

Horizon Global Corp
Form PRE 14A
March 14, 2018

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

x Preliminary Proxy Statement

o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

o Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

Horizon Global Corporation

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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(3) Filing Party:

(4) Date Filed:

In accordance with Rule 14a-6(d) under Regulation 14A of the Securities Exchange Act of 1934, please be advised that Horizon Global Corporation intends to release definitive copies of the proxy statement to security holders on or about April 3, 2018.

NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS

To be held May 8, 2018

To the Stockholders of Horizon Global Corporation:

The 2018 Annual Meeting of Stockholders (the "Annual Meeting") of Horizon Global Corporation (the "Company," "Horizon," "Horizon Global," "us," "our" or "we") will be held on Tuesday, May 8, 2018 at the Hilton Garden Inn, 200 Wilshire Drive, Room 1, Troy, Michigan 48084, at 8:00 a.m., Eastern Time, for the following purposes:

1. To elect three directors to serve until the Annual Meeting of Stockholders in 2021;
2. To approve amendments to the Company's Amended and Restated Certificate of Incorporation to implement a declassified Board of Directors;
3. To approve the Horizon Global Corporation Amended and Restated 2015 Equity and Incentive Compensation Plan;
4. To ratify the appointment of Deloitte & Touche LLP ("Deloitte") as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2018; and
5. To transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on March 13, 2018 as the record date ("Record Date") for determining the stockholders that are entitled to notice of, and to vote at, the Annual Meeting or any adjournment or postponement of the Annual Meeting.

By Order of the Board of Directors

/s/ Jay Goldbaum

Jay Goldbaum

General Counsel, Chief Compliance Officer,

and Corporate Secretary

Troy, Michigan

This notice of Annual Meeting, proxy statement and form of proxy are being distributed and made available on or about April 3, 2018.

Even if you intend to be present at the Annual Meeting in person, please sign and date the enclosed proxy card or voting instruction card and return it in the accompanying envelope, or vote via telephone or Internet (as indicated on your proxy card or voting instruction card), to ensure the presence of a quorum. Any proxy may be revoked in the manner described in the accompanying proxy statement at any time before it has been voted at the Annual Meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 8, 2018

The Proxy Statement and 2017 Annual Report of Horizon Global Corporation are available at:

<http://investors.horizonglobal.com/2018proxystatement> and

<http://investors.horizonglobal.com/2017annualreviewand10-K>

PROXY STATEMENT FOR 2018 ANNUAL MEETING OF STOCKHOLDERS

This proxy statement contains information regarding the Annual Meeting of the Company to be held on Tuesday, May 8, 2018 at the Hilton Garden Inn, 200 Wilshire Drive, Room 1, Troy, Michigan 48084. The Company's Board of Directors (the "Board") is soliciting proxies for use at such meeting and at any adjournment or postponement of such meeting. The Company first mailed this proxy statement to its stockholders on or about April 3, 2018. The Company will bear the cost of soliciting proxies.

Proxy Summary

This summary highlights information contained elsewhere in this Proxy Statement, Annual Report, SEC filings or in our corporate governance documents on our website at www.horizonglobal.com. We encourage you to read this Proxy Statement in its entirety before voting.

STOCKHOLDER ACTION

Proposal for Your Vote

Board Voting
Recommendation

Proposal 1: Re-Election of Class III Directors - Messrs. Kunselman and Roberts, and Ms. Straub.

FOR each nominee

Proposal 2: Approval of amendments to the Company's Amended and Restated Certificate of Incorporation to implement a declassified Board of Directors.

FOR

Proposal 3: Approval of the Horizon Global Corporation Amended and Restated 2015 Equity and Incentive Compensation Plan.

FOR

Proposal 4: Ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2018.

FOR

PROPOSAL 1 — ELECTION OF DIRECTORS

The Board is divided into three classes, each class consisting of approximately one-third of the Company's directors. Class III directors' terms will expire at the Annual Meeting. Messrs. Scott G. Kunselman and David A. Roberts, and Ms. Maximiliane C. Straub have consented to stand for re-election to serve until the 2021 Annual Meeting of Stockholders. If any of them should become unavailable, the Board may designate a substitute nominee. In that case, the proxy holders named as proxies in the accompanying proxy card will vote for the Board's substitute nominee. **THE COMPANY'S BOARD RECOMMENDS A VOTE "FOR" EACH OF THE THREE DIRECTORS LISTED BELOW WHO STANDS FOR RE-ELECTION, TO SERVE UNTIL THE 2021 ANNUAL MEETING.**

Vote Required

The three nominees who receive the most votes cast at the Annual Meeting will be elected as directors, provided a quorum of at least a majority of the issued and outstanding shares of the Company's common stock (the "Common Stock") that are entitled to vote is represented either in person or by proxy at the meeting. If you abstain from voting on this matter, your abstention will have no effect on the vote. If you hold your shares through a broker and you do not instruct the broker on how to vote on this "non-routine" proposal, your broker does not have authority to vote your shares (referred to as a "broker non-vote"). Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any other effect on the outcome of the election of directors.

Additional information regarding the directors and director nominees of the Company is set forth below.

Directors and Director Nominees

The Board currently consists of nine members divided into three classes serving staggered terms. Following the Annual Meeting, the Board will consist of seven members.

Name	Age	Title	Term Ending
Scott G. Kunselman ⁽¹⁾⁽²⁾	54	Director	2018
David C. Dauch ⁽³⁾	53	Director	2018
Samuel Valenti III ⁽³⁾	72	Director	2018
David A. Roberts ⁽¹⁾⁽⁴⁾	69	Director	2019
Richard D. Siebert	65	Director	2019
A. Mark Zeffiro ⁽⁵⁾	51	President, Chief Executive Officer and Director	2019
Denise Ilitch ⁽⁶⁾	62	Chair of the Board	2020
Richard L. DeVore	62	Director	2020
Maximiliane C. Straub ⁽¹⁾⁽⁷⁾	54	Director	2020

(1) Standing for re-election at the Annual Meeting.

(2) Appointed March 8, 2016 with initial term expiring 2018.

(3) Not standing for re-election at the Annual Meeting.

Appointed March 6, 2018 with initial term expiring 2019. As disclosed below, Mr. Roberts will resign as a Class I

(4) director immediately prior to the Annual Meeting and will stand for re-election as a Class III director at the Annual Meeting.

(5) Co-Chair of the Board from June 29, 2015 to February 14, 2018.

(6) Chair of the Board since February 14, 2018. Formerly Co-Chair of the Board from July 1, 2016 to February 14, 2018.

Appointed March 6, 2018 with initial term expiring 2020. As disclosed below, Ms. Straub will resign as a Class II

(7) director immediately prior to the Annual Meeting and will stand for re-election as a Class III director at the Annual Meeting.

Director Background and Qualifications

The following sets forth the business experience during at least the past five years of each director nominee and each

of the directors whose term of office will continue after the Annual Meeting.

In addition, the following includes a brief discussion of the specific experience, qualifications, attributes and skills that led to the conclusion that the directors and nominees should serve on the Board at this time. The Corporate Governance and Nominating

Committee of the Board (the “Governance Committee”) considers the experience, mix of skills and other qualities of the existing Board to ensure appropriate Board composition. The Governance Committee believes that directors must have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. In addition, it seeks to ensure the Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to the Company’s business.

The Board believes that the directors and nominees have an appropriate balance of knowledge, experience, attributes, skills and expertise as a whole to ensure the Board appropriately fulfills its oversight responsibilities and acts in the best interests of stockholders. The Board believes that each director satisfies its criteria for demonstrating excellence in his or her chosen field, high ethical standards and integrity, and sound business judgment. In addition, the Board has eight independent directors in accordance with the applicable rules of the New York Stock Exchange (“NYSE”), and such directors are also independent of the influence of any particular stockholder or stockholder groups whose interests may diverge from the interests of the stockholders as a whole. Further, each director or nominee brings a strong background and set of skills to the Board, giving the Board, as a whole, competence and experience in a wide variety of areas.

