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TEREX CORP  
Form 11-K  
June 27, 2002

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

Form 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the fiscal year ended December 31, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number \_\_\_\_\_

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

The Terex Corporation and Affiliates' 401(k) Retirement Savings Plan for Represented Employees

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Terex Corporation  
500 Post Road East, Suite 320  
Westport, Connecticut 06880

TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN  
FOR REPRESENTED EMPLOYEES

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Financial Statements  
December 31, 2001

TEREX CORPORATION AND AFFILIATES' 401(k)  
RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

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Report of Independent Accountants

To the Participants and Administrative Committee of the  
Terex Corporation and Affiliates'  
401(k) Retirement Savings Plan for Represented Employees

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits

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of the Terex Corporation and Affiliates' 401(k) Retirement Savings Plan for Represented Employees (the "Plan") at December 31, 2001 and 2000, and the changes in net assets available for benefits for the year ended December 31, 2001, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Stamford, Connecticut  
June 26, 2002

TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF DECEMBER 31

	2001	2000
	-----	-----
ASSETS:		
Plan interest in Terex Corporation 401(k) Retirement Savings Plan Master Trust.....	\$ 6,005,487	\$ 6,097,459
Receivables:		
Employee contributions.....	41,262	22,321
Employer contributions.....	12,973	5,841
	-----	-----
Total receivables.....	54,235	28,162
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS.....	\$ 6,059,722	\$ 6,125,621
	=====	=====

See accompanying notes to financial statements.

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TEREX CORPORATION AND AFFILIATES' 401(k)  
RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
FOR THE YEAR ENDED DECEMBER 31, 2001

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ADDITIONS:

Plan interest in Terex Corporation 401(k) Retirement Savings Plan Master Trust.....	\$ (280,098)
Employee contributions.....	826,384
Employer contributions.....	299,079
Rollover contributions.....	36,933
Total additions.....	882,298

DEDUCTIONS:

Withdrawals.....	942,948
Administrative fees.....	5,249
Total deductions.....	948,197

NET DECREASE..... (65,899)

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of period.....	6,125,621
End of period.....	\$ 6,059,722

See accompanying notes to financial statements.

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TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

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1. DESCRIPTION OF THE PLAN

The following description of the Terex Corporation and Affiliates' 401(k) Retirement Savings Plan for Represented Employees (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan that covers certain eligible employees of Terex Corporation and its subsidiaries ("Terex" or the "Company") meeting minimum eligibility requirements. Certain officers of Terex serve as trustees of the Plan (the "Trustees"). The investments of the Plan are held by Fidelity Management Trust Company ("Fidelity") and Massachusetts Mutual Life Insurance Company ("MassMutual").

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

An Administrative Committee, consisting of at least three members appointed by the Company's Board of Directors, administers the benefit structure of the Plan. The Company is considered the Plan Administrator for purposes of ERISA.

Participants of the Plan are the hourly-rate employees of the Company's PPM Cranes ("PPM") Unit, Unit Rig division ("Unit Rig"), the Terex Parts Distribution Center ("Southaven"), the American Crane Corporation

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("American Crane"), Cedarapids, Inc. ("Cedarapids"), and the former Bowerston Division of Simon Access ("Bowerston"), which was closed subsequent to the acquisition of the business on April 7, 1997. Investments of the former Bowerston employees remain in the Plan, however, there are no additional employee or employer contributions being made. Terms for each subsidiary location are negotiated under separate collective bargaining agreements and differ with respect to participant contributions, employer contributions and loans to participants. The general provisions for each location are discussed below.

**Participant Eligibility-** Employees at Unit Rig are eligible to participate in the Plan after they complete six months of service, employees at Southaven and PPM are eligible to participate after three months of service. Employees at American Crane and Cedarapids are eligible to participate in the Plan on the date on which they perform an hour of service as an employee.

