

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

For the quarterly period ended June 30, 1995

Commission file number 1-10716

TRIMAS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

38-2687639  
(I.R.S. Employer  
Identification No.)

315 East Eisenhower Parkway, Ann Arbor, Michigan  
(Address of principal executive offices)

48108  
(Zip Code)

(313) 747-7025  
(Telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Shares Outstanding at August 2, 1995
Common Stock, \$.01 Par Value	36,624,447

TRIMAS CORPORATION

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

TRIMAS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED CONDENSED BALANCE SHEETS

	June 30, 1995 (Unaudited)	December 31, 1994
Assets		
Current assets:		
Cash and cash equivalents	\$114,450,000	\$107,670,000
Receivables	85,200,000	64,190,000
Inventories	82,510,000	79,560,000
Other current assets	2,360,000	3,590,000
Total current assets	284,520,000	255,010,000
Property and equipment	168,700,000	168,380,000
Excess of cost over net assets of acquired companies	147,050,000	149,160,000
Notes receivable	9,330,000	9,960,000
Other assets	36,670,000	32,630,000
Total assets	\$646,270,000	\$615,140,000
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 25,990,000	\$ 21,590,000
Accrued liabilities	34,230,000	34,370,000
Current portion of long-term debt	210,000	280,000
Total current liabilities	60,430,000	56,240,000
Deferred income taxes and other	31,710,000	29,700,000
Long-term debt	238,400,000	238,600,000
Total liabilities	330,540,000	324,540,000
Shareholders' equity:		
Common stock, \$.01 par value, authorized 100 million shares, outstanding 36.6 million shares	370,000	370,000
Paid-in capital	154,900,000	155,210,000
Retained earnings	163,010,000	136,310,000
Cumulative translation adjustments	(2,550,000)	(1,290,000)
Total shareholders' equity	315,730,000	290,600,000
Total liabilities and shareholders' equity	\$646,270,000	\$615,140,000

The accompanying notes are an integral part of the  
consolidated financial statements.

TRIMAS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED CONDENSED STATEMENTS OF INCOME  
(UNAUDITED)

	Six Months Ended		Three Months Ended	
	June 30,		June 30,	
	1995	1994	1995	1994
Net sales	\$299,520,000	\$281,400,000	\$151,920,000	\$146,940,000
Cost of sales	(201,390,000)	(190,820,000)	(101,390,000)	(97,620,000)
Selling, general and administrative expenses	(44,230,000)	(42,750,000)	(21,100,000)	(21,890,000)
Operating profit	53,900,000	47,830,000	29,430,000	27,430,000
Interest expense	(7,440,000)	(5,930,000)	(3,700,000)	(3,090,000)
Other income (expense), net	3,130,000	1,410,000	1,650,000	780,000
	(4,310,000)	(4,520,000)	(2,050,000)	(2,310,000)
Income before income taxes	49,590,000	43,310,000	27,380,000	25,120,000
Income taxes	19,590,000	17,540,000	10,820,000	10,180,000
Net income	\$ 30,000,000	\$ 25,770,000	\$ 16,560,000	\$ 14,940,000
Earnings per common share:				
Primary	\$.81	\$.70	\$.45	\$.40
Fully diluted	\$.76	\$.66	\$.42	\$.38
Dividends declared per common share	\$.09	\$.07	\$.05	\$.04
Weighted average number of common and common equivalent shares outstanding:				
Primary	36,994,000	37,038,000	37,001,000	37,038,000
Fully diluted	42,088,000	42,121,000	42,088,000	42,120,000

The accompanying notes are an integral part of the  
consolidated condensed financial statements.

TRIMAS CORPORATION AND SUBSIDIARIES  
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS  
(UNAUDITED)

	Six Months Ended	
	June 30,	
	1995	1994
<b>CASH FROM (USED FOR):</b>		
<b>OPERATIONS:</b>		
Net income	\$ 30,000,000	\$25,770,000
Adjustments to reconcile net income to net cash from operations:		
Depreciation and amortization	10,850,000	10,490,000
Deferred income taxes	1,400,000	600,000
(Increase) decrease in receivables	(20,370,000)	(23,290,000)
(Increase) decrease in inventories	(2,950,000)	(1,700,000)
Increase (decrease) in accounts payable and accrued liabilities	4,090,000	5,510,000
Other, net	(3,110,000)	(1,330,000)
Net cash from (used for) operations	19,910,000	16,050,000
<b>INVESTMENTS:</b>		
Capital expenditures	(9,930,000)	(11,030,000)
Net cash from (used for) investments	(9,930,000)	(11,030,000)
<b>FINANCING:</b>		
Retirement of long-term debt	(270,000)	(260,000)
Common stock dividends paid	(2,930,000)	(2,200,000)
Net cash from (used for) financing	(3,200,000)	(2,460,000)
<b>CASH AND CASH EQUIVALENTS:</b>		
Increase (decrease) for the period	6,780,000	2,560,000
At beginning of period	107,670,000	69,770,000
At end of period	\$114,450,000	\$72,330,000

The accompanying notes are an integral part of the  
consolidated condensed financial statements.

TRIMAS CORPORATION AND SUBSIDIARIES

Notes to Consolidated Condensed Financial Statements

A. Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included, and such adjustments are of a normal recurring nature. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 1994. Certain amounts in the 1994 financial statements have been reclassified to conform with the current presentation.

B. Inventories by component are as follows:

	June 30, 1995	December 31, 1994
Finished goods	\$42,420,000	\$44,860,000
Work in process	11,640,000	10,440,000
Raw material	28,450,000	24,260,000
	\$82,510,000	\$79,560,000

C. Property and equipment reflects accumulated depreciation of \$109.3 million and \$103.3 million as of June 30, 1995 and December 31, 1994, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Consolidated net sales during the first half of 1995 equaled \$299.5 million, an increase of 6.4 percent over the comparable 1994 period and the highest total in Company history for the first six months. Sales during the 1995 second quarter of \$151.9 million, also a record, increased \$5.0 million or 3.4 percent over the 1994 quarter.

Sales increases were achieved in all four reporting segments during both the quarter and first half ended June 30, 1995 compared to the same periods last year. Sales increases during the second quarter, particularly the latter half, were more modest than those achieved in the first quarter as a result of softening in the general economy and in certain markets served by the Company's products, including the recreational vehicle, marine, commercial construction, chemical and industrial maintenance markets. The growth in sales was achieved in part by new product development and market share gains which continue to be critical elements in the Company's growth strategy.

Sales by the Towing Systems segment were \$103.3 million during the first half of 1995, an increase of 8.2 percent versus last year. The Specialty Fastener segment achieved sales of \$76.1 million, up 7.3 percent from last year's \$71.0 million. First half sales for the Specialty Container Products and Corporate Companies segments were \$84.3 million and \$35.8 million, increases of 3.6 percent and 6.4 percent, respectively, over 1994's performance.

