

TITAN INTERNATIONAL INC
Form DEF 14A
April 24, 2015

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

SCHEDULE 14A

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

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Titan International, Inc.
(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):

No fee required.

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1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction.

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Titan International, Inc.
2701 Spruce Street Quincy, Illinois 62301

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Meeting Date: June 4, 2015
To Titan Stockholders:

The Annual Meeting of Stockholders (the Annual Meeting) of Titan International, Inc., an Illinois corporation (Titan or the Company), is to be held on Thursday, June 4, 2015, at 11:00 a.m. Central Time, at Titan Tire Corporation of Union City, 3260 Goodyear Blvd., Union City, Tennessee, 38261, to consider and act upon the following matters:

- 1) Elect Anthony L. Soave as a director to serve for a three-year term and until his successor is elected and qualified;
- 2) Ratify the selection of Grant Thornton LLP as the independent registered public accounting firm for 2015;
- 3) Approve the reincorporation of the Company from the state of Illinois to the state of Delaware;
- 4) Approve a non-binding advisory resolution on executive compensation;
- 5) Stockholder proposal regarding declassifying the Company's board of directors; and

To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Titan's Board of Directors has fixed the "record date" to be the close of business on April 8, 2015. Only those stockholders whose names appear of record at the Company's close of business on April 8, 2015, as holders of record of Titan common stock, are entitled to receive notice of and to vote at the Annual Meeting or any adjournments thereof. With this Proxy Statement, a copy of Titan's Annual Report including Form 10-K for year ended December 31, 2014, is enclosed for your information.

All stockholders are invited to attend the Annual Meeting. Stockholders can help the Company avoid unnecessary costs and delay by completing and promptly returning the enclosed proxy card. Alternatively, you may authorize a proxy by using telephone or Internet options as instructed on the proxy card. If you vote by telephone or Internet, you do not need to mail back your proxy card. The presence, in person or by properly executed proxy, of the majority of common stock outstanding on the record date is necessary to constitute a quorum at the Annual Meeting.

Meeting Attendance: Please note that if you are attending the Annual Meeting, proof of Titan common stock ownership as of the record date must be presented, in addition to valid photo identification.

Please Vote: Every stockholder's vote is important. Whether or not you intend to be present at the Annual Meeting, please complete, sign, date and return the enclosed proxy card in the enclosed return envelope, which requires no postage if mailed in the United States. Telephone and Internet voting are also offered.

By Order of the Board of Directors,

/s/ MICHAEL G. TROYANOVICH
Michael G. Troyanovich

Quincy, Illinois

April 24, 2015

Secretary

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PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS TITAN INTERNATIONAL, INC.

Meeting Date: June 4, 2015

GENERAL MATTERS

This Proxy Statement is being furnished to the stockholders of Titan International, Inc. (Titan or the Company) in connection with the solicitation of proxies on behalf of the Board of Directors of the Company for use at the Annual Meeting of Stockholders (the Annual Meeting) to be held on June 4, 2015, at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting, and at any adjournment or postponement of that meeting. This Proxy Statement and accompanying form of proxy will be first mailed to stockholders on or about April 24, 2015. Although the Company's Annual Report to Stockholders including Form 10-K for year ended December 31, 2014, is being mailed with the Proxy Statement, it is not part of the proxy soliciting material.

VOTING PROCEDURES

Qualifications to Vote

Holders of shares of common stock of the Company (Common Stock) at the close of business on April 8, 2015, (the Record Date) will be entitled to receive notice of and vote at the Annual Meeting.

Shares Entitled to Vote

On the Record Date of April 8, 2015, there were 53,779,842 shares of Titan's Common Stock outstanding which will be entitled to vote at the Annual Meeting.

Votes per Share

Holders of Titan's Common Stock (the Common Stockholders) are entitled to one vote per share of Common Stock they held of record on the Record Date on each matter that may properly come before the Annual Meeting.

Proposals Requiring Vote

To consider and act upon the following matters:

Proposal #1: Election of Mr. Soave as director,

Proposal #2: Ratification of independent registered public accounting firm of Grant Thornton LLP,

Proposal #3: To approve the reincorporation of the Company from the state of Illinois to the state of Delaware,

Proposal #4: To approve a non-binding advisory resolution on executive compensation,

Proposal #5: Stockholder proposal regarding declassifying the Company's board of directors,

and such other business as may properly come before the Annual Meeting of Stockholders or any adjournments or postponements thereof.

Time and Place

The Annual Meeting of Stockholders of Titan International, Inc., an Illinois corporation, will be held on Thursday, June 4, 2015, at 11:00 a.m. Central Standard Time, at Titan Tire Corporation of Union City, 3260 Goodyear Blvd., Union City, Tennessee, 38261.

Attendance for Annual Meeting

Please note that if you are attending the Annual Meeting, proof of Titan common stock ownership as of the Record Date of April 8, 2015, must be presented, in addition to valid photo identification.

VOTING PROCEDURES (continued)

Voting by Proxy

Stockholders are asked to complete and promptly return the enclosed proxy card by mail or authorize a proxy by using telephone or Internet options as instructed on the proxy card. If you vote by telephone or Internet, you do not need to mail back your proxy card.

Recommendations by Board of Directors

The Board of Directors unanimously recommend that you vote FOR all the following proposals:

Proposal #1: Election of Mr. Soave as director,

Proposal #2: Ratification of independent registered public accounting firm of Grant Thornton LLP,

Proposal #3: To approve the reincorporation of the Company from the state of Illinois to the state of Delaware,

Proposal #4: To approve a non-binding advisory resolution on executive compensation,

The Board of Directors recommend that you vote AGAINST the following proposal:

Proposal #5: Stockholder proposal regarding declassifying the Company's board of directors,

Quorum for Annual Meeting

Common Stockholders of record on the Record Date are entitled to cast their votes in person or by properly executed proxy at the Annual Meeting. The presence, in person or by properly executed proxy, of the Common Stockholders holding a majority of the Common Stock outstanding on the Record Date is necessary to constitute a quorum at the Annual Meeting. Abstentions and "broker non-votes" (in cases when a broker has delivered a proxy that has authority to vote on the proposal in question) are counted as present in determining whether or not there is a quorum. If a quorum is not present at the time the Annual Meeting is convened, the Company may adjourn or postpone the Annual Meeting.

Procedures

All Common Stock represented at the Annual Meeting by properly executed proxies received prior to or at the Annual Meeting and not properly revoked will be voted at the Annual Meeting in accordance with the instructions indicated in such proxies. If no instructions are indicated, such proxies will be voted FOR the Proposal #1, #2, #3 and #4, and AGAINST Proposal #5, and persons designated as proxies will vote with their best judgment on such other business as may properly come before the Annual Meeting. The Board of Directors does not know of any matters that will come before the Annual Meeting other than those described in the Notice of Annual Meeting attached to this Proxy Statement.

Vote Required to Approve Proposals

Proposal #1: The votes of Common Stockholders holding a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting are required for the election of Mr. Soave as director.

Proposal #2: Ratification of the independent registered public accounting firm Grant Thornton LLP, requires the affirmative vote of the Common Stockholders holding a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting.

Proposal #3: The reincorporation of the Company from the state of Illinois to the state of Delaware will be approved if Common Stockholders holding two-thirds of the outstanding shares of Common Stock vote in favor of the resolution.

Proposal #4: The non-binding advisory vote on executive compensation will be deemed to be approved if Common Stockholders holding a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting vote in favor of the resolution.

Proposal #5: The stockholder proposal regarding declassifying the Board will be approved if Common Stockholders holding a majority of shares of Common Stock present in person or represented by proxy at the Annual Meeting vote in favor of the proposal.

Abstentions are counted in the number of shares present in person or represented by proxy for purposes of determining whether a proposal has been approved, and so are equivalent to votes against a proposal (other than the election of directors). For Proposal #3, broker non-votes will have the same effect as votes against the proposal. For all other proposals, broker non-votes will have no impact on the outcome of the proposal.

VOTING PROCEDURES (continued)

Revoking a Proxy

Any proxy given pursuant to this solicitation may be revoked at any time before it is voted. Common Stockholders may revoke a proxy at any time prior to its exercise by filing with the Secretary of the Company a duly executed revocation and proxy bearing a later date or by voting in person by written ballot at the Annual Meeting. Attendance at the Annual Meeting will not of itself constitute revocation of a proxy. Any written notice revoking a proxy should be sent to: Michael G. Troyanovich, Secretary of Titan International, Inc., 2701 Spruce Street, Quincy, Illinois 62301.

Cost of Proxy Solicitation

The costs of solicitation of proxies will be borne by the Company. It is contemplated that brokerage houses, custodians, nominees and fiduciaries will be requested to forward the soliciting material to the beneficial owners of the Company's Common Stock held of record by such persons, and will be reimbursed by the Company for reasonable expenses incurred therewith.

Company's Transfer Agent

Computershare Physical address:
P.O. Box 30170 211 Quality Circle, Suite 210
College Station, TX 77842-3170 College Station, TX 77845

Stockholder Information: (877) 237-6882 Agent web site: www.computershare.com/investor

Common Stock Data

Titan's common stock is listed and traded on the New York Stock Exchange under the symbol TWI.

Vote Tabulation

Broadridge Investor Communication Services will judge the voting and be responsible for determining whether or not a quorum is present and tabulate votes cast by proxy or in person at the Annual Meeting.

Voting Results

Titan will announce preliminary voting results at the Annual Meeting and publish final results in a Form 8-K.

Please Vote

Every stockholder's vote is important. Whether or not you intend to be present at the Annual Meeting, please complete, sign, date and return the enclosed proxy card in the enclosed return envelope, which requires no postage if mailed in the United States. Telephone and Internet voting are also offered.

Directions

You are cordially invited to attend Titan's annual meeting of stockholders on June 4, 2015 at 11:00 a.m. Central Time. The meeting will be held at Titan Tire Corporation of Union City in Union City, Tennessee. Titan Tire Corporation of Union City is located at 3260 Goodyear Blvd., Union City, Tennessee, 38261. You may call Titan Tire Corporation of Union City at (731) 884-2291 for further direction information.

Proxy Notice

Important Notice Regarding the Availability of Proxy Materials for Annual Meeting of Stockholders to be held on June 4, 2015.

This Notice of Annual Meeting of Stockholders and Proxy Statement are available at the Company's website: www.titan-intl.com.

