

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended March 31, 2017

Or

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

For the Transition Period from _____ to _____.

Commission file number 001-10716

TRIMAS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	38-2687639 (IRS Employer Identification No.)
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39400 Woodward Avenue, Suite 130

Bloomfield Hills, Michigan 48304

(Address of principal executive offices, including zip code)

(248) 631-5450

(Registrant's telephone number, including area code)

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 No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	(Do not check if a smaller reporting company)	
		Smaller reporting company	<input type="radio"/>
		Emerging growth company	<input type="radio"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 20, 2017, the number of outstanding shares of the Registrant's common stock, \$0.01 par value, was 45,713,035 shares.

TriMas Corporation

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Forward-Looking Statements

This report may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 about our financial condition, results of operations and business. These forward-looking statements can be identified by the use of forward-looking words, such as “may,” “could,” “should,” “estimate,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “target,” “plan” or other comparable words, or by discussions of strategy that may involve risks and uncertainties.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties which could materially affect our business, financial condition or future results including, but not limited to: the Company's leverage; liabilities imposed by the Company's debt instruments; market demand; competitive factors; supply constraints; material and energy costs; risks and uncertainties associated with intangible assets, including goodwill or other intangible asset impairment charges; technology factors; litigation; government and regulatory actions; the Company's accounting policies; future trends; general economic and currency conditions; the potential impact of Brexit; various conditions specific to the Company's business and industry; the Company's ability to identify attractive acquisition candidates, successfully integrate acquired operations or realize the intended benefits of such acquisitions; potential costs and savings related to facility consolidation activities; future prospects of the Company; and other risks that are discussed in Part I, Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2016. The risks described in our Annual Report on Form 10-K and elsewhere in this report are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deemed to be immaterial also may materially adversely affect our business, financial position and results of operations or cash flows.

The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We caution readers not to place undue reliance on the statements, which speak only as of the date of this report. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events.

We disclose important factors that could cause our actual results to differ materially from our expectations implied by our forward-looking statements under Part I, Item 2, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," and elsewhere in this report. These cautionary statements qualify all forward-looking statements attributed to us or persons acting on our behalf. When we indicate that an event, condition or circumstance could or would have an adverse effect on us, we mean to include effects upon our business, financial and other conditions, results of operations, prospects and ability to service our debt.

PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

TriMas Corporation
Consolidated Balance Sheet
(Dollars in thousands)

Assets	March 31, 2017	December 31, 2016
	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 22,640	\$ 20,710
Receivables, net of reserves of approximately \$4.0 million and \$4.6 million as of March 31, 2017 and December 31, 2016, respectively	119,240	111,570
Inventories	159,010	160,460
Prepaid expenses and other current assets	7,980	16,060
Total current assets	308,870	308,800
Property and equipment, net	184,000	179,160
Goodwill	316,110	315,080
Other intangibles, net	209,100	213,920
Other assets	34,810	34,690
Total assets	\$ 1,052,890	\$ 1,051,650
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities, long-term debt	\$ 13,770	\$ 13,810
Accounts payable	76,850	72,270
Accrued liabilities	40,880	47,190
Total current liabilities	131,500	133,270
Long-term debt, net	353,110	360,840
Deferred income taxes	8,070	5,910
Other long-term liabilities	50,130	51,910
Total liabilities	542,810	551,930
Preferred stock, \$0.01 par: Authorized 100,000,000 shares; Issued and outstanding: None	—	—
Common stock, \$0.01 par: Authorized 400,000,000 shares; Issued and outstanding: 45,711,986 shares at March 31, 2017 and 45,520,598 shares at December 31, 2016	460	460
Paid-in capital	818,600	817,580
Accumulated deficit	(286,930)	(293,920)
Accumulated other comprehensive loss	(22,050)	(24,400)
Total shareholders' equity	510,080	499,720
Total liabilities and shareholders' equity	\$ 1,052,890	\$ 1,051,650

The accompanying notes are an integral part of these financial statements.

TriMas Corporation
Consolidated Statement of Income
(Unaudited—dollars in thousands, except for per share amounts)

	Three months ended March 31,	
	2017	2016
Net sales	\$ 199,830	\$ 202,880
Cost of sales	(148,070)	(146,960)
Gross profit	51,760	55,920
Selling, general and administrative expenses	(36,020)	(39,470)
Operating profit	15,740	16,450
Other expense, net:		
Interest expense	(3,550)	(3,440)
Other expense, net	(610)	(60)
Other expense, net	(4,160)	(3,500)
Income before income tax expense	11,580	12,950
Income tax expense	(4,590)	(4,650)
Net income	\$ 6,990	\$ 8,300
Basic earnings per share:		
Net income per share	\$ 0.15	\$ 0.18
Weighted average common shares—basic	45,570,495	45,278,990
Diluted earnings per share:		
Net income per share	\$ 0.15	\$ 0.18
Weighted average common shares—diluted	45,908,958	45,654,816

The accompanying notes are an integral part of these financial statements.

TriMas Corporation
Consolidated Statement of Comprehensive Income
(Unaudited—dollars in thousands)

	Three months ended	
	March 31,	
	2017	2016
Net income	\$ 6,990	\$ 8,300
Other comprehensive income (loss):		
Defined benefit pension and postretirement plans (Note 13)	170	150
Foreign currency translation	1,800	(2,660)
Derivative instruments (Note 8)	380	(2,960)
Total other comprehensive income (loss)	2,350	(5,470)
Total comprehensive income	\$ 9,340	\$ 2,830

The accompanying notes are an integral part of these financial statements.

TriMas Corporation
Consolidated Statement of Cash Flows
(Unaudited—dollars in thousands)

	Three months ended March 31,	
	2017	2016
Cash Flows from Operating Activities:		
Net income	\$ 6,990	\$ 8,300
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Loss on dispositions of assets	4,170	590
Depreciation	5,800	5,940
Amortization of intangible assets	4,990	5,100
Amortization of debt issue costs	350	340
Deferred income taxes	1,870	(20)
Non-cash compensation expense	1,470	1,970
Tax effect from stock based compensation	—	620
Increase in receivables	(7,590)	(11,210)
(Increase) decrease in inventories	(420)	330
Decrease in prepaid expenses and other assets	8,070	7,700
Decrease in accounts payable and accrued liabilities	(3,160)	(23,660)
Other operating activities	(570)	660
Net cash provided by (used for) operating activities	<u>21,970</u>	<u>(3,340)</u>
Cash Flows from Investing Activities:		
Capital expenditures	(10,740)	(5,980)
Net proceeds from disposition of property and equipment	30	120
Net cash used for investing activities	<u>(10,710)</u>	<u>(5,860)</u>
Cash Flows from Financing Activities:		
Repayments of borrowings on term loan facilities	(3,470)	(3,470)
Proceeds from borrowings on revolving credit and accounts receivable facilities	186,640	117,130
Repayments of borrowings on revolving credit and accounts receivable facilities	(191,760)	(97,220)
Shares surrendered upon options and restricted stock vesting to cover taxes	(450)	(650)
Other financing activities	(290)	(620)
Net cash provided by (used for) financing activities	<u>(9,330)</u>	<u>15,170</u>
Cash and Cash Equivalents:		
Net increase for the period	1,930	5,970
At beginning of period	20,710	19,450
At end of period	<u>\$ 22,640</u>	<u>\$ 25,420</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 3,050</u>	<u>\$ 2,980</u>
Cash paid for taxes	<u>\$ 1,230</u>	<u>\$ 1,780</u>

The accompanying notes are an integral part of these financial statements.

