

UNITRIN

December 10, 2001

Dear Unitrin Shareholder:

As you know, the spin-off of Unitrin's equity position in Curtiss-Wright Corporation ("C-W") was completed on November 29, 2001. The purpose of this letter is to provide you with information relating to the allocation of the tax basis between your Unitrin Common Stock ("Unitrin Stock") and the C-W Class B Common Stock ("C-W Stock") distributed to you. In addition, this letter will provide you with information regarding the tax treatment of any cash that you may receive in connection with the distribution. As described in the Information Statement that was previously furnished to you, no fractional shares of C-W Stock were distributed to Unitrin shareholders. Instead, Unitrin shareholders who otherwise would have been entitled to a fractional interest in C-W Stock will receive cash for such fractional interest as part of the distribution.

The Internal Revenue Service has issued a ruling confirming that no income or gain will be recognized by Unitrin shareholders in connection with the distribution of C-W Stock, except to the extent of any cash payment received as a result of the sale of fractional share interests. However, you are required to allocate a portion of your tax basis in Unitrin Stock to the C-W Stock received in the distribution, including any fractional share interest. Such allocation should be in proportion to the relative fair market values of Unitrin Stock and C-W Stock on the date of the distribution.

You will recognize gain or loss for federal income tax purposes as a result of the distribution only if you receive cash in connection with the sale of any fractional share interest in C-W Stock. This gain or loss will be measured by the difference between the amount of cash received and the tax basis of your fractional share interest. In determining whether you held C-W Stock for more than one year and thus realized long-term gain or loss upon its sale, the tax law provides that you add (a) the period you have held such C-W Stock to (b) the previous period during which you held the Unitrin Stock with respect to which you received the distribution of C-W Stock.

Based on the average fair market values of Unitrin Stock and C-W Stock on the New York Stock Exchange on November 29, the date of the distribution, it would be appropriate to apply approximately 6.37% of your tax basis in your Unitrin Stock to the C-W Stock you received in the distribution (including any fractional share interest paid in cash after such fractional shares are sold by the distribution agent), and apply the remaining approximately 93.63% to your Unitrin Stock. If your Unitrin Stock was acquired at different times in separate lots, it would be appropriate to apportion your stock basis by applying these percentages to your basis for each lot. For example:

- Assume you own 100 shares of Unitrin Stock with a \$35 per share tax basis for a total basis of \$3,500.
- On a pro-rata basis you receive 6.4948 shares of C-W Stock as a result of the distribution. As discussed above no fractional shares of C-W Stock will be actually distributed to you. See below for an example of the cash you receive for the fractional share of C-W Stock.
- Your total basis in your Unitrin Stock would be reduced to \$3,277.05 (93.63% of \$3,500) or \$32.77 per share of Unitrin Stock (\$3,277.05 divided by 100 shares of Unitrin Stock).
- Your total basis in your C-W Stock would be \$222.95 (6.37% of \$3,500) or \$34.33 per share of C-W Stock (\$222.95 divided by 6.4948 shares of C-W Stock).
- You receive cash of \$18.90 for the .4948 fractional share of C-W Stock (assume the net proceeds from the sale by the distribution agent is \$38.21 per share of C-W Stock). Your tax gain on the cash you received in lieu of the .4948 fractional share of C-W Stock is \$1.91 (proceeds of \$18.90 (\$38.21 proceeds per share of C-W Stock x .4948 fractional share) less tax basis of \$16.99 (\$34.33 tax basis per share of C-W Stock x .4948 fractional share)).

This information should be retained by you for use in connection with the preparation of your income tax returns for 2001 and in the future. **In addition, enclosed with this letter is a form of the statement which you may complete, sign and attach to your 2001 income tax return in order to comply with the requirements of Section 1.355-5(b) of the Treasury Regulations.** We recommend that you consult with your tax advisor regarding the particular federal, foreign, state and local tax consequences of the distribution to you.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Richard C. Vie", with a large, sweeping flourish extending to the right.

Richard C. Vie
*Chairman of the Board, President and
Chief Executive Officer*

**FORM OF INFORMATION STATEMENT TO BE FILED WITH
THE INTERNAL REVENUE SERVICE**

(To be attached to the U.S. federal income tax return of shareholder for the taxable year in which the distribution was made)

Statement of shareholder receiving a distribution of stock in Curtiss-Wright Corporation (a controlled corporation), pursuant to Treasury Regulations Section 1.355-5(b).

1. On November 29, 2001 the undersigned, a shareholder owning _____ (# of) shares of Unitrin, Inc. Common Stock as of November 12, 2001, the record date for the distribution, received a distribution of Class B Common Stock of Curtiss-Wright Corporation, a controlled corporation, pursuant to Section 355 of the Internal Revenue Code of 1986, as amended.
2. Unitrin, Inc. has received a ruling from the Internal Revenue Service to the effect that, under Section 355, no gain or loss will be recognized by (and no amount will be included in the income of) its shareholders upon receipt of Curtiss-Wright Corporation stock in the distribution, except to the extent that any shareholder also receives cash as part of the distribution.
3. The names and addresses of the corporations involved are:
 - a. Unitrin, Inc.
One East Wacker Drive
Chicago, Illinois 60601
 - b. Curtiss-Wright Corporation
1200 Wall Street West
Lyndhurst, New Jersey 07071
4. No stock or securities in Unitrin, Inc. were surrendered by the undersigned.
5. The shareholder received _____ (# of) shares of Curtiss-Wright Corporation Class B Common Stock in the distribution.
6. Cash in the amount of \$ _____ in lieu of a fractional share interest in Curtiss-Wright Corporation Class B Common Stock was received.

Shareholder Signature