials contract. The proper recognition of subcontractor costs incurred in the second quarter and inclusion in the cost estimate would have increased cost of revenue for the period. We made the determination that these costs were improperly excluded from the project while preparing our third quarter 2005 financial results.

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CHICAGO BRIDGE & IRON COMPANY N.V. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. Revenue and gross profit were overstated due to a project segmentation/intercompany elimination error, that resulted from allocating portions of certain contracts to different business units within the Company at different gross profit rates and without eliminating intercompany profits and which amounted to $1.2 million or $0.01 per share. Although the error resulted in a decrease to our previously reported second quarter results, the overall profitability of the underlying projects will not be impacted as the adjustment will effectively unwind over the remaining lives of the projects.

The impact of the issues noted above on revenue and selling and administrative expenses, as reported in our June 30, 2005 Form 10-Q, is immaterial to these individual financial statement line items. However, the impact at the income from operations level is material and we have restated our June 10-Q segmentation table and associated results of operations discussion as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Income From Operations				
North America	$ 18,791	$ 10,155	$ 40,676	$ 24,855
Europe, Africa, Middle East	3,263	(8,150)	3,950	(4,699)
Asia Pacific	788	870	2,726	2,550
Central and South America	2,295	2,652	2,847	5,254
Total income from operations	$ 25,137	$ 5,527	$ 50,199	$ 27,960

Income from Operations Income from operations for the second quarter of 2005 was $25.1 million, representing a $19.6 million increase compared with the comparable 2004 period. The increases in our North America and EAME segments resulted from higher volume and an $11.0 and $16.2 million impact, respectively, from significantly lower project cost provisions than experienced in 2004 as the prior period included $31.4 million of provisions associated with two loss projects. These increases were partly offset by the mix of projects executed during the periods. Operating income in our AP and CSA segments declined $0.1 million and $0.4 million, respectively. Income from operations for the first six months of 2005 was $50.2 million, compared with $28.0 million in the first six months of 2004. The $22.2 million increase is attributable to higher revenue and significantly lower project cost provisions than experienced in 2004. The overall increase was partly offset by the mix of projects executed.

(2) The loss from operations in the third quarter 2005 primarily relates to three loss projects, increased costs associated with Hurricanes Katrina and Rita including the increased project cost projections as a result of the tight labor market in Gulf Coast regions and the correction of errors of $2.1 million before tax and $0.4 million after tax related to prior years that were not considered material to past years or the current year and were recorded during the quarter.

(3)

Included in our fourth quarter 2005 results of operations was a $7.9 million gain on the sale of technology included within other operating income, net.

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Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act are controls and other procedures that are designed to provide reasonable assurance that the information that we are required to disclose in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer (CEO) and acting Chief Financial Officer (CFO), as appropriate to allow timely decisions regarding required disclosure.

In connection with the preparation of this Form 10-K, our management, with the participation of our CEO and our acting CFO, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2005. In making this evaluation, our management considered the material weaknesses discussed below and based on this evaluation, our CEO and acting CFO concluded that our disclosure controls and procedures were not effective at the reasonable assurance level as of December 31, 2005.

In light of the material weaknesses described below, we delayed filing both our third quarter and annual audited financial statements and performed additional analyses and other procedures to determine that our Consolidated Financial Statements included in this Form 10-K were prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). These measures included, among other things, an extensive review of certain of our existing contracts to determine proper reporting of financial performance. As a result of these and other expanded procedures, we concluded that the Consolidated Financial Statements included in this Form 10-K present fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with U.S. GAAP.