The Company's consolidated gross margin for the first six months of 1995 was 32.8 percent compared to 32.2 percent for the first half of 1994. For the second quarter of 1995 and 1994 gross margin was 33.3 percent and 33.6

percent, respectively. Because of the seasonal factors relating to the Towing Systems segment and the volume sensitive nature of the Company's operations, gross margin recorded in the second quarter is typically higher than that which is realized during the first quarter. Maintaining high gross margins is an important operating strategy of the Company as it helps maximize earnings growth as a result of sales increases.

The Company's consolidated operating profit for the first six months of 1995 increased 12.7 percent to \$53.9 million and represented an operating margin of 18.0 percent compared to 1994's first six months operating profit of \$47.8 million or 17.0 percent of net sales. Operating profit for the second quarter 1995 of \$29.4 million represented a 7.3 percent increase over operating profit for the second quarter of 1994. The operating margin increased to 19.4 percent from 18.7 percent achieved in the second quarter of 1994. The rate of growth in consolidated operating profit during the second quarter, compared to that achieved during this year's first quarter, was affected by the relative growth in sales during the respective quarters. The improvements in profit during both periods were primarily the result of the previously mentioned increased sales volumes, the Company's volume sensitivity, and successful cost reduction programs.

Interest expense increased in the three and six month periods ended June 30, 1995 because of higher prevailing interest rates. Interest income, the major component of other income, more than doubled in the 1995 periods as a result of higher interest rates and increased average cash and cash equivalent balances.

Net income for the six months and three months ended June 30, 1995 was \$30.0 million and \$16.6 million respectively, compared to \$25.8 million and \$14.9 million in last year's comparable periods. Primary earnings per common share increased 15.7 percent to \$.81 for the first six months of 1995 compared



to 1994's primary earnings per common share of \$.70, both based on 37.0 million shares outstanding. Fully diluted earnings per common share increased 15.2 percent to \$.76 versus \$.66 last year, both based on 42.1 million shares outstanding. Primary and fully diluted earnings per common share for the second quarter of 1995 were \$.45 and \$.42, compared to \$.40 and \$.38 last year.

#### Liquidity, Working Capital and Cash Flows

The Company's financial strategies include maintaining a relatively high level of liquidity. Historically, TriMas Corporation has generated sufficient cash flows from operating activities to fund capital expenditures, debt service and dividends, while maintaining its strategic level of liquidity. At June 30, 1995 the current ratio was 4.7 to 1 and working capital equaled \$224.1 million, including \$114.5 million of cash and cash equivalents. The Company had available credit of \$228.0 million under its revolving credit facility at June 30, 1995.

During the second quarter of 1995 the Company amended its existing \$350 million revolving credit facility to extend the maturity date from February, 1998 to July, 2000, and to reduce the interest rates paid.

Cash flows from operations provided \$19.9 million and \$16.1 million during the first six months of 1995 and 1994, respectively. These operating cash flows were net of increases in accounts receivable of \$20.4 million in 1995 and \$23.3 million in 1994 due mainly to the seasonality of the Towing Systems segment as well as increased sales by all of the Company's business segments. Historically, the cash flow provided by the seasonal increase in receivables is realized later in the year. A corresponding increase in

accounts payable and accrued liabilities provided \$4.1 million and \$5.5 million in the first six months of 1995 and 1994, respectively. Capital expenditures during the first six months equaled \$9.9 million in 1995 and \$11.0 million in 1994. Common stock dividends totaled \$2.9 million in 1995 versus \$2.2 million in 1994.

The Company believes its cash flows from operations, along with its borrowing capacity and access to financial markets, are adequate to fund its strategies for future growth, including working capital, expenditures for manufacturing expansion and efficiencies, market share initiatives, and corporate development activities.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Stockholders was held on May 10, 1995 at which the two nominees for the Company's Board of Directors, identified in the Company's proxy statement dated April 7, 1995, were re-elected and a proposal to approve the Company's 1995 Long Term Stock Incentive Plan was passed (reference is made to Exhibit 10 of this Form 10-Q for the full text of the Plan). Following is a tabulation of shares voted:

Election of Directors

	Brian P. Campbell	John A. Morgan
For	33,427,083	33,364,276
Withheld	96,166	158,973

Proposal to Approve 1995 Long Term Stock Incentive Plan

For	31,199,353
Against	549,770
Abstentions and Broker Non-Voters	1,774,126

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

- 4 First Amendment dated June 30, 1995 to Credit Agreement dated February 1, 1993 among TriMas Corporation, Certain Banks and NationsBank, N.A. (Carolinas), as Agent
- 10 TriMas Corporation 1995 Long Term Stock Incentive Plan
- 11 Computation of Earnings Per Common Share
- 12 Computation of Ratios of Earnings to Fixed Charges
- 27 Financial Data Schedule

(b) Reports on Form 8-K:

None were filed during the quarter ended June 30, 1995.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRIMAS CORPORATION

Date: August 11, 1995

By: /s/William E. Meyers  
 William E. Meyers  
 Vice President - Controller  
 (Chief accounting officer  
 and authorized signatory)

## Exhibit Index

Exhibit Number	Description of Document
4	First Amendment dated June 30, 1995 to Credit Agreement dated February 1, 1993 among TriMas Corporation, Certain Banks and NationsBank, N.A. (Carolinas), as Agent
10	TriMas Corporation 1995 Long Term Stock Incentive Plan
11	Computation of Earnings Per Common Share
12	Computation of Ratios of Earnings to Fixed Charges
27	Financial Data Schedule

Exhibit 11  
 TRIMAS CORPORATION AND SUBSIDIARIES  
 COMPUTATION OF EARNINGS PER COMMON SHARE  
 (In Thousands, Except Per Share Amounts)

	Six Months Ended June 30,		Three Months Ended June 30,	
	1995	1994	1995	1994
<b>Primary:</b>				
Net income	\$30,000	\$25,770	\$16,560	\$14,940
Weighted average common shares outstanding	36,644	36,644	36,644	36,644
Dilution of stock options	350	394	357	394
Weighted average common and common equivalent shares outstanding after assumed exercise of options	36,994	37,038	37,001	37,038
Primary earnings per common share	\$.81	\$.70	\$.45	\$.40
<b>Fully diluted:</b>				
Net income	\$30,000	\$25,770	\$16,560	\$14,940
Add after tax convertible debenture related expenses	1,840	1,840	920	920
Net income as adjusted	\$31,840	\$27,610	\$17,480	\$15,860
Weighted average common shares outstanding	36,644	36,644	36,644	36,644
Dilution of stock options	361	394	361	393
Addition from assumed conversion of convertible debentures	5,083	5,083	5,083	5,083
Weighted average common and common equivalent shares outstanding on a fully diluted basis	42,088	42,121	42,088	42,120
Fully diluted earnings per common share	\$.76	\$.66	\$.42	\$.38