PROPOSAL #1 - Election of Anthony L. Soave as a Class III Director

The Board of Directors recommends that stockholders vote FOR Anthony L. Soave as a Class III Director nominee standing for election to serve until the 2018 Annual Meeting.

The Company's By-laws provide for three classes of directors of approximately equal numbers designated as Class I, Class II and Class III. Each director is elected for a three-year term and the term of each Class expires in a different year. With the exception of the Chairman & Chief Executive Officer (Mr. Taylor), all directors are independent as defined in the New York Stock Exchange listing standards. The Nominating Committee recommended to the Board of Directors that Anthony L. Soave stand for election as a Class III director to serve until the 2018 Annual Meeting. The Board has put forth the slate of nominees consisting of Anthony L. Soave to stand for election at the 2015 Annual Meeting. Mr. Soave is a current director of the Company. Mr. Soave has consented to serve as director if elected.

In the unexpected event that the nominee for director becomes unable to serve before the Annual Meeting, it is intended that shares represented by proxies which are executed and returned will be voted for such substitute nominee as may be appointed by the Company's existing Board of Directors, as recommended by the Nominating Committee. The following is a brief description of the business experience of the nominee for at least the past five years.

Anthony L. Soave

Mr. Soave is Chairman, Chief Executive Officer and founder of Soave Enterprises LLC, a privately held, Detroit-headquartered company comprised of numerous holdings in the real estate development, environmental and industrial services, metals recycling, agriculture, and automotive retailing industries, among others. From 1974 to 1998, he served as President and Chief Executive Officer of Detroit-based City Management Corporation, which he founded. Mr. Soave, who is 75 years old, became a director of the Company in 1994. Mr. Soave serves on the following committees: Compensation, Nominating, and Corporate Governance. Mr. Soave possesses particular knowledge and experience in sales, distribution and leadership in diversified businesses that enhances the Board of Director's overall qualifications. Mr. Soave's experiences in building businesses from the ground up contribute to the dynamic of Titan's entrepreneurial spirit. Mr. Soave's operational and distribution background further assist with the Company's direction.

PROPOSAL #2 - Ratification of Independent Registered Public Accounting Firm of Grant Thornton LLP

The Board of Directors recommends that stockholders vote FOR the selection of the independent registered public accounting firm, Grant Thornton LLP, to audit the consolidated financial statements of the Company and its subsidiaries for 2015.

Grant Thornton LLP has served the Company as the independent registered public accounting firm during the year ended December 31, 2014, and has been selected by the Audit Committee to serve as the independent registered public accounting firm for the present year of 2015. If stockholders fail to ratify the selection of Grant Thornton LLP, the Audit Committee will consider this fact when selecting an independent registered public accounting firm for the 2016 audit year. Grant Thornton LLP has served the Company since 2012.

A representative from Grant Thornton LLP is expected to be present at the Annual Meeting and will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions of stockholders in attendance.

PROPOSAL #3 - Approval of the Reincorporation of the Company from the State of Illinois to the State of Delaware

The Board of Directors recommends that stockholders vote FOR the approval of the reincorporation of the Company from the state of Illinois to the state of Delaware.

In this section of the Proxy Statement, we sometimes refer to the Company as an Illinois corporation before reincorporation as “Titan (Illinois)” and the Company as a Delaware corporation after the reincorporation as “Titan (Delaware).”

The Board has unanimously approved and recommends to our shareholders this proposal to change the Company’s state of incorporation from Illinois to Delaware (the “Reincorporation”). If our shareholders approve this proposal, we will accomplish the Reincorporation by merging the Company into a newly-formed subsidiary which is a Delaware corporation, and which would be the survivor of the merger (the “Reincorporation Merger”).

Summary

Assuming that shareholder approval of this proposal is obtained and the Reincorporation becomes effective: the affairs of the Company will cease to be governed by Illinois corporation laws, the affairs of the Company will become subject to Delaware corporation laws, and the Company’s existing Amended and Restated Articles of Incorporation (the “Illinois Articles of Incorporation”) and existing Restated By-Laws (the “Illinois By-laws”) will be replaced by a new certificate of incorporation and new by-laws, as more fully described below; the separate corporate existence of Titan (Illinois) will cease and (i) Titan (Delaware) will continue in existence as the surviving corporation and will succeed to and possess all rights, privileges, powers and franchises of Titan (Illinois), (ii) all of the assets and property of whatever kind and character of Titan (Illinois) will vest in Titan Delaware, and (iii) Titan (Delaware) will be liable for all of the liabilities and obligations of Titan (Illinois), and any claim or judgment against Titan (Illinois) may be enforced against Titan (Delaware), as the surviving corporation; each outstanding share of Titan (Illinois) common stock, no par value, will be converted into one outstanding share of Titan (Delaware) common stock, par value \$0.00001 per share and each outstanding option, warrant or other right to acquire shares of Titan (Illinois) common stock will continue as an outstanding option, warrant or other right to acquire shares of Titan (Delaware) common stock; each director or officer of Titan (Illinois) will continue to hold his respective office with Titan (Delaware); and those shareholders who do not vote in favor of the Reincorporation may dissent and obtain payment for the “estimated fair value” of their shares under Illinois law, subject to compliance with the procedures explained under “Dissenters’ and Appraisal Rights Relating to the Reincorporation” below.

General Information

The Board has approved an agreement and plan of merger substantially in the form attached as Appendix A to this Proxy Statement (the “Reincorporation Merger Agreement”) to accomplish the Reincorporation. This proposal will require the approval of the affirmative vote of holders of two-thirds of the outstanding shares of the Company entitled to vote on the proposal. Those shares present in person or represented by proxy, representing common stock outstanding at the close of business on the record date, will be entitled to vote on the proposal. Assuming that shareholder approval of this proposal is obtained, the Company intends to file with the Illinois Secretary of State articles of merger (the “Illinois Articles of Merger”) and intends to file with the Delaware Secretary of State (i) a certificate of merger (the “Delaware Certificate of Merger”) and (ii) an amended and restated certificate of incorporation, which will govern the Company as a Delaware corporation, substantially in the form attached as Annex A to the Reincorporation Merger Agreement (the “Delaware Certificate of Incorporation”). In addition, assuming that shareholder approval of this proposal is obtained and the Illinois Articles of Merger, Delaware Certificate of Merger and Delaware Certificate of Incorporation are filed, the by-laws substantially in the form of Appendix B to this Proxy Statement will be the by-laws for Titan (Delaware) (the “Delaware By-laws”). Upon approval of the Reincorporation and the filing and effectiveness of the appropriate documents with the State of Illinois and the State of Delaware, the

Company will be a Delaware corporation governed by Delaware law, the Delaware Certificate of Incorporation and the Delaware By-laws.

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There will be no interruption in the trading of the shares of the Company's common stock as a result of the Reincorporation. Titan (Delaware)'s common stock will continue to trade on the New York Stock Exchange under the same symbol, "TWI." Titan (Delaware) will continue to file periodic reports and other documents as and to the extent required by the rules and regulations of the SEC. Shareholders who own shares of Titan (Illinois) common stock that are freely tradable prior to the Reincorporation will continue to have freely tradable shares in Titan (Delaware) after the Reincorporation, and shareholders holding restricted shares of Titan (Illinois) common stock prior to the Reincorporation will continue to hold shares in Titan (Delaware) after the Reincorporation subject to the same restrictions on transfer. In summary, the Reincorporation will not change the respective positions of the Company or its shareholders under federal securities laws or stock exchange rules.

Reasons for the Reincorporation

For many years, Delaware has followed a policy of encouraging incorporation in that state and, in furtherance of that policy, has been a leader in adopting, construing, and implementing comprehensive, flexible corporate laws responsive to the legal and business needs of corporations organized under its laws. Many corporations have initially chosen Delaware, or chosen to reincorporate in Delaware, in a manner similar to that being proposed by the Company. We believe the principal reasons for considering the Reincorporation are:

the development in Delaware over the last century of a well-established body of case law construing the Delaware General Corporation Law (as amended, "DGCL"), which provides businesses with a greater measure of predictability than exists in any other jurisdiction;

the certainty afforded by the well-established principles of corporate governance under Delaware law are of benefit to Titan (Illinois) and its shareholders and should assist Titan (Illinois) in its ability to continue to attract and retain outstanding directors and officers;

the DGCL itself, which is updated annually to reflect business needs and developments, is generally acknowledged to be the most advanced and flexible corporate statute in the country;

the Delaware Court of Chancery, which brings to its handling of complex corporate issues a level of experience, a speed of decision and a degree of sophistication and understanding unmatched by any other court in the country, and

the Delaware Supreme Court, the only appeals court, which is highly regarded and has demonstrated its willingness to schedule and rule on business matters on an expedited schedule where prompt resolution is important to the business needs of the parties involved;

the Delaware General Assembly, to meet changing business needs, considers and adopts annually statutory amendments to the DGCL that have been proposed by the Corporation Law Section of the Delaware bar; and

the Delaware Division of Corporations, which is open from 8 am to 12 pm Monday-Friday to accept corporate filings, has a procedure for "preclearance" of corporate filings and offers same day, 2 hour, 1 hour and half hour processing of corporate filings, thus allowing prompt and efficient evidence of filings and certifications to be obtained to facilitate business and transactional needs, and also has a procedure to accommodate closings occurring in international time zones outside of normal business hours or on weekends or holidays.

Changes as a Result of Reincorporation

If this proposal is approved, the Reincorporation will effect a change in the legal domicile of the Company and other changes of a legal nature, the most significant of which are described below in the section entitled "Rights of our Shareholders Prior to and After the Reincorporation from Illinois to Delaware." The Reincorporation is not expected to affect any of the Company's material contracts with any third parties, and the Company's rights and obligations under such material contracts will continue as rights and obligations of Titan (Delaware). The Reincorporation itself will not result in any change in the Company's business, jobs, management, number of employees, assets, liabilities or net worth (other than transaction costs incident to the Reincorporation). Further, the directors and officers of Titan (Illinois) immediately prior to the Reincorporation will continue as the directors and officers of Titan (Delaware) immediately after the Reincorporation, and the subsidiaries of Titan (Illinois) immediately prior to the Reincorporation will continue as the subsidiaries of Titan (Delaware) immediately after the Reincorporation.