Scott G. Kunselman

Director since 2016

Age 54

Scott G. Kunselman was appointed to our Board on March 8, 2016. Mr. Kunselman was appointed as chair of the Board’s Compensation Committee on August 17, 2016, and also serves as a member of the Board’s Audit Committee and Governance Committee. In December 2015, Mr. Kunselman joined Oakland University, a public university with its main campus located in Rochester, Michigan, as its chief operating officer. Prior to joining Oakland University, Mr. Kunselman was senior vice president - vehicle safety and regulatory compliance, FCA - North America for FCA US LLC (“Chrysler”), an automobile manufacturer headquartered in Auburn Hills, Michigan, from August 2014 through November 2015. Previously he was senior vice president - purchasing and supplier quality for Chrysler from April 2012 to August 2014. Mr. Kunselman held the position of senior vice president - engineering with Chrysler from June 2009 to April 2012. In December 2017, Mr. Kunselman was appointed to the board of directors of Promethient, a Michigan-based company providing human-scaled climate control solutions for a variety of applications. Mr. Kunselman previously served on the Oakland University Board of Trustees from August 2012 to November 2015, and served as the chair of the Michigan Minority Supplier Development Council from April 2012 to February 2014. Mr. Kunselman also served on the board of the FCA Foundation (former Chrysler Foundation) from 2009 to December 2015, and the board of the Michigan Science Center (former Detroit Science Center) from 2008 to December 2015. Mr. Kunselman brings to the Board extensive knowledge and expertise relating to the automotive industry and operations management. Mr. Kunselman has subject matter expertise in engineering, quality, purchasing and product innovation.

David A. Roberts
Director since 2018
Age 69

Mr. Roberts was appointed to our Board on March 6, 2018, and serves as a member of the Board's Audit Committee, Compensation Committee and Governance Committee. Mr. Roberts is currently chair of the board of directors of Carlisle Companies Incorporated ("Carlisle"), a diversified manufacturing company, a position he has held since December 2016. Mr. Roberts previously served as Carlisle's chief executive officer from June 2007 to December 2016. Prior to joining Carlisle, Mr. Roberts served as chair of the board of directors of Graco Inc., a manufacturer of fluid handling systems and components, from April 2006 to June 2007, and as president and chief executive officer from June 2001 to June 2007. In 2003, Mr. Roberts was appointed to the board of directors of Franklin Electric Co., a global leader in the manufacturing and distribution of products and systems focused on the movement and management of water and fuel, and currently chairs its corporate governance committee and is a member of its management organization and compensation committee. In September 2015, Mr. Roberts was appointed to the board of directors of SPX Corporation, a thermal equipment and services provider, and serves as chair of its compensation committee and as a member of its audit committee and nominating and governance committee. From 2012 to 2015, Mr. Roberts served on the board of directors of Polypore International, Inc., a leading global manufacturer specializing in microporous membranes and solutions for battery applications. Mr. Roberts began his career in the automotive industry, holding various manufacturing, engineering, and general management positions with The Budd Company, a leading automotive stamping manufacturer and supplier, Pitney Bowes, a global technology company, and FMC Corporation, a global technology and solutions provider in the agricultural, industrial and consumer markets. Mr. Roberts brings extensive experience in senior management of multinational companies, and expertise in the industrial and manufacturing sectors. Mr. Roberts' experience from his service on various public company boards will be a valuable asset to the Horizon Board.

Richard D. Siebert
Director since 2015
Age 65

Mr. Siebert was appointed to our Board on August 4, 2015. Mr. Siebert was appointed chair of the Board's Governance Committee, effective May 8, 2018, and also serves as a member of the Audit Committee and Compensation Committee. Mr. Siebert retired from KPMG LLP ("KPMG"), a global audit, tax and finance advisory firm, in September 2012. From 2003 to September 2012, Mr. Siebert served as the managing partner of the MidAmerica business unit of KPMG, and, from 2007 to January 2012, Mr. Siebert also served as the managing partner of KPMG's Detroit office. Previously, Mr. Siebert served as the managing partner of the Cincinnati office of KPMG, and as the audit practice lead in the St. Louis office of Arthur Andersen, a global public accounting firm. In 1976, Mr. Siebert joined Arthur Andersen, was admitted to partnership in 1987, and was instrumental in the transition of Arthur Andersen's St. Louis office to KPMG in 2003. During his career in public accounting, Mr. Siebert served as the lead engagement partner or client service partner for a broad range of public companies. Mr. Siebert currently serves as a member of the finance council of the Archdiocese of St. Louis, and is a member of its audit committee. Mr. Siebert brings to the Board extensive knowledge and expertise in financial reporting, accounting and Sarbanes-Oxley compliance for public companies. Mr. Siebert's 36-year career in public accounting also provides him with subject matter expertise in a broad range of governance, regulatory and securities matters.

A. Mark Zeffiro

President, CEO and Director since 2015

Age 51

Mr. Zeffiro was appointed as our president and chief executive officer on June 30, 2015. Mr. Zeffiro served as Co-Chair of our Board from June 29, 2015 to February 14, 2018, and has served as president and a director of Horizon since our incorporation on January 14, 2015. From January 2015 to June 2015, Mr. Zeffiro served as group president of Cequent, comprised of the Cequent Americas and Cequent APEA reportable segments of TriMas Corporation (“TriMas”), a diversified manufacturer and Horizon’s former parent company. Mr. Zeffiro served as chief financial officer of TriMas from June 2008 to January 2015 and executive vice president of TriMas from May 2013 until January 2015. Prior to joining TriMas, Mr. Zeffiro held various financial management and business positions with General Electric Company (“GE”), a diversified technology and financial services company, and Black and Decker Corporation (“Black & Decker”), a global manufacturer of quality power tools and accessories, hardware, home improvement products and fastening systems. From 2004 to 2008, during Mr. Zeffiro’s four-year tenure with Black & Decker, he was vice president of finance for the global consumer product group and Latin America. In addition, Mr. Zeffiro was directly responsible for and functioned as general manager of Black & Decker’s factory store business unit. From 2003 to 2004, Mr. Zeffiro was chief financial officer of First Quality Enterprises, a private company producing consumer products for the health care market. From 1988 through 2002, he held a series of operational and financial leadership positions with GE, the most recent of which was chief financial officer of its medical imaging manufacturing division. In April 2015, Mr. Zeffiro was appointed to the board of directors of Atkore International Group, Inc., a manufacturer of electrical raceway solutions and is currently chair of its audit committee. Mr. Zeffiro also serves on the board of directors of the Detroit Institute of Arts, where he chairs the finance committee, and the board of trustees of Walsh College, where he sits on the academic committee. Mr. Zeffiro's position as president and chief executive officer of Horizon provides him the ability to offer the Board firsthand insight into the operations and strategic vision of the Company. Mr. Zeffiro has extensive knowledge and subject matter expertise in strategic planning, business management, mergers and acquisitions and financial accounting.

Denise Ilitch

Chair of the Board, Director since 2015

Age 62

Ms. Ilitch was appointed to our Board on June 29, 2015. Ms. Ilitch became Chair of the Board on February 14, 2018, formerly serving as Co-Chair of the Board from July 1, 2016 to February 14, 2018. Ms. Ilitch served as chair of the Board's Compensation Committee until August 16, 2016, and is currently a member of the Board’s Compensation Committee, Audit Committee and Governance Committee. Ms. Ilitch is currently president of Ilitch Enterprises, LLC, a business operations management company, a position she has held since 2005. From 2000 to 2004, Ms. Ilitch served as president of Ilitch Holdings, Inc., an entertainment industries, food, fundraising and real estate development services company. From 1996 to 2004, Ms. Ilitch served as president of Olympia Development, LLC, a real estate development company. Ms. Ilitch currently serves as a trustee for the Skillman Foundation and as a regent on the University of Michigan Board of Regents, where she is a member of the health affairs committee. Ms. Ilitch has previously served as a board member of numerous community organizations, including the Detroit Branch of the NAACP, the Detroit Branch of the Federal Reserve Bank of Chicago, Detroit Renaissance, and the Karmanos Cancer Institute. She also co-chaired the 2009 Detroit Crisis Turnaround Team and served as a Detroit Red Wings Alternate Governor for the National Hockey League and as a board member of Major League Baseball. Ms. Ilitch brings to the Board more than 30 years of experience as a business executive and community leader. As a businesswomen and attorney, Ms. Ilitch has extensive knowledge and subject matter expertise in business development, corporate law and government policy.