Management s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company s assets that could have a material effect on the financial statements.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting. Our evaluation was based on the framework in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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Based on our evaluation under the framework in *Internal Control Integrated Framework*, our principal executive officer and principal financial officer concluded our internal control over financial reporting was not effective as of December 31, 2005. Management reviewed the results of its assessment with the Audit Committee of our Supervisory Board, and based on this assessment, management determined that there were two material weaknesses in our internal control over financial reporting. A material weakness is a control deficiency, or a combination of control deficiencies, that results in a more than remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

Management concluded we had the following two material weaknesses in our internal control over financial reporting as of December 31, 2005:

1. *Control Environment* An entity level material weakness existed related to the control environment component of internal control over financial reporting. The ineffective control environment related to management communication and actions that, in certain instances, overly emphasized meeting earnings targets resulting in or contributing to the lack of adherence to existing internal control procedures and U.S. GAAP. Additionally, we did not provide adequate support and resources at appropriate levels to prevent and detect lack of compliance with our existing policies and procedures. This material weakness could affect our ability to provide accurate financial information and it specifically resulted in certain adjustments to the draft financial statements for the third quarter.

2. *Project Accounting* A material weakness existed related to controls over project accounting. On certain projects, cost estimates were not updated to reflect current information and insufficient measures were taken to independently verify uniform and reliable cost estimates by certain field locations, and on some contracts revenues were initially recorded on change orders/claims without proper support or verification. Additionally, insufficient measures were taken to determine that when one Company subsidiary subcontracts a portion of a customer contract to another subsidiary that the profit margin on the subcontract was consistent with the profit margin on the overall contract with the customer and intercompany profit was eliminated as required by U.S. GAAP. This material weakness could affect project related accounts, and it specifically resulted in adjustments to revenue and cost of sales on certain contracts in connection with our restatement of previously reported financial statements for the second quarter of 2005 and in connection with our preparation of draft financial statements for the third quarter of 2005.

Attestation Report of the Independent Registered Public Accounting Firm

Our management s assessment of the effectiveness of our internal control over financial reporting has been audited by Ernst & Young LLP, an independent registered public accounting firm, as indicated in their report, which can be found in Item 8, Financial Statements and Supplementary Data and is incorporated herein by reference.

Changes in Internal Controls Over Financial Reporting

Included in our system of internal control are written policies, an organizational structure providing division of responsibilities, the selection and training of qualified personnel and a program of financial and operations reviews by our professional staff of corporate auditors. During the three month period ended December 31, 2005, and continuing through the date of this filing, we evaluated and where necessary adjusted, and in some instances, implemented, compensating internal controls and will continue to monitor and where required remediate controls in an ongoing process to strengthen and improve the internal control over financial reporting as well as the level of assurance regarding the accuracy of our financial information. We have identified the following steps to enhance reasonable assurance of achieving our desired control objectives:

Control Environment

Separate the functions of procurement and project controls from operations in a new organizational structure with an independent reporting line.

Reiterate the necessity to provide continuing education of risks and responsibilities required of a public company for executive and business unit management.

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Increase the visibility, role and involvement of the compliance program and related processes.

Emphasize compliance with applicable policies and internal controls through management training and accountability at all levels.

Install new upper and mid-level managers with demonstrated commitment to encouraging independent and thorough analysis of project cost and claim estimation.

Separate the positions of CEO and Chairman of the Board.

Project Accounting

Assign responsibility to a project controls function to proactively document, expedite and communicate the activities and outcomes of the project change management process.

Assign responsibility to a project controls function to proactively review, analyze and forecast project costs independently from operations.

Enhance operational and financial review process, at the business unit level, for all projects worldwide.

Reiterate to all financial controllers the requirements of Statement of Position 81-1, Accounting for Performance of Construction-Type and Certain Production-Type Contracts (SOP 81-1).

Emphasize need to monitor compliance with policies and internal controls through internal audit and financial compliance function, periodic reviews and audits.

Develop company or corporate level controls to monitor significant projects on a periodic basis.

Management recognizes that many of the enhancements require continual monitoring and evaluation for effectiveness, which will depend on maintaining a strong internal audit and financial compliance function. The development of these actions has been an evolving and iterative process and will continue as we evaluate our internal controls over financial reporting.

Management will review progress on these activities on a consistent and ongoing basis at the CEO level, across the senior management team and in conjunction with our Audit Committee and Supervisory Board. We also plan on taking additional steps to elevate company awareness and communications of these important issues through formal channels such as company meetings, departmental meetings and training.