TriMas Corporation
Consolidated Statement of Shareholders' Equity
Three Months Ended March 31, 2017
(Unaudited—dollars in thousands)

	Common Stock	Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
Balances, December 31, 2016	\$ 460	\$ 817,580	\$ (293,920)	\$ (24,400)	\$ 499,720
Net income	—	—	6,990	—	6,990
Other comprehensive income	—	—	—	2,350	2,350
Shares surrendered upon options and restricted stock vesting to cover taxes	—	(450)	—	—	(450)
Non-cash compensation expense	—	1,470	—	—	1,470
Balances, March 31, 2017	<u>\$ 460</u>	<u>\$ 818,600</u>	<u>\$ (286,930)</u>	<u>\$ (22,050)</u>	<u>\$ 510,080</u>

The accompanying notes are an integral part of these financial statements.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

TriMas Corporation ("TriMas" or the "Company"), and its consolidated subsidiaries, is a global manufacturer and distributor of products for commercial, industrial and consumer markets. The Company is principally engaged in the following reportable segments with diverse products and market channels: Packaging, Aerospace, Energy and Engineered Components. See Note 10, "*Segment Information*," for further information on each of the Company's reportable segments.

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries and, in the opinion of management, contain all adjustments, including adjustments of a normal and recurring nature, necessary for a fair presentation of financial position and results of operations. Results of operations for interim periods are not necessarily indicative of results for the full year. The accompanying consolidated financial statements and notes thereto should be read in conjunction with the Company's 2016 Annual Report on Form 10-K.

2. New Accounting Pronouncements

Recently Issued Accounting Pronouncements

In March 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-07, "Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" ("ASU 2017-07"). ASU 2017-07 requires that the service cost component of net period pension and postretirement benefit cost be presented in the same line item as other employee compensation costs, while the other components be presented separately as non-operating income (expense). ASU 2017-07 also allows only the service cost component to be eligible for capitalization when applicable. ASU 2017-07 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, with early adoption permitted. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, "Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment" ("ASU 2017-04"), which simplifies the test for goodwill impairment by eliminating the requirement to perform a hypothetical purchase price allocation to measure the amount of goodwill impairment. ASU 2017-04 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2019, with early adoption permitted. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, "Business Combinations (Topic 805): Clarifying the Definition of a Business" ("ASU 2017-01"). ASU 2017-01 provides guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. ASU 2017-01 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, with early adoption permitted under certain circumstances. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16, "Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory" ("ASU 2016-16"), which requires that income tax consequences of an intra-entity transfer of an asset other than inventory are recognized when the transfer occurs. ASU 2016-16 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, and is to be applied using a modified retrospective approach with early adoption permitted. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" ("ASU 2016-15"), which clarifies how certain cash receipts and cash payments are presented and classified in the statement of cash flows. ASU 2016-15 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, and is to be applied using a retrospective approach with early adoption permitted. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" ("ASU 2016-02"), which requires that lessees, at the lease commencement date, recognize a lease liability representing the lessee's obligation to make lease payments arising from a lease as well as a right-of-use asset, which represents the lessee's right to use, or control the use of a specified asset, for the lease term. The new guidance also aligns lessor accounting to the lessee accounting model and to Topic 606, "Revenue from Contracts with Customers." ASU 2016-02 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018, and is to be applied using a modified retrospective approach with early adoption permitted. The Company is in the process of assessing the impact of the adoption on its consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" ("ASU 2014-09"). ASU 2014-09 requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Since the issuance of the original standard, the FASB has issued several subsequent updates as disclosed within the Company's 2016 Annual Report on Form 10-K. Although the Company is still in the process of evaluating its contracts, the Company does not believe the adoption of this standard will have a material impact on the amount or timing of its revenues. The Company expects to adopt this standard on January 1, 2018 utilizing the modified retrospective approach. The Company continues to evaluate the impact of the adoption on its consolidated financial statements.

Recently Adopted Accounting Pronouncements

In March 2016, the FASB issued ASU 2016-09, "Compensation - Stock Compensation (Topic 718)" ("ASU 2016-09"), which simplifies several aspects of accounting for share-based payment award transactions, including income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. Certain of these changes are required to be applied retrospectively, while other changes are required to be applied prospectively. The Company adopted this standard on January 1, 2017. ASU 2016-09 requires prospective recognition of excess tax benefits and deficiencies in the income statement, which resulted in the recognition of a discrete tax benefit of \$0.3 million for the three months ended March 31, 2017. The Company elected to apply the cash flow classification guidance of ASU 2016-09 prospectively, with excess income tax benefits classified as an operating activity on the consolidated statement of cash flows. Finally, as excess tax benefits are no longer recognized in additional paid-in capital, the Company excluded the excess tax benefits from the assumed proceeds available to repurchase shares in the computation of diluted earning per share for the three months ended March 31, 2017.

3. Facility Closures

Reynosa, Mexico facility

In March 2017, the Company announced plans within the Energy reportable segment to cease production at its Reynosa, Mexico facility, and consolidate production into its Houston, Texas facility. While no significant costs were incurred as a result of the plans during the quarter ended March 31, 2017, the Company's manufacturing facility in Reynosa is subject to a lease agreement expiring in 2025, for which the Company is assessing the potential recoverability of its future lease obligations for this facility. The Company will record an estimate of future unrecoverable lease obligations, if any, upon the cease-use date of the facility, which the Company expects will be by June 30, 2017.

Wolverhampton, United Kingdom facility

In March 2017, the Company exited its Wolverhampton, United Kingdom facility within the Energy reportable segment. In connection with this action, during the first quarter of 2017 the Company recorded pre-tax charges of approximately \$3.5 million within selling, general and administrative expenses, of which approximately \$3.2 million were non-cash charges related to the disposal of certain assets.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

4. Goodwill and Other Intangible Assets

Changes in the carrying amount of goodwill for the three months ended March 31, 2017 are summarized as follows (dollars in thousands):

	Packaging	Aerospace	Energy	Engineered Components	Total
Balance, December 31, 2016	\$ 162,090	\$ 146,430	\$ —	\$ 6,560	\$ 315,080
Foreign currency translation and other	1,030	—	—	—	1,030
Balance, March 31, 2017	<u>\$ 163,120</u>	<u>\$ 146,430</u>	<u>\$ —</u>	<u>\$ 6,560</u>	<u>\$ 316,110</u>

The Company amortizes its other intangible assets over periods ranging from one to 30 years. The gross carrying amounts and accumulated amortization of the Company's other intangibles as of March 31, 2017 and December 31, 2016 are summarized below (dollars in thousands):