TRIMAS CORPORATION AND SUBSIDIARIES  
 COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES  
 (Dollar Amounts in Thousands)

	Six Months Ended June 30,		Three Months Ended June 30,	
	1995	1994	1995	1994
<b>Earnings:</b>				
Income before income taxes	\$49,590	\$43,310	\$27,380	\$25,120
Fixed charges	7,950	6,420	3,960	3,330
Earnings before fixed charges	\$57,540	\$49,730	\$31,340	\$28,450
<b>Fixed Charges:</b>				
Interest	\$7,540	\$6,050	\$3,750	\$3,150
Portion of rental expense	450	440	230	220
Fixed charges	\$7,990	\$6,490	\$3,980	\$3,370
Ratios of earnings to fixed charges	7.2	7.7	7.9	8.4

## FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT (the "First Amendment") dated as of June 30, 1995 is to that Credit Agreement dated as of February 1, 1993 (as amended and modified hereby and as further amended and modified from time to time hereafter, the "Credit Agreement"; terms used but not otherwise defined herein shall have the meanings assigned in the Credit Agreement), by and among TRIMAS CORPORATION, a Delaware corporation (the "Company"), CERTAIN OF ITS SUBSIDIARIES identified as a "Additional Borrowers" on the signature pages hereof (the "Additional Borrowers"), the various banks and lending institutions identified on the signature pages hereto (the "Banks"), NATIONSBANK, N.A. (CAROLINAS) (formerly known as NationsBank of North Carolina, N.A.) as agent (in such capacity, the "Agent").

## W I T N E S S E T H

WHEREAS, the Banks have, pursuant to the terms of the Credit Agreement, made available to the Borrower a \$350,000,000 credit facility; and

WHEREAS, the Banks have agreed to amend the Credit Agreement on the terms and conditions hereinafter set forth;

NOW, THEREFORE, IN CONSIDERATION of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

A. The following Banks will withdraw from the credit facility (the "Withdrawing Banks"):

Citicorp USA, Inc.  
Society National Bank

By execution of this First Amendment, the Company, the Additional Borrowers, the Withdrawing Banks, the other Banks and the Agents hereby agree as follows:

(i) Effective as of June 30, 1995 (the "Effective Date"), (A) the Commitments of the Banks shall be reallocated among the Banks as set forth in Schedule 2.1 attached hereto, (B) the Commitments of the Withdrawing Banks as set forth on Schedule 2.1 attached hereto shall be \$0 and the Withdrawing Banks shall not be obligated to make any Loan on or after the Effective Date and (C) the Commitments of the Remaining Banks shall be as set forth on Schedule 2.1 attached hereto;

(ii) The Company agrees to obtain Loans on the Effective Date from the Remaining Banks (the "New Loans"), the proceeds of which will be used by the Company to repay all Loans maturing on the Effective Date (including all

Loans currently held by the Withdrawing Banks which will be paid in full on the Effective Date). The New Loans will be made in accordance with the terms of the Credit Agreement and if the New Loans consist of Syndicated Loans, such Loans shall be made by the Remaining Banks based upon the reallocated Commitments set forth on Schedule 2.1 attached hereto;

(iii) In addition to the repayment in full on the Effective Date of all Loans held by the Withdrawing Banks, the Company agrees to pay the Withdrawing Banks on the Effective Date all interest and fees owing to the Withdrawing Banks under the Credit Agreement as of the Effective Date;

(iv) Upon the repayment in full on the Effective Date of all Loans, interest and fees owing to the Withdrawing Banks under the Credit Agreement, each Withdrawing Bank shall cease to be a "Bank" under the Credit Agreement and shall be relieved and released from all liabilities and obligations thereunder; and

(v) The rights and the obligations of the Company, the Additional Borrowers and the Remaining Banks shall be governed by the terms of the Credit Agreement as modified by this First Amendment.

B. The Credit Agreement is amended in the following respects:

1. The Commitments of the respective Banks have been reallocated among the Banks to be as provided in Schedule 2.1 attached hereto.

2. Section 1.01 is amended by adding the following definition in the alphabetically appropriate place:

"Pricing Ratio" shall mean the ratio of (a) Funded Debt to (b) Adjusted Operating Profit.

3. Section 1.01 is further amended by amending the definition of "Applicable Margin" in its entirety so that such definition now reads as follows:

"Applicable Margin" shall mean with respect to:

- (a) each Floating Rate Loan, 0% per annum;
- (b) each Syndicated Eurodollar Rate Loan,
  - (i) .325% per annum for any Rate Period if the Pricing Ratio as of the



end of the most recently ended fiscal quarter of the Company prior to such Rate Period is less than 1.5 to 1.0;

(ii) .375% per annum for any Rate Period if the Pricing Ratio as of the end of the most recently ended fiscal quarter of the Company prior to such Rate Period is equal to or greater than 1.5 to 1.0 but less than 2.0 to 1.0; and

(iii) .50% per annum for any Rate Period if the Pricing Ratio as of the end of the most recently ended fiscal quarter of the Company prior to such Rate Period is equal to or greater than 2.0 to 1.0 but less than 3.0 to 1.0;

(iv) .625% per annum for any Rate Period if the Pricing Ratio as of the end of the most recently ended fiscal quarter of the Company prior to such Rate Period is equal to or greater than 3.0 to 1.0 but less than 3.5 to 1.0;

(v) .75% per annum for any Rate Period if the Pricing Ratio as of the end of the most recently ended fiscal quarter of the Company prior to such Rate Period is equal to or greater than 3.5 to 1.0; and

(c) each Negotiated Eurodollar Rate Loan, the percentage expressed on a per annum basis, offered by the relevant Bank pursuant to Section 2.4(d) as the Applicable Margin (also referred to as the Negotiated Eurodollar Margin) with respect to such Loan.

4. Section 1.01 is further amended by amending the definition of "Maturity Date" in its entirety so that such definition now reads as follows:

"Maturity Date" shall mean the earlier of (a) July 1, 2000 or (b) the date on which the Commitments shall be terminated pursuant to Section 2.9, 2.10, or 6.2.

5. Section 2.4(b) is amended by amending in its entirety the last sentence of such Section so that such sentence now reads as follows:

The Company, if it requests any Negotiated Rate Loan, shall do so pursuant to this Section in such a manner that the aggregate principal amount of the outstanding Loans never exceeds the aggregate amount of the Commitments; provided, however, at any time when the Pricing Ratio is

greater than 3.5 to 1.0 but less than 4.0 to 1.0 as of the end of the most recently completed fiscal quarter of the Company, the Company, if it requests any Negotiated Rate Loan, shall do so pursuant to this Section in such a manner that the aggregate principal amount of the outstanding Negotiated Rate Loans never exceeds fifty percent (50%) of the Commitments; provided further, at any time when the Pricing Ratio is equal to or greater than 4.0 to 1.0 as of the end of the most recently completed fiscal quarter of the Company, the Company shall not be entitled to request any Negotiated Rate Loan; provided further, the foregoing restrictions shall have no effect on outstanding Negotiated Rate Loans made prior to the implementation of such restrictions nor shall the implementation of such restrictions constitute a Default hereunder.