Richard L. DeVore
Director since 2015
Age 62

Mr. DeVore was appointed to our Board on June 29, 2015. Mr. DeVore serves as chair of the Board's Audit Committee, and as a member of the Compensation Committee and Governance Committee. Mr. DeVore is currently executive vice president of PNC Bank, N.A., a member of the PNC Financial Services Group ("PNC"), one of the United States' largest diversified financial services organizations. Mr. DeVore was appointed executive vice president of PNC in November 2001 and, in his current role, he serves as president for the Detroit and Southeast Michigan regions and chairs the local PNC Foundation. From January 2009 through July 2010 (after its acquisition by PNC), he also served as the chief credit officer and as member of the board of directors of National City Bank, a financial services organization. Mr. DeVore previously held various chief credit officer and managerial positions with PNC from 1991 through 2001. Mr. DeVore currently serves on the boards of Business Leaders for Michigan, Oakland University, the Detroit Economic Club, the Detroit Symphony Orchestra, the Detroit Regional Chamber and Ann Arbor SPARK. Mr. DeVore has also taught banking and finance courses at Wayne State University. Mr. DeVore brings to the Board more than 39 years of financial institutions experience and unique insights into credit market conditions and corporate capital structure. Mr. DeVore has extensive knowledge and subject matter expertise in finance, mergers and acquisitions and risk management.

Maximiliane C. Straub
Director since 2018
Age 54

Ms. Straub was appointed to our Board March 6, 2018, and serves as a member of the Board's Audit Committee, Compensation Committee and Governance Committee. Ms. Straub is currently executive vice president of finance, controlling and administration, North America, and chief financial officer of Robert Bosch LLC, a subsidiary of Robert Bosch GmbH ("Bosch"), a leading global supplier of technology and services, since 2010. She joined Bosch in 1993 where she held positions of increasing responsibility with Bosch affiliates in the U.S., Germany and France, and eventually served as president of Bosch's chassis systems full brakes division in North America from 2006 to 2010. Ms. Straub currently serves as chair of the board of directors of Inforum, a professional organization focused on creating strategic connections to help advance professional women in Michigan and the Midwest. In 2017, she was appointed to the board of directors of MTS Systems Corporation, a leading global supplier of high performance test systems and sensors. In 2010 and 2015, Ms. Straub was recognized by Automotive News as one of the 'Top 100 Women in the Auto Industry'. Ms. Straub's extensive operations background and experience in the areas of finance, accounting, human resources, information technology, strategic planning, and mergers and acquisitions contribute to her international, automotive and leadership qualifications. The Horizon Board will benefit from Ms. Straub's strong operational and international business expertise.

Board Leadership Structure and Management

The Board was led by Co-Chairs A. Mark Zeffiro and Denise Ilitch until February 14, 2018, at which time the Board determined that it is in the Company's best interests to be led by Ms. Ilitch, as sole Chair of the Board. The Chair oversees the planning of the annual Board calendar and, in consultation with the other directors, will schedule and set the agenda for meetings of the Board and lead the discussions at such meetings. In addition, the Chair provides guidance and oversight to other members of management, helps with the formulation and implementation of our strategic plans and acts as the Board's liaison to the rest of management. In this capacity, the Chair is actively engaged in significant matters affecting us. The Chair also leads our annual meetings of stockholders and performs such other functions and responsibilities as requested by the Board from time to time.

The Board believes that separating the roles of the chief executive officer and chair is the most appropriate structure at this time and offers distinct benefits to the Company, including curtailing any potential conflict of interest and

facilitating objective Board evaluation of the Company's management.

As part of its oversight function, the Board monitors how management operates the Company, in part via its committee structure. When granting authority to management, approving strategies and receiving management reports, the Board considers, among other things, the risks and vulnerabilities the Company faces. The Audit Committee of the Board (the "Audit Committee") considers risk

issues associated with the Company's overall financial reporting, disclosure process and legal compliance, as well as reviews policies on risk control assessment and accounting risk exposure. In addition to its regularly scheduled meetings, the Audit Committee meets with the corporate audit team, and the independent registered public accounting firm in executive sessions at least quarterly, and with the General Counsel and Chief Compliance Officer as determined from time to time by the Audit Committee. Each of the Compensation Committee of the Board (the "Compensation Committee") and the Governance Committee considers risk issues associated with the substantive matters addressed by each such committee.

The Board held seven meetings during 2017. The following table sets forth the meeting information for the three standing committees of the Board for 2017:

THE BOARD AND COMMITTEES - MEMBERSHIPS & MEETINGS

	BOARD	CLASS	AUDIT	COMPENSATION	GOVERNANCE
Scott G. Kunselman	Director	III	ü	Chair	ü
David C. Dauch ⁽¹⁾	Director	III		ü	Chair
Samuel Valenti III	Director	III	ü	ü	ü
David A. Roberts ⁽²⁾	Director	I	ü	ü	ü
Richard D. Siebert ⁽³⁾	Director	I	ü	ü	Chair
A. Mark Zeffiro ⁽⁴⁾	Director	I			
Denise Ilitch ⁽⁵⁾	Chair	II	ü	ü	ü
Richard L. DeVore	Director	II	Chair	ü	ü
Maximiliane C. Straub ⁽⁶⁾	Director	II	ü	ü	ü
2017 Meetings	7		5	5	4

(1) Chair of the Governance Committee through the Annual Meeting on May 8, 2018.

Appointed March 6, 2018 with initial term expiring 2019. As disclosed below, Mr. Roberts will resign as a Class I

(2) director immediately prior to the Annual Meeting and will stand for re-election as a Class III director at the Annual Meeting.

(3) Chair of the Governance Committee effective immediately following the Annual Meeting on May 8, 2018.

(4) Co-Chair of the Board from June 29, 2015 to February 14, 2018.

(5) Chair of the Board since February 14, 2018. Formerly Co-Chair of the Board from July 1, 2016 to February 14, 2018.

Appointed March 6, 2018 with initial term expiring 2020. As disclosed below, Ms. Straub will resign as a Class II

(6) director immediately prior to the Annual Meeting and will stand for re-election as a Class III director at the Annual Meeting.

CLASS III - Term expires at 2018 annual stockholder meeting

CLASS I - Term expires at 2019 annual stockholder meeting

CLASS II - Term expires at 2020 annual stockholder meeting

As noted above, the Board currently consists of nine directors, divided into three classes as equal in number as possible. The members of each class serve for staggered, three-year terms, except for the initial terms described above. Upon the expiration of the term of a class of directors, directors in that class may be asked to stand for re-election for a three-year term at the Annual Meeting in the year in which their term expires. Messrs. Dauch and Valenti have elected not to stand for re-election at the Annual Meeting. The Board is deeply appreciative for the strong leadership and valuable contributions provided by each of Messrs. Dauch and Valenti. To meet the requirement that each class of directors be as nearly equal in number as possible, Mr. Roberts and Ms. Straub will resign as Class I and Class II director, respectively, at the Annual Meeting to be effective immediately prior to the Annual Meeting. Each of Messrs. Kunselman and Roberts and Ms. Straub have been nominated as Class III directors at the Annual Meeting, for terms of three years and until their respective successors shall be elected and shall qualify.

Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the Company's directors.

As part of our commitment to effective corporate governance, management and our Board undertook a review of current corporate governance trends and considered the view held by many institutional stockholders that a classified board structure has the potential

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effect of reducing the accountability of directors. After careful consideration, the Board unanimously approved, and recommends that our stockholders approve, amendments to our Amended and Restated Certificate of Incorporation (the “Certificate of Incorporation”) that, if adopted, would eliminate the classified structure of the Board over a three-year period. The phasing in of annual elections of directors over a three-year period is designed to ensure a smooth transition to a system of annual elections of all of our directors. If Proposal 2 is approved by stockholders at the Annual Meeting, directors whose terms expire at the 2019 Annual Meeting of Stockholders will be elected to a two-year term and directors whose terms expire at 2020 Annual Meeting of Stockholders will be elected to a one-year term. As a result, if Proposal 2 is approved by stockholders at the Annual Meeting, beginning at the 2021 Annual Meeting of Stockholders, and at each annual meeting thereafter, all directors will stand for election annually. The Company’s Board has determined, after considering all of the relevant facts and circumstances, that Mses. Ilitch and Straub, and Messrs. Dauch, DeVore, Kunselman, Roberts, Siebert, and Valenti are “independent” from management in accordance with the NYSE listing standards and the Company’s Corporate Governance Guidelines (the “Governance Guidelines”). To be considered independent, the Board must determine that a director does not have any direct or indirect material relationships with the Company and must meet the criteria for independence set forth in the Company’s Governance Guidelines.