The Reincorporation Merger Agreement

The Reincorporation will be effected pursuant to the Reincorporation Merger Agreement to be adopted by Titan (Illinois) and Titan (Delaware). The Reincorporation Merger Agreement provides that Titan (Illinois) will merge with and into its newly-formed subsidiary, Titan (Delaware), and will be subject to all of the provisions of the DGCL. By virtue of the Reincorporation Merger, Titan (Delaware) will continue in existence as the surviving corporation and, without further transfer, succeed to and possess all rights, privileges, powers and franchises of Titan (Illinois), and all of the assets and property of whatever kind and character of Titan (Illinois) shall vest in Titan (Delaware), as the surviving corporation; Titan (Delaware), as the surviving corporation, will be liable for all of the liabilities and obligations of Titan (Illinois); and any claim or judgment against Titan (Illinois) may be enforced against Titan (Delaware), as the surviving corporation. Each director and officer of Titan (Illinois) will continue to hold his respective office with Titan (Delaware).

If this proposal is approved by our shareholders, the Reincorporation would become effective upon the filing (and acceptance thereof by the Illinois Secretary of State and the Delaware Secretary of State, as applicable) and effectiveness of the Illinois Articles of Merger and the Delaware Certificate of Merger. If this proposal is approved by shareholders, it is anticipated that the Board will cause the Reincorporation to be effected as soon as practicable thereafter. However, the Reincorporation Merger Agreement may be terminated and the merger abandoned by the action of the Board of either Titan (Delaware) or Titan (Illinois) at any time prior to the effective time of the Reincorporation, whether before or after approval by the Company's shareholders, for any reason whatsoever. If this proposal is approved, Company shareholders will not be required to exchange their Titan (Illinois) stock certificates for new Titan (Delaware) stock certificates. Rather, following the effective time of the Reincorporation, Titan (Illinois) stock certificates will represent the same number of shares of Titan (Delaware) stock until submitted to the Company for transfer, whether pursuant to a sale or otherwise, and thereupon will be exchanged for Titan (Delaware) stock certificates. Shareholders of the Company should not destroy any stock certificate(s) and should not submit any certificate(s) to the Company unless and until requested to do so.

Effect of Vote for the Reincorporation

A vote in favor of the Reincorporation is a vote in favor of the Reincorporation Merger Agreement, the Illinois Articles of Merger, the Delaware Certificate of Merger, the Delaware Certificate of Incorporation, and the Delaware By-laws.

Effect of Not Obtaining the Required Vote for Approval

If we fail to obtain the requisite vote of shareholders for approval of this proposal, the Reincorporation will not be consummated and the Company will continue to be incorporated in Illinois and governed by the Illinois Business Corporation Act of 1983 (as amended, the "BCA"), the Illinois Articles of Incorporation and the Illinois By-laws.

Description of the Company's Capital Stock upon the Effectiveness of the Reincorporation

Assuming that this proposal is approved by our shareholders and the Reincorporation becomes effective, the Company will merge into Titan (Delaware), which is a newly formed wholly owned subsidiary of the Company incorporated in the State of Delaware formed solely for purposes of effecting the Reincorporation, and which will be the surviving corporation. The rights of the stockholders of Titan (Delaware) will generally be governed by Delaware law, the Delaware Certificate of Incorporation and the Delaware By-laws. The following is a description of the capital stock of Titan (Delaware) upon the effectiveness of the Reincorporation. This description is not intended to be complete and is qualified in its entirety by reference to Delaware law, including the DGCL, and the full texts of the Delaware Certificate of Incorporation, a copy of which is attached as Annex A to the Reincorporation Merger Agreement attached as Appendix A to this Proxy Statement, and the Delaware By-laws, a copy of which is attached as Appendix B to this Proxy Statement.

General

The authorized capital stock of Titan (Illinois) consists of 120,000,000 shares of common stock, no par value, and 4,000,000 shares of preferred stock, no par value. Upon the effectiveness of the Reincorporation, the number of shares of authorized capital stock of Titan (Delaware) will continue to be 120,000,000 shares of common stock and 4,000,000 shares of preferred stock. However, Titan (Delaware)'s common stock and preferred stock will have a par value of \$0.0001 per share, which is the lowest par value permitted in Delaware, rather than no par value as is the case

with respect to Titan (Illinois). This change is being made to avoid the significantly higher Delaware filing fee for charters authorizing shares with no par value, and will have no material impact upon Titan (Delaware)'s financial statements.

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Common Stock

Dividends Liquidation. Subject to the preferences of any outstanding shares of preferred stock, holders of common stock of Titan (Delaware) will have equal ratable rights to dividends (payable in cash, stock or otherwise) out of funds legally available for that purpose, when and if dividends are declared by the Board of Titan (Delaware). Holders of common stock are entitled to share ratably, as a single class, in all of Titan (Delaware)'s assets available for distribution to holders of shares of common stock upon Titan (Delaware)'s liquidation or dissolution or the winding up of Titan (Delaware)'s affairs, after payment of Titan (Delaware)'s liabilities and any amounts to holders of outstanding shares of preferred stock.

Voting Rights. Generally, holders of Titan (Delaware)'s common stock will vote together as a single class on every matter acted upon by the stockholders. Holders of Titan (Delaware) common stock will be entitled to one vote per share on all matters submitted to a vote of stockholders. Stockholders will not be entitled to cumulate votes in voting for directors. A majority of the outstanding shares entitled to vote on a matter, represented in person or by proxy, will constitute a quorum at any meeting of stockholders. If a quorum is present, the affirmative vote of the majority of shares represented at the meeting and entitled to vote on a matter will be the act of the stockholders, unless the vote of a minimum or other number or amount is provided for such matter by the DGCL, the Delaware Certificate of Incorporation or the Delaware By-laws or the rules and regulations of any stock exchange or other regulatory body, in which case such minimum or other vote will be the required vote of stockholders on such matter. Except as otherwise provided by law, or by the resolution or resolutions adopted by the Board designating the rights, powers and preferences of any series and/or class of preferred stock, the holders of Titan (Delaware) common stock have the exclusive right to vote for the election of directors and for all other purposes, and holders of preferred stock are not entitled to receive notice of any meeting of stockholders at which they are not entitled to vote.

Other. The holders of Titan (Delaware) common stock have no preferences or rights of conversion, exchange, pre-emption or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. The rights and preferences of holders of common stock are subject to the rights of any series of preferred stock that Titan (Delaware) may issue.

Preferred Stock

By resolution of the Board, Titan (Delaware) may, without any further vote by its stockholders, authorize and issue an aggregate of 4,000,000 shares of preferred stock. Shares of preferred stock may be issued from time to time in one or more series and/or classes. The Board may by resolution fix the voting rights, if any, designations, powers, preferences and the relative, participation, optional or other rights, if any, and the qualification, limitations or restrictions thereof, of any unissued series and/or class of preferred stock, and may fix the number of shares constituting such series and/or class, and may increase or decrease the number of shares of any such series and/or class (but not below the number of shares thereof then outstanding). The authority of the Board to issue preferred shares without the additional approval of the stockholders could have a possible anti-takeover effect, which we describe in more detail below in the section entitled "Possible Anti-Takeover Effect of Provisions - Authorized Preferred Shares." The Charters and By-laws and of Titan (Delaware) and Titan (Illinois)

The provisions of the Delaware Certificate of Incorporation and the Delaware By-laws are substantially similar in substance to those of the Illinois Articles of Incorporation and Illinois By-laws. The differences in Delaware as compared to Illinois include, but are not limited to, the following: (i) the elimination of the presumption of assent to any action the Board takes, by directors who are present at a meeting unless the director's dissent is entered in the minutes of the meeting or the director files a written dissent to such action; and (ii) the expansion of the powers which the Board may in its discretion grant to each Board committee.

In addition, the proposed Reincorporation includes the implementation of certain other provisions in the Delaware Certificate of Incorporation and the Delaware By-laws that are different from the Illinois Articles of Incorporation and Illinois By-laws. For a discussion of such changes, see "Rights of our Shareholders Prior to and After the Reincorporation from Illinois to Delaware." The discussion of the Delaware Certificate of Incorporation and the Delaware By-laws is qualified by reference to the provisions of the DGCL, and the Delaware Certificate of Incorporation, copies of which are attached as Annex A to the Reincorporation Merger Agreement, and as Appendix A to this Proxy Statement, and the Delaware By-laws, a copy of which is attached as Appendix B to this Proxy

Statement. In addition, Titan (Delaware) could implement certain other changes in the future by amending the Delaware Certificate of Incorporation or the Delaware By-laws.

Limitation of Director Liability and Indemnification

Illinois and Delaware have similar laws relating to indemnification by a corporation of its officers, directors, employees and other agents. The laws of both states permit corporations to adopt a provision in their charters eliminating the liability of a director to the corporation or its stockholders for monetary damages for breach of the director's fiduciary duty except where such liability is based on:

- any breach of the director's duty of loyalty to the corporation or its shareholders
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law
- liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions or
- any transaction from which the director derived an improper personal benefit.

The Illinois By-laws indemnify directors and officers, where the person seeking indemnification acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful, to the extent permitted by the IBCA. The Illinois By-laws also provide that the Company shall provide broad indemnification generally extending to any person who was or is a director or officer of the Company, and may indemnify any person who is or was an employee or agent of the corporation, or is or was an employee of the corporation serving at the request of the corporation as a director, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise, to the extent and under the circumstances provided above with respect to a person who is or was a director or officer of the corporation. The right of indemnification includes the right to be paid by the Company for expenses incurred in defending proceedings.

The indemnification provisions of the Delaware By-laws are substantially identical to those contained in the Illinois By-laws. However, the Delaware By-laws contain an additional provision which permits a committee of the Board to make a determination that indemnification is proper, and eliminate the requirement that the corporation shall report any indemnification or advance in writing to the shareholders with or before the notice of the next stockholders' meeting.

Employee Benefit Plans

All of Titan (Illinois)'s employee benefit plans (including stock option and other equity-based plans) would be continued by Titan (Delaware), and each stock option and other equity-based award issued and outstanding pursuant to such plans would automatically be converted into a stock option or other equity-based award with respect to the same number of shares of Titan (Delaware), upon the same terms and subject to the same conditions as set forth in the applicable plan under which the award was granted and in the agreement reflecting the award. Approval of the Reincorporation would constitute approval of the assumption of these plans by Titan (Delaware). Assuming the Reincorporation is approved, Titan (Delaware) would continue Titan (Illinois)'s other employee benefit arrangements upon the terms and subject to the conditions currently in effect.