Item 9B. ***Other Information***

None.

PART III

Item 10. ***Directors and Executive Officers of the Registrant***

We have adopted a code of ethics that applies to the CEO, the CFO and the Corporate Controller, as well as our directors and all employees. This code of ethics can be found at our Internet website www.cbi.com and is incorporated herein by reference.

We submitted a Section 12(a) CEO certification to the New York Stock Exchange in 2005. Also during 2005, we filed with the Securities and Exchange Commission certifications, pursuant to Rule 13A-14 of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, as Exhibits 31.1 and 31.2 to this Form 10-K.

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The following table sets forth certain information regarding the Supervisory Directors of Chicago Bridge & Iron Company N.V. (CB&I N.V.), nominees to the Supervisory Board and the executive officers of Chicago Bridge & Iron Company (CBIC).

Name	Age	Position(s)
Jerry H. Ballengee	68	Supervisory Director and Non-Executive Chairman of CB&I N.V.
L. Richard Flury	58	Supervisory Director
J. Charles Jennett	65	Supervisory Director
Vincent L. Kontny	68	Supervisory Director
Gary L. Neale	66	Supervisory Director
L. Donald Simpson	70	Supervisory Director
Marsha C. Williams	55	Supervisory Director
Philip K. Asherman	55	President and Chief Executive Officer of CBIC
David P. Bordages	55	Vice President Human Resources and Administration of CBIC; Nominee for Supervisory Director
Walter G. Browning	58	Secretary of CB&I N.V; Vice President, General Counsel and Secretary of CBIC
Richard E. Goodrich	62	Acting Chief Financial Officer of CBIC
Tom C. Rhodes	52	Vice President, Corporate Controller and Chief Accounting Officer of CBIC
Ronald E. Blum	57	Executive Vice President Global Business Development of CBIC
Samuel C. Leventry	56	Nominee for Supervisory Director (Vice President, Technology Services of CBIC)
Luciano Reyes	35	Nominee for Supervisory Director (Vice President and Treasurer of CBIC)

There are no family relationships between any executive officers and Supervisory Directors. Executive officers of CBIC are elected annually by the CBIC Board of Directors.

JERRY H. BALLENGEE has served as a Supervisory Director of the Company since April 1997 and as non-executive Chairman since February 3, 2006. Since October 2001, he has served as Chairman of the Board of Morris Material Handling Company (MMH). Mr. Ballengee served as President and Chief Operating Officer of Union Camp Corporation from July 1994 to May 1999 and served in various other executive capacities and as a member of the Board of Directors of Union Camp Corporation from 1988 to 1999 when the company was acquired by International Paper Company.

L. RICHARD FLURY has served as a Supervisory Director of the Company since May 8, 2003, and was a consultant to the Supervisory Board from May 2002 to May 2003. He retired from his position as Chief Executive, Gas and Power for BP plc on December 31, 2001, which position he had held since June 1999. Prior to the integration of Amoco and BP, he served as Executive Vice President of Amoco Corporation with chief executive responsibilities for the Exploration and Production sector from January 1996 to December 1998. He also served in various other executive capacities with Amoco since 1988. He is a director of the Questar Corporation and Callon Petroleum Company.

J. CHARLES JENNETT has served as a Supervisory Director of the Company since April 1997. Dr. Jennett is a private engineering consultant. He served as President of Texas A&M International University from 1996 to 2001, when he became President Emeritus. He was Provost and Vice President of Academic Affairs at Clemson University from 1992 through 1996.

VINCENT L. KONTNY has served as a Supervisory Director of the Company since April 1997. He retired in 2002 as Chief Operating Officer of Washington Group International (serving in such position since April 2000),

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which filed a petition under Chapter 11 of the U.S. Bankruptcy Code on May 14, 2001. Since 1992 he has been the owner and CEO of the Double Shoe Cattle Company. Mr. Kontny was President and Chief Operating Officer of Fluor Corporation from 1990 until September 1994.

