

**Huntington Ingalls Industries
Severance Plan**

This is a Severance Plan that is being offered to eligible employees of Huntington Ingalls Industries, Inc. and its participating affiliates (the “Company”) who receive a notice of layoff. The participating affiliates are listed at the Appendix to this plan document.

In general, this Plan provides you with benefits if you are laid off by the Company due to lack of work or company reorganization. This document describes who is eligible for the Plan, the conditions that you must meet in order to receive these benefits, and general information about the Plan.

Note: An Appendix to the plan contains specific information about the cash payment and benefits continuation that you may be eligible to receive.

The Severance Plan was originally effective March 31, 2011 and was amended and restated effective November 1, 2011, and September 1, 2015. It is now amended and restated effective November 1, 2018. The amended and restated Severance Plan provides benefits to eligible individuals laid off by the Company on or after the amendment date.

ELIGIBLE EMPLOYEES

You are an eligible employee if you are a common law employee of the Company on its United States payroll and you are regularly scheduled to work at least 20 hours per week. If you are represented by a union, you are eligible only if your collective bargaining agreement provides for participation in this Plan. Leased employees, temporary employees, employees of subcontractors, independent contractors, employees of non-participating affiliates, employees who are eligible for severance benefits under the Severance Plan for Elected and Appointed Officers of Huntington Ingalls Industries, Inc. and those individuals who are not on the Company's United States payroll are not eligible for benefits under this Plan. If, during any period, the Company has not treated an individual as a common law employee and, for that reason, has not withheld income and employment taxes with respect to that individual, then that individual shall not be an eligible employee for that period, even if the individual is determined, retroactively, to have been a common law employee of the Company during all or any portion of that period by the Internal Revenue Service or other third party or pursuant to a court decree, judgment or settlement in a judicial proceeding or otherwise.

CONDITIONS FOR RECEIVING BENEFITS

An employee will be notified of eligibility for benefits under the Plan through a written notice from a Vice President of Human Resources or their designee. No other Company employee is authorized to provide such notice. In order to receive the benefits of this Plan, you must meet all of the following conditions:

- You must remain employed in your current position until you are terminated by the Company as a result of "layoff" by your management. A "layoff" is a termination of your employment as a result of lack of work, Company reorganizations or other similar situations. Please note, you must actually be laid off by the Company. If, before your layoff date, you voluntarily quit, retire, are terminated for cause, or transfer to another position within the Company, you will not receive benefits under this Plan.
- You must sign a Confidential Separation Agreement and General Release that will include, among other things, a release of any and all claims that you may have against the Company.

The following conditions may also be considered a layoff:

- If your current job moves more than 50 miles from your current work location, and you elect to terminate your employment instead of relocating, your termination will be treated as a layoff.
- If your business unit is sold, outsourced, or assumed by a successor contractor and you are not offered similar employment with the buyer, vendor or successor contractor at the time of the closing of the sale or the effective date of

the outsourcing or successor contract, you may terminate employment as a layoff within 30 days of the closing, outsourcing or successor contract date. For purposes of this Plan, "similar employment" means any job that pays at a base salary of at least 85% of your pre-sale base salary; it does not include overtime or bonus opportunities, fringe benefits, or other aspects of employment.

DEFINITIONS

Week of Pay

A "Week of Pay" means your weekly base rate, or your hourly base rate times 40 hours, at the time of your layoff. It does not include any overtime, bonuses, extended workweek, shift differential or other types of premium pay. If you work less than a fulltime schedule, you are eligible to receive a severance benefit based on your regular weekly pay (or hourly base rate times your regularly-scheduled number of hours) in effect at the time of your layoff. An employee who works less than 40 hours but is paid at a full-time rate (such as third shift employees) will be treated as full-time.

Example: You work 30 hours a week and your hourly rate is \$25 per hour. Your Weekly Pay for the purposes of this Plan is \$750, even though someone working full-time in your position would earn \$1000/week.

Years of Service

Your Years of Service are equal to full years starting with your most recent hire (or re-hire) date, and ending on the day before your most recent anniversary date. If you have less than a full year from your last anniversary date to your last day of work, that time does not count toward your Years of Service.

Example: You began work on January 15, 1990, were laid off in 1995, and rehired again on February 1, 2007. You are laid off August 30, 2018. You have 10 Years of Service for purposes of this Plan (February 1, 2007 through January 30, 2018).

BENEFITS

The severance benefits under the Plan consist of two parts: 1) a cash payment, and 2) an extension of your existing medical, dental and vision coverages.

1) Cash portion

You will receive a lump sum payment of a specific number of Weeks of Pay, as determined by your Years of Service. There is also a minimum and maximum. The number of Weeks of Pay that you can receive is set forth in the Appendix.