Dissenters' or Appraisal Rights Relating to the Reincorporation

Under Illinois law, Company shareholders who do not vote in favor of the Reincorporation and who follow certain other procedures summarized below will have the right to dissent from the Reincorporation Merger which effectuates the Reincorporation and obtain payment for their shares in the form of cash in the event of the completion of the Reincorporation. The following is a summary of the provisions of the IBCA, which specify the procedures which must be followed by any shareholder, and is qualified by reference to the provisions of Section 11.70 of the IBCA, which is attached as Appendix C to this Proxy Statement. If you are considering exercising your dissenters' rights, you should carefully review the following discussion and Appendix C. Because of the complexity of the procedure established for exercising dissenters' rights, the Company encourages you to consult an attorney before electing or attempting to exercise these rights. In the following discussion, "Company" means Titan (Illinois) prior to the effectiveness of the Reincorporation Merger, and thereafter means Titan (Delaware).

Under the IBCA, all shareholders entitled to dissenters' rights must be notified of that fact and the procedure to dissent in the meeting notice relating to the transaction with respect to which they are entitled to assert dissenters' rights. This Proxy Statement constitutes that notice. Because the Company has furnished to shareholders in this Proxy Statement material information with respect to the Reincorporation, including the merger of Titan (Illinois) into Titan

(Delaware), that will objectively enable a shareholder to evaluate the Reincorporation, to vote on the proposal and to determine whether or not to exercise dissenters' rights, a shareholder may assert these rights only if (i) prior to the vote on the Reincorporation, including the Reincorporation Merger, at the Annual Meeting, the shareholder delivers to the Company a written demand for payment for his or her shares in the event the Reincorporation Merger is completed, and (ii) the shareholder does not vote in favor of the Reincorporation, including the Reincorporation Merger Agreement.

If a shareholder votes in favor of the Reincorporation, the shareholder will not be entitled to dissent and obtain payment for his or her shares, and a vote against the Reincorporation will not satisfy the above requirement that a written demand for payment be delivered to the Company before the vote on Reincorporation. Failure to vote against the approval of the Reincorporation will not waive a shareholder's dissenters' rights, provided that the shareholder has not voted in favor of the Reincorporation and provided, further, that the shareholder has complied in all other respects with the IBCA in preserving the shareholder's dissenters' rights.

Within the later of (i) 10 days after the Reincorporation is completed or (ii) 30 days after the shareholder delivers to the Company his or her written demand for payment, the Company will send to each shareholder delivering such a written demand (a "dissenting shareholder") a statement setting forth the Company's opinion as to the estimated fair value of such shareholder's shares (a "statement of value"), the Company's balance sheet as of the end of its fiscal year ended December 31, 2014, its income statement for its fiscal year ended December 31, 2014, and its latest interim financial statements, together with either a commitment to pay for the shares of the dissenting shareholder at the estimated fair value thereof upon transmittal to the Company of the certificate or certificates or other evidence of ownership with respect to such shares, or instructions to the dissenting shareholder to sell his or her shares within 10 days after delivery of the Company's statement to the shareholder. The Company may instruct the shareholder to sell only if there is a public market for the shares at which the shares may be readily sold. Because the shares of the Company's common stock are presently traded on the NYSE, the Company anticipates that there will be such a public market for the shares of Titan (Delaware)'s common stock, which will be listed on the NYSE.

If the dissenting shareholder does not sell his or her shares within such 10 day period after being so instructed by the Company, he or she shall be deemed to have sold these shares at the average closing price of such shares during such 10 day period.

A shareholder who makes such written demand for payment retains all other rights of a shareholder until those rights are cancelled or modified by the completion of the Reincorporation. Upon completion of the Reincorporation, the Company will pay each dissenting shareholder who transmits to it the certificate or other evidence of ownership of the shares the amount the Company estimates to be the fair value of such shares, plus accrued interest, accompanied by a written explanation of how such interest was calculated.

If the dissenting shareholder does not agree with the Company's opinion as to the estimated fair value of the shares or the amount of interest due and wishes to preserve dissenters' rights, the dissenting shareholder shall, within 30 days from the Company's delivery to the dissenting shareholder of the statement of value, notify the Company of the dissenting shareholder's estimate of fair value and amount of interest due and demand payment for the difference between the dissenting shareholder's estimate of fair value and interest due and the amount of the payment by the Company or the proceeds of sale by the dissenting shareholder, whichever amount is applicable.

If the Company and the dissenting shareholder are unable to agree on the fair value and interest due with respect to the shares within 60 days of delivery to the Company of the shareholder's notice of estimated fair value and interest due, the Company shall either pay the difference in value demanded by the dissenting shareholder, with interest, or file a petition in the Circuit Court of the Eighth Judicial Circuit, Adams County, Illinois. The Company shall make all dissenters, whether or not residents of Illinois, whose demands remain unsettled, parties to the proceeding as an action against their shares, and shall serve all parties with a copy of the petition. Nonresidents may be served by registered or certified mail or by publication as required by law. If the Company does not commence such an action, dissenting shareholders can commence an action as otherwise permitted by law.

The jurisdiction of the court in which the proceeding is commenced under the foregoing paragraph by a corporation is plenary and exclusive. The court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. "Fair value" means the proportionate interest of the shareholder in the Company, without discount for minority status or, absent extraordinary circumstance, lack of marketability, immediately before the Reincorporation, excluding any appreciation or depreciation in anticipation of the corporate action, unless exclusion would be inequitable.

Each dissenting shareholder made a party to the proceeding is entitled to judgment for the amount, if any, by which the court determines that the fair value of his or her shares, plus interest, exceeds the amount paid by the Company or the proceeds of sale by the shareholder, whichever amount is applicable.

The court, in such a proceeding, shall determine all costs of the proceeding, including the reasonable compensation and expenses of the appraisers, if any, appointed by the court, but shall exclude the fees and expenses of counsel and experts for the respective parties. If the fair value of the shares as determined by the court materially exceeds the amount which the Company estimated to be the fair value of the shares, or if no estimate was made, then all or any part of such expenses may be assessed against the Company. If the amount which any dissenting shareholder estimated to be the fair value of the shares materially exceeds the fair value of the shares as determined by the court, then all or any part of the costs may be assessed against that dissenting shareholder. The court may also assess the fees and expenses of counsel and experts for the respective parties in amounts the court finds equitable. Specifically, the court may assess fees and expenses of counsel and experts against the Company and in favor of any or all dissenters, if the court finds that the Company did not substantially comply with the requirements of the statute. Additionally, the court may assess fees and expenses of counsel and experts against either the Company or a dissenter and in favor of any other party if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously, or not in good faith with respect to the rights provided by the statute. If the court finds that the services of counsel for any dissenting shareholder were of substantial benefit to other dissenting shareholders similarly situated and that the fees for those services should not be assessed against the Company, the court may award reasonable fees to that counsel to be paid out of the amounts awarded to the benefited dissenting shareholders.

Delaware Business Combination Statute

Like Illinois, Delaware has a “business combination” statute that is applicable to publicly traded corporations incorporated in that State that do not opt out of its provisions. The Delaware business combination statute is similar to the Illinois business combination statute currently applicable to the Company. Delaware’s business combination statute provides that an “interested stockholder,” defined as a person who owns 15% or more of the outstanding voting stock of a corporation or a person who is an associate or affiliate of the corporation and, within the preceding three-year period, owned 15% or more of the outstanding voting stock, may not engage in specified business combinations with the corporation for a period of three years after the date on which the person became an interested stockholder without obtaining the approval of the holders of 66 2/3% of the voting stock not held by the interested stockholder. The law defines the term “business combination” to encompass a wide variety of transactions with or caused by an interested stockholder, including mergers, asset sales and transactions in which the interested stockholder receives or could receive a benefit on other than a pro rata basis with other shareholders. Titan (Delaware) may amend its certificate of incorporation in the future to no longer be governed by the business combination statute. Because Titan (Delaware) has not elected to opt-out of this provision, the provision might discourage takeover attempts that might result in a premium over the market price for shares of Titan (Delaware)’s common stock.

Transfer Agent

Computershare, the transfer agent for Titan (Illinois)’ common stock will serve as the transfer agent for Titan (Delaware)’s common stock.

Market Listing

Titan (Delaware)’s common stock will trade on the New York Stock Exchange under the same symbol as Titan (Illinois)’ common stock, “TWI.”

Certain Federal Income Tax Consequence

THE FOLLOWING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE REINCORPORATION AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL OF THE REINCORPORATION’S POTENTIAL TAX EFFECTS. HOLDERS OF OUR COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE REINCORPORATION AND THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL AND OTHER APPLICABLE TAX LAWS.

The Company believes that the Reincorporation will constitute a reorganization within the meaning of Section 368(a)(1)(F) of the Code. Assuming that the Reincorporation will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a)(1)(F) of the Code, and subject to the qualifications and assumptions described in this Proxy Statement:

- (i) holders of Titan (Illinois) common stock will not recognize any gain or loss as a result of the consummation of the Reincorporation;
- (ii) the aggregate tax basis of shares of Titan (Delaware)'s common stock received in the Reincorporation will be equal to the aggregate tax basis of the shares of Titan (Illinois) common stock converted therefor; and
- (iii) the holding period of the shares of Titan (Delaware)'s common stock received in the Reincorporation will include the holding period of the shares of Titan (Illinois) common stock converted therefor.

The Company does not intend to request a ruling from the Internal Revenue Service regarding the federal income tax consequences of the Reincorporation.

If the Reincorporation fails to qualify as a reorganization within the meaning of Section 368(a)(1)(F) of the Code or otherwise as a tax-free reorganization, shareholders of Titan (Delaware) would recognize gain or loss with respect to each share of Titan (Illinois) common stock deemed to have been exchanged pursuant to the Reincorporation equal to the difference between the shareholder's basis in such Titan (Illinois) shares and the fair market value of the Titan (Delaware) capital stock received in exchange therefor. In a taxable transaction, a shareholder's aggregate basis in the Titan (Delaware) capital stock so received would equal the stock's fair market value, and the shareholder's holding period for such stock would begin the day of the Reincorporation.

Accounting Treatment

We expect that the Reincorporation will have no material effect from an accounting perspective because there is no change in the entity as a result of the Reincorporation. As such, the financial statements of Titan (Illinois) previously filed with the SEC will remain the financial statements of Titan (Delaware) following the Reincorporation.

Rights of our Shareholders Prior to and After the Reincorporation from Illinois to Delaware

The rights of Titan (Illinois) shareholders are currently governed by the IBCA and common law, the Illinois Articles of Incorporation, and the Illinois By-laws. The rights of Titan (Delaware)'s stockholders after the completion of the Reincorporation will be governed by Delaware law, principally the DGCL, the Delaware Certificate of Incorporation and the Delaware By-laws. As a result of the differences between the IBCA and the DGCL and between Titan (Illinois)' and Titan (Delaware)'s governing documents, certain of your rights as a Titan (Delaware) stockholder will vary in some respects from your current rights as a Titan (Illinois) shareholder.