Intangible Category by Useful Life	As of March 31, 2017		As of December 31, 2016	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets:				
Customer relationships, 5 – 12 years	\$ 73,820	\$ (35,200)	\$ 73,570	\$ (33,200)
Customer relationships, 15 – 25 years	132,230	(46,690)	132,230	(44,970)
Total customer relationships	206,050	(81,890)	205,800	(78,170)
Technology and other, 1 – 15 years	57,490	(26,880)	57,470	(26,040)
Technology and other, 17 – 30 years	43,300	(31,900)	43,300	(31,370)
Total technology and other	100,790	(58,780)	100,770	(57,410)
Indefinite-lived intangible assets:				
Trademark/Trade names	42,930	—	42,930	—
Total other intangible assets	<u>\$ 349,770</u>	<u>\$ (140,670)</u>	<u>\$ 349,500</u>	<u>\$ (135,580)</u>

Amortization expense related to intangible assets as included in the accompanying consolidated statement of income is summarized as follows (dollars in thousands):

	Three months ended March 31,	
	2017	2016
Technology and other, included in cost of sales	\$ 1,350	\$ 1,380
Customer relationships, included in selling, general and administrative expenses	3,640	3,720
Total amortization expense	<u>\$ 4,990</u>	<u>\$ 5,100</u>

5. Inventories

Inventories consist of the following components (dollars in thousands):

	March 31, 2017	December 31, 2016
Finished goods	\$ 91,050	\$ 95,290
Work in process	24,710	22,930
Raw materials	43,250	42,240
Total inventories	<u>\$ 159,010</u>	<u>\$ 160,460</u>

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

6. Property and Equipment, Net

Property and equipment consists of the following components (dollars in thousands):

	March 31, 2017	December 31, 2016
Land and land improvements	\$ 15,000	\$ 14,910
Buildings	70,880	71,100
Machinery and equipment	288,620	281,180
	<u>374,500</u>	<u>367,190</u>
Less: Accumulated depreciation	190,500	188,030
Property and equipment, net	<u>\$ 184,000</u>	<u>\$ 179,160</u>

Depreciation expense as included in the accompanying consolidated statement of income is as follows (dollars in thousands):

	Three months ended March 31,	
	2017	2016
Depreciation expense, included in cost of sales	\$ 5,200	\$ 5,230
Depreciation expense, included in selling, general and administrative expenses	600	710
Total depreciation expense	<u>\$ 5,800</u>	<u>\$ 5,940</u>

7. Long-term Debt

The Company's long-term debt consists of the following (dollars in thousands):

	March 31, 2017	December 31, 2016
Credit Agreement	\$ 327,740	\$ 333,720
Receivables facility and other	43,800	45,650
Debt issuance costs	(4,660)	(4,720)
	<u>366,880</u>	<u>374,650</u>
Less: Current maturities, long-term debt	13,770	13,810
Long-term debt, net	<u>\$ 353,110</u>	<u>\$ 360,840</u>

Credit Agreement

The Company is party to a credit agreement (the "Credit Agreement"), consisting of a \$500.0 million senior secured revolving credit facility, which permits borrowings denominated in specific foreign currencies ("Foreign Currency Loans"), subject to a \$75.0 million sub limit, which matures on June 30, 2020 and is subject to interest at London Interbank Offered Rates ("LIBOR") plus 1.625%, and a \$275.0 million senior secured term loan A facility ("Term Loan A Facility"), which matures on June 30, 2020 and is subject to interest at LIBOR plus 1.625%. The interest rate spread is based upon the leverage ratio, as defined, as of the most recent determination date.

The Credit Agreement also provides incremental term loan and/or revolving credit facility commitments in an amount not to exceed the greater of \$300.0 million and an amount such that, after giving effect to such incremental commitments and the incurrence of any other indebtedness substantially simultaneously with the making of such commitments, the senior secured net leverage ratio, as defined, is no greater than 2.50 to 1.00. The terms and conditions of any incremental term loan and/or revolving credit facility commitments must be no more favorable than the existing credit facility.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

The Company may be required to prepay a portion of its Term Loan A Facility in an amount equal to a percentage of the Company's excess cash flow, as defined, with such percentage based on the Company's leverage ratio, as defined. As of March 31, 2017, no amounts are due under this provision.

The Company's revolving credit facility allows for the issuance of letters of credit, not to exceed \$40.0 million in aggregate. At March 31, 2017, the Company had approximately \$73.4 million outstanding under its revolving credit facility and had approximately \$410.4 million potentially available after giving effect to approximately \$16.2 million of letters of credit issued and outstanding. At December 31, 2016, the Company had approximately \$75.9 million outstanding under its revolving credit facility and had approximately \$408.2 million potentially available after giving effect to approximately \$15.9 million of letters of credit issued and outstanding. However, including availability under its accounts receivable facility and after consideration of leverage restrictions contained in the Credit Agreement, the Company had approximately \$146.5 million and \$126.5 million at March 31, 2017 and December 31, 2016, respectively, of borrowing capacity available for general corporate purposes.

Principal payments required under the Credit Agreement for the Term Loan A Facility are approximately \$3.4 million due each fiscal quarter from December 2015 through September 2018 and approximately \$5.2 million due each fiscal quarter from December 2018 through March 2020, with final payment of approximately \$202.8 million due on June 30, 2020.

The debt under the Credit Agreement is an obligation of the Company and certain of its domestic subsidiaries and is secured by substantially all of the assets of such parties. Borrowings under the \$75.0 million foreign currency sub limit of the \$500.0 million senior secured revolving credit facility are secured by a pledge of the assets of the foreign subsidiary borrowers that are a party to the agreement. The Credit Agreement also contains various negative and affirmative covenants and other requirements affecting the Company and its subsidiaries, including restrictions on the incurrence of debt, liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, assets dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted payments, transactions with affiliates, restrictive agreements and amendments to charters, bylaws, and other material documents. The terms of the Credit Agreement also require the Company and its subsidiaries to meet certain restrictive financial covenants and ratios computed quarterly, including a maximum leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable securitization facility over consolidated EBITDA, as defined) and a minimum interest expense coverage ratio (consolidated EBITDA, as defined, over cash interest expense, as defined). At March 31, 2017, the Company was in compliance with its financial covenants contained in the Credit Agreement.

As of March 31, 2017 and December 31, 2016, the Company's Term Loan A Facility traded at approximately 99.6% of par value and the Company's revolving credit facility traded at approximately 99.3% of par value. The valuations of the Credit Agreement were determined based on Level 2 inputs under the fair value hierarchy, as defined.

Receivables Facility

The Company is party to an accounts receivable facility through TSPC, Inc. ("TSPC"), a wholly-owned subsidiary, to sell trade accounts receivable of substantially all of the Company's domestic business operations. Under this facility, TSPC, from time to time, may sell an undivided fractional ownership interest in the pool of receivables up to \$75.0 million to a third-party multi-seller receivables funding company. The net amount financed under the facility is less than the face amount of accounts receivable by an amount that approximates the purchaser's financing costs. The cost of funds under this facility consisted of a 1-month LIBOR-based rate plus a usage fee of 1.00% and a fee on the unused portion of the facility of 0.35% as of March 31, 2017 and 2016.