GARY L. NEALE has served as a Supervisory Director of the Company since April 1997. He is Chairman of the Board of NiSource, Inc., whose primary business is the distribution of electricity and gas through utility companies. Mr. Neale served as Chief Executive Officer of NiSource, Inc. from 1993 to 2005, a director of Northern Indiana Public Service Company since 1989, and a director of Modine Manufacturing Company (heat transfer products) since 1977.

L. DONALD SIMPSON has served as a Supervisory Director of the Company since April 1997. From December 1996 to December 1999, Mr. Simpson served as Executive Vice President of Great Lakes Chemical Corporation. Prior thereto, beginning in 1992, he served in various executive capacities at Great Lakes Chemical Corporation.

MARSHA C. WILLIAMS has served as a Supervisory Director of the Company since April 1997. Since August 2002, she has served as Executive Vice President and Chief Financial Officer of Equity Office Properties Trust, a public real estate investment trust that is an owner and manager of office buildings. From May 1998 to August 2002, she served as Chief Administrative Officer of Crate & Barrel, a specialty retail company. Prior to that, she served as Vice President and Treasurer of Amoco Corporation from December 1997 to May 1998, and Treasurer from 1993 to 1997. Ms. Williams is a director of Selected Funds, Davis Funds and Modine Manufacturing Company, Inc. (heat transfer products).

PHILIP K. ASHERMAN has been President and Chief Executive Officer of CBIC since February 2006. From August 2001 to January 2006, he served as Executive Vice President and Chief Marketing Officer of CBIC. From May 2001 to July 2001, he was Vice President Strategic Sales, Eastern Hemisphere of CBIC. Prior thereto, Mr. Asherman accumulated more than 20 years of experience in global operations and business development positions in the Engineering and Construction (E&C) industry.

DAVID P. BORDAGES has been Vice President Human Resources and Administration of CBIC since February 2002. Prior to that time, Mr. Bordages served in senior human resources positions in the E&C industry for 20 years.

WALTER G. BROWNING has been Vice President, General Counsel and Secretary of CBIC since March 2004 and has served as Secretary of CB&I N.V. since March 2004. From February 2002 to March 2004, Mr. Browning served as Assistant General Counsel Western Hemisphere of CBIC. From 1997 to 2002, Mr. Browning was in private law practice. From 1976 to 1997, Mr. Browning served in various legal positions with a major engineering and construction company, including Senior Vice President and General Counsel.

RICHARD E. GOODRICH has served as acting Chief Financial Officer since February 2006. From July 2001 to October 2005 he served as Executive Vice President and Chief Financial Officer. From November 2000 to July 2001, he was Group Vice President Western Hemisphere Operations of CBIC. From February 1999 to November 2000, Mr. Goodrich was Vice President Financial Operations of CBIC. Mr. Goodrich was the Vice President Area Director of Finance, Western Hemisphere for CBIC from June 1998 through February 1999. Prior to that time, Mr. Goodrich held a number of operational and finance positions in the E&C industry.

TOM C. RHODES has been Corporate Controller of CBIC since August 2001. From November 2000 to August 2001, Mr. Rhodes was Vice President Financial Operations for CBIC and from February 1999 to November 2000, he was Vice President Area Director of Finance, Western Hemisphere of CBIC. Prior to that time, he served in finance and senior management positions in the E&C industry.

RONALD E. BLUM has served as Executive Vice President Global Business Development since March 2006 and Vice President Global LNG Sales of CBIC from August 2004 to March 2006. Previously, Mr. Blum led business development for EAME, CBI Services and the former PDM Engineered Construction division.

SAMUEL C. LEVENTRY has served as Vice President Technology Services of CBIC since January 2001. From 1997 to 2001 Mr. Leventry served as Vice President Engineering for CBIC and from 1995 to 1997 he was Product Manager Pressure Vessels and Spheres for CBIC. Prior to that time, he was Product Engineering

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Manager Special Plate Structures for CBIC. Mr. Leventry has been employed by CBIC for more than 35 years in various engineering positions.