It is not practical to summarize in this Proxy Statement all of the differences between the DGCL and the IBCA or between the Delaware Certificate of Incorporation and the Delaware By-laws, on the one hand, and the Illinois Articles of Incorporation and Illinois By-laws, on the other. Instead, this section summarizes some of the material differences and describes how those differences may affect the rights and interests of shareholders of Titan (Illinois). For a description of the capital stock of Titan (Delaware) see "Description of the Company's Capital Stock upon the Effectiveness of the Reincorporation." You should also refer to the IBCA and the DGCL, as well as the Illinois Articles of Incorporation and Illinois By-laws and the Delaware Certificate of Incorporation and the Delaware By-laws to be in effect immediately upon the effectiveness of the Reincorporation. The Delaware Certificate of Incorporation is attached as Annex A to the Reincorporation Merger Agreement attached as Appendix A to this Proxy Statement, and the Delaware By-laws are attached as Appendix B to this Proxy Statement. The Illinois Articles of Incorporation have been filed as an exhibit to Titan (Illinois)' Form 10-Q for the quarterly period ended September 30, 2010 and the Illinois By-laws have been filed as an exhibit to Titan (Illinois)' Form 10-K for the year ended December 31, 2014 and are incorporated herein by reference. See "Where You Can Find More Information."

Amount and Classification of Share Capital

Titan (Illinois)

The authorized common stock of Titan (Illinois) consists of (i) 120,000,000 shares of common stock, no par value, and (ii) 4,000,000 preferred shares, no par value. As of April 24, 2015, Titan (Illinois) had outstanding (i) 53,779,842 common shares, no par value, and (ii) no shares of preferred stock, no par value.

Titan (Delaware)

Upon the effectiveness of the Reincorporation, the authorized capital stock of Titan (Delaware) will consist of (i) 120,000,000 shares of common stock, par value \$0.00001 per share, and (ii) 4,000,000 shares of preferred stock, \$0.00001 par value per share.

Upon the effectiveness of the Reincorporation, the total number of outstanding shares of Titan (Delaware) common stock is estimated to be approximately 53,779,842 (based on the number of shares of Titan (Illinois) common stock outstanding as of April 24, 2015), and no shares of preferred stock will be outstanding.

Number of Directors; Term of Office

Titan (Illinois)

Under the IBCA, the number of directors is fixed by the by-laws, or absent such provision, by the articles of incorporation or by resolution of the incorporator in the organizational minutes, and may provide for a range by prescribing a minimum and maximum (which may not exceed the minimum by more than five). The IBCA provides, if a corporation has six (6) or more directors, that the articles of incorporation or by-laws may provide that such directors can be divided into either two or three classes, each class to be as nearly equal in number as is possible. The Illinois By-laws provide that the number of directors shall be determined from time to time by the Board, but the number of directors shall be not less than five (5) nor more than nine (9). The term of office of each director is three (3) years, and as nearly as practicable, taking into account the increases or decreases in the number of directors constituting the board of directors, one-third of the board of directors is to be elected each year at the annual meeting. In the event of a change in the number of directors, the resolution effecting such change shall specify the years in which the terms of the directorships thereby created will first expire.

Titan (Delaware)

The DGCL provides that a corporation's board of directors must consist of one or more members, with the number fixed by, or in the manner provided in, the by-laws, unless the certificate of incorporation fixes the number, in which case a change in the number of directors shall be made only by amendment of the certificate.

The Delaware By-laws similar to the Illinois By-laws provide that the number of directors shall be determined from time to time by the Board, but the number of directors shall be not less than five (5) nor more than nine (9). The board of directors shall be divided into three classes, the term of office of each director shall be three (3) years, and as nearly as practicable, taking into account the increases or decreases in the number of directors constituting the board of directors, one-third of the board of directors shall be elected each year at the annual meeting. The board of directors may assign directors into the initial classes of directors. In the event of a change in the number of directors, the resolution effecting such change shall specify the class of directors to which such change will apply and the years in which the terms of the directorship or directorships thereby created shall first expire. The board of directors may assign any director appointed by them to fill a newly created directorship to an initial class.

Effect of Approval of Proposal #5 [Shareholder Proposal to Declassify the Board]

In the event that Proposal #5 [Shareholder Proposal to Declassify the Board] is approved, the Illinois By-laws (if the Reincorporation is not approved) or the Delaware By-laws (if the Reincorporation is approved), as the case may be, will be modified to require that all directors elected at or after the annual meeting held in 2016 be elected on an annual basis.

Dividends/Distributions

Titan (Illinois)

Under Illinois law, a corporation may not make any distribution to shareholders if, after giving effect to the distribution:

the corporation would be insolvent or

the net assets of the corporation would be less than zero or less than the maximum amount payable at the time of distribution to shareholders having preferential rights in liquidation if the corporation were then to be liquidated.

Titan (Delaware)

Delaware law permits a corporation to declare and pay dividends out of surplus or, if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or for the preceding fiscal year as long as the amount of capital of the corporation following the declaration and payment of the dividend is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets.

Action by Written Consent of Shareholders

Titan (Illinois)

The IBCA allows shareholders to take action by unanimous written consent of all shareholders entitled to vote with respect to the subject matter or by signed written consent of the holders of shares having not less than the minimum number of votes necessary to take action at a meeting in which all shares entitled to vote on the matter were present and voting, unless such right is denied by the articles of incorporation. The Illinois Articles of Incorporation do not deny such right. The IBCA provides for at least 5 days' advance notice of the action contemplated (unless it will be unanimous) and prompt notice afterwards to non-consenting shareholders of the action taken without a meeting. The Illinois By-laws also provide for advance notice and other requirements in connection with shareholder action by written consent.

Titan (Delaware)

The DGCL also provides that stockholders may take action by unanimous written consent or by consent of the holders of shares having not less than the minimum number of votes necessary to take action at a meeting in which all shares entitled to vote on the matter were present and voting, unless such right is denied by the certificate of incorporation. The Delaware Certificate of Incorporation does not deny such right. If action is taken by less than unanimous written consent, the DGCL requires prompt notice afterwards to non-consenting holders of the action taken, and the Delaware By-laws contain provisions identical to those in the Illinois By-laws providing for advance notice and other requirements in connection with stockholder action by written consent.

Revocability of Proxies

Titan (Illinois)

Under the IBCA, a duly executed proxy is revocable unless it conspicuously states that it is irrevocable and the appointment is coupled with an interest.

Titan (Delaware)

Under the DGCL, a duly executed proxy is irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power.

Quorum

Titan (Illinois)

The Illinois By-laws provide that a majority of the outstanding shares entitled to vote on a matter, represented in person or by proxy, constitutes a quorum for consideration of such matter at a meeting of shareholders, but in no event shall a quorum consist of less than one third of the outstanding shares entitled so to vote. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on a matter is the act of the shareholders, unless the vote of a greater number or voting by classes is required by law or Titan (Illinois)' governance documents.

Titan (Delaware)

Similarly, the Delaware By-laws provide that a majority in voting power of the outstanding shares, represented in person or by proxy, constitutes a quorum at a meeting of stockholders. If a quorum is present, the affirmative vote of the majority in voting power of the shares represented at the meeting and entitled to vote on a matter shall be the act of the stockholders, unless the vote of a minimum or other number or amount is provided for such matter by law or Titan (Delaware)'s governance documents or the rules of any stock exchange on which Titan (Delaware)'s stock is traded, in which case such minimum or other vote will be the required vote on the matter.

Election, Removal and Vacancies of Directors

Titan (Illinois)

Under the IBCA, shareholders are entitled to cumulative voting rights in the election of directors unless otherwise provided in the corporation's articles of incorporation. The Illinois Articles of Incorporation provide that no holder of any shares of any class of stock shall be entitled to cumulative voting rights in the election of the directors.

Illinois provides for a "majority voting" system for the election of directors. Accordingly, the affirmative vote of a majority of the shares of Titan (Illinois)' common stock represented in person or by proxy and entitled to vote is required to elect a director of Titan (Illinois).

Under the IBCA and the Illinois By-laws, a Titan (Illinois) director may be removed, with or without cause, by the approval of a majority of the outstanding shares of the class that elected such director. Removal may only occur at a meeting of shareholders pursuant to a notice that states that the purpose of the meeting is to vote upon the removal of one or more directors named in the notice and only the named directors may be removed at the meeting. The Illinois By-laws provide that any vacancy occurring in the Board, including a vacancy occurring as a result of the removal of a director, and any directorship to be filled by reason of an increase in the number of directors, may be filled by election by the shareholders at an annual meeting or at a special meeting called for that purpose; provided, however, that vacancies occurring between meetings of shareholders by reason of an increase in the number of directors or otherwise, may be filled by the Board.

Titan (Delaware)

Under the DGCL, cumulative voting in the election of directors is only permitted if expressly authorized in a corporation's certificate of incorporation. The affirmative vote of a majority of the shares of Titan (Delaware)'s common stock represented in person or by proxy and entitled to vote is required to elect a director of Titan (Delaware).

Under the DGCL, any director or the entire Board may be removed, with or without cause, by the approval of a majority of the shares then entitled to vote at an election of directors. If a director is elected by a class or series of shares, he may be removed without cause only by stockholders of that class or series. Under the DGCL, vacancies and newly created directorships may be filled by a majority of the directors then in office unless otherwise provided in the certificate of incorporation or by-laws and unless the certificate of incorporation directs that a particular class is to elect such director, in which case any other directors elected by such class, or a sole remaining director, shall fill such vacancy. As with the Illinois By-laws, the Delaware Certificate of Incorporation and By-laws provide that a director may be removed, with or without cause, by the approval of a majority of the outstanding shares of the class that elected such director. As with the Illinois By-laws, the Delaware By-laws provide that removal may only occur at a meeting of stockholders pursuant to a notice that states that the purpose of the meeting is to vote upon the removal of one or more directors named in the notice and only the named directors may be removed at the meeting. Any vacancy occurring in the Board, including a vacancy occurring as a result of the removal of a director, and any directorship to be filled by reason of an increase in the number of directors, may be filled by election by the stockholders at an annual meeting or at a special meeting called for that purpose; provided, however, that vacancies occurring between meetings of stockholders by reason of an increase in the number of directors or otherwise, may be filled by the Board.