6. Section 2.8(a) is amended in its entirety so that such Section now reads as follows:

(a) The Company agrees to pay to the Banks, ratably in proportion to their Commitments, a commitment fee on the daily average amount by which the aggregate amount of the Commitments exceeds the aggregate amount of the Loans during each Rate Period at a rate equal to (i) .025% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is less than 1.5 to 1.0, (ii) .05% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is equal to or greater than 1.5 to 1.0 but less than 2.0 or (iii) .125% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is equal to or greater than 2.0 to 1.0.

7. Section 2.8(b) is amended in its entirety so that such Section now reads as follows:

(b) The Company agrees to pay to the Banks, ratably in proportion to their Commitments, a facility fee on the daily aggregate amount of the Commitments (regardless of usage) during each Rate Period at a rate equal to (i) .125% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is less than 3.0 to 1.0, (ii) .15% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is equal to or greater than 3.0 to 1.0 but less than 3.5 or (iii) .25% per annum if the Pricing Ratio for the fiscal quarter ending immediately prior to such Rate Period is equal to or greater than 3.5 to 1.0.

8. Section 5.7 is amended in its entirety so that such Section now reads as follows:

5.7 Ratio of Funded Debt to Adjusted Operating Profit. It will not permit or suffer the ratio of (a) the Consolidated Funded Debt of the Company and its Consolidated Subsidiaries to (b) the Consolidated Adjusted Operating

Profit of the Company and its Consolidated Subsidiaries, at any time to be greater than 4.0 to 1.0. The above limitation shall not prevent the Company or any of its Consolidated Subsidiaries from creating, incurring, issuing, guaranteeing or assuming Debt for the purpose of extending, renewing or refunding not more than the principal amount of the Debt then outstanding of the Company or of a Consolidated Subsidiary.

B. The Company hereby represents and warrants that:

(i) any and all representations and warranties made by the Company and contained in the Credit Agreement (other than those which expressly relate to a prior period) are true and correct in all material respects as of the date of this First Amendment; and

(ii) No Default or Event of Default currently exists and is continuing under the Credit Agreement as of the date of this First Amendment.

C. This First Amendment shall not be effective until receipt by the Agent of the following in form and substance satisfactory to the Banks:

1. Executed Documents. Executed copies of this First Amendment and related documentation.

2. Other Information. Such other information and documents as the Agent may reasonably request.

D. The Company and the Additional Borrowers will execute such additional documents as are reasonably requested by the Agent to reflect the terms and conditions of this First Amendment.

E. Except as modified hereby, all of the terms and provisions of the Credit Agreement (and Exhibits and Schedules) remain in full force and effect.

F. The Borrower agrees to pay all reasonable costs and expenses in connection with the preparation, execution and delivery of this First Amendment, including without limitation the reasonable fees and expenses of Moore & Van Allen, PLLC, special counsel to the Agent.

G. This First Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and it shall not be necessary in making proof of this First Amendment to produce or account for more than one such counterpart.

H. This First Amendment and the Credit Agreement, as amended hereby, shall be deemed to be contracts made under, and

for all purposes shall be construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this First Amendment to Credit Agreement to be duly executed under seal and delivered as of the date and year first above written.

BORROWER:

TRIMAS CORPORATION,  
a Delaware corporation

By /s/ Peter C. DeChants  
Title Vice President/Treasurer

ADDITIONAL BORROWERS:

COMPAC CORPORATION

By /s/ Peter C. DeChants  
Title Vice President

NORRIS CYLINDER COMPANY

By /s/ Peter C. DeChants  
Title Vice President

LAMONS METAL GASKET COMPANY

By /s/ Peter C. DeChants  
Title Vice President/Treasurer

BANKS:

NATIONSBANK, N.A. (CAROLINAS),  
individually in its capacity as a  
Bank and in its capacity as Agent  
(formerly known as NationsBank of  
North Carolina, N.A.)

By /s/ Michael S. Zehfuss  
Title SVP

COMERICA BANK

By /s/ Charles L. Weddell

Title Vice President

SOCIETY NATIONAL BANK

By /s/ Richard L. Pohle

Title Vice President

THE BANK OF NOVA SCOTIA

By /s/ P.C.H. Ashby

Title Senior Manager Loan Operations

PNC BANK, NATIONAL ASSOCIATION

By /s/ Jack F. Broeren

Title Assistant Vice President

BANK OF AMERICA ILLINOIS

By /s/ Kathryn W. Robinson

Title Managing Director

THE BANK OF NEW YORK

By /s/ Douglas Ober

Title Vice President

CHEMICAL BANK

By /s/ Rosemary Bradley

Title Vice President

CITICORP USA, INC.

By /s/ Barbara A. Cohen

Title Vice President

HARRIS TRUST AND SAVINGS BANK

By /s/ Peter J. Dancy

Title Vice President

NATIONAL CITY BANK

By /s/ Andrew J. Walshaw

Title Account Officer

CIBC, INC.

By /s/ Kent S. Davis

Title Vice President

NBD BANK (Formerly NBD Bank, N.A.)

By /s/ Richard H. Huttenlocher

Title Vice President

ROYAL BANK OF CANADA

By /s/ Preston D. Jones

Title Senior Manager  
Corporate Banking

THE NORTHERN TRUST COMPANY

By /s/ S. Biff Bowman

Title Vice President

TRUST COMPANY BANK

By /s/ Donald M. Lynch

Title Vice President

By /s/ Gregory L. Cannon

Title Vice President

TRIMAS CORPORATION  
1995 LONG TERM STOCK INCENTIVE PLAN

## Section 1. Purposes

The purposes of the 1995 Long Term Stock Incentive Plan (the "Plan") are to encourage selected employees of and consultants to TriMas Corporation (the "Company") and its Affiliates to acquire a proprietary interest in the Company in order to create an increased incentive to contribute to the Company's future success and prosperity, and enhance the ability of the Company and its Affiliates to attract and retain exceptionally qualified individuals upon whom the sustained progress, growth and profitability of the Company depend, thus enhancing the value of the Company for the benefit of its stockholders.

## Section 2. Definitions

As used in the Plan, the following terms shall have the meanings set forth below:

(a) "Affiliate" shall mean any entity in which the Company's direct or indirect equity interest is at least twenty percent, and any other entity in which the Company has a significant direct or indirect equity interest, whether more or less than twenty percent, as determined by the Committee.

(b) "Award" shall mean any Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Award, Dividend Equivalent or Other Stock-Based Award granted under the Plan.

(c) "Award Agreement" shall mean any written agreement, contract or other instrument or document evidencing any Award granted under the Plan.