LUCIANO REYES has served as Vice President and Treasurer of CBIC since February 2006. Prior to February 2006, he served as Manager-Treasury Operations. Mr. Reyes joined CBIC in December 1998 and served as Treasury Analyst. Prior to joining CBIC, Mr. Reyes held various finance positions in industry and with a number of financial institutions.

Information appearing under Section 16(a) Beneficial Ownership Reporting Compliance in the Company s 2006 Proxy Statement is incorporated herein by reference.

Item 11. *Executive Compensation*

Information appearing under Executive Compensation in the 2006 Proxy Statement is incorporated herein by reference.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

Information appearing under Common Stock Ownership By Certain Persons and Management in the 2006 Proxy Statement is incorporated herein by reference.

The following table summarizes information, as of December 31, 2005, relating to our equity compensation plans pursuant to which grants of options or other rights to acquire our common shares may be granted from time to time.

Equity Compensation Plan Information

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by security holders	3,207,433	$ 6.80	3,107,574
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	3,207,433	$ 6.80	3,107,574

Item 13. *Certain Relationships and Related Transactions*

Information appearing under Certain Transactions in the 2006 Proxy Statement is incorporated herein by reference.

Item 14. *Principal Accountant Fees and Services*

Information appearing under Committees of the Supervisory Board Audit Fees in the 2006 Proxy Statement is incorporated herein by reference.

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PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

Financial Statements

The following Consolidated Financial Statements and Reports of Independent Registered Public Accounting Firms included under Item 8 of Part II of this report are herein incorporated by reference.

Reports of Independent Registered Public Accounting Firms

Consolidated Statements of Income For the years ended December 31, 2005, 2004 and 2003

Consolidated Balance Sheets As of December 31, 2005 and 2004

Consolidated Statements of Cash Flows For the years ended December 31, 2005, 2004 and 2003

Consolidated Statements of Changes in Shareholders Equity For the years ended December 31, 2005, 2004 and 2003

Notes to Consolidated Financial Statements

Financial Statement Schedules

Supplemental Schedule II Valuation and Qualifying Accounts and Reserves for each of the years ended December 31, 2005, 2004 and 2003 can be found on page 87 of this report.

Schedules, other than the one above, have been omitted because the schedules are either not applicable or the required information is shown in the Consolidated Financial Statements or notes thereto previously included under Item 8 of Part II of this report.

Quarterly financial data for the years ended December 31, 2005 and 2004 is shown in the Notes to Consolidated Financial Statements previously included under Item 8 of Part II of this report.

Our interest in 50 percent or less owned affiliates, when considered in the aggregate, does not constitute a significant subsidiary; therefore, summarized financial information has been omitted.

Exhibits

The Exhibit Index on page 88 and Exhibits being filed are submitted as a separate section of this report.

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SIGNATURES

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

Chicago Bridge & Iron Company N.V.

/s/ Philip K. Asherman
Philip K. Asherman
(Authorized Signer)

Date: May 31, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on May 31, 2006.

Signature	Title
/s/ Philip K. Asherman Philip K. Asherman	President and Chief Executive Officer (Principal Executive Officer)
/s/ Richard E. Goodrich Richard E. Goodrich	Acting Chief Financial Officer (Principal Financial Officer)
/s/ Tom C. Rhodes Tom C. Rhodes	Vice President, Corporate Controller and Chief Accounting Officer of CBIC (Principal Accounting Officer)
/s/ Jerry H. Ballengee Jerry H. Ballengee	Supervisory Director and Non-Executive Chairman of CB&I N.V.
/s/ L. Richard Flury L. Richard Flury	Supervisory Director
/s/ J. Charles Jennett J. Charles Jennett	Supervisory Director
/s/ Vincent L. Kontny Vincent L. Kontny	Supervisory Director

/s/ Gary L. Neale	Supervisory Director
Gary L. Neale	
/s/ L. Donald Simpson	Supervisory Director
L. Donald Simpson	
/s/ Marsha C. Williams	Supervisory Director
Marsha C. Williams	

Registrant s Agent for Service in the United States

/s/ Walter G. Browning

Walter G. Browning

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Schedule II. Supplemental Information on Valuation and Qualifying Accounts and Reserves

CHICAGO BRIDGE & IRON COMPANY N.V.