Director Duties

The fiduciary duties of directors under Delaware law are generally similar to the duties prescribed under Illinois law. Unlike the IBCA, however, the DGCL does not include a provision specifically permitting directors, in discharging their duties, to consider the effects of any action (including, without limitation, actions that may involve or relate to a change or potential change in control of the corporation) upon employees, suppliers and customers of the corporation

or its subsidiaries, and upon communities in which offices or other establishments of the corporation or its subsidiaries are located. To the contrary, Delaware case law permits directors to consider the interests of constituencies other than stockholders only where the interests of those constituencies are coextensive with the interests of stockholders.

Indemnification and Limitation of Monetary Liability For Breach of Fiduciary Duty

Illinois and Delaware have similar laws relating to indemnification by a corporation of its officers, directors, employees and other agents. In addition, the laws of both states permit corporations to include a provision in their charters eliminating the liability of a director to the corporation or its shareholders for monetary damages for breach of the director's fiduciary except where such liability is based on:

- any breach of the director's duty of loyalty to the corporation or its shareholders
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law
- liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions or
- any transaction from which the director derived an improper personal benefit.

Titan (Illinois)

The Illinois Articles of Incorporation provide for indemnification of directors and officers to the fullest extent permitted by law. The Illinois By-laws provide indemnification for directors and officers, where the person seeking indemnification acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful, to the extent permitted by the IBCA. The Illinois By-laws also provide that the Company shall provide broad indemnification generally extending to any person who was or is a director or officer of the Company. In addition, the Company may indemnify any person who is or was an employee or agent of the corporation, or is or was an employee of the corporation serving at the request of the corporation as a director, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise, to the same extent and under similar circumstances provided above with respect to a person who is or was a director or officer of the corporation. The right of indemnification includes the right to be paid by the Company the expenses incurred in defending proceedings.

Titan (Delaware)

The indemnification provisions of the Delaware By-laws are substantially identical to those contained in the Illinois By-laws. However, the Delaware By-laws contain an additional provision tracking the applicable provisions of the DGCL which permits a committee of the Board to make a determination that the standard of conduct required for indemnification has been met, and omits the requirement in the Illinois By-laws that the corporation must report any indemnification or advance to the shareholders, in writing, with or before the notice of the next shareholders' meeting.

Titan (Illinois)

Under the IBCA, a corporation may repurchase or redeem its shares, unless after giving effect to the repurchase or redemption the corporation would be insolvent or the net assets of the corporation would be less than zero or less than the maximum amount then payable to shareholders having preferential rights in liquidation if the corporation were then liquidated.

Titan (Delaware)

The DGCL generally provides that a corporation may redeem or repurchase its shares only if the redemption or repurchase would not impair the capital of the corporation (with certain exceptions). In addition, under the DGCL, a corporation may redeem some or all of its shares only if their redemption is authorized in its certificate of incorporation. However, a corporation may repurchase some or all of its shares regardless of whether the repurchase is authorized in the certificate of incorporation.

Annual Meetings of Shareholders

Titan (Illinois)

The Illinois By-laws provide that the annual meeting of the shareholders shall be held on the second Tuesday of the fifth calendar month after the end of the corporation's fiscal year at the hour of 10:00 A.M., or at such other date and time as the Board by resolution may provide, for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

Titan (Delaware)

The provision of the Delaware By-laws regarding the annual meeting of stockholders is substantially identical to that in the Illinois By-laws.

Special Meetings

Titan (Illinois)

Under IBCA, special meetings of shareholders may be called by the president, the board of directors, or the holders of not less than one-fifth of all outstanding shares entitled to vote on the matter for which the meeting is called or by other persons as provided in the articles of incorporation or by-laws. The Illinois By-laws also allow the chair to call a special shareholders' meeting.

Titan (Delaware)

Under the DGCL, a special meeting of shareholders may be called by the board of directors or any other person authorized to do so in the certificate of incorporation or by-laws. The Delaware By-laws provide that special stockholders' meetings may be called by the chair, the president, a majority of the Board, or the holders of not less than one-fifth of all outstanding shares entitled to vote for the purpose or purposes of the meeting.

Directors' Meetings

Titan (Illinois)

Regular meetings of the Board are held immediately after, and at the same place as, the annual meeting of the shareholders and at such other times as the Board may determine. Special meetings of the Board may be called by or at the request of the chair, the president or any director. A majority of the directors then in office will constitute a quorum, and if a quorum is present the act of a majority of the directors present at the meeting will be the act of the Board, unless the act of a greater number is required by statute or Titan (Illinois)' governance documents.

Titan (Delaware)

Regular meetings of the Board are held immediately after, and at the same place as, the annual meeting of the stockholders and at such other times as the Board may determine. Special meetings of the Board may be called by or at the request of the chair, the president or any director. A majority of the directors then in office (but in any event, not less than one third of the total number of authorized directors established by the Board pursuant to the Delaware By-laws) shall constitute a quorum for transaction of business at any meeting of the Board, and if a quorum is present the act of a majority of the directors present at the meeting will be the act of the Board, unless the act of a greater number is required by statute or Titan (Delaware)'s governance documents.

Inspection of Corporate Records

Titan (Illinois)

The IBCA provides that any shareholder, in person or by agent, has the right, upon written demand, to examine the corporation's books and records of account, minutes, voting trust agreement filed with the corporation and record of shareholders for a proper purpose, and to make extracts therefrom, but only for a proper purpose. A complete list of the shareholders entitled to vote at a shareholder meeting must be available for shareholder inspection by the earlier of 20 days after the record date for the meeting or 10 days before the meeting. Such list must be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting.

Titan (Delaware)

The DGCL provides that any stockholder, in person or by agent, has the right to inspect the corporation's stock ledger, stockholders' lists and other books and records for a purpose reasonably related to the person's interest as a stockholder. A complete list of the stockholders entitled to vote at a stockholder meeting must be available for stockholder inspection at the corporation's principal place of business at least 10 days before the meeting and must be available for inspection during any meeting of stockholders.

Shareholder Proposals

Titan (Illinois)

Shareholders may submit proposals to Titan (Illinois) to be considered at an annual meeting. Any such proposals must comply in all respects with all applicable rules and regulations of the Securities and Exchange Commission relating to shareholder proposals. The IBCA has no provisions that deal with or address shareholder proposals nor do the Illinois By-laws address this issue.

Titan (Delaware)

Shareholders may submit proposals to Titan (Delaware) to be considered at an annual meeting, subject to the same requirements which are applicable to Titan (Illinois).

Charter Amendments

Titan (Illinois)

Under the IBCA, except for enumerated matters which can be amended by majority director vote alone (removing the names and addresses of initial directors and the registered agent, altering par value, splitting shares, minor corporate name changes, reducing authorized shares and restating articles as amended), amendments to the articles of incorporation require a resolution of the Board submitting the amendment to a vote of shareholders and the approval of shareholders holding two-thirds of the voting power of the corporation, except in cases specified in the IBCA where class voting is required, in which case, approval of two-thirds of the voting power of each such class is required. The articles of incorporation may provide for a lower vote (but not less than a majority of the outstanding shares entitled to vote on the matter) or a higher vote. The Illinois Articles of Incorporation lower the voting requirement such that the affirmative vote of the holders of a majority of the outstanding shares entitled to vote on such matter shall be required for the shareholders of Titan (Illinois) to approve an amendment to the articles of incorporation.

Titan (Delaware)

To amend the certificate of incorporation, the DGCL generally requires the Board declare an amendment advisable and recommend the amendment to stockholders, and that the amendment thereafter be approved by the affirmative vote of the holders of a majority of the outstanding stock entitled to vote and, if the charter amendment would increase the number of authorized shares of a class of stock, change the par value of such class, or adversely affect the rights, powers or preferences of such class, a separate affirmative vote by the class affected by the amendment.

Amendments to By-laws

Titan (Illinois)

The IBCA provides that, unless the power to amend or alter the by-laws is reserved to the shareholders by the articles of incorporation, the by-laws of a corporation may be altered or amended by shareholders or the board of directors, except that no by-law adopted by the shareholders may be altered or amended by the board of directors if the by-laws so provide. The Illinois By-laws provide that subject to certain rights to indemnification which are contained in the Illinois By-laws, they may be altered, amended, or repealed by either shareholders or the Board.

Titan (Delaware)

Under Delaware law, by-laws may be adopted, amended or repealed by the stockholders. A corporation may, in its certificate of incorporation, confer upon the directors the power to amend, alter or repeal the by-laws, but it may not eliminate the power of the stockholders to amend the by-laws. As provided in the Delaware Certificate of Incorporation and Delaware By-laws, the Delaware By-laws may be amended, altered or repealed by either stockholders or the Board, subject to certain rights to indemnification which are contained in the Delaware By-laws.

Merger, Consolidations, Share Exchanges and Sales of All or Substantially All Assets

The IBCA generally requires two-thirds of the outstanding voting shares (and, in some cases, two-thirds of the outstanding voting shares of each class) to approve most mergers, consolidations and share exchanges or sales of all or substantially all assets, unless the approval is reduced to as low as a simple majority or increased as provided in the articles of incorporation. The Illinois Articles of Incorporation do not modify the two-thirds voting standard set forth in the IBCA with respect to approval of mergers, consolidations and share exchanges. The DGCL generally requires the holders of a majority of the outstanding voting shares of the acquiring and target corporations to approve statutory mergers, consolidations and sales of all or substantially all assets; however, as permitted by Delaware law, the Delaware Certificate of Incorporation will require the same vote as was required by the IBCA, two-thirds of the outstanding voting shares entitled to vote (and, in some cases, two-thirds of the outstanding voting shares of each class) to approve any mergers, consolidations and sales of all or substantially all assets for which approval of the stockholders is required under the DGCL or the Delaware Certificate of Incorporation. The DGCL does not authorize share exchanges. Under both the DGCL and IBCA, a shareholder vote of a corporation is not required in a merger (unless the corporation's charter provides otherwise) if:

- the merger does not cause the charter of such corporation to be amended in any respect
- each share of stock of such corporation outstanding before the merger remains outstanding after the merger and has the identical rights after the merger and
- the number of shares of common stock to be issued by the corporation in the merger does not exceed 20% of the number of shares outstanding immediately before the merger.