During 2017, all of the then-current directors attended at least 75%, in the aggregate, of the meetings of the Board and all committees of the Board on which they served. All directors are expected to attend all meetings, as well as the Annual Meeting. In addition to attending Board and committee meetings, directors fulfill their responsibilities by consulting with the President and Chief Executive Officer and other members of management on matters that affect the Company.

Independent directors hold regularly scheduled executive sessions in which independent directors meet without the presence of management. These executive sessions, as chaired by the Board Chair, generally occur around regularly scheduled meetings of the Board. For more information regarding the Board and other corporate governance procedures, see “Corporate Governance.” For information on how you can communicate with the Company’s non-management directors, see “Communicating with the Board.”

Audit Committee. The Audit Committee is responsible for providing independent, objective oversight and review of our auditing, accounting and financial reporting processes, including reviewing the audit results and monitoring the effectiveness of our internal audit function. In addition, the Audit Committee is responsible for (1) selecting our independent registered public accounting firm, (2) approving the overall scope of the audit, (3) assisting the Board in monitoring the integrity of our financial statements, our independent registered public accounting firm’s qualifications and independence, the performance of our independent registered public accounting firm, and our internal audit function and compliance with relevant legal and regulatory requirements, (4) annually reviewing our independent registered public accounting firm’s report describing the auditing firm’s internal quality control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm, (5) discussing the annual audited financial and quarterly statements with management and the independent registered public accounting firm, (6) discussing earnings press releases and any financial information or earnings guidance provided to analysts and rating agencies, (7) discussing policies with respect to risk assessment and risk management, (8) meeting separately and periodically, with management, internal auditors and the independent registered public accounting firm, (9) reviewing with the independent auditor any audit problems or difficulties and management’s response, (10) setting clear hiring policies for employees or former employees of the independent registered public accounting firm, (11) handling such other matters that are specifically delegated to the Audit Committee by applicable law or regulation or by the Board from time to time, and (12) reporting regularly to the full Board. The Audit Committee’s charter reflects such responsibilities and is available on the Company’s website, www.horizonglobal.com, in the Corporate Governance subsection of the Investor Relations section.

Each of the directors on the Audit Committee is financially literate. The Board has determined that each of Messrs. DeVore and Siebert, and Ms. Straub qualifies as an “audit committee financial expert” within the meaning of Securities and Exchange Commission (“SEC”) regulations and that each member on the Audit Committee has the accounting and related financial management expertise required by the NYSE listing standards and that each is “independent” from management in accordance with NYSE listing standards and the Company’s Governance Guidelines.

Compensation Committee. The Compensation Committee is responsible for monitoring and administering our compensation and employee benefit plans and reviewing, among other things, base salary levels, incentive awards and bonus incentive awards for the Chief Executive Officer and other executive officers, and such other matters that are specifically delegated to the Compensation Committee by applicable law or regulation, or by the Board from time to time. All of the members of our Compensation Committee are expected to be independent under the rules of NYSE and Rule 10C-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Compensation Committee's duties include, among other things, (1) reviewing and approving our overall executive and director compensation philosophy and the executive and director compensation programs to support our overall business strategy and objectives, (2) overseeing the management continuity and succession planning process (except as otherwise within the scope of the Governance Committee) with respect to our officers, and (3) preparing any report on executive compensation required by the applicable rules and regulations of the SEC and other regulatory bodies. For more information, including the role

of executive officers and compensation consultants in determining or recommending the amount or form of executive and director compensation, see “Executive Compensation.”

The Compensation Committee’s charter reflects such responsibilities and is available on the Company’s website, www.horizonglobal.com, in the Corporate Governance subsection of the Investor Relations section. Under the charter, the Compensation Committee may delegate any of its responsibilities, subject to applicable law, to subcommittees or other committees appointed by the Board. Under the Company’s effective equity plan, the Compensation Committee may delegate its authority thereunder, subject to applicable law, to subcommittees, may delegate administrative duties and powers to Compensation Committee members, Company officers or Company agents or advisors, and may delegate on a limited basis the ability to grant plan awards to certain employees to one or more officers of the Company. The Board has determined that each of the members of the Compensation Committee is “independent” from management in accordance with NYSE listing standards (including those standards particular to Compensation Committee membership) and the Company’s Governance Guidelines.

Corporate Governance and Nominating Committee. The Governance Committee is responsible for identifying and nominating individuals qualified to serve as board members and recommending directors for each board committee. The Board has determined that all of the members of the Governance Committee are independent under the rules of NYSE. Generally, the Governance Committee will re-nominate incumbent directors who continue to satisfy its criteria for membership on the Board, who it believes will continue to make important contributions to the Board and who consent to continue their service on the Board.

In recommending candidates to the Board, the Governance Committee reviews the experience, mix of skills and other qualities of a nominee to assure appropriate Board composition after taking into account the current Board members and the specific needs of the Company and the Board. The Board looks for individuals who have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. The Governance Committee does not have a formal policy with respect to diversity; however, the Board and the Governance Committee believe that it is essential that the Board members represent diverse viewpoints. As required by the NYSE, SEC or such other applicable regulatory requirements, a majority of the Board will be comprised of independent directors.

The Governance Committee does not solicit director nominations, but will consider recommendations by stockholders with respect to elections to be held at an Annual Meeting, so long as such recommendations are sent on a timely basis to the Corporate Secretary of the Company and are in accordance with the Company’s bylaws. The Governance Committee will evaluate nominees recommended by stockholders against the same criteria as other director nominees. The Company did not receive any nominations of directors by stockholders for the Annual Meeting. See “How and when may I submit a stockholder proposal or director nomination for the 2019 Annual Meeting of Stockholders?” for more information.

Mr. Roberts and Ms. Straub were recommended as a director to the Governance Committee by a third party search firm.

The Governance Committee’s charter reflects such responsibilities and is available on the Company’s website, www.horizonglobal.com, in the Corporate Governance subsection of the Investor Relations section.

Compensation Committee Interlocks and Insider Participation. During 2017, our Compensation Committee consisted of Messrs. Kunselman, Dauch, DeVore, Siebert, Valenti, and Ms. Ilitch. None of these individuals is or has ever been an officer or employee of the Company or any of our subsidiaries. None of our executive officers currently serves or has served as a member of the board of directors, compensation committee or other board committee performing equivalent functions of another entity that has one or more executive officers serving as one of our directors or on our Compensation Committee.

Retirement Age; Term Limits. The Governance Guidelines provide that a director is expected to submit his or her resignation from the Board at the first annual meeting of stockholders following the director’s 7th birthday. The Board may accept or reject such resignation in its discretion after consultation with the Governance Committee. The Board has not established term limits for the directors. The Governance Guidelines are available on the Company’s website, www.horizonglobal.com, in the Corporate Governance subsection of the Investor Relations section.

Assessment of Board and Committee Performance. The Board evaluates its performance annually. In addition, each Board committee performs an annual self-assessment to determine its effectiveness. The results of the Board and committee self-assessments are discussed with the Board and each Committee, respectively.

DIRECTOR COMPENSATION

The Compensation Committee is responsible for reviewing director compensation and making recommendations to the Board with respect to that compensation, as appropriate. The Compensation Committee and Board believe that directors should receive a mix of cash and equity over their tenure. The combination of cash and equity compensation is intended to provide incentives for directors to continue to serve on the Board and to attract new directors with outstanding qualifications. Mr. Roberts and Ms.

Straub were appointed to the Board on March 6, 2018 and, as independent directors, will receive compensation in the same manner as the Company's other independent directors.