The Company had approximately \$43.7 million and \$45.5 million outstanding under the facility as of March 31, 2017 and December 31, 2016, respectively, and approximately \$11.1 million and \$10.1 million available but not utilized as of March 31, 2017 and December 31, 2016, respectively. Aggregate costs incurred under the facility were approximately \$0.3 million for the three months ended March 31, 2017 and approximately \$0.2 million for the three months ended March 31, 2016, and are included in interest expense in the accompanying consolidated statement of income. The facility expires on June 30, 2020.

The cost of funds fees incurred are determined by calculating the estimated present value of the receivables sold compared to their carrying amount. The estimated present value factor is based on historical collection experience and a discount rate based on a 1-month LIBOR-based rate plus the usage fee discussed above and is computed in accordance with the terms of the agreement. As of March 31, 2017, the cost of funds under the facility was based on an average liquidation period of the portfolio of approximately 1.8 months and an average discount rate of 1.7%.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(unaudited)

8. Derivative Instruments

The Company utilizes interest rate swap agreements to fix the LIBOR-based variable portion of the interest rate on its long-term debt. Terms of the interest rate swap agreements require the Company to receive a variable interest rate and pay a fixed interest rate. As of March 31, 2017, the Company had interest rate swap agreements in place that hedge a declining notional value of debt ranging from approximately \$241.7 million to approximately \$192.7 million, amortizing consistent with future scheduled debt principal payments. The interest rate swap agreements establish fixed interest rates in a range of 0.74% to 2.68% with various expiration terms extending to June 30, 2020. At inception, the interest rate swaps were and continue to be designated as cash flow hedges.

As of March 31, 2017 and December 31, 2016, the fair value carrying amount of the Company's derivative instruments are recorded as follows (dollars in thousands):

	Balance Sheet Caption	Asset / (Liability) Derivatives	
		March 31, 2017	December 31, 2016
Derivatives designated as hedging instruments			
Interest rate swaps	Prepaid expenses and other current assets	\$ 240	\$ 160
Interest rate swaps	Accrued liabilities	(810)	(870)
Interest rate swaps	Other long-term liabilities	(2,880)	(3,360)
Total derivatives designated as hedging instruments		\$ (3,450)	\$ (4,070)

The following table summarizes the loss recognized in accumulated other comprehensive income or loss ("AOCI") as of March 31, 2017 and December 31, 2016, and the amounts reclassified from AOCI into earnings for the three months ended March 31, 2017 and 2016 (dollars in thousands):

	Amount of Loss Recognized in AOCI on Derivative (Effective Portion, net of tax)		Location of Loss Reclassified from AOCI into Earnings (Effective Portion)	Amount of Loss Reclassified from AOCI into Earnings	
	As of March 31, 2017	As of December 31, 2016		Three months ended March 31,	
				2017	2016
Derivatives designated as hedging instruments					
Interest rate swaps	\$ (2,140)	\$ (2,520)	Interest expense	\$ (250)	\$ (110)

Over the next 12 months, the Company expects to reclassify approximately \$0.6 million of pre-tax deferred losses from AOCI to interest expense as the related interest payments for the designated interest rate swaps are funded.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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The fair value of the Company's derivatives are estimated using an income approach based on valuation techniques to convert future amounts to a single, discounted amount. Estimates of the fair value of the Company's interest rate swaps use observable inputs such as interest rate yield curves. Fair value measurements and the fair value hierarchy level for the Company's assets and liabilities measured at fair value on a recurring basis as of March 31, 2017 and December 31, 2016 are shown below (dollars in thousands):

	Description	Frequency	Asset / (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2017	Interest rate swaps	Recurring	\$ (3,450)	\$ —	\$ (3,450)	\$ —
December 31, 2016	Interest rate swaps	Recurring	\$ (4,070)	\$ —	\$ (4,070)	\$ —

9. Commitments and Contingencies

Asbestos

As of March 31, 2017, the Company was a party to 629 pending cases involving an aggregate of 5,310 claims primarily alleging personal injury from exposure to asbestos containing materials formerly used in gaskets (both encapsulated and otherwise) manufactured or distributed by certain of its subsidiaries for use primarily in the petrochemical refining and exploration industries. The following chart summarizes the number of claims, number of claims filed, number of claims dismissed, number of claims settled, the average settlement amount per claim and the total defense costs, excluding amounts reimbursed under the Company's primary insurance, at the applicable date and for the applicable periods:

	Claims pending at beginning of period	Claims filed during period	Claims dismissed during period	Claims settled during period	Average settlement amount per claim during period	Total defense costs during period
Fiscal Year Ended December 31, 2016	6,242	140	1,009	34	\$ 15,624	\$ 2,920,000
Three Months Ended March 31, 2017	5,339	76	96	9	\$ 5,444	\$ 617,600

In addition, the Company acquired various companies to distribute its products that had distributed gaskets of other manufacturers prior to acquisition. The Company believes that many of its pending cases relate to locations at which none of its gaskets were distributed or used.

The Company may be subjected to significant additional asbestos-related claims in the future, the cost of settling cases in which product identification can be made may increase, and the Company may be subjected to further claims in respect of the former activities of its acquired gasket distributors. The Company is unable to make a meaningful statement concerning the monetary claims made in the asbestos cases given that, among other things, claims may be initially made in some jurisdictions without specifying the amount sought or by simply stating the requisite or maximum permissible monetary relief, and may be amended to alter the amount sought. The large majority of claims do not specify the amount sought. Of the 5,310 claims pending at March 31, 2017, 60 set forth specific amounts of damages (other than those stating the statutory minimum or maximum). At March 31, 2017, of the 60 claims that set forth specific amounts, there were no claims seeking specific amounts for punitive damages. Below is a breakdown of the amount sought for those claims seeking specific amounts:

Range of damages sought (dollars in millions)	Compensatory		
	\$0.0 to \$0.6	\$0.6 to \$5.0	\$5.0+
Number of claims	2	20	38

In addition, relatively few of the claims have reached the discovery stage and even fewer claims have gone past the discovery stage.

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Total settlement costs (exclusive of defense costs) for all such cases, some of which were filed over 20 years ago, have been approximately \$8.4 million. All relief sought in the asbestos cases is monetary in nature. To date, approximately 40% of the Company's costs related to settlement and defense of asbestos litigation have been covered by its primary insurance. Effective February 14, 2006, the Company entered into a coverage-in-place agreement with its first level excess carriers regarding the coverage to be provided to the Company for asbestos-related claims when the primary insurance is exhausted. The coverage-in-place agreement makes asbestos defense costs and indemnity insurance coverage available to the Company that might otherwise be disputed by the carriers and provides a methodology for the administration of such expenses. Nonetheless, the Company believes it is likely there will be a period within the next six to 18 months, prior to the commencement of coverage under this agreement and following exhaustion of the Company's primary insurance coverage, during which the Company will be solely responsible for defense costs and indemnity payments, the duration of which would be subject to the scope of damage awards and settlements paid.