Under both the DGCL and the IBCA the vote of the stockholders of a corporation (the "subsidiary") is not required where 90% of the voting stock of the subsidiary is owned by another corporation (the "parent") in a merger where the parent merges the subsidiary into itself. In the case of the parent merging itself into the subsidiary, no stockholder vote is required under the DGCL, but a shareholder vote of the parent's shareholders is required under the IBCA.

Under the DGCL, no vote of the stockholders of a target corporation is required in order to effect a merger if the merger agreement provides that: (i) the purchasing corporation commences a tender or exchange offer for all outstanding shares that would otherwise be entitled to vote on the adoption of the merger agreement, (ii) following consummation of the tender or exchange offer, the stock irrevocably accepted for purchase or exchange by the purchasing corporation, combined with the stock otherwise owned by the purchasing corporation, equals at least the percentage of stock of the target corporation that would be required to adopt the merger agreement at a stockholders' meeting, and (iii) the purchasing corporation as promptly as practicable effects a merger with the target corporation in which the shares that were subject to the tender or exchange offer and not accepted for purchase in the tender or exchange offer are converted into the same consideration as was paid for shares in the tender or exchange offer.

In addition, under the DGCL no vote of stockholders of a corporation is required in connection with a holding company reorganization merger in which: (i) the corporation merges into a direct or indirect wholly owned subsidiary of the corporation (the "holding company"), (ii) in the merger the stockholders of the corporation receive an identical number and kind of shares of stock in the holding company as they had in the corporation, (iii) the holding company (a) is a Delaware corporation, (b) has charter and bylaw provisions identical to those of the merging corporation, and (c) has an identical board of directors to the corporation, and (iv) the organizational documents of the surviving entity in the merger must contain provisions substantially identical to those of the corporation, except (a) the capitalization may be modified to reflect that the surviving entity is a direct or indirect wholly owned subsidiary of the holding company, (b) if the corporation had a classified board provision it may be eliminated, and (c) a provision must be added requiring that the stockholders of the holding company vote on any matter required by the DGCL or the organizational documents of the surviving entity to be submitted to a vote of the stockholders or members of the surviving entity.

Interested Director Transactions

Under both Delaware and Illinois law, certain contracts or transactions in which one or more of a corporation's directors has an interest are not void or voidable because of such interest, provided that certain conditions, such as obtaining the required approval and fulfilling the requirements of good faith and full disclosure, are met.

Under Illinois law, if a transaction is “fair” when authorized, approved or ratified, then the fact that a director has an interest in the transaction is not grounds for invalidating the transaction or the interested director’s vote regarding such transaction. In any proceeding relating to such a transaction, the person asserting its validity will have the burden of proof unless, after full disclosure of such director’s interest:

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a majority of the disinterested directors approved the transaction or such transaction was approved by the shareholders without counting the votes of any shareholder who is an interested director.

Under Delaware law, no interested transaction shall be void solely because the transaction is between the corporation and a director, because the director attended the meeting of the board or committee which authorized the contract, or because such director's votes counted for such purpose, if:

- the stockholders or the disinterested members of the board of directors approved such contract or transaction after full disclosure of the material facts or
- the contract or transaction is "fair" as to the corporation at the time it was authorized, approved, or ratified by the board, a committee, or the stockholders.

Dissenters' Rights Appraisal Rights

Titan (Illinois)

Under the IBCA, shareholders of an Illinois corporation have dissenters' rights entitling a shareholder to dissent from certain mergers, sales of assets or other specified corporate acts, described below, in order to obtain the corporation's assessment of the "fair value" of such shareholder's shares and to proceed with an action seeking the difference between the shareholder's estimate of fair value and interest due and the amount of the "fair value" payment by the corporation. Under Illinois law, dissenters' rights are available only in the event of any of the following corporate transactions:

- completion of a plan of merger or consolidation or a plan of share exchange to which the corporation is a party if shareholder authorization is required for such merger, consolidation or share exchange or the corporation is a 90% or more owned subsidiary that is merged with its parent or another subsidiary or as regards to the parent, when it is merged into a 90% or more owned subsidiary, when the latter is the survivor thereof
- completion of a sale, lease or exchange of all, or substantially all, of the property and assets of the corporation other than in the usual and regular course of business
- an amendment of the articles of incorporation that materially and adversely affects rights in respect of a dissenter's shares or
- any other corporate action taken pursuant to a shareholder vote if the articles of incorporation, by-laws or a resolution of the board of directors of the corporation provide that shareholders are entitled to dissent and obtain payment for their shares in accordance with the procedures of the IBCA.

Titan (Illinois)' articles of incorporation and by-laws do not grant any additional dissenters' rights. To exercise dissenters' rights, among other procedural requirements, a shareholder must submit a written demand to the corporation prior to the taking of the vote on the matter giving rise to dissenters' rights and must not vote in favor of the action from which the shareholder dissents. With respect to the Reincorporation, holders of Titan (Illinois) shares will be entitled to dissenters' rights. See "Dissenters' and Appraisal Rights Relating to the Reincorporation."

Titan (Delaware)

Under the DGCL, a stockholder of a corporation participating in certain mergers and consolidations may, be entitled to appraisal rights pursuant to which such stockholder may receive payment of the "fair value" of the stockholder's shares as determined by the Delaware Court of Chancery instead of the consideration the stockholder would otherwise receive in the merger. Under the DGCL, appraisal rights are only available in connection with certain mergers and consolidations and are not available for stock (or depository receipts in respect thereof) that at the record date either was listed on a national securities exchange or are held of record by more than 2,000 holders unless the holders of such stock are required by the terms of the merger or consolidation agreement to accept anything except:

- shares of stock of the corporation surviving or resulting from such merger or consolidation (or depository receipts in respect thereof):
- shares of stock of any other corporation (or depository receipts in respect thereof) that will be either listed on a national securities exchange or held of record by more than 2,000 holders on the effective date
- cash in lieu of fractional shares or fractional depository receipts or

any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts, as described above.

In addition, stockholders of a corporation are not entitled to appraisal rights in a merger if the merger did not require for its approval the vote of the stockholders of the corporation as provided in Section 251(f) or (g) of the DGCL. The certificate of incorporation of a Delaware corporation may provide for appraisal rights in any merger or consolidation in which appraisal rights are not otherwise provided by statute, or in connection with any amendment to the certificate of incorporation or any sale of all or substantially all assets. The Delaware Certificate of Incorporation does not contain a provision providing appraisal rights in circumstances where they are not required by law.

Business Combination Provisions

Section 203 of the DGCL and Section 11.75 of the IBCA prohibit corporations from engaging in a “business combination” with an “interested shareholder” for three years following the date that such person becomes an interested shareholder.

With certain exceptions, under Section 203 of the DGCL and Section 11.75 of the IBCA an interested shareholder is a person or group who or which owns 15% or more of the corporation’s outstanding voting stock (including any rights to acquire stock pursuant to an option, warrant, agreement, arrangement or understanding, or upon the exercise of conversion or exchange rights and stock with respect to which the person has voting rights only), or is an affiliate or associate of the corporation and was the owner of 15% or more of such voting stock at any time within the previous three years.

For purposes of Section 203 of the DGCL and Section 11.75 of the IBCA, the term “business combination” is defined broadly to include, among other things, mergers with or, in some cases, caused by the interested shareholder, sales or other dispositions to the interested shareholder (except proportionately with the corporation’s other shareholders) of assets of the corporation or a subsidiary equal to ten percent or more of the aggregate market value of the corporation’s consolidated assets or its outstanding stock, the issuance or transfer by the corporation or a subsidiary of stock of the corporation or such subsidiary to the interested shareholder (with certain exceptions), or receipt by the interested shareholder (except proportionately as a shareholder), directly or indirectly, of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation or a subsidiary.

The three-year prohibition imposed on business combinations by Section 203 of the DGCL or Section 11.75 of the IBCA does not apply if:

• before the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested shareholder
• the interested shareholder owns 85% of the corporation’s voting stock (excluding certain shares) upon completion of the transaction that made him an interested shareholder or
• on or after the date such person becomes an interested shareholder, the board approves the business combination and it is also approved at a shareholder meeting by 66-2/3% of the voting stock not owned by the interested shareholder.

Section 7.85 of the IBCA provides extra protection to corporations subject to the reporting requirements of the Securities Exchange Act of 1934 (including Titan (Illinois)), for “business combinations” with an “interested shareholder” (defined similarly to the definition in Section 11.75) transactions. Section 7.85 of the IBCA requires the approval of holders of at least 80% of the combined voting power of the then outstanding shares of all classes of the corporation’s capital stock entitled to vote in the election of directors and the approval of a majority of the voting shares held by disinterested shareholders. The higher voting requirements are not required if certain procedural and price requirements are met or if the business combination is approved by at least two-thirds of the “disinterested directors.” Disinterested directors are directors who are not associated with the interested shareholder, were members of the Board prior to the time the interested shareholder became an interested shareholder or were recommended by a majority of the disinterested directors to succeed a disinterested director, and were not nominated by an interested shareholder or its affiliates.

Titan (Illinois)

An Illinois corporation may elect not to be governed by Sections 7.85 and 11.75 of the IBCA in its articles of incorporation or by-laws. Titan (Illinois) has not elected to supersede or replace the vote required by those sections.

Titan (Delaware)

Delaware corporations may elect not to be governed by Section 203. Titan (Delaware) has not made this election.

Dissolution

Titan (Illinois)

Under the IBCA, upon adoption of a Board resolution submitting a dissolution proposal to shareholders, or in the event that the Board fails to submit a dissolution proposal to shareholders for more than one year after being requested to do so by the holders of more than one-fifth of the shares entitled to vote on dissolution, shareholders holding at least two-thirds of the total voting power (or such lesser percentage not less than a simple majority or such greater number as may be provided in the articles of incorporation) may authorize a corporation's dissolution. The IBCA also authorizes the dissolution of a corporation by unanimous written consent of all outstanding shares entitled to vote on dissolution, without the vote or action of the directors of a corporation. The Illinois Articles of Incorporation do not modify these statutory provisions.

Titan (Delaware)

Under the DGCL, a corporation may be dissolved upon the adoption of a resolution to dissolve by the board of directors and the approval of such resolution by the holders of a majority of the then outstanding shares of stock entitled to vote on such matter. Like the IBCA, the DGCL also permits a dissolution to be authorized by unanimous consent of all outstanding shares entitled to vote on dissolution without the directors adopting a resolution to dissolve.