Annual Cash Retainer and Meeting Fees. Each independent director is paid an annual cash retainer of \$80,000. The chair of the Board and the chairs of each of the Audit, Compensation and Governance Committees are paid an additional annual cash retainer in the amounts of \$50,000, \$15,000, \$10,000 and \$5,000, respectively. The annual cash retainers described above will be prorated to reflect any partial year of service. Additionally, each director is paid \$1,000 per Board or committee meeting attended. Directors who are also employees of the Company are not paid any additional compensation for serving as directors.

Equity Compensation. As part of the independent directors' annual compensation package, each independent director receives an annual grant of restricted stock units with a grant date fair market value of \$80,000, with each grant generally subject to such director's continued service on the Board, and a vesting period of one year. Directors who are also employees of the Company do not receive any additional equity compensation for serving as directors.

Director Stock Ownership. We have established stock ownership guidelines for our independent directors to more closely align their interests with those of the Company's stockholders. Under these guidelines, our independent directors are required to own, within five years after initial election to the Board as an independent director, shares of Company stock having a value equal to or greater than three times their annual cash retainer (excluding any additional retainers for Board and committee chair service). Unrestricted stock, time-based restricted stock, time-based restricted stock units and vested in-the-money options are (or would be) counted toward fulfillment of this ownership requirement. New independent directors will have five years from the time they are elected to the Board to meet the stock ownership guidelines. Compliance under these guidelines for independent directors' stock ownership requirements will be required by July 1, 2020 at the earliest. If an independent director does not meet the stock ownership guidelines, the Compensation Committee may consider such fact when determining the grant of future equity awards to such director.

Indemnification. The Company has entered into indemnification agreements with each of its directors. These agreements require the Company to indemnify such individuals for certain liabilities to which they may become subject as a result of their affiliation with the Company.

Other. The Company reimburses all directors for expenses incurred when attending Board and committee meetings. The Company does not provide any perquisites to directors.

2017 Director Compensation Table

Name	Fees		Total (\$)
	Earned or Paid in Cash (\$)	Stock Awards (\$) ⁽¹⁾	
Denise Ilitch	\$152,000	\$80,000	\$232,000
David C. Dauch	\$98,000	\$80,000	\$178,000
Richard L. DeVore	\$117,000	\$80,000	\$197,000
Scott G. Kunselman	\$111,000	\$80,000	\$191,000
Richard D. Siebert	\$101,000	\$80,000	\$181,000
Samuel Valenti III	\$102,000	\$80,000	\$182,000

The amounts in this column reflect the grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (“FASB ASC Topic 718”) of the restricted stock unit awards made to our non-employee directors during 2017. Ms. Ilitch and Messrs. Dauch, DeVore, Kunselman, (1) Siebert and Valenti each received 5,571 restricted stock units effective on July 1, 2017. These awards were granted under the Company’s Amended and Restated 2015 Equity and Incentive Compensation Plan and vest on July 1, 2018, generally subject to a service requirement.

The table below sets forth as to each non-employee director the aggregate number of restricted stock units outstanding as of December 31, 2017:

Name	Restricted Stock Unit Awards
Denise Ilitch	5,571
David C. Dauch	5,571
Richard L. DeVore	5,571
Scott G. Kunselman	5,571
Richard D. Siebert	5,571
Samuel Valenti III	5,571

Corporate Governance

The Board has adopted Governance Guidelines. These guidelines address, among other things, director responsibilities, qualifications (including independence), compensation and access to management and advisors. The Governance Committee is responsible for overseeing and reviewing these guidelines and recommending any changes to the Board.

The Spirit and The Letter. Effective as of July 1, 2015, the Board adopted the Company’s code of conduct, titled “The Spirit and The Letter,” that applies to all directors and employees, including the Company’s principal executive officer, principal financial officer, and other persons performing similar executive management functions. The Spirit and The Letter is posted on the Company’s website, www.horizonglobal.com, in the Corporate Governance subsection of the Investor Relations section. All amendments to The Spirit and The Letter, if any, will be also posted on the Company’s website, along with all waivers, if any, of The Spirit and The Letter involving senior officers.

A copy of the Company’s committee charters, Governance Guidelines and The Spirit and The Letter will be sent to any stockholder, without charge, upon written request sent to the Company’s executive offices: Horizon Global Corporation, Attention: General Counsel, Chief Compliance Officer and Corporate Secretary, 2600 West Big Beaver Road, Suite 555, Troy, Michigan 48084.

Communicating with the Board

Any stockholder or interested party who desires to communicate with the Board or any specific director, including the Chair, non-management directors or committee members, may write to: Horizon Global Corporation, Attention:

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Board of Directors, 2600 West Big Beaver Road, Suite 555, Troy, Michigan 48084.

Depending on the subject matter of the communication, management will:

forward the communication to the director or directors to whom it is addressed (matters addressed to the Chair of the Audit Committee will be forwarded unopened directly to the Board Chair);

attempt to handle the inquiry directly where the communication does not appear to require direct attention by the Board or an individual member, e.g., the communication is a request for information about the Company or is a stock-related matter; or

not forward the communication if it is primarily commercial in nature or if it relates to an improper or irrelevant topic.

To submit concerns regarding accounting matters, stockholders, employees and other interested persons may also call the Company's applicable toll free, hotline number (for US callers: (844) 472-2428) published at www.horizonglobal.com in the Corporate Governance subsection of the Investor Relations - Compliance section, in the document entitled "Reporting a Concern." Concerns may be expressed on a confidential and anonymous basis. Communications made through the hotline are reviewed by the Audit Committee at each regularly scheduled meeting; other communications will be made available to directors at any time upon their request.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee represents and assists the Board in fulfilling its responsibilities for general oversight of the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the independent registered public accounting firm's qualifications and independence, the performance of the Company's internal audit function and independent registered public accounting firm, and risk assessment and risk management.

The Audit Committee engages the Company's independent registered public accounting firm (which reports directly to the Audit Committee). The Audit Committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties and receives appropriate funding as determined by the Audit Committee from the Company for such advice and assistance.

The Company's management is primarily responsible for the Company's internal control and financial reporting process. The Company's independent registered public accounting firm, Deloitte, is responsible for performing an independent audit of the Company's consolidated financial statements and issuing opinions on the conformity of reporting those audited financial statements with United States generally accepted accounting principles. The Audit Committee monitors the Company's financial reporting process and reports to the Board on its findings.

In this context, the Audit Committee hereby reports as follows:

1. The Audit Committee has reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2017 with the Company's management;
2. The Audit Committee has discussed with Deloitte the matters required to be discussed by Auditing Standard 1301; The Audit Committee has received the written disclosures and the letter from Deloitte required by applicable
3. requirements of the Public Company Accounting Oversight Board regarding Deloitte's communications with the Audit Committee concerning independence, and has discussed with Deloitte the independence of that firm; and Based on the review and discussions referred to in paragraphs 1 through 3 above, the Audit Committee recommended to the Board, and the Board has approved, that the audited financial statements be included in the
4. Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, for filing with the Securities and Exchange Commission.

The undersigned members of the Audit Committee have submitted this Report to the Board of Directors.

The Audit Committee

Richard L. DeVore (Chair)

Denise Ilitch Scott G. Kunselman

Richard D. Siebert

Samuel Valenti III

PROPOSAL 2 - TO APPROVE AMENDMENTS TO THE COMPANY'S CERTIFICATE OF INCORPORATION TO IMPLEMENT A DECLASSIFIED BOARD OF DIRECTORS

THE COMPANY'S BOARD RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE RATIFICATION OF AMENDMENTS TO THE COMPANY'S CERTIFICATE OF INCORPORATION TO IMPLEMENT A DECLASSIFIED BOARD OF DIRECTORS.

General

Article VI, Section 6.1 of our Certificate of Incorporation currently provides for a classified board structure, pursuant to which the Board is divided into three classes (Class I, Class II and Class III) and directors are elected to staggered three-year terms with members of one of the three classes elected every year. As part of our commitment to effective governance practices, however, our management and Board undertook a review of current corporate governance trends and considered the view held by many institutional stockholders that a classified board structure has the potential effect of reducing the accountability of directors. After careful consideration, the Board, upon the recommendation of the Governance Committee, unanimously approved, and recommends that our stockholders approve, amendments to our Certificate of Incorporation that, if adopted, would eliminate the classified structure of the Board over a three-year period and allow for removal of directors with or without cause by a majority of the stockholders. The phasing in of annual elections of directors over a three-year period is designed to ensure a smooth transition to a system of annual elections of all of our directors.