2) **Extension of Medical, Dental and Vision Benefits and Cost-Sharing**

If you qualify for benefits under this Plan, you will receive an extension of your medical, dental and vision benefits at active rates based on your Years of Service, as set forth in the Appendix (up to a maximum of 26 weeks). At a minimum, you will receive coverage through the end of the month of your date of termination plus one additional month at no additional premium charge to you. The rest of your COBRA continuation period is at 100% of the full premium plus a 2% administrative fee for the coverage you elect. If you are not covered by medical, dental, and/or vision benefits at the time of your layoff, this feature does not apply to you.

a. **Cost-Sharing for Benefit Continuation**

The period of coverage from your termination date through the end of the following month is at no additional premium charge to you. After that, cost sharing at active employees' rates will apply for any period of benefit continuation extended under this Plan. After that, coverage for the balance of your COBRA period continues at 100% of the full premium plus a 2% administrative fee for the coverage you elect.

b. **COBRA Coverage**

Your 18-month COBRA period starts the first day of the month following your termination date and includes periods during which the Company pays some or all of your premiums. Your cost for COBRA coverage, after the company subsidized period, is equal to 100% of the full premium plus a 2% administrative fee for the coverage you elect.

Example 1:

You have 20 Years of Service, so you are eligible for 20 weeks of subsidized continued coverage. Your last day of work was June 18. Your COBRA period begins on July 1. Your medical, dental and vision benefits continue through July 31 at no additional premium charge to you. The benefits continue through November 5 at active cost-sharing rates. The benefits continue after November 5, for the rest of your COBRA period, at 100% of the full premium plus a 2% administrative fee for the coverage you elect.

Example 2:

You have three Years of Service. Your last day of work was June 18. Your COBRA period begins on July 1. Your medical, dental, and vision benefits continue through July 31 at no additional premium charge to you. After July 31 the benefits continue for the rest of your COBRA continuation

period at 100% of the full premium plus a 2% administrative fee for the coverage you elect.

RETIREMENT IN LIEU OF LAYOFF

If you elect to retire rather than be placed on layoff, talk to a retirement counselor about how this affects your health benefits.

IMPORTANT NOTE ABOUT MEDICARE: Even if you have COBRA coverage, you should apply for Medicare as soon as you are allowed to do so, in order to avoid the possibility of having to pay a higher Medicare premium because of a delay in applying. While you are on COBRA, Medicare is primary to the Huntington Ingalls medical plans.

NOTICE PERIOD

Generally you will receive no less than 2 weeks working notice, although management has the authority to vary the amount of notice dependent upon business circumstances and legal requirements.

TIME AND FORM OF PAYMENT

The cash portion of your severance benefit will be paid to you in a lump sum shortly after you are laid off, provided you sign the release. This amount will be paid after all regular taxes and withholdings have been deducted. Notwithstanding the foregoing, this amount will be paid no later than 2 ½ months after the end of the calendar year in which the termination as a result of the layoff occurs, provided you sign the release.

CLAIMS AND APPEALS PROCEDURES

1) Claims Procedure

If you believe that you are entitled to benefits under this Plan and have not received them, you or your authorized representative may file a claim for benefits by writing to the Plan Administrator. Your letter must state the reason why you believe that you are entitled to benefits, and your letter must be received no later than 90 days after your termination of employment, or 90 days after a payment was due, whichever comes first.

If your claim is denied, in whole or in part, you will receive a written response within 90 days. This response will include (i) the reason(s) for the denial, (ii) reference(s) to the specific plan provisions on which denial is based, (iii) a description of any additional information necessary to perfect the claim and an explanation of why it is needed, (iv) a description of the Plan's claims and appeals procedures and the time limits that apply, and (v) a statement of your right to

bring suit under Section 502(a) of ERISA following the denial of an appeal. In some cases more than 90 days may be needed to make a decision, in which case you will be notified prior to the expiration of the 90 days that more time is needed to review the claim and the date by which the Plan expects to render the decision. In no event will the extension be for more than an additional 90 days.

2) Appeal of Denied Claim

You or your authorized representative may appeal a denied claim by filing an appeal with the Huntington Ingalls Industries, Inc. Administrative Committee ("Committee") within 60 days after your claim is denied. Your appeal should be sent to the Committee at the address listed below. As part of the appeal process you will be given the opportunity to submit written comments and information and be provided, upon request and free of charge, with copies of documents and other information relevant to your claim. The review on appeal will take into account all information submitted on appeal, whether or not it was provided for in the initial benefit determination. A decision will be made on your appeal within 60 days, unless additional time is needed. If more time is needed, you will be notified prior to the expiration of the 60 days that up to an additional 60 days is needed and the date by which the Plan expects to render the decision. If your appeal is denied, in whole or in part, you will receive a written response which will include (i) the reason(s) for the denial, (ii) references to the specific plan provisions on which the denial is based, (iii) a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents and other information relevant to your claim on appeal, and (iv) a statement of your right to bring an action under the Section 502(a) of ERISA.