Based on the settlements made to date and the number of claims dismissed or withdrawn for lack of product identification, the Company believes that the relief sought (when specified) does not bear a reasonable relationship to its potential liability. Based upon the Company's experience to date, including the trend in annual defense and settlement costs incurred to date, and other available information (including the availability of excess insurance), the Company does not believe these cases will have a material adverse effect on its financial position and results of operations or cash flows.

Claims and Litigation

The Company is subject to other claims and litigation in the ordinary course of business, but does not believe that any such claim or litigation will have a material adverse effect on its financial position and results of operations or cash flows.

10. Segment Information

TriMas groups its operating segments into reportable segments that provide similar products and services. Each operating segment has discrete financial information evaluated regularly by the Company's chief operating decision maker in determining resource allocation and assessing performance. Within these reportable segments, there are no individual products or product families for which reported net sales accounted for more than 10% of the Company's consolidated net sales. See below for more information regarding the types of products and services provided within each reportable segment:

Packaging – Highly engineered closure and dispensing systems for a range of end markets, using steel and plastic within industrial and consumer packaging applications.

Aerospace – Permanent blind bolts, temporary fasteners, highly engineered specialty fasteners and other precision machined parts used in the commercial, business and military aerospace industries.

Energy – Metallic and non-metallic industrial sealant products and fasteners for the petroleum refining, petrochemical and other industrial markets.

Engineered Components – High-pressure and low-pressure cylinders for the transportation, storage and dispensing of compressed gases, and natural gas engines, compressors, gas production equipment and chemical pumps engineered for use at well sites for the oil and gas industry.

TRIMAS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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Segment activity is as follows (dollars in thousands):

	Three months ended March 31,	
	2017	2016
Net Sales		
Packaging	\$ 80,960	\$ 80,110
Aerospace	45,420	40,500
Energy	40,930	44,750
Engineered Components	32,520	37,520
Total	\$ 199,830	\$ 202,880
Operating Profit (Loss)		
Packaging	\$ 16,850	\$ 17,840
Aerospace	5,000	3,460
Energy	(3,900)	(3,610)
Engineered Components	4,980	5,580
Corporate expenses	(7,190)	(6,820)
Total	\$ 15,740	\$ 16,450

11. Equity Awards

The Company maintains the following long-term equity incentive plans: the TriMas Corporation Director Retainer Share Election Program, the 2011 TriMas Corporation Omnibus Incentive Compensation Plan and the TriMas Corporation 2006 Long Term Equity Incentive Plan (collectively, the "Plans"). The 2006 Long Term Equity Incentive Plan expired in 2016, such that, while existing grants will remain outstanding until exercised, vested or cancelled, no new shares may be issued under the plan. See below for details of awards under the Plans by type.

Stock Options

The Company did not grant any stock option awards during the three months ended March 31, 2017. Information related to stock options at March 31, 2017 is as follows:

	Number of Stock Options	Weighted Average Option Price	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2017	206,854	\$ 13.19		
Granted	—	—		
Exercised	—	—		
Cancelled	—	—		
Expired	—	—		
Outstanding at March 31, 2017	206,854	\$ 13.19	7.3	\$ 1,562,826

As of March 31, 2017, 56,854 stock options outstanding were exercisable under the Plans. There was approximately \$0.7 million of unrecognized compensation cost related to stock options that is expected to be recorded over a weighted average period of 2.3 years.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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The Company recognized approximately \$0.2 million of stock-based compensation related to stock options during the three months ended March 31, 2017 and no stock-based compensation during the three months ended March 31, 2016. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying consolidated statement of income.

Restricted Shares

The Company awarded the following restricted shares during the three months ended March 31, 2017:

- granted 189,062 restricted shares of common stock to certain employees which are subject only to a service condition and vest ratably over three years so long as the employee remains with the Company; and
- granted 30,429 restricted shares of common stock to its non-employee independent directors, which vest one year from date of grant so long as the director and/or Company does not terminate their service prior to the vesting date.

In addition, during the three months ended March 31, 2017, the Company issued 3,216 shares related to director fee deferrals. The Company allows for its non-employee independent directors to make an annual election to defer all or a portion of their directors fees and to receive the deferred amount in cash or equity. Certain of the Company's directors have elected to defer all or a portion of their directors fees and to receive the amount in Company common stock at a future date.

During the three months ended March 31, 2017, the Company awarded 111,761 performance-based shares of common stock to certain Company key employees which vest three years from the grant date so long as the employee remains with the Company. The performance criteria for these awards is based on the Company's total shareholder return ("TSR") relative to the TSR of the common stock of a pre-defined industry peer-group, measured over a period beginning January 1, 2017 and ending December 31, 2019. TSR is calculated as the Company's average closing stock price for the 20-trading days at the end of the performance period plus Company dividends, divided by the Company's average closing stock price for the 20-trading days prior to the start of the performance period. Depending on the performance achieved, the amount of shares earned can vary from 0% of the target award to a maximum of 200% of the target award. The Company estimated the grant-date fair value and term of the awards subject to a market condition using a Monte Carlo simulation model, using the following weighted average assumptions: risk-free interest rate of 1.52% and annualized volatility of 35.6%.

During 2015, the Company awarded performance-based shares of common stock to certain Company key employees which were earned based upon the Company's total TSR relative to the TSR of the common stock of a pre-defined industry peer-group and measured over a period beginning September 10, 2015 and ending on December 31, 2016. The Company attained 121.1% of the target on a weighted average basis, resulting in an increase of 12,718 shares during the three months ended March 31, 2017.

Information related to restricted shares at March 31, 2017 is as follows:

	Number of Unvested Restricted Shares	Weighted Average Grant Date Fair Value	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2017	645,660	\$ 20.45		
Granted	347,186	25.04		
Vested	(227,912)	20.49		
Cancelled	(9,761)	20.77		
Outstanding at March 31, 2017	755,173	\$ 22.54	1.6	\$ 15,669,840

As of March 31, 2017, there was approximately \$10.9 million of unrecognized compensation cost related to unvested restricted shares that is expected to be recorded over a weighted average period of 2.5 years.

The Company recognized approximately \$1.3 million and \$2.0 million of stock-based compensation expense related to restricted shares during the three months ended March 31, 2017 and 2016, respectively. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying consolidated statement of income.

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12. Earnings per Share

Net income is divided by the weighted average number of common shares outstanding during the period to calculate basic earnings per share. Diluted earnings per share is calculated to give effect to stock options and restricted share awards. The following table summarizes the dilutive effect of restricted shares and options to purchase common stock for the three months ended March 31, 2017 and 2016:

	Three months ended March 31,	
	2017	2016
Weighted average common shares—basic	45,570,495	45,278,990
Dilutive effect of restricted share awards	283,839	286,189
Dilutive effect of stock options	54,624	89,637
Weighted average common shares—diluted	<u>45,908,958</u>	<u>45,654,816</u>

13. Defined Benefit Plans

Net periodic pension benefit costs for the Company's defined benefit pension plans cover certain foreign employees, union hourly employees and salaried employees. The components of net periodic pension cost for the three months ended March 31, 2017 and 2016 are as follows (dollars in thousands):

	Pension Plans	
	Three months ended March 31,	
	2017	2016
Service costs	\$ 280	\$ 250
Interest costs	320	400
Expected return on plan assets	(370)	(420)
Amortization of net loss	250	230
Net periodic benefit cost	<u>\$ 480</u>	<u>\$ 460</u>

The Company contributed approximately \$0.3 million to its defined benefit pension plans during the three months ended March 31, 2017. The Company expects to contribute approximately \$3.1 million to its defined benefit pension plans for the full year 2017.