Summary of Principal Changes

If this proposal is adopted, Article VI, Section 6.1 of our Certificate of Incorporation will be amended to provide that all director nominees standing for election at or after the 2021 Annual Meeting of Stockholders will be elected to a one-year term. Directors elected at or prior to the Annual Meeting will continue to serve for the full three-year term for which they were elected. At the Annual Meeting, directors whose terms expire at that meeting will be elected to a three-year term. At the 2019 Annual Meeting of Stockholders, directors whose terms expire at that meeting will be elected to a two-year term. At the 2020 Annual Meeting of Stockholders, directors whose terms expire at that meeting will be elected to a one-year term. As a result, beginning at the 2021 Annual Meeting of Stockholders, and at each annual meeting thereafter, all directors will stand for election annually. Directors elected to fill any vacancy on the Board or to fill newly created director positions resulting from an increase in the number of directors would serve the remainder of the term of that position.

In addition, if this proposal is adopted, Article VI, Section 6.3 of our Certificate of Incorporation will be amended to provide that a director may be removed from office with or without cause by the affirmative vote of the holders of a majority of the voting power of the Company's outstanding stock entitled to vote in the election of directors, voting together as a single class; provided, however, that so long as the Board is classified, a director may only be removed by our stockholders for cause.

This description of the proposed amendments to our Certificate of Incorporation is only a summary of those amendments and is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Certificate of Incorporation, as proposed to be amended, a copy of which is attached to this proxy statement as Appendix A. If adopted, the amendments to the Certificate of Incorporation will become effective upon filing of the amended Certificate of Incorporation with the Secretary of State of Delaware, which is expected to occur promptly following the stockholder vote.

Vote Required for Approval

The approval of amendments to the Company's Certificate of Incorporation to implement a declassified Board requires the affirmative vote of the holders of a majority of the outstanding shares of the Company's common stock entitled to vote on the matter. If you abstain from voting on this matter, your abstention will have the same effect as a vote against the matter. Broker non-votes will have the same effect as a vote against the matter. Proxies submitted pursuant to this solicitation will be voted "FOR" the approval of amendments to the Company's Certificate of Incorporation to implement a declassified Board, unless specified otherwise.

PROPOSAL 3 - TO APPROVE THE HORIZON GLOBAL CORPORATION AMENDED AND RESTATED 2015 EQUITY AND INCENTIVE COMPENSATION PLAN

THE COMPANY'S BOARD RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE HORIZON GLOBAL CORPORATION AMENDED AND RESTATED 2015 EQUITY AND INCENTIVE COMPENSATION PLAN.

General

On June 10, 2015, TriMas Corporation, as our sole stockholder at the time, approved the Horizon Global Corporation 2015 Equity and Incentive Compensation Plan (the "2015 Plan") in anticipation of our spin-off as an independent, publicly traded company. On March 8, 2016, upon recommendation by the Compensation Committee, the Board unanimously approved and adopted, subject to the approval of our stockholders, the Horizon Global Corporation Amended and Restated 2015 Equity and Incentive Compensation Plan (the "Amended 2015 Plan"), and our stockholders approved the Amended 2015 Plan at the 2016 Annual Meeting of Stockholders.

On February 14, 2018, upon recommendation by the Compensation Committee, our Board unanimously approved and adopted, subject to the approval of our stockholders at the Annual Meeting, a further amendment and restatement, in its entirety, of the Amended 2015 Plan (the "Second Amended 2015 Plan"). The Second Amended 2015 Plan continues to afford the Compensation Committee the flexibility to design equity-based compensatory awards that are responsive to the Company's business needs and authorizes a variety of awards designed to advance the interests and long-term success of the Company.

The Second Amended 2015 Plan amends and restates in its entirety the Amended 2015 Plan. If the Second Amended 2015 Plan is approved by stockholders at the Annual Meeting, it will be effective as of the date of the Annual Meeting. However, to clarify: the terms and conditions of the Second Amended 2015 Plan, to the extent they differ from the terms and conditions of either the 2015 Plan or the Amended 2015 Plan, do not apply to or otherwise impact previously granted or outstanding awards under the 2015 Plan or the Amended 2015 Plan, as applicable. Outstanding awards under the 2015 Plan and the Amended 2015 Plan will continue in effect in accordance with their terms. If the Second Amended 2015 Plan is not approved by our stockholders, no awards will be made under the Second Amended 2015 Plan, and the Amended 2015 Plan will remain in effect.

Our principal reason for amending and restating the Amended 2015 Plan is to increase the number of shares of Common Stock available for issuance. The Second Amended 2015 Plan will increase the maximum number of shares available for awards from 2,000,000 to 4,350,000, an increase of 2,350,000 shares (or 9.4% of our outstanding Common Stock as of March 5, 2018).

While the primary purpose of amending and restating the Amended 2015 Plan is to permit an increase in the shares available for awards under the Amended 2015 Plan, the Company is also proposing to make certain substantive changes from the Amended 2015 Plan to, as further described below to the extent material, in addition to certain other conforming and non-substantive changes:

- extend the term of the plan document;
- clarify some of the share counting mechanics;
- clarify the minimum vesting provisions of the plan document;
- revise the non-employee director compensation limit included in the plan document;
- provide additional discretion to the Compensation Committee for treating outstanding awards in the event of a change in control;
- revise certain provisions regarding the payment of dividends and dividend equivalents; and
- clarify the plan amendment provisions.

Why We Believe You Should Vote for Proposal 3

The Second Amended 2015 Plan authorizes our Compensation Committee to provide cash awards and equity-based compensation in the form of options, appreciation rights, restricted stock, restricted stock units, performance shares, performance units, dividend equivalents and other awards that may be denominated or payable in, based on or related

to shares of Common Stock, for the purpose of providing our non-employee directors, officers and other employees (and those of our subsidiaries), and certain non-employees who perform employee functions, incentives and rewards for performance. Some of the key features of the Second Amended 2015 Plan that reflect our commitment to effective management of equity and incentive compensation are set forth below in this subsection.

The use of Common Stock as part of our compensation program is important because it fosters a pay-for-performance culture that is an important element of our overall compensation philosophy. We believe equity compensation provides additional motivation

for directors and employees to create stockholder value because the value such individuals realize from their equity compensation is based on our stock price performance. Equity compensation also aligns the compensation interests of our directors and employees with the investment interests of our stockholders and promotes a focus on long-term value creation, because our equity compensation awards are subject to vesting and/or performance criteria. As of March 5, 2018, 255,335 shares of Common Stock remained available for issuance under the Amended 2015 Plan. If the Second Amended 2015 Plan is not approved, we may be compelled to increase significantly the cash component of our employee and director compensation, which may not necessarily align compensation interests with the investment interests of our stockholders. Replacing equity awards with cash also would increase cash compensation expense and use cash that could be better utilized if reinvested in our businesses or returned to our stockholders.

The following includes aggregated information regarding the overhang and dilution associated with the Amended 2015 Plan and the potential dilution associated with the Second Amended 2015 Plan. This information is as of March 5, 2018. As of that date, there were approximately 25,009,582 shares of Common Stock outstanding.

Under the Amended 2015 Plan

Outstanding full-value awards (restricted stock, time-based restricted stock units, and performance-based stock units, based on maximum performance): 1,082,417 shares (4.33% of our outstanding Common Stock);

Outstanding options: 332,497 shares (1.33% of our outstanding Common Stock) (outstanding options have an average exercise price of \$10.38 and an average remaining term of 7.6 years);

Total shares of Common Stock subject to outstanding awards, as described above (full-value awards and options): 1,414,914 shares (5.66% of our outstanding Common Stock);

Total shares of Common Stock available for future awards under the Amended 2015 Plan: 255,335 shares (1.02% of our outstanding Common Stock); and

The total number of shares of Common Stock subject to outstanding awards (1,414,914 shares), plus the total number of shares available for future awards, under the Amended 2015 Plan (255,335 shares), represents a current overhang percentage of 6.68% (in other words, the potential dilution of our stockholders represented by the Amended 2015 Plan).