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(e) "Committee" shall mean a committee of the Company's directors designated by the Board of Directors to administer the Plan and composed of not less than two directors, each of whom is a "disinterested person" within the meaning of Rule 16b-3.

(f) "Dividend Equivalent" shall mean any right granted under Section 6(e) of the Plan.

(g) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(h) "Incentive Stock Option" shall mean an Option granted under Section 6(a) of the Plan that is intended to meet the requirements of Section 422 of the Code, or any successor provision thereto.

(i) "Non-Qualified Stock Option" shall mean an Option granted under Section 6(a) of the Plan that is not intended to be an Incentive Stock Option.

(j) "Option" shall mean an Incentive Stock Option or a Non-Qualified Stock Option.

(k) "Other Stock-Based Award" shall mean any right granted under Section 6(f) of the Plan.

(l) "Participant" shall mean an employee of or consultant to the Company or any Affiliate designated to be granted an Award under the Plan.

(m) "Performance Award" shall mean any right granted under Section 6(d) of the Plan.

(n) "Restricted Period" shall mean the period of time during which Awards of Restricted Stock or Restricted Stock Units are subject to restrictions.

(o) "Restricted Stock" shall mean any Share granted under Section 6(c) of the Plan.

(p) "Restricted Stock Unit" shall mean any right granted under Section 6(c) of the Plan that is denominated in Shares.

(q) "Rule 16b-3" shall mean Rule 16b-3 promulgated by the Securities and



Exchange Commission under the Exchange Act, or any successor rule or regulation.

(r) "Section 16" shall mean Section 16 of the Exchange Act, the rules and regulations promulgated by the Securities and Exchange Commission thereunder, or any successor provision, rule or regulation.

(s) "Shares" shall mean the Company's common stock, par value \$.01 per share, and such other securities or property as may become the subject of Awards, or become subject to Awards, pursuant to an adjustment made under Section 4(c) of the Plan.

(t) "Stock Appreciation Right" shall mean any right granted under Section 6(b) of the Plan.

### Section 3. Administration

The Committee shall administer the Plan, and subject to the terms of the Plan and applicable law, the Committee's authority shall include without limitation the power to:

(i) designate Participants;

(ii) determine the types of Awards to be granted;

(iii) determine the number of Shares to be covered by Awards and any payments, rights or other matters to be calculated in connection therewith;

(iv) determine the terms and conditions of Awards and amend the terms and conditions of outstanding Awards;

(v) determine how, whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Shares, other securities, other Awards or other property, or canceled, forfeited or suspended;

(vi) determine how, whether, to what extent, and under what circumstances cash, Shares, other securities, other Awards, other property and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the holder thereof or of the Committee;

(vii) determine the methods or procedures for establishing the fair market value of any property (including, without limitation, any Shares or other securities) transferred, exchanged, given or received with respect to the Plan or any Award;

(viii) prescribe and amend the forms of Award Agreements and other instruments required under or advisable with respect to the Plan;

(ix) designate Options granted to key employees of the Company or its subsidiaries as Incentive Stock Options;

(x) interpret and administer the Plan, Award Agreements, Awards and any contract, document, instrument or agreement relating thereto;

(xi) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the administration of the Plan;

(xii) decide all questions and settle all controversies and disputes which may arise in connection with the Plan, Award Agreements and Awards;

(xiii) delegate to directors of the Company who need not be "disinterested persons" within the meaning of Rule 16b-3 the authority to designate Participants and grant Awards, provided such Participants are not directors or officers of the Company for purposes of Section 16; and

(xiv) make any other determination and take any other action that the Committee deems necessary or desirable for the interpretation, application and administration of the Plan, Award Agreements and Awards.

All designations, determinations, interpretations and other decisions under or with respect to the Plan, Award Agreements or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding upon all persons, including the Company, Affiliates, Participants, beneficiaries of Awards and stockholders of the Company.

#### Section 4. Shares Available for Awards

(a) Shares Available. Subject to adjustment as provided in Section 4(c):

(i) Initial Authorization. There shall be 2,000,000 Shares initially available for issuance under the Plan.

(ii) Acquired Shares. In addition to the amount set forth above, up to 2,000,000 Shares acquired by the Company subsequent to the effectiveness of the Plan as full or partial payment for the exercise price for an Option or any other stock option granted by the Company, or acquired by the Company, in open market transactions or otherwise, in connection with the Plan or any Award hereunder or any other employee stock option or restricted stock issued by the Company may thereafter be included in the Shares available for Awards. If any Shares covered by an Award or to which an Award relates are forfeited, or if an Award expires, terminates or is cancelled, then the Shares covered by such Award, or to which such Award relates, or the number of Shares otherwise counted against the aggregate number of Shares available under the Plan by reason of such Award, to the extent of any such forfeiture, expiration, termination or cancellation, may thereafter be available for further granting of Awards and included as acquired Shares for purposes of the preceding sentence.

(iii) Additional Shares. Shares acquired by the Company in the circumstances set forth in (ii) above in excess of the amount set forth therein may thereafter be included in the Shares available for Awards to the extent permissible for purposes of allowing the Plan to continue to satisfy the conditions of Rule 16b-3.

(iv) Accounting for Awards. For purposes of this Section 4,

(A) if an Award (other than a Dividend Equivalent) is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the date of grant of such Award against the aggregate number of Shares available for granting Awards under the Plan to the extent determinable on such date and insofar as the number of Shares is not then determinable under procedures adopted by the Committee consistent with the purposes of the Plan; and

(B) Dividend Equivalents and Awards not denominated in Shares shall be counted against the aggregate number of Shares available for granting Awards under the Plan in such amount and at such time as the Committee shall determine under procedures adopted by the Committee consistent with the purposes of the Plan;

provided, however, that Awards that operate in tandem with (whether granted simultaneously with or at a different time from), or that are substituted for, other Awards or restricted stock awards or stock options granted under any other plan of the Company may be counted or not counted under procedures adopted by the Committee in order to avoid double counting. Any Shares that are delivered by the Company or its Affiliates, and any Awards that are granted by, or become obligations of, the Company, through the assumption by the Company of, or in substitution for, outstanding restricted stock awards or stock options previously granted by an acquired company shall not, except in the case of Awards granted to Participants who are directors or officers of the Company for purposes of Section 16, be counted against the Shares available for granting Awards under the Plan.

(v) Sources of Shares Deliverable Under Awards. Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized but unissued Shares or of Shares reacquired by the Company, including but not limited to Shares purchased on the open market.

(b) Individual Stock-Based Awards. Subject to adjustment as provided in Section 4(c), no Participant may receive stock-based Awards under the Plan in any calendar year that relate to more than 400,000 Shares; provided, however, that such number may be increased with respect to any Participant by any Shares available for grant to such Participant in accordance with this Paragraph 4(b) in any prior years that were not granted in such prior years. No provision of this Paragraph 4(b) shall be construed as limiting the amount of any cash-based Award which may be granted to any Participant.