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14. Other Comprehensive Income (Loss)

Changes in AOCI by component for the three months ended March 31, 2017 are summarized as follows, net of tax (dollars in thousands):

	Defined Benefit Plans	Derivative Instruments	Foreign Currency Translation	Total
Balance, December 31, 2016	\$ (12,120)	\$ (2,520)	\$ (9,760)	\$ (24,400)
Net unrealized gains arising during the period ^(a)	—	240	1,800	2,040
Less: Net realized losses reclassified to net income ^(b)	(170)	(140)	—	(310)
Net current-period other comprehensive income	170	380	1,800	2,350
Balance, March 31, 2017	<u>\$ (11,950)</u>	<u>\$ (2,140)</u>	<u>\$ (7,960)</u>	<u>\$ (22,050)</u>

^(a) Derivative instruments, net of income tax of approximately \$0.1 million. See Note 8, "Derivative Instruments," for further details.

^(b) Defined benefit plans, net of income tax of approximately \$0.1 million. See Note 13, "Defined Benefit Plans," for further details. Derivative instruments, net of income tax of approximately \$0.1 million. See Note 8, "Derivative Instruments," for further details.

Changes in AOCI by component for the three months ended March 31, 2016 are summarized as follows, net of tax (dollars in thousands):

	Defined Benefit Plans	Derivative Instruments	Foreign Currency Translation	Total
Balance, December 31, 2015	\$ (12,370)	\$ (1,790)	\$ 2,860	\$ (11,300)
Net unrealized losses arising during the period ^(a)	—	(3,030)	(2,660)	(5,690)
Less: Net realized losses reclassified to net income ^(b)	(150)	(70)	—	(220)
Net current-period other comprehensive income (loss)	150	(2,960)	(2,660)	(5,470)
Balance, March 31, 2016	<u>\$ (12,220)</u>	<u>\$ (4,750)</u>	<u>\$ 200</u>	<u>\$ (16,770)</u>

^(a) Derivative instruments, net of income tax of approximately \$1.9 million. See Note 8, "Derivative Instruments," for further details.

^(b) Defined benefit plans, net of income tax of approximately \$0.1 million. See Note 13, "Defined Benefit Plans," for further details. Derivative instruments, net of income tax of approximately \$0.1 million. See Note 8, "Derivative Instruments," for further details.

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

The following discussion and analysis of our financial condition contains forward-looking statements regarding industry outlook and our expectations regarding the performance of our business. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described under the heading "Forward-Looking Statements," at the beginning of this report. Our actual results may differ materially from those contained in or implied by any forward-looking statements. You should read the following discussion together with the Company's reports on file with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2016.

Introduction

We are a global manufacturer and distributor of products for commercial, industrial and consumer markets. We are principally engaged in four reportable segments: Packaging, Aerospace, Energy and Engineered Components.

Key Factors and Risks Affecting Our Reported Results. Our businesses and results of operations depend upon general economic conditions and we serve some customers in cyclical industries that are highly competitive and are themselves significantly impacted by changes in economic conditions. There has been low overall economic growth, particularly in the United States, and global economic conditions have been relatively stable over the past couple of years.

The most significant external factor impacting us recently is the impact of lower oil prices, which began to decline in the fourth quarter of 2014, and since have remained at low levels. This decline has most directly impacted the Arrow Engine business, which serves the upstream oil and natural gas markets at the well site, within our Engineered Components reportable segment. Arrow Engine has experienced a more than 75% decline in net sales from pre-2015 levels as a result of the low oil-related activity and end market demand. While oil prices have stabilized over the past several months, and net sales were slightly down in the first quarter of 2017 compared to first quarter 2016, we expect net sales to remain at a low level compared with historical levels until the price of oil increases and remains higher over a sustained period where our customers decide to increase their activity levels and related well-site investments. In response to the reduced demand, Arrow Engine has lowered its cost structure over the past two years to align with current demand levels, and allowed it to generate positive operating income in first quarter 2017 and attain approximately break-even operating profit during full year 2016.

Lower oil prices have also impacted our Energy reportable segment. Historically, a portion of this business has served the upstream market, in addition to primarily serving petrochemical facilities and oil refineries in the downstream oil and gas markets. There have been minimal upstream sales in our Energy reportable segment over the past 18 months. In addition to the impact of lower oil prices, there has been a shift over the past few years in our Energy reportable segment from historical demand and activity, both in the United States and internationally. Petrochemical plants and refinery customers deferred shutdown activity, and we experienced decreases in engineering and construction ("E&C") customer activity. Our sales and margin levels over this period have declined significantly due to the mix of product sales and inefficiencies that resulted from the shift in activity levels. The current lower oil prices have continued to place further pressure on the top-line and predictability of customer order patterns. Given these factors, we have been realigning the business and its fixed cost structure with the current business environment, aggressively closing and consolidating facilities and seeking alternate lower-cost sources for input costs, including exits of our Wolverhampton, United Kingdom and Reynosa, Mexico facilities announced during the first quarter of 2017. We have begun, and expect to continue, to realize the cost savings and operational efficiencies associated with leveraging the new lower fixed cost structure and other initiatives, and continue to evaluate the cost structure and physical footprint of the business.

The other significant external factor impacting our recent results is supply chain disruption within our Aerospace reportable segment. Beginning in the middle of 2015, our two largest Aerospace distribution customers began reducing their investment in on-hand inventory levels of fastener products, and their purchases of our products. This trend continued through 2016, although it appears to be moderating as we enter 2017, albeit at lower levels. While this has impacted our net sales, it has also had a significant impact on margin levels, as certain of these products historically commanded higher profit margins. In addition to the reduction in distribution customer sales, in the first quarter of 2016, we also experienced lower sales, and significantly lower profit margins, as a result of production and scheduling challenges in one of our Aerospace fastener facilities, significantly lower fixed cost absorption and inefficiencies as we adjusted to the changing demand levels, and integration costs associated with our machined components facility acquisition. We established plans to address these matters, and have been executing against those plans, as evidenced by improved margins in first quarter 2017 compared to first quarter 2016.

Each year, we target certain levels of cost savings from continuous improvement and productivity initiatives in each business, with a goal of at minimum covering inflationary and input cost increases, and in an endeavor to each year lower input costs or improve throughput and yield rates to become more efficient. In addition, we continuously review our costs to ensure alignment between current demand and cost structure.

Critical factors affecting our ability to succeed include: our ability to create organic growth through product development, cross selling and extending product-line offerings, and our ability to quickly and cost-effectively introduce new products; our ability to acquire and integrate companies or products that supplement existing product lines, add new distribution channels, expand our geographic coverage or enable better absorption of overhead costs; our ability to manage our cost structure more efficiently via supply base management, internal sourcing and/or purchasing of materials, selective outsourcing and/or purchasing of support functions, working capital management, and greater leverage of our administrative functions. If we are unable to do any of the foregoing successfully, our financial condition and results of operations could be materially and adversely impacted.