Under the Second Amended 2015 Plan

Proposed additional shares of Common Stock available for future awards under the Second Amended 2015 Plan: 2,350,000 shares (9.4% of our outstanding Common Stock - this percentage reflects the simple dilution of our stockholders that would occur if the Second Amended 2015 Plan is approved).

Total potential overhang or dilution under the Second Amended 2015 Plan

The total shares of Common Stock subject to outstanding awards as of March 5, 2018 (1,414,914 shares), plus the total shares of Common Stock available for future awards under the Amended 2015 Plan as of that date (255,335 shares), plus the proposed additional shares available for future issuance under the Second Amended 2015 Plan (2,350,000 shares), represent a total fully-diluted overhang of 4,020,249 shares (16.07%) under the Second Amended 2015 Plan.

Based on the closing price on the NYSE for our Common Stock on March 5, 2018 of \$9.48 per share, the aggregate market value as of March 5, 2018 of the 2,350,000 additional shares of Common Stock requested under the Second Amended 2015 Plan was \$22,278,000.

In 2015, 2016 and 2017, we granted awards under the 2015 Plan or Amended 2015 Plan covering 668,018 shares, 536,343 shares, and 258,288 shares, respectively. Approximately 35.68% of the awards granted in 2015 were "replacement awards," granted as a result of the adjustment of certain awards outstanding under TriMas Corporation's equity plan at the time of the spin-off. Based on our basic weighted average shares of Common Stock outstanding for those three years of 18,064,491, 18,775,500, and 24,781,349, respectively, for the three-year period 2015-2017, our average burn rate, not taking into account forfeitures, was 2.53% (our individual years' burn rates were 3.70% for 2015, 2.86% for 2016, and 1.04% for 2017).

In determining the number of shares to request for approval under the Second Amended 2015 Plan, our management team worked with the Compensation Committee and Meridian Compensation Partners, LLC to evaluate a number of factors, including our recent share usage and criteria expected to be utilized by institutional proxy advisory firms in

evaluating our proposal for the Second Amended 2015 Plan.

If the Second Amended 2015 Plan is approved, we intend to utilize the shares authorized under the Second Amended 2015 Plan to continue our practice of incentivizing key individuals through annual equity grants. We currently anticipate that the shares requested in connection with the approval of the Second Amended 2015 Plan combined with the shares available for future awards will last for approximately 3 years, based on our recent grant rates and the approximate current share price, but could last for a shorter period of time if actual practice does not match recent rates or our share price changes materially. We recognize that equity compensation awards dilute stockholder equity, so we have carefully managed our equity incentive compensation. Our equity

compensation practices are intended to be competitive and consistent with market practices, as well as responsible and mindful of stockholder interests, as described above.

As noted below, our Compensation Committee retains full discretion under the Second Amended 2015 Plan to determine the number and amount of awards to be granted under the Second Amended 2015 Plan, subject to the terms of the Second Amended 2015 Plan, and future benefits that may be received by recipients under the Second Amended 2015 Plan are not determinable at this time.

The actual text of the Second Amended 2015 Plan is attached to this proxy statement as Appendix B. The following description of the Second Amended 2015 Plan is only a summary of its principal terms and provisions and is qualified by reference to the actual text as set forth in Appendix B.

Summary of Material Changes from Amended 2015 Plan

Increase in shares Available for Awards. The Second Amended 2015 Plan increases the number of shares available for awards by 2,350,000 shares to a total of 4,350,000 shares.

Extension of Term. The Second Amended 2015 Plan extends the term under which awards may be granted until the tenth anniversary of the date stockholders approve the Second Amended 2015 Plan.

Revision of Director Compensation Limit. The Second Amended 2015 Plan revises the non-employee director compensation limit so that, subject to adjustment as provided in the plan, no non-employee director will be granted compensation, in any one calendar year, having an aggregate maximum value at the date of grant (calculating the value of any awards based on the grant date fair value for financial reporting purposes) in excess of \$500,000. The comparable limit in the Amended 2015 Plan applied only to awards granted under such plan.

Clarification of Minimum Vesting Provisions. The Second Amended 2015 Plan clarifies that (1) the applicable one-year minimum vesting and performance periods under the Second Amended 2015 Plan generally apply to any portion of an award (that is, all portions of an award that vests on a ratable basis are generally subject to the minimum vesting requirements) and (2) the minimum vesting periods under the plan do not limit the discretionary vesting authority of the Compensation Committee or the ability of the Compensation Committee to design or operate awards that vest sooner on certain events (including retirement, death or disability, or a change in control).

Expansion of Change in Control Acceleration or Continued Vesting Treatment Provision. The Amended 2015 Plan provides that the Compensation Committee may provide for accelerated vesting of awards in the event of a change in control only where a participant experiences a qualifying termination within a particular period of time after the change in control or where the award is not assumed or converted into a replacement award in connection with the change in control. The Second Amended 2015 Plan expands these provisions to give the Compensation Committee discretion to determine the treatment of awards in the event of a change in control rather than “hard wiring” such treatment into the plan document itself.

Revision to Certain Dividends and Dividends and Dividend Equivalents Provisions. The Amended 2015 Plan provides that dividends on restricted shares must be deferred and paid contingent on the earning of the underlying award only with respect to performance-based awards. The Second Amended 2015 Plan extends this requirement that dividends on restricted stock must be deferred and paid contingent on the earning of the underlying award to service-based restricted stock awards (not just performance-based awards), and applies this same requirement to dividends and dividend equivalents on restricted stock units and other awards granted under the Second Amended 2015 Plan.

Clarification of Amendment Provisions. The Second Amended 2015 Plan clarifies that the plan amendments that require stockholder approval (as enumerated in the plan document) are included for purposes of applicable stock exchange rules and do not prohibit equitable antidilution adjustments as provided for under the Second Amended 2015 Plan.

Section 162(m)

Section 162(m) of the Code generally disallows a deduction for certain compensation paid to certain executive officers (and, beginning in 2018, certain former executive officers) to the extent that compensation to a covered employee exceeds \$1 million for such year. Compensation qualifying for a performance-based exception as “qualified performance-based compensation” under Section 162(m) of the Code has historically not been subject to the deduction limit if the compensation satisfies the requirements of Section 162(m) of the Code. This exception has now been repealed, effective for taxable years beginning after December 31, 2017, unless certain transition relief for certain

compensation arrangements in place as of November 2, 2017 is available. The Second Amended 2015 Plan retains certain legacy provisions that were originally included in the 2015 Plan and/or Amended 2015 Plan to help potentially qualify awards granted under the 2015 Plan or the Amended 2015 Plan for the performance-based exception

to the \$1 million tax deductibility cap under Code Section 162(m) (provided that such awards were intended to qualify for the performance-based exception). To be clear, stockholders are not being asked to approve the Second Amended 2015 Plan (or any of its provisions) for purposes of Section 162(m) of the Code or the performance-based exception. Currently, the Company does not anticipate that it will be able to make any future grants under the Second Amended 2015 Plan that will be intended to qualify for the performance-based exception; thus, while those terms are described in this proposal, unless the transition relief described above should apply, the Company does not expect that such Code Section 162(m)-related provisions will be material or operable for purposes of future grants made under the Second Amended 2015 Plan.

Second Amended 2015 Plan Highlights

Administration. The Second Amended 2015 Plan will generally be administered by the Compensation Committee.

Reasonable Second Amended 2015 Plan Limits. Subject to adjustment as described in the Second Amended 2015 Plan, total awards under the Second Amended 2015 Plan are limited to 4,350,000 shares (2,000,000 of which were approved in 2015 and 2,350,000 of which are anticipated to be approved by the Company's stockholders in 2018), plus any shares recycled into the Second Amended 2015 Plan as described below. These shares may be shares of original issuance or treasury shares or a combination of the two.