**Participant Contributions -** Participants at Unit Rig may contribute up to 20% of their compensation, participants at Southaven, PPM, American Crane and Cedarapids may contribute up to 16% of their compensation. Contributions may be in any combination of pre-tax or post-tax earnings. The maximum pre-tax contribution permitted under Internal Revenue Service regulations in 2001 was \$10,500. There is no limit to post-tax contributions. Participants are able to direct current contributions and redistribute accumulated contributions and earnings between investment funds.

**Employer Contributions -** Effective January 1, 2000, the plan in effect at Unit Rig provides that Terex will match 50% of the first 6% of the employee's salary that is contributed to the plan. The plan in effect at Southaven provides that Terex will match 50% of the first 6% (8% effective January 1, 2001) of the employee's salary that is contributed to the plan. The plan in effect at PPM provides that Terex will match 50% of the first 5% (6% effective April 1, 2001) of the employee's salary that is contributed to the plan. The plan in effect at American Crane provides that Terex will match 50% of the employee's contribution, the company match shall not exceed \$800 in the plan year. The plan in effect at Cedarapids provides that Terex will match 100% of the first 4% of the employee's salary that is contributed to the Plan. The terms of each division's collective bargaining agreement provides that the Company may make, in its sole discretion, supplementary contributions. All Company contributions are made in Terex Common Stock.

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TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

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**Vesting -** All participants are immediately fully vested in their voluntary contributions plus any actual earnings thereon. Participants at Southaven, PPM, American Crane, Unit Rig and Cedarapids vest in the employer matching contributions after one year of eligible service. Participants employed at Bowerston on April 7, 1997 are fully vested in employer contributions. Bowerston participants hired after April 7, 1997 but prior to the closure of the facility vest in employer contributions after one year of eligible service. The vesting period for supplemental contributions is determined by the Company at the time

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of contribution.

**Forfeitures -** Nonvested employer contributions of employees that have separated from the Company become forfeitures and are held in a separate account and shall be used to reduce future employer contributions. However, employees that return to service within five years from their separation date will be entitled to continue vesting on the employer contributions which were previously forfeited.

**Allocation of Earnings -** Each participant's account is credited with contributions and an allocation of earnings from the respective investment funds. A participant's contributions are used to purchase shares in the various investment funds. The value of and the earnings credited to a participant's account are based on the proportionate number of shares owned by the participant and the fair value of the investment on the valuation date.

**Payment of Benefits -** Upon retirement, disability, or death, the entire balance of the participant's account becomes payable to the participant or designated beneficiary. Upon any other termination of employment, the participant receives the vested portion of his/her account; however, if the vested portion of the participant's account is greater than \$5,000 he/she can elect to keep the investments in the Plan. Withdrawals are also permitted for financial hardship, as defined by the Plan, or upon attainment of age 59-1/2.

**Participant Loans -** Participants may obtain loans in an amount up to the lesser of \$50,000 or 50% of the vested portion of their account balance, subject to the discretion of the Plan Administrator and certain other restrictions. Terms of all loans are established by the Plan Administrator.

**Change in Investment Manager -** On February 1, 2000, the Plan was amended to change the investment manager of the Plan to Fidelity from MassMutual. Except for certain amounts invested in Guaranteed Investment Contracts ("GICs"), all funds held by MassMutual were transferred to Fidelity.

## 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting -** The accompanying financial statements have been prepared on the accrual basis.

**Investments -** Plan investments are stated at fair value based on published market prices or other independent sources. Net appreciation (depreciation) in aggregate fair value of investments is comprised of all realized and unrealized gains and losses during the year.

**Expenses -** Fees and expenses related to administering the Plan are generally paid by Terex.

**Withdrawals -** Withdrawals are recognized at the time of distribution to the participant.

**Use of Estimates -** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

3. INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets.

	December 31,	
	2001	2000
Plan's interest in the Terex Corporation 401(k)		
Retirement Savings Plan Master Trust.....	\$ 6,005,487	\$ 6,097,459

4. INVESTMENT IN MASTER TRUST

The Plan's assets are held in a trust account at Fidelity and consist of an interest in the Terex Corporation 401(k) Retirement Savings Plan Master Trust (the "Master Trust"). The Master Trust was established to permit the commingling of the trust assets for similar employee benefit plans sponsored by the Company. At December 31, 2001 and 2000, the Plan's interest in the net assets of the Master Trust was approximately 10.5% and 10.6%, respectively.