If your claim is denied on appeal, you have a right to bring an action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended. You must pursue all claims and appeals procedures described in the Plan document before you seek any other legal recourse with respect to Plan benefits. In addition, any lawsuit must be filed within six months from the date of your denied appeal, or two years from your termination date, whichever occurs first.

PLAN ADMINISTRATION

Plan Sponsor

Huntington Ingalls Industries, Inc. (the "Company") is Plan Sponsor and the principal employer that maintains the Plan. The Plan Sponsor's Employer Identification Number is 90-0607005. The address of the Plan Sponsor is: 4101 Washington Avenue, Newport News, Virginia 23607.

Plan Administrator

The general administration of the Plan is the responsibility of the Administrative Committee and the Committee is the Plan Administrator. The Committee has full and complete discretion to interpret Plan provisions, to determine eligibility for benefits, to decide benefit claims (including the resolution of factual disputes relating to such claims), and its interpretations, determinations and decisions will not be overturned unless they are arbitrary and capricious or otherwise an abuse of discretion. The Administrative Committee is vested with all power and authority necessary or appropriate to administer the Plan on behalf of the Plan Sponsor, and has full discretionary authority in this capacity. The address and telephone number of the Committee is:

Huntington Ingalls Industries, Inc.
Attn: Administrative Committee
4101 Washington Avenue
Newport News, Virginia 23607
(757) 380-2000

The Committee may delegate any of its administrative or fiduciary authority, including the authority to hear claims and appeals, to other Company officers or employees.

Plan Identifying Information

The Plan is a welfare benefit plan that provides severance benefits. The Plan year is the calendar year. The ERISA plan number is 610.

Funding of Benefits

The entire cost of the Plan is paid from Company assets. There is no trust fund associated with the Plan.

Service of Process, Limitation Period

Legal service of process can be made upon the Secretary of the Corporation by directing service to that officer c/o Huntington Ingalls Industries, Inc., 4101 Washington Avenue, Newport News, Virginia 23607. You must pursue all claims procedures described in this document before you seek any other legal recourse with respect to Plan benefits. In addition, any lawsuit must be filed within six months from the date of your denied appeal, or two years from your termination date, whichever occurs first.

Plan Document, Amendment and Termination

This document serves both as the official Plan document and the summary plan description. The terms of the Plan control over the Guide to Administration or any other

supporting documents. The Company reserves the right to amend or terminate the Plan, in its sole discretion, at any time. However, this Plan may not be terminated or amended in any way adverse to employees whose employment terminates within one year after the date of a "Change in Control," as that term is defined in the Company's long term incentive stock plan.

Non-duplication of Benefits

Benefits paid under this Plan are in lieu of, and not in addition to, any other severance or similar type of benefit payable under any Company plan, policy or arrangement. If, despite any release signed in connection with this Plan, an employee is later awarded and receives benefits under any other severance plan (including, without limitation, a change in control agreement), benefits paid under this Plan will offset any other benefits payable. Amounts paid under this Plan (or similar state law), or where such law does not apply, are not pension or savings-plan eligible, regardless of whether paid as salary continuation or in a lump sum.

No Contract of Employment

Nothing in this Plan creates a vested right to benefits in any employee or any right to be retained in the employ of the Company.

Governing Law

This Plan shall be interpreted according to the laws of the State of Delaware, without reference to its choice of laws provisions, to the extent not preempted by federal law.

Code Section 409A

Notwithstanding any provision to the contrary, this Plan and the payments thereunder are intended to be exempt from Section 409A of the Internal Revenue Code and the regulations thereunder ("Section 409A") under the short term deferral exception or the exception for post-termination continued health care coverage under Treasury Regulation Section 1.409A-1(b)(9)(v)(B) or any other available exception. If the Plan and the payments hereunder fail to qualify for an exception then they are intended to comply with the applicable requirements of Section 409A. As such, the Plan shall be interpreted to avoid any additional tax under Section 409A. Accordingly, all provisions herein, or incorporated by reference, shall be construed and interpreted to comply with Section 409A or the exceptions thereto and, if necessary, any such provision shall be deemed amended to comply with Section 409A or the exceptions thereto. All payments under this Plan shall be made on the date specified herein or such other date as permitted under Section 409A. Notwithstanding the foregoing, neither the Company nor any of its subsidiaries or affiliates shall be liable to you or any other person for any additional income tax, penalty or interest that you may incur under Section 409A or otherwise.