(c) Adjustments. Upon the occurrence of any dividend or other distribution (whether in the form of cash, Shares, other securities or other property), change in the capital or shares of capital stock, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company or extraordinary transaction or event which affects the Shares, then the Committee shall have the authority to make such adjustment, if any, in such manner as it deems appropriate, in (i) the number and type of Shares (or other securities or property) which thereafter may be made the subject of Awards, (ii) outstanding Awards including without limitation the number and type of Shares (or other securities or property) subject thereto, and (iii) the grant, purchase or exercise price with respect to outstanding Awards and, if deemed appropriate, make provision for cash payments to the holders of outstanding Awards; provided, however, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

#### Section 5. Eligibility

Any employee of or consultant to the Company or any Affiliate, including any officer of the Company (who may also be a director, but excluding a member of the Committee, any person who serves only as a director of the Company and any consultant to the Company or an Affiliate who is also a director of the Company and who is not rendering services pursuant to a written agreement with the entity in question), as may be selected from time to time by the Committee or by the directors to whom authority may be delegated pursuant to Section 3 hereof in its or their discretion, is eligible to be designated a Participant.

#### Section 6. Awards

(a) Options. The Committee is authorized to grant Options to Participants.

(i) Committee Determinations. Subject to the terms of the Plan, the Committee shall determine:

(A) the purchase price per Share under each Option;

(B) the term of each Option; and

(C) the time or times at which an Option may be exercised, in whole or in part, the method or methods by which and the form or forms (including, without limitation, cash, Shares, other Awards or other property, or any combination thereof, having a fair market value on the exercise date equal to the relevant exercise price) in which payment of the exercise price with respect thereto may be made or deemed to have been made. The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code, or any successor provision thereto, and any regulations promulgated thereunder.

Subject to the terms of the Plan, the Committee may impose such conditions or restrictions on any Option as it deems appropriate.

(ii) Other Terms. Unless otherwise determined by the Committee:

(A) A Participant electing to exercise an Option shall give written notice to the Company, as may be specified by the Committee, of exercise of the Option and the number of Shares elected for exercise, such notice to be accompanied by such instruments or documents as may be required by the Committee, and shall tender the purchase price of the Shares elected for exercise.

(B) At the time of exercise of an Option payment in full in cash shall be made for all Shares then being purchased.

(C) The Company shall not be obligated to issue any Shares unless and until:

(I) if the class of Shares at the time is listed upon any stock exchange, the Shares to be issued have been listed, or authorized to be added to the list upon official notice of issuance, upon such exchange, and

(II) in the opinion of the Company's counsel there has been compliance with applicable law in connection with the issuance and delivery of Shares and such issuance shall have been approved by the Company's counsel.

Without limiting the generality of the foregoing, the Company may require from the Participant such investment representation or such agreement, if any, as the Company's counsel may consider necessary in order to comply with the Securities Act of 1933 as then in effect, and may require that the Participant agree that any sale of the Shares will be made only in such manner as shall be in accordance with law and that the Participant will notify the Company of any intent to make any disposition of the Shares whether by sale, gift or otherwise. The Participant shall take any action reasonably requested by the Company in such connection. A Participant shall have the rights of a stockholder only as and when Shares have been actually issued to the Participant pursuant to the Plan.

(D) If the employment of or consulting arrangement with a Participant terminates for any reason (including termination by reason of the fact that an entity is no longer an Affiliate) other than the Participant's death, the Participant may thereafter exercise the Option as provided below, except that the Committee may terminate the unexercised portion of the Option concurrently with or at any time following termination of the employment or consulting arrangement (including termination of employment upon a change of status from employee to consultant) if it shall determine that the Participant has engaged in any activity detrimental to the interests of the Company or an Affiliate. If such termination is voluntary on the part of the Participant, the option may be exercised only within ten days after the date of termination. If such termination is involuntary on the part of the Participant, if an employee retires on or after normal retirement date or if the employment or consulting relationship is terminated by reason of permanent and total disability, the Option may be exercised within three months after the date of termination or retirement. For purposes of this Paragraph (D), a Participant's employment or consulting arrangement shall not be considered terminated (i) in the case of approved sick leave or other bona fide leave of absence (not to exceed one year), (ii) in the case of a transfer of employment or the consulting arrangement among the Company and Affiliates, or (iii) by virtue of a change of status from employee to consultant or from consultant to employee, except as provided above.

(E) If a Participant dies at a time when entitled to exercise an Option, then at any time or times within one year after death such Option may be exercised, as to all or any of the Shares which the Participant was entitled to purchase immediately prior to death. The Company may decline to deliver Shares to a designated beneficiary until it receives indemnity against claims of third parties satisfactory to the Company. Except as so exercised such Option shall expire at the end of such period.

(F) An Option may be exercised only if and to the extent such Option was exercisable at the date of termination of employment or the consulting arrangement, and an Option may not be exercised at a time when the Option would not have been exercisable had the employment or consulting arrangement continued.

(iii) Restoration Options. The Committee may grant a Participant the right to receive a restoration Option with respect to an Option or any other option granted by the Company. Unless the Committee shall otherwise determine, a restoration Option shall provide that the underlying option must be exercised while the Participant is an employee of or consultant to the Company or an Affiliate and the number of Shares which are subject to a restoration Option shall not exceed the number of whole Shares exchanged in payment of the original option.

(b) Stock Appreciation Rights. The Committee is authorized to grant Stock Appreciation Rights to Participants. Subject to the terms of the Plan, a Stock Appreciation Right granted under the Plan shall confer on the holder thereof a right to receive, upon exercise thereof, the excess of (i) the fair market value of one Share on the date of exercise or, if the Committee shall so determine in the case of any such right other than one related to any Incentive Stock Option, at any time during a specified period before or after the date of exercise over (ii) the grant price of the right as specified by the Committee. Subject to the terms of the Plan, the Committee shall determine the grant price, term, methods of exercise and settlement and any other terms and conditions of any Stock Appreciation Right and may impose such conditions or restrictions on the exercise of any Stock Appreciation Right as it may deem appropriate.

(c) Restricted Stock and Restricted Stock Units.

(i) Issuance. The Committee is authorized to grant to Participants Awards of Restricted Stock, which shall consist of Shares, and Restricted Stock Units which shall give the Participant the right to receive cash, other securities, other Awards or other property, in each case subject to the



termination of the Restricted Period determined by the Committee.

(ii) Restrictions. The Restricted Period may differ among Participants and may have different expiration dates with respect to portions of Shares covered by the same Award. Subject to the terms of the Plan, Awards of Restricted Stock and Restricted Stock Units shall have such restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive any dividend or other right or property), which restrictions may lapse separately or in combination at such time or times, in installments or otherwise. Unless the Committee shall otherwise determine, any Shares or other securities distributed with respect to Restricted Stock or which a Participant is otherwise entitled to receive by reason of such Shares shall be subject to the restrictions contained in the applicable Award Agreement. Subject to the aforementioned restrictions and the provisions of the Plan, Participants shall have all of the rights of a stockholder with respect to Shares of Restricted Stock.