Valuation and Qualifying Accounts and Reserves
For Each of the Three Years Ended December 31, 2005
(In thousands)

Column A Descriptions	Column B Balance at January 1	Column C Additions Charged to Costs and Expenses	Column D Deductions(1)	Column E Balance at December 31
Allowance for doubtful accounts				
2005	$ 726	$ 2,174	$ (600)	$ 2,300
2004	$ 1,178	$ 826	$ (1,278)	$ 726
2003	2,274	684	(1,780)	1,178

(1) Deductions generally represent utilization of previously established reserves or adjustments to reverse unnecessary reserves due to subsequent collections.

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EXHIBIT INDEX

3[17]	Amended Articles of Association of the Company (English translation)
4[2]	Specimen Stock Certificate
10.1[2]	Form of Indemnification Agreement between the Company and its Supervisory and Managing Directors
10.2[11]	The Company s 1997 Long-Term Incentive Plan
	As amended May 1, 2002
	(a) Form of Agreement and Acknowledgement of Restricted Stock Award[17]
	(b) Form of Agreement and Acknowledgement of Performance Share Grant[17]
10.3[3]	The Company s Deferred Compensation Plan
	(a) Amendment of Section 4.4 of the CB&I Deferred Compensation Plan[9]
10.4[3]	The Company s Excess Benefit Plan
	(a) Amendments of Sections 2.13 and 4.3 of the CB&I Excess Benefit Plan[10]
10.5[2]	Form of the Company s Supplemental Executive Death Benefits Plan
10.6[2]	Separation Agreement
10.7[2]	Form of Amended and Restated Tax Disaffiliation Agreement
10.8[2]	Employee Benefits Separation Agreement

10.9[2]	Conforming Agreement
10.10[4]	The Company s Supervisory Board of Directors Fee Payment Plan
10.11[4]	The Company s Supervisory Board of Directors Stock Purchase Plan
10.12[16]	The Chicago Bridge & Iron 1999 Long-Term Incentive Plan
	As Amended May 13, 2005
	(a) Form of Agreement and Acknowledgement of the 2005 Restricted Stock Award[13]
	(b) Form of Agreement and Acknowledgement of Restricted Stock Award[17]
	(c) Form of Agreement and Acknowledgement of Performance Share Grant[17]
10.13[5]	The Company s Incentive Compensation Program
10.14	Note Purchase Agreement dated as of July 1, 2001[6]
	(a) Limited Waiver dated as of November 14, 2005 to the Note Purchase Agreement dated July 1, 2001[19]
	(b) Limited Waiver dated as of January 13, 2006 to the Note Purchase Agreement dated July 1, 2001[20]
	(c) Limited Waiver dated as of March 30, 2006 to the Note Purchase Agreement dated July 1, 2001[23]
	(d) Limited waiver dated as of May 30, 2006 to the Note Purchase Agreement dated July 1, 2001[25]
10.15	Amended and Restated Five-Year Revolving Credit Facility Agreement dated May 12, 2005[14]
	(a) Amendment to the Amended and Restated Five-Year Credit Agreement[15]

	(b) Waiver dated as of November 14, 2005 to the Amended and Restated Five-Year Credit Agreement[19]
	(c) Waiver dated as of January 13, 2006 to the Amended and Restated Five-Year Credit Agreement[20]
	(d) Waiver dated as of March 30, 2006 to the Amended and Restated Five-Year Credit Agreement[23]
	(e) Waiver dated as of May 31, 2006 to the Amended and Restated Five-Year Credit Agreement[25]
10.16[11]	Chicago Bridge & Iron Savings Plan as amended and restated as of January 1, 1997 and including the First, Second, Third, Fourth and Fifth Amendments
	(a) Sixth Amendment to the Chicago Bridge & Iron Savings Plan[11]
	(b) Seventh Amendment to the Chicago Bridge & Iron Savings Plan[11]
10.17[18]	Severance Agreement and Release and Waiver between the Company and Richard E. Goodrich dated October 8, 2005
	(a) Letter Agreement dated February 13, 2006 amending the Severance Agreement and Release and Waiver between the Company and Richard E. Goodrich[22]