The Second Amended 2015 Plan also provides that, subject to adjustment as described in the Second Amended 2015 Plan:

- the aggregate number of shares of Common Stock actually issued or transferred upon the exercise of incentive stock options ("Incentive Stock Options" or "ISOs"), will not exceed 4,350,000 shares of Common Stock;
 - no participant will be granted stock options and/or appreciation rights ("SARs"), in the aggregate, for more than 250,000 shares of Common Stock during any calendar year;
 - no participant will be granted awards of restricted shares, restricted stock units, performance shares and/or other stock-based awards that are Qualified Performance-Based Awards, in the aggregate, for more than 500,000 shares of Common Stock during any calendar year;
 - no participant in any calendar year will receive an award of performance units and/or other awards payable in cash (other than cash incentive awards) that are Qualified Performance-Based Awards, having an aggregate maximum value as of their respective grant dates in excess of \$2,500,000;
 - no participant in any calendar year will receive a cash incentive award that is a Qualified Performance-Based Award having an aggregate maximum value in excess of \$5,000,000;
 - no non-employee director will be granted, in any calendar year, compensation for such service having an aggregate maximum value (measured at the date of grant as applicable, and calculating the value of any awards based on the grant date fair value for financial reporting purposes) in excess of \$500,000; and
- subject to the discretionary vesting provisions of the Second Amended 2015 Plan, up to 5% of the maximum number of shares of Common Stock available for awards under the Second Amended 2015 Plan may be used for awards under the Second Amended 2015 Plan that do not at grant comply with the applicable one-year minimum vesting or performance period requirements (further described below) applicable to such awards.

A "Qualified Performance-Based Award" is any cash incentive award or award of performance shares, performance units, restricted shares, restricted stock units, or Other Awards (as defined below), granted to certain "covered employees" (as defined in Section 162(m) of the Code) that is intended to satisfy the requirements for "qualified performance-based compensation" under Section 162(m) of the Code. We do not anticipate granting any future awards under the Second Amended 2015 Plan that will be designed to be Qualified Performance-Based Awards.

Allowances for Conversion Awards and Assumed Plans. Common Stock issued or transferred under awards granted under the Second Amended 2015 Plan in substitution for or conversion of, or in connection with an assumption of, stock options, SARs, restricted shares, restricted stock units or other stock or stock-based awards held by awardees of an entity engaging in a corporate acquisition or merger transaction with us or any of our subsidiaries will not count against (or be added back to) the aggregate share limit or other Second Amended 2015 Plan limits described above. Additionally, shares available under certain plans that we or our subsidiaries may assume in connection with corporate transactions from another entity may be available for certain awards under the Second Amended 2015 Plan, under circumstances further described in the Second Amended 2015 Plan, but will not count against the aggregate share

limit or other Second Amended 2015 Plan limits described above.

Limited Share Recycling Provisions. If any award granted under the Second Amended 2015 Plan is canceled or forfeited, expires or is settled for cash (in whole or in part), or is unearned (in whole or in part), the shares of Common Stock subject to such award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unearned amount, again be available under the Second Amended 2015 Plan. The following shares of Common Stock will not be added (or added back, as applicable) to the

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aggregate share limit under the Second Amended 2015 Plan: (1) shares withheld by us in payment of the exercise price of an option; (2) shares tendered or otherwise used in payment of an option's exercise price; (3) shares withheld or otherwise used to satisfy a tax withholding obligation with respect to stock options or SARs; and (4) shares that are repurchased by us with stock option proceeds. However, shares of Common Stock withheld or otherwise used to satisfy a tax withholding obligation with respect to awards other than stock options or SARs will be added (or added back) to the aggregate share limit (subject to certain limitations described in the Second Amended 2015 Plan). Further, all shares of Common Stock covered by SARs that are exercised and settled in shares, whether or not all shares of Common Stock covered by the SARs are actually issued to the participant upon exercise, will not be added back to the aggregate number of shares available under the Second Amended 2015 Plan. If a participant elects to give up the right to receive compensation in exchange for shares of Common Stock based on fair market value, such shares of Common Stock will not count against the aggregate number of shares available under the Second Amended 2015 Plan.

Minimum Vesting Periods/Double-Trigger Change in Control. The Second Amended 2015 Plan provides that, except for the discretionary acceleration provisions of the Second Amended 2015 Plan, and except for awards under which up to an aggregate of 5% of the maximum number of shares of Common Stock available under the Second Amended 2015 Plan may be granted:

Time-based restrictions on stock options, SARs, restricted shares, restricted stock units and other share-based awards (or any portion of such awards) may not lapse solely by the passage of time sooner than after one year, unless the Compensation Committee specifically provides for those restrictions to lapse sooner, including (1) by virtue of the retirement, death or disability of a participant or (2) in the event of a change in control; and

If restrictions on stock options, SARs, restricted shares, restricted stock units and other share-based awards lapse upon the achievement of management objectives, the applicable performance period with respect to any portion of the award must be at least one year, and the performance period for performance shares and performance units (or any portion thereof) must be at least one year, unless the Compensation Committee specifically provides for earlier lapse or modification, including by virtue of the retirement, death or disability of a participant or a change in control.

No Repricing Without Stockholder Approval. The repricing of options and SARs (outside of certain corporate transactions or adjustment events described in the Second Amended 2015 Plan) is prohibited without stockholder approval under the Second Amended 2015 Plan.

Control Definition. The Second Amended 2015 Plan includes a definition of "change in control," which is set forth below.

Exercise or Base Price Limitations. The Second Amended 2015 Plan provides that, except with respect to converted, assumed or substituted awards as described in the Second Amended 2015 Plan, no stock options or SARs will be granted with an exercise or base price less than the fair market value of our Common Stock on the date of grant.

Summary of Other Material Terms of the Second Amended 2015 Plan

Administration. The Second Amended 2015 Plan will generally be administered by the Compensation Committee (or its successor), or any other committee of the Board designated by the Board to administer the Second Amended 2015 Plan. References to the "Compensation Committee" in this Proposal 3 refer to the Compensation Committee or such other committee designated by the Board, as applicable. The Compensation Committee may from time to time delegate all or any part of its authority under the Second Amended 2015 Plan to any subcommittee thereof. Any interpretation, construction and determination by the Compensation Committee of any provision of the Second Amended 2015 Plan, or of any agreement, notification or document evidencing the grant of awards under the Second Amended 2015 Plan, will be final and conclusive. To the extent permitted by applicable law, the Compensation Committee may delegate to one or more of its members or to one or more officers, or to one or more agents or advisors of the Company, such administrative duties or powers as it deems advisable. In addition, the Compensation Committee may by resolution, subject to certain restrictions set forth in the Second Amended 2015 Plan, authorize one or more officers of the Company to (1) designate employees to be recipients of awards under the Second Amended 2015 Plan, and (2) determine the size of such awards. However, the Compensation Committee may not delegate such responsibilities to officers for awards granted to certain employees who are subject to the reporting requirements of Section 16 of the Exchange Act or subject to Section 162(m) of the Code.

Eligibility. Any person who is selected by the Compensation Committee in its discretion to receive benefits under the Second Amended 2015 Plan and who is at that time an officer or other employee of the Company or any of its subsidiaries (including a person who has agreed to commence serving in such capacity within 90 days of the date of grant) is eligible to participate in the Second Amended 2015 Plan. In addition, certain persons who provide services to the Company or any of its subsidiaries that are equivalent to those typically provided by an employee (provided that such persons satisfy the Form S-8 definition of “employee”), and non-employee directors of the Company, may also be selected by the Compensation Committee in its discretion to participate in the Second Amended 2015 Plan. As of March 5, 2018, there were approximately 38 employees, 9 non-employee directors and 0 other non-employees of the Company expected to participate in the Second Amended 2015 Plan. If an eligible person is selected

by the Compensation Committee to receive an award under the Second Amended 2015 Plan, such person is not guaranteed to receive any future awards under the Second Amended 2015 Plan. The basis for participation in the Second Amended 2015 Plan by eligible persons is the selection of such persons by the Compensation Committee in its discretion.

Shares Available for Awards under the Second Amended 2015 Plan. Subject to adjustment as described in the Second Amended 2015 Plan, the number of shares of Common Stock available under the Second Amended 2015 Plan for awards of:

Stock options or appreciation rights;

Restricted shares;

Restricted stock units;

Performance shares or performance units;

Other stock-based awards under the Second Amended 2015 Plan; or

dividend equivalents paid with respect to awards under the Second Amended 2015 Plan;

will be, in the aggregate, 4,350,000 shares of Common Stock (2,000,000 of which were approved in 2015 and 2,350,000 of which are anticipated to be approved by the Company's stockholders in 2018), plus any share