(iii) Registration. Restricted Stock granted under the Plan may be evidenced in such manner as the Committee may deem appropriate, including, without limitation, book-entry registration or issuance of stock certificates.

(iv) Forfeiture. Except as otherwise determined by the Committee:

(A) If the employment of or consulting arrangement with a Participant terminates for any reason (including termination by reason of the fact that any entity is no longer an Affiliate), other than the Participant's death or permanent and total disability or, in the case of an employee, retirement on or after normal retirement date, all Shares of Restricted Stock theretofore awarded to the Participant which are still subject to restrictions shall upon such termination of employment or the consulting relationship be forfeited and transferred back to the Company. Notwithstanding the foregoing or Paragraph (C) below, if a Participant continues to hold an Award of Restricted Stock following termination of the employment or consulting arrangement (including retirement and termination of employment upon a change of status from employee to consultant), the Shares of Restricted Stock which remain subject to restrictions shall nonetheless be forfeited and transferred back to the Company if the Committee at any time thereafter determines that the Participant has engaged in any activity detrimental to the interests of the Company or an Affiliate. For purposes of this Paragraph (A), a Participant's em-

ployment or consulting arrangement shall not be considered terminated (i) in the case of approved sick leave or other bona fide leave of absence (not to exceed one year), (ii) in the case of a transfer of employment or the consulting arrangement among the Company and Affiliates, or (iii) by virtue of a change of status from employee to consultant or from consultant to employee, except as provided above.

(B) If a Participant ceases to be employed or retained by the Company or an Affiliate by reason of death or permanent and total disability or if following retirement a Participant continues to have rights under an Award of Restricted Stock and thereafter dies, the restrictions contained in the Award shall lapse with respect to such Restricted Stock.

(C) If an employee ceases to be employed by the Company or an Affiliate by reason of retirement on or after normal retirement date, the restrictions contained in the Award of Restricted Stock shall continue to lapse in the same manner as though employment had not terminated.

(D) At the expiration of the Restricted Period as to Shares covered by an Award of Restricted Stock, the Company shall deliver the Shares as to which the Restricted Period has expired, as follows:

(1) if an assignment to a trust has been made in accordance with Section 6(g)(iv)(B)(1)(c), to such trust; or

(2) if the Restricted Period has expired by reason of death and a beneficiary has been designated in a form approved by the Company, to the beneficiary so designated; or

(3) in all other cases, to the Participant or the legal representative of the Participant's estate.

(d) Performance Awards. The Committee is authorized to grant Performance Awards to Participants. Subject to the terms of the Plan, a Performance Award granted under the Plan (i) may be denominated or payable in cash, Shares (including, without limitation, Restricted Stock), other securities, other Awards, or other property and (ii) shall confer on the holder thereof rights valued as determined by the Committee and payable to, or exercisable by, the holder of the Performance Award, in whole or in part, upon the achievement of such performance goals during such performance periods as the Committee shall establish. Subject to

the terms of the Plan, the performance goals to be achieved during any performance period, the length of any performance period, the amount of any Performance Award granted, the amount of any payment or transfer to be made pursuant to any Performance Award and other terms and conditions shall be determined by the Committee.

(e) Dividend Equivalents. The Committee is authorized to grant to Participants Awards under which the holders thereof shall be entitled to receive payments equivalent to dividends or interest with respect to a number of Shares determined by the Committee, and the Committee may provide that such amounts (if any) shall be deemed to have been reinvested in additional Shares or otherwise reinvested. Subject to the terms of the Plan, such Awards may have such terms and conditions as the Committee shall determine.

(f) Other Stock-Based Awards. The Committee is authorized to grant to Participants such other Awards that are denominated or payable in, valued in whole or in part by reference to or otherwise based on or related to Shares (including, without limitation, securities convertible into Shares), as are deemed by the Committee to be consistent with the purposes of the Plan, provided, however, that such grants to persons who are subject to Section 16 must comply with the provisions of Rule 16b-3. Subject to the terms of the Plan, the Committee shall determine the terms and conditions of such Awards. Shares or other securities delivered pursuant to a purchase right granted under this Section 6(f) shall be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards or other property or any combination thereof, as the Committee shall determine.

(g) General.

(i) No Cash Consideration for Awards. Awards may be granted for no cash consideration or for such minimal cash consideration as may be required by applicable law.

(ii) Awards May Be Granted Separately or Together. Awards may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with or in substitution for any other Award or any award granted under any other plan of the Company or any Affiliate. Awards granted in addition to or in tandem with other Awards or in addition to or in tandem with awards granted under another plan of the Company or any Affiliate, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(iii) Forms of Payment Under Awards. Subject to the terms of the Plan and of any applicable Award Agreement, payments or transfers to be made by the Company or an Affiliate upon the grant, exercise, or payment of an Award may

be made in such form or forms as the Committee shall determine, including, without limitation, cash, Shares, other securities, other Awards, or other property, or any combination thereof, and may be made in a single payment or transfer, in installments, or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of Dividend Equivalents in respect of installment or deferred payments.

(iv) Limits on Transfer of Awards.

(A) Except as the Committee may otherwise determine, no Award or right under any Award may be sold, encumbered, pledged, alienated, attached, assigned or transferred in any manner and any attempt to do any of the foregoing shall be void and unenforceable against the Company.

(B) Notwithstanding the provisions of Paragraph (A) above:

(1) Except as set forth in Paragraph (2) below, a Participant may assign or transfer an Option or rights under an Award of Restricted Stock or Restricted Stock Units:

(a) to a beneficiary designated by the Participant in writing on a form approved by the Committee;

(b) by will or the applicable laws of descent and distribution to the personal representative, executor or administrator of the Participant's estate; or

(c) to a revocable grantor trust established by the Participant for the sole benefit of the Participant during the Participant's life, and under the terms of which the Participant is and remains the sole trustee until death or physical or mental incapacity. Such assignment shall be effected by a written instrument in form and content satisfactory to the Committee, and the Participant shall deliver to the Committee a true copy of the agreement or other document evidencing such trust. If in the judgment of the Committee the trust to which a Participant may attempt to assign rights under such an

Award does not meet the criteria of a trust to which an assignment is permitted by the terms hereof, or if after assignment, because of amendment, by force of law or any other reason such trust no longer meets such criteria, such attempted assignment shall be void and may be disregarded by the Committee and the Company and all rights to any such Awards shall revert to and remain solely in the Participant. Notwithstanding a qualified assignment, the Participant, and not the trust to which rights under such an Award may be assigned, for the purpose of determining compensation arising by reason of the Award, shall continue to be considered an employee or consultant, as the case may be, of the Company or an Affiliate, but such trust and the Participant shall be bound by all of the terms and conditions of the Award Agreement and this Plan. Shares issued in the name of and delivered to such trust shall be conclusively considered issuance and delivery to the Participant.