Shareholder Derivative Suits

Titan (Illinois)

Illinois law provides that a shareholder bringing a derivative action on behalf of a corporation must have been a shareholder at the time of the transaction in question, provided that a shareholder not meeting that requirement may be permitted in the discretion of the court to bring the action if such shareholder can prove that he acquired the shares prior to disclosure of the wrongdoing complained of by the shareholder.

Titan (Delaware)

Under Delaware law, a stockholder may only bring a derivative action on behalf of the corporation if the stockholder was a stockholder of the corporation at the time of the transaction in question or he was granted such stock thereafter by operation of law.

Waiver of Corporate Opportunity Doctrine

Titan (Illinois)

The IBCA does not expressly prohibit a corporation from renouncing in its articles of incorporation any interest, expectancy or opportunity to participate in specified business opportunities that are presented to the corporation or its officers, directors or shareholders, although the IBCA does prohibit provisions eliminating or limiting a director's liability for breach of his duty of loyalty to the corporation and its shareholders. The Illinois Articles of Incorporation do not waive such corporate opportunities.

Titan (Delaware)

The DGCL expressly permits a corporation to renounce, in its certificate of incorporation or by action of its Board, any interest, expectancy or opportunity to participate in specified business opportunities that are presented to the corporation or its officers, directors or shareholders. The Delaware Certificate of Incorporation does not waive such corporate opportunities.

Exclusive Forum

Titan (Illinois)

Titan (Illinois)' governance documents do not contain any restrictions with respect to the venue in which a shareholder may bring an action. The IBCA contains no provision or stipulation with respect thereto.

Titan (Delaware)

Titan (Delaware)'s governance documents also do not contain any restrictions with respect to the venue in which a shareholder may bring an action.

Significant Provisions to be Carried Over

Authorized Shares

As previously noted, upon the effectiveness of the Reincorporation, Titan (Delaware) will continue to be authorized to issue 120,000,000 shares of common stock, and all of the issued and outstanding shares of common stock at that time will remain issued and outstanding. Titan (Illinois) is authorized to issue 4,000,000 shares of preferred stock, none of which are issued and outstanding. Titan (Delaware) is also authorized to issue 4,000,000 shares of preferred stock. The only change is that the authorized common and preferred stock of Titan (Illinois) has no par value, whereas the authorized common and preferred stock of Titan (Delaware) will have a par value of \$0.0001 per share. For more information, see the section above entitled "Description of the Company's Capital Stock upon the Effectiveness of the Reincorporation."

Size of Board

The existing Illinois By-laws and the Delaware By-Laws authorize the directors to fix or change the number of directors, provided, that the Board must consist of no less than five (5), and no more than nine (9), directors.

Term and Election of Directors

Both the existing Illinois By-laws and the Delaware By-laws provide that the board of directors shall be divided into three classes, the term of office of each director shall be three (3) years, and as nearly as practicable, taking into account the increases or decreases in the number of directors constituting the board of directors, one-third of the board of directors shall be elected each year at the annual meeting.

In the event that Proposal 5 [Shareholder Proposal] is approved, the Illinois By-laws (if the Reincorporation is not approved) or the Delaware By-laws (if the Reincorporation is approved), as the case may be, will be modified to require that all directors elected at or after the annual meeting held in 2016 be elected on an annual basis.

The existing Illinois By-laws as well as the Delaware By-laws provide for majority voting in elections of directors.

Filling of Vacancies on the Board

Both the existing Illinois By-laws and the Delaware By-laws provide that any vacancy occurring in the Board of directors, including a vacancy occurring as a result of the removal of a director, and any directorship to be filled by reason of an increase in the number of directors, may be filled by election by the shareholders at an annual meeting or at a special meeting called for that purpose; provided, however, that vacancies occurring between meetings of shareholders by reason of an increase in the number of directors or otherwise, may be filled by the Board.

Special Meeting of Shareholders

The existing Illinois By-laws provide that special meetings of the shareholders may be called by the chair, the president, the Board, or the holders of not less than one-fifth of all the outstanding shares of the corporation entitled to vote for the purpose or purposes of the meeting. The provision of the Delaware By-laws regarding special meetings of shareholders is identical, except that with respect to a special meeting called by the Board, a majority of the Board must act.

No Cumulative Voting

The shareholders of Titan (Illinois) do not, and the shareholders of Titan (Delaware) will not, have the right of cumulative voting in the election of directors.

No Preemptive Rights

The shareholders of Titan (Illinois) do not, and the shareholders of Titan (Delaware) will not, have preemptive rights to acquire newly issued capital stock.

Indemnification

The indemnification provisions of the Delaware By-laws are substantially identical to those contained in the Illinois By-laws. However, the Delaware By-laws contain an additional provision which permits a committee of the Board to make a determination that the standard for indemnification has been met, and eliminates the requirement in the Illinois By-laws that the corporation shall report any indemnification or advance to the stockholders, in writing, with or before the notice of the next stockholders' meeting.

Vote on Mergers, Consolidations and Sales of All or Substantially All Assets

The Delaware Certificate of Incorporation will require the same vote as was required by the IBCA, two-thirds of the outstanding voting shares entitled to vote (and, in some cases, two-thirds of the outstanding voting shares of each class) to approve any mergers, consolidations and sales of all or substantially all assets for which approval of the stockholders is required under the DGCL or the Delaware Certificate of Incorporation.

Possible Anti-Takeover Effect of Provisions

Both the existing Illinois Articles of Incorporation and Illinois By-laws, as well as Illinois law, and the Delaware Certificate of Incorporation and Delaware By-laws, as well as Delaware law, contain some provisions that may be viewed as having a possible anti-takeover effect.

Authorized Preferred Shares

Under both the Illinois Articles of Incorporation and the Delaware Certificate of Incorporation, the Board is authorized to issue 4,000,000 preferred shares. In each case, the Board may issue these preferred shares in one or more series and may establish the designations, preferences and rights, including voting rights, of each series. These preferred shares of Titan (Illinois) are, and the shares of preferred stock of Titan (Delaware) would be (upon the filing of a certificate of designations with the Delaware Secretary of State pursuant to a Board resolution), available for issuance from time to time to any person for such consideration as the Board may determine without the requirement of further action by our shareholders, except as required by the New York Stock Exchange or other exchange on which Company shares are then listed. These preferred shares may be issued for any proper corporate purpose. Some potential corporate purposes include the issuance in a public or private sale for cash as a means of obtaining additional capital for use in the Company's business and operations, issuance as part or all of the consideration required to be paid for acquisitions of other business properties and issuance as a share dividend to equity holders. The Board does not intend to issue any preferred stock except on terms that the Board deems to be in the best interests of Titan (Delaware) and its stockholders. Depending on its terms, the issuance of preferred stock may or may not have a dilutive effect on the equity interest or voting power of the then current shareholders of Titan (Illinois).

Although our Board has no present intention to do so, authorized but unissued and undesignated preferred shares may also be issued as a defense to an attempted takeover. For example, the Board could, to the extent consistent with the directors' fiduciary duties, sell a block of preferred stock to a "white knight" or to persons who are loyal to current management, thereby diluting the share ownership of persons seeking to obtain control. The Board could utilize the authorized but unissued and undesignated preferred stock in connection with a new rights plan or "poison pill."

Special Meetings of Shareholders

Limits on the rights of shareholders to call special meetings of shareholders could have an anti-takeover effect as a potential acquirer may wish to call a special meeting of shareholders for the purpose of considering the removal of directors or an acquisition offer. The Illinois By-laws and the Delaware By-laws each provide that shareholders/stockholders of Titan (Illinois) or Titan (Delaware), respectively, holding at least one-fifth of the outstanding shares entitled to vote thereat may call special meetings of shareholders/stockholder, as the case may be.

Where You Can Find Additional Information

The Company files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy any documents the Company files at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-888-SEC-0330 for further information on the public reference room. The Company's SEC filings are also available to the public from the SEC's website at www.sec.gov or through the Company's website at www.titan-intl.com. The Company has not incorporated by reference into this Proxy Statement the information included on or linked from its website, and you should not

consider that information to be part of this Proxy Statement.

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Vote Required and Board Recommendation

The affirmative vote of the holders of at least two-thirds of the outstanding shares of Titan (Illinois) is necessary to approve this proposal. Abstentions and broker non-votes will have the same effect as votes against this proposal. The Board unanimously recommends a vote FOR the Reincorporation

PROPOSAL #4 - To Approve a Non-Binding Advisory Resolution on Executive Compensation

The Board of Directors recommends that stockholders vote FOR the approval of a non-binding advisory resolution on executive compensation.

As required by Section 14A of the Securities Exchange Act of 1934, the Company is asking stockholders to vote on a non-binding advisory basis, on a resolution approving the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the rules of the Securities and Exchange Commission (SEC), included in the “Compensation Discussion and Analysis” section and the compensation tables and narrative discussion contained in the “Compensation of Executive Officers” section of this Proxy Statement.

As described in the Compensation Discussion and Analysis section, the objectives of the Company's compensation program are to attract and retain individuals with the necessary skills that are vital to the long-term success of Titan. The compensation program is designed to be fair and just to both the Company and the individual. The overall goal of the Company's compensation policy is to maximize stockholder value by attracting, retaining and motivating the executive officers that are critical to the long-term success of the Company. Stockholders are encouraged to review the “Compensation Discussion and Analysis” and “Compensation of Executive Officers” sections of this Proxy Statement for additional information regarding the Company's executive compensation.

The Board of Directors is requesting the support of the Titan's stockholders for the executive compensation as disclosed in the “Compensation Discussion and Analysis” and “Compensation of Executive Officers” sections of this Proxy Statement. This proposal gives the Company's stockholders the opportunity to express their views on the executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our executive officers and the overall compensation objectives and philosophy described in this Proxy Statement.

Accordingly, the Board of Directors asks stockholders to vote FOR the following resolution at the Annual Meeting: “The stockholders of Titan International, Inc. hereby approve the compensation of the Company's Named Executive Officers as described in the Company's definitive Proxy Statement for the Company's 2015 Annual Meeting of Stockholders, including the sections entitled “Compensation Discussion and Analysis” and “Compensation of Executive Officers.”

The vote on the compensation of executive officers is advisory and not binding on the Company, the Board of Directors, or the Compensation Committee. However, the Board of Directors and Compensation Committee will consider the outcome of this vote when making future compensation decisions for the named executive officers.

The Board of Directors has determined that the Company will hold an advisory vote on executive compensation annually.

PROPOSAL #5 - Stockholder Proposal Regarding Declassifying the Company's Board of Directors

The Board of Directors recommends that stockholders vote AGAINST the declassifying the Company's board of directors.