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	(b) Letter Agreement dated March 31, 2006 amending the Severance Agreement and Release and Waiver between the Company and Richard E. Goodrich[23]
	(c) Letter Agreement dated April 28, 2006 amending the Severance Agreement and Release and Waiver between the Company and Richard E. Goodrich[24]
10.18[21]	Stay Bonus Agreement between the Company and Tommy C. Rhodes dated January 27, 2006
10.19[24]	Agreement and Mutual Release between Chicago Bridge & Iron Company (Delaware), Chicago Bridge & Iron Company N.V., Chicago Bridge & Iron Company B.V. and Gerald M. Glenn, executed May 2, 2006
16.1[8]	Letter Regarding Change in Certifying Auditor
16.2[12]	Letter Regarding Change in Certifying Auditor
21[1]	List of Significant Subsidiaries
23.1[1]	Consent and Report of the Independent Registered Public Accounting Firm
23.2[1]	Consent and Report of the Independent Registered Public Accounting Firm
23.3[1]	Consent and Report of the Independent Registered Public Accounting Firm
31.1[1]	Certification Pursuant to Rule 13A-14 of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2[1]	Certification Pursuant to Rule 13A-14 of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1[1]	Certification pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2[1]	Certification pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

99.1[7] Letter to Securities and Exchange Commission regarding Arthur Andersen

[1] Filed herewith

[2] Incorporated by reference from the Company s Registration Statement on Form S-1 (File No. 333-18065)

[3] Incorporated by reference from the Company s 1997 Form 10-K dated March 31, 1998

[4] Incorporated by reference from the Company s 1998 Form 10-Q dated November 12, 1998

[5] Incorporated by reference from the Company s 1999 Form 10-Q dated May 14, 1999

[6] Incorporated by reference from the Company s 2001 Form 8-K dated September 17, 2001

[7] Incorporated by reference from the Company s 2001 Form 10-K dated April 1, 2002

[8] Incorporated by reference from the Company s 2002 Form 10-Q dated May 14, 2002

[9] Incorporated by reference from the Company s 2003 Form 10-K dated March 21, 2004

[10] Incorporated by reference from the Company s 2004 Form 10-Q dated August 9, 2004

[11] Incorporated by reference from the Company s 2004 Form 10-K dated March 11, 2005

[12] Incorporated by reference from the Company s 2005 Form 8-K dated April 5, 2005

[13] Incorporated by reference from the Company s 2005 Form 8-K dated April 20, 2005

[14] Incorporated by reference from the Company s 2005 Form 8-K dated May 17, 2005

[15] Incorporated by reference from the Company s 2005 Form 8-K dated May 24, 2005

[16] Incorporated by reference from the Company s 2005 Form 8-K dated May 25, 2005

[17] Incorporated by reference from the Company s 2005 Form 10-Q dated August 8, 2005

[18] Incorporated by reference from the Company s 2005 Form 8-K dated October 11, 2005

[19] Incorporated by reference from the Company s 2005 Form 8-K dated November 17, 2005

[20] Incorporated by reference from the Company s 2006 Form 8-K dated January 13, 2006

[21] Incorporated by reference from the Company s 2006 Form 8-K dated February 2, 2006

[22] Incorporated by reference from the Company s 2006 Form 8-K dated February 15, 2006

[23] Incorporated by reference from the Company s 2006 Form 8-K dated March 31, 2006

(24) Incorporated by reference from the Company s 2006 Form 8-K dated May 4, 2006

(25) Incorporated by reference from the Company s 2006 Form 10-Q dated May 31, 2006

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