(2) The Committee shall not permit directors or officers of the Company for purposes of Section 16 to transfer or assign Awards except as permitted under Rule 16b-3.

(C) The Committee, the Company and its officers, agents and employees may rely upon any beneficiary designation, assignment or other instrument of transfer, copies of trust agreements and any other documents delivered to them by or on behalf of the Participant which they believe genuine and any action taken by them in reliance thereon shall be conclusive and binding upon the Participant, the personal representatives of the Participant's estate and all persons asserting a claim based on an Award. The delivery by a Participant of a beneficiary designation, or an assignment of rights under an Award as permitted hereunder, shall constitute the Participant's irrevocable undertaking to hold the Committee, the Company and its officers, agents and employees harmless against claims, including any cost or expense incurred in defending against claims, of any person (including the Participant) which may be asserted or alleged to be based on an Award, subject to a beneficiary designation or an assignment. In addition, the Company may decline to deliver Shares to a beneficiary until it receives indemnity against claims of third parties satisfactory to the Company.

(v) Share Certificates. All certificates for Shares or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares or other securities are then listed and any applicable Federal or state securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(vi) Change in Control. (A) Notwithstanding any of the provisions of this Plan or instruments evidencing Awards granted hereunder, upon a Change in Control (as hereinafter defined) the vesting of all rights of Participants under outstanding Awards shall be accelerated and all restrictions thereon shall terminate in order that Participants may fully realize the benefits thereunder. Such acceleration shall include, without limitation, the immediate exercisability in full of all Options and the termination of restrictions on Restricted Stock and Restricted Stock Units. Further, in addition to the Committee's authority set forth in Section 4(c), the Committee, as constituted before such Change in Control, is authorized, and has sole discretion, as to any Award, either at the time such Award is made hereunder or any time thereafter, to take any one or more of the following actions: (i) provide for the purchase of any such Award, upon the Participant's request, for an amount of cash equal to the amount that could have been attained upon the exercise of such Award or realization of the Participant's rights had such Award been currently exercisable or payable; (ii) make such adjustment to any such Award then outstanding as the Committee deems appropriate to reflect such Change in Control; and (iii) cause any such Award then outstanding to be assumed, or new rights substituted therefor, by the acquiring or surviving corporation after such Change in Control.

(B) A Change in Control shall occur if:

(1) any "person" or "group of persons" as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, other than pursuant to a transaction or agreement previously approved by the Board of Directors of the Company, directly or indirectly purchases or otherwise becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) or has the right to acquire such beneficial ownership (whether or not such right is exercisable immediately, with the passage of time, or subject to any condition) of voting securities representing 25 percent or more of the combined voting power of all outstanding voting securities of (A) the

Company or (B) an Affiliated Party (as hereinafter defined); or

(2) during any period of twenty-four consecutive calendar months, the individuals who at the beginning of such period constitute the Company's Board of Directors, and any new directors whose election by such Board or nomination for election by stockholders was approved by a vote of at least two-thirds of the members of such Board who were either directors on such Board at the beginning of the period or whose election or nomination for election as directors was previously so approved, for any reason cease to constitute at least a majority of the members thereof.

An "Affiliated Party" shall mean (x) MascoTech, Inc., a Delaware corporation ("MascoTech"), provided MascoTech then owns at least twenty percent of the combined voting power of all voting securities of the Company, or (y) Masco Corporation, a Delaware corporation ("Masco"), provided Masco then owns (i) at least twenty percent of the combined voting power of all voting securities of the Company, or (ii) at least twenty percent of the combined voting power of all voting securities of MascoTech and Masco Corporation together then own an aggregate of at least twenty percent of the combined voting power of all voting securities of the Company.

(vii) Cash Settlement. Notwithstanding any provision of this Plan or of any Award Agreement to the contrary, any Award outstanding hereunder may at any time be cancelled in the Committee's sole discretion upon payment of the value of such Award to the holder thereof in cash or in another Award hereunder, such value to be determined by the Committee in its sole discretion.

#### Section 7. Amendment and Termination

Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan:

(a) Amendments to the Plan. The Board of Directors of the Company may amend the Plan and the Board of Directors or the Committee may amend any outstanding Award; provided, however, that (i) no Plan amendment shall be effective until approved by stockholders of the Company insofar as stockholder approval thereof is required in order for the Plan to continue to satisfy the conditions of Rule 16b-3, and (ii) without the consent of affected Participants no amendment of the Plan or of any Award may impair the rights of Participants under outstanding Awards.

(b) Waivers. The Committee may waive any conditions or rights under any Award theretofore granted, prospectively or retroactively, without the consent of any Participant.

(c) Adjustments of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events. The Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 4(c) hereof) affecting the Company, any Affiliate, or the financial statements of the Company or any Affiliate, or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits to be made available under the Plan.

(d) Correction of Defects, Omissions, and Inconsistencies. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to effectuate the Plan.

#### Section 8. General Provisions

(a) No Rights to Awards. No Participant or other person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards under the Plan. The terms and conditions of Awards of the same type and the determination of the Committee to grant a waiver or modification of any Award and the terms and conditions thereof need not be the same with respect to each Participant.

(b) Withholding. The Company or any Affiliate shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan the amount (in cash, Shares, other securities, other Awards or other property) of withholding taxes due in respect of an Award, its exercise or any payment or transfer under such Award or under the Plan and to take such other action as may be necessary in the opinion of the Company or Affiliate to satisfy all obligations for the payment of such taxes.

(c) No Limit on Other Compensation Arrangements. Nothing contained in the Plan shall prevent the Company or any Affiliate from adopting or continuing in effect other or additional compensation arrangements, including the grant of options and other stock-based awards, and such arrangements may be either generally applicable or applicable only in specific cases.



(d) No Right to Employment. The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of the Company or any Affiliate. Further, the Company or an Affiliate may at any time dismiss a Participant from employment, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or other written agreement with the Participant.

(e) Governing Law. The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Michigan and applicable Federal law.

(f) Severability. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, person or Award, and the remainder of the Plan and any such Award shall remain in full force and effect.

(g) No Trust or Fund Created. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any Affiliate pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company or any Affiliate.

(h) No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash, other securities, or other property shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated or otherwise eliminated.

(i) Headings. Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

Section 9. Effective Date of the Plan

The Plan shall be effective as of the date of its approval by the Company's stockholders.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM TRIMAS CORPORATION'S 2ND QUARTER 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

6-MOS	DEC-31-1995	
	JUN-30-1995	
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		87,140,000
		1,940,000
		82,510,000
		284,520,000
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		109,340,000
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60,430,000		238,400,000
		370,000
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		0
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646,270,000		299,520,000
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		201,390,000
		201,390,000
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		19,590,000
30,000,000		0
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		30,000,000
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		.76