Net earnings of the Master Trust are allocated daily by Fidelity to each participant account balance. Net earnings include interest income, dividend income and net appreciation (depreciation) of investments. Contributions, benefit payments and expenses are made on a specific identification basis.

The following table presents the fair values of investments for the Master Trust:

	December 31,	
	2001	2000
Mutual funds.....	\$ 38,412,094	\$ 40,077,234
Terex Corporation Common Stock.....	6,602,776	5,678,833
Participant loans.....	3,259,125	3,292,876
Insurance contract.....	8,808,370	8,309,783
	\$ 57,082,365	\$ 57,358,726



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TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

Net appreciation, dividends and interest for the Master Trust for the year ended December 31, 2001 are as follows:

Net appreciation (depreciation) of investments:	
Mutual Funds.....	\$ (5,481,386)
Terex Corporation Common Stock.....	510,572
Dividends.....	1,097,701
Interest.....	271,583
GIC interest.....	580,071
	-----
	\$ (3,021,459)
	=====

The Master Trust has an interest in a benefit-responsive investment contract which is valued at contract value as determined by MassMutual, the holder of the contract. The contract value at December 31, 2001 and 2000 was \$8,808,370 and \$8,309,783, respectively. The contract value represents contributions made under contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of the investment at contract value. The guaranteed annual interest rate is 6 percent.

5. NON PARTICIPANT-DIRECTED INVESTMENTS

The Company's contributions to the Plan are invested solely in Terex Corporation Common Stock. Fidelity holds all Terex common stock in one investment account and does not segregate employer and employee purchased common stock activity. As a result, all Plan investments in Terex common stock are considered nonparticipant-directed. Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows:

	December 31,	
	2001	2000
	-----	-----
Net Assets		
Terex Corporation Common Stock.....	\$ 820,986	\$ 768,661

	Year Ended December 31, 2001	
	-----	
Changes in Net Assets:		
Contributions.....	\$ 299,711	
Investment income and gain/loss.....	65,914	
Transfer from participant-directed investments	10,882	

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Withdrawals.....	(166,727)
Net loan activity.....	909
Expenses paid.....	(73)
Transfers to participant-directed investments.	(158,291)
	-----
	\$ 52,325
	=====

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TEREX CORPORATION AND AFFILIATES'  
401(k) RETIREMENT SAVINGS PLAN FOR REPRESENTED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

6. PARTY-IN-INTEREST

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity also serves as a custodian and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services amounts to \$5,249 for the year ended December 31, 2001.

7. INCOME TAX STATUS

The Plan received a determination letter, dated July 31, 1996, that it met the qualification requirements of Sections 401(c) and 401(k) of the Internal Revenue Code (the "IRC") and is, therefore exempt from federal income taxation. Subsequently, the Plan has been amended. The Plan Administrator believes that the Plan, as amended, continues to be qualified and exempt from tax under Sections 401(c) and 401(k) of the IRC.

8. TERMINATION OF THE PLAN

The Company believes that the Plan will continue without interruption but reserves the right to discontinue the Plan. In the event that such discontinuance results in the complete or partial termination of the Plan, the balance in each participant's account will be distributed by the Trustees.

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SIGNATURES

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Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed by the undersigned thereunto duly authorized.

The Terex Corporation and Affiliates'  
401(k) Retirement Savings Plan for  
Represented Employees

/s/ Joseph F. Apuzzo  
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Date: June 27, 2002

By: Joseph F. Apuzzo  
Chief Financial Officer  
Terex Corporation