Our businesses do not experience significant seasonal fluctuation, other than our fourth quarter, which has tended to be the lowest net sales quarter of the year given holiday shutdowns in certain customers or other customers deferring capital spending to the new year. We do not consider sales order backlog to be a material factor in our business. A growing portion of our sales is derived from international sources, which exposes us to certain risks, including currency risks.

We are sensitive to price movements in our raw materials supply base. Our largest material purchases are for steel, aluminum, polyethylene and other resins and utility-related inputs. Historically, we have experienced volatility in costs of steel and resin and have worked with our suppliers to manage costs and disruptions in supply. We also utilize pricing programs to pass increased steel, aluminum and resin costs to customers. Although we may experience delays in our ability to implement price increases, we have been generally able to recover such increased costs. We may experience disruptions in supply in the future and may not be able to pass along higher costs associated with such disruptions to our customers in the form of price increases.

Certain of our businesses are sensitive to oil price movements. As noted earlier, our Arrow Engine business is most directly impacted by significant volatility in oil prices. Arrow's pumpjack and other engine sales and related parts, which comprise a significant portion of the business, are impacted by oil and gas drilling levels, rig counts, well completion activities and commodity pricing. In addition, a portion of our Energy reportable segment serves upstream customers at oil well sites that have been impacted by changes in oil prices. The majority of this segment provides parts for refineries and chemical plants, which may or may not decide to incur capital expenditures or changeover production stock, both of which require retooling with our gaskets and bolts, in times of fluctuating oil prices. Our Packaging reportable segment may be impacted by oil prices, as it is a significant driver of resin pricing, although we generally are able to maintain profit levels when oil prices change due to escalator/de-escalator clauses in contracts with many of our customers.

Segment Information and Supplemental Analysis

The following table summarizes financial information for our reportable segments for the three months ended March 31, 2017 and 2016 (dollars in thousands):

	Three months ended March 31,			
	2017	As a Percentage of Net Sales	2016	As a Percentage of Net Sales
Net Sales				
Packaging	\$ 80,960	40.5 %	\$ 80,110	39.5 %
Aerospace	45,420	22.7 %	40,500	19.9 %
Energy	40,930	20.5 %	44,750	22.1 %
Engineered Components	32,520	16.3 %	37,520	18.5 %
Total	\$ 199,830	100.0 %	\$ 202,880	100.0 %
Gross Profit				
Packaging	\$ 25,660	31.7 %	\$ 28,870	36.0 %
Aerospace	10,740	23.6 %	9,630	23.8 %
Energy	8,520	20.8 %	9,400	21.0 %
Engineered Components	6,840	21.0 %	8,020	21.4 %
Total	\$ 51,760	25.9 %	\$ 55,920	27.6 %
Selling, General and Administrative Expenses				
Packaging	\$ 8,810	10.9 %	\$ 11,030	13.8 %
Aerospace	5,740	12.6 %	6,170	15.2 %
Energy	12,420	30.3 %	13,010	29.1 %
Engineered Components	1,860	5.7 %	2,440	6.5 %
Corporate expenses	7,190	N/A	6,820	N/A
Total	\$ 36,020	18.0 %	\$ 39,470	19.5 %
Operating Profit (Loss)				
Packaging	\$ 16,850	20.8 %	\$ 17,840	22.3 %
Aerospace	5,000	11.0 %	3,460	8.5 %
Energy	(3,900)	(9.5)%	(3,610)	(8.1)%
Engineered Components	4,980	15.3 %	5,580	14.9 %
Corporate expenses	(7,190)	N/A	(6,820)	N/A
Total	\$ 15,740	7.9 %	\$ 16,450	8.1 %
Depreciation and Amortization				
Packaging	\$ 5,270	6.5 %	\$ 5,300	6.6 %
Aerospace	3,600	7.9 %	3,450	8.5 %
Energy	940	2.3 %	1,180	2.6 %
Engineered Components	920	2.8 %	1,020	2.7 %
Corporate expenses	60	N/A	90	N/A
Total	\$ 10,790	5.4 %	\$ 11,040	5.4 %

Results of Operations

The principal factors impacting us during the three months ended March 31, 2017, compared with the three months ended March 31, 2016, were:

- the impact of improved throughput and productivity in our Aerospace reportable segment, enabling this segment to achieve higher sales levels in the three months ended March 31, 2017;
- footprint consolidation and relocation projects within our Packaging and Energy reportable segments, under which we incurred approximately \$3.4 million higher charges in the three months ended March 31, 2017;
- the impact of continued low oil prices, primarily impacting sales and profit levels in our Engineered Components and Energy reportable segments; and
- the impact of a stronger U.S. dollar, primarily in our Packaging reportable segment.

Three Months Ended March 31, 2017 Compared with Three Months Ended March 31, 2016

Overall, net sales decreased approximately \$3.1 million, or 1.5%, to \$199.8 million for the three months ended March 31, 2017, as compared with \$202.9 million in the three months ended March 31, 2016. Sales within our Aerospace reportable segment increased approximately \$4.9 million, with increases in sales to distribution and OE customers, as a result of our recent productivity initiatives to improve scheduling and throughput. In addition, excluding the effects of foreign currency exchange, sales within our Packaging reportable segment increased by approximately \$2.7 million primarily due to increased demand for our industrial closures in North America and Europe and for our health, beauty and home care products in Europe and Asia. These increases were more than offset by the year-over-year decreases from our Energy and Engineered Components reportable segments, for which combined sales decreased by approximately \$8.8 million (excluding the effects of foreign currency exchange), primarily as a result of continued low oil prices and weakness in the energy-facing and industrial end markets. Our sales also decreased by approximately \$1.9 million due to net unfavorable currency exchange, primarily in our Packaging reportable segment, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Gross profit margin (gross profit as a percentage of sales) approximated 25.9% and 27.6% for the three months ended March 31, 2017 and 2016, respectively. Gross profit margin decreased primarily due to costs associated with the consolidation of manufacturing facilities in India and to finalize the move to a new Mexico facility, both within our Packaging reportable segment. Gross profit also decreased due to higher materials costs and a less favorable product sales mix, primarily in our Packaging and Aerospace reportable segments. In addition, gross profit decreased over the prior year by approximately \$0.8 million as a result of unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Operating profit margin (operating profit as a percentage of sales) approximated 7.9% and 8.1% for the three months ended March 31, 2017 and 2016, respectively. Operating profit decreased approximately \$0.8 million, or 4.3%, to \$15.7 million for the three months ended March 31, 2017, from \$16.5 million for the three months ended March 31, 2016. Operating profit and margin decreased as a result of lower sales volumes as well as costs associated with footprint consolidation and relocation projects within our Packaging and Energy reportable segments, which were partially offset by the results of our continued cost savings and productivity initiatives.

Interest expense increased approximately \$0.2 million, to \$3.6 million for the three months ended March 31, 2017, as compared to \$3.4 million for the three months ended March 31, 2016. Our weighted average variable rate borrowings decreased to approximately \$414.0 million in the three months ended March 31, 2017, from approximately \$474.8 million in the three months ended March 31, 2016. The effective weighted average interest rate on our outstanding variable rate borrowings, including our credit agreement ("Credit Agreement") and accounts receivable facilities, increased to approximately 2.6% for three months ended March 31, 2017, from approximately 2.1% for the three months ended March 31, 2016.

Other expense, net increased approximately \$0.5 million, to \$0.6 million for the three months ended March 31, 2017, from \$0.1 million for the three months ended March 31, 2016, primarily due to an increase in losses on transactions denominated in foreign currencies.

The effective income tax rates for the three months ended March 31, 2017 and 2016 were 39.6% and 35.9%, respectively. The increase in the rate was primarily a result of losses at certain foreign subsidiaries where no tax benefit could be recorded, and a change in the Company's indefinite reinvestment assertion in undistributed foreign earnings in two of its foreign subsidiaries. These increases were partially offset by a discrete tax benefit recognized in the three months ended March 31, 2017 as a result of the January 1, 2017 adoption of the recently issued stock compensation accounting standard.

Net income decreased by approximately \$1.3 million, to \$7.0 million for the three months ended March 31, 2017, compared to \$8.3 million for the three months ended March 31, 2016. The decrease was primarily the result of a \$0.8 million decrease in operating profit, a \$0.5 million increase in other expense, net, and a \$0.2 million increase in interest expense, partially offset by a \$0.1 million decrease in income tax expense.

See below for a discussion of operating results by segment.

Packaging. Net sales increased approximately \$0.9 million, or 1.1%, to \$81.0 million in the three months ended March 31, 2017, as compared to \$80.1 million in the three months ended March 31, 2016. Sales of our industrial closures increased approximately \$1.4 million due to higher demand in North America and Europe. Sales of our health, beauty and home care products increased approximately \$1.2 million primarily due to higher demand in Europe and Asia. Additionally, sales of our food and beverage products increased approximately \$0.1 million. These increases were partially offset by approximately \$1.8 million of unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Packaging's gross profit decreased approximately \$3.2 million to \$25.7 million, or 31.7% of sales, in the three months ended March 31, 2017, as compared to \$28.9 million, or 36.0% of sales, in the three months ended March 31, 2016. Gross profit decreased by approximately \$1.4 million as a result of costs to consolidate manufacturing facilities in India and to finalize the move to a new facility in Mexico in the first quarter of 2017. In addition, gross profit declined due to approximately \$0.9 million higher resin expenses in the first quarter of 2017 than first quarter 2016 as well as due to \$0.9 million of unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Packaging's selling, general and administrative expenses decreased approximately \$2.2 million to \$8.8 million, or 10.9% of sales, in the three months ended March 31, 2017, as compared to \$11.0 million, or 13.8% of sales, in the three months ended March 31, 2016. The decrease was primarily due to higher costs in the first quarter of 2016 that did not repeat in the first quarter of 2017, incurred in connection with our reorganization to position the Packaging business based on global product categories, as well as generally lower go-forward spending levels resulting from the reorganization.

Packaging's operating profit decreased approximately \$1.0 million to \$16.9 million, or 20.8% of sales, in the three months ended March 31, 2017, as compared to \$17.8 million, or 22.3% of sales, in the three months ended March 31, 2016. Although sales levels increased and selling, general and administrative expenses decreased, operating profit and related margin declined as a result of costs incurred to consolidate facilities in India and finalize the move to a new manufacturing facility in Mexico, as well as higher resin costs and approximately \$0.6 million of unfavorable currency exchange.

Aerospace. Net sales for the three months ended March 31, 2017 increased approximately \$4.9 million, or 12.1%, to \$45.4 million, as compared to \$40.5 million in the three months ended March 31, 2016. Sales to our distribution customers increased approximately \$3.4 million, as we began to experience higher demand from certain customers and the order patterns generally appear to be stabilizing as compared with the past five or six quarters of lower and more volatile order patterns. Sales to our OE customers increased approximately \$1.5 million, as demand levels continue at expected levels.

Gross profit within Aerospace increased approximately \$1.1 million to \$10.7 million, or 23.6% of sales, in the three months ended March 31, 2017, from \$9.6 million, or 23.8% of sales, in the three months ended March 31, 2016, primarily as a result of higher sales levels. In the first quarter of 2016, we incurred additional costs and experienced lower fixed cost absorption associated with manufacturing and production scheduling inefficiencies, primarily in our Commerce, CA facility. While we have improved the efficiency levels during the first quarter of 2017 and reduced manufacturing spend levels consistent with the current demand level in this facility, these improvements were essentially offset by higher costs due to inefficiencies at our standard fastener facility in Ottawa, KS and our machined components facilities in Stanton, CA and Tolleeson, AZ.

Selling, general and administrative expenses decreased approximately \$0.5 million to \$5.7 million, or 12.6% of sales, in the three months ended March 31, 2017, as compared to \$6.2 million, or 15.2% of sales, in the three months ended March 31, 2016, due to reduced reserves for past due accounts receivable and a decrease in certain administrative support costs.

Operating profit within Aerospace increased approximately \$1.5 million to \$5.0 million, or 11.0% of sales, in the three months ended March 31, 2017, as compared to \$3.5 million, or 8.5% of sales, in the three months ended March 31, 2016. Operating profit improved primarily as a result of higher sales levels and lower selling, general and administrative expenses.

Energy. Net sales for the three months ended March 31, 2017 decreased approximately \$3.8 million, or 8.5%, to \$40.9 million, as compared to \$44.8 million in the three months ended March 31, 2016. Sales decreased by approximately \$3.0 million in North America, primarily due to continued lower customer demand levels from oil and gas customers, and by approximately \$1.8 million as a part of exiting our facility in Wolverhampton, United Kingdom. These decreases were partially offset by an increase in sales of approximately \$1.0 million in our international branches due to increased customer demand and turnaround activity.

Gross profit within Energy decreased approximately \$0.9 million to \$8.5 million, or 20.8% of sales, in the three months ended March 31, 2017, as compared to \$9.4 million, or 21.0% of sales, in the three months ended March 31, 2016, primarily due to the decline in net sales, as this segment was able to essentially hold year-over-year gross profit margin flat, despite the sales decline, as a result of the savings achieved from ongoing footprint realignment initiatives and improvements in manufacturing efficiencies within our Houston, Texas manufacturing facility.

Selling, general and administrative expenses within Energy decreased approximately \$0.6 million to \$12.4 million, or 30.3% of sales, in the three months ended March 31, 2017, as compared to \$13.0 million, or 29.1% of sales, in the three months ended March 31, 2016. Selling, general and administrative expenses decreased by approximately \$1.0 million as a result of an increase in reserves for past due accounts receivable in the first quarter of 2016 that did not repeat in the first quarter of 2017, and by approximately \$0.5 million as a result of lower third-party professional fees. These decreases were partially offset by approximately \$1.1 million of higher year-over-year costs related to facility closures, primarily as a result