All payments to be made upon a termination of employment and/or layoff under this Plan may only be made upon a "separation from service" under Section 409A. For purposes of Section 409A, each payment under this Plan is treated as a separate payment for purposes of applying Section 409A. In no event may you, directly or indirectly, designate the calendar year of payment. If you are a "specified employee" as defined in Section 409A, then, to the extent necessary to avoid any additional tax under Section 409A, any payment to you hereunder that would otherwise be made during the first six months following your termination of employment shall be delayed and paid to you without interest on the earlier of (i) the date which is six months and one day after the date of your termination of employment or (ii) the date of your death.

Effective Date

This amended and restated Plan became effective November 1, 2018.

STATEMENT OF ERISA RIGHTS

As a participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). ERISA provides that all Plan participants shall be entitled to: (1) Examine, without charge, at the Plan Administrator's office and at other specified locations, Plan documents, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration, and (2) obtain copies of the combined Plan document and summary plan description, and the latest annual report (Form 5500) series upon written request to the Plan Administrator. There may be a reasonable charge for such copies.

This summary plan description also constitutes the official "Plan" document governing benefits; therefore, there are no other Plan documents that govern your benefits. In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operations of employee benefit plans. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants. No one, including your employer or any person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA. If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan document or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied after final review, or is ignored in whole or in part, you may file suit in a state or

federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the plan administrator. If you have any questions about this statement, or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration (formerly known as the Pension and Welfare Benefits Administration), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Participating Companies

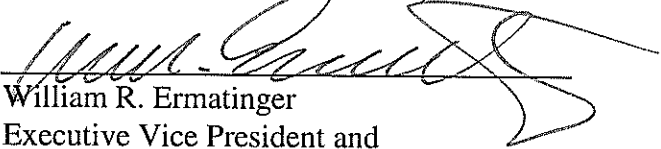
Huntington Ingalls Industries, Inc.

Huntington Ingalls Incorporated (Newport News Shipbuilding Division and Ingalls Shipbuilding Division)

Employees of any affiliate that is not listed above are not eligible for benefits under the Plan. Employees of any non-participating affiliates should refer to their Human Resources group for specific pay policies, if any, associated with layoffs or other terminations.

HUNTINGTON INGALLS INDUSTRIES, INC.

By: _____


William R. Ermatinger
Executive Vice President and
Chief Human Resources Officer

Date: _____

4/28/2018

APPENDIX

Huntington Ingalls Industries Severance Plan Benefit – Non-Directors

Formula Information	Terms	Examples
Cash Formula	1 Week of Pay x Years of Service	<i>Example:</i> You are a salaried employee working full-time. Your weekly rate is \$800, and you have 10 Years of Service. At the time of your layoff, you would receive a lump sum payment of \$8,000
Minimum Benefit	2 Weeks of Pay	<i>Example:</i> You have only one Year of Service at the time of your layoff. Your benefit will equal 2 Weeks of Pay.
Maximum Benefit	26 Weeks of Pay	<i>Example:</i> You have 30 Years of Service and are paid \$900/week. Your total benefit would be limited to \$23,400 (\$900 x 26 weeks), even though your benefit under the formula would be \$27,000.
Health Benefit	1 week of health benefits equal to Years of Full Service up to a maximum of 26 weeks	<p><i>Example:</i> You receive a layoff notice on January 16, 2018, and your last day of work is April 17, 2018. You have 26 Years of Service.</p> <p>Your cost for coverage:</p> <p>04/18/2018 – 05/31/2018 – Free 06/01/2018 – 10/16/2018 – Active Rates 10/17/2018 – 10/31/2019 – COBRA Rates</p>

**Huntington Ingalls Industries
Severance Plan Benefit -- Directors**

Formula Information	Terms	Examples
Cash Formula	1 1/2 Weeks of Pay x Years of Full Service	<i>Example:</i> You are a salaried employee working full-time. Your weekly rate is \$3,000 and you have 10 Years of Service. At the time of your layoff, you would receive a lump sum payment of \$45,000 (\$3,000 x 1.5 x 10).
Minimum Benefit	4 Weeks of Pay	<i>Example:</i> You have only one Year of Service at the time of your layoff. Your benefit will equal 4 Weeks of Pay.
Maximum Benefit	26 Weeks of Pay	<i>Example:</i> You have 30 Years of Service and are paid \$3,000/week. Your total benefit would be limited to \$78,000 (\$3,000 x 26 weeks). Even though you have 30 years of service, the maximum benefit is 26 weeks.
Health Benefit	1 Week of health benefits continuation for each full Years of Service up to a maximum of 26 weeks	<p><i>Example:</i> You receive a layoff notice on January 16, 2018, and your last day of work is April 17, 2018. You have 26 Years of Service.</p> <p>Your cost for coverage:</p> <p>04/18/2018 – 05/31/2018 – Free 06/01/2018 – 10/16/2018 – Active Rates 10/17/2018 – 10/31/2019 – COBRA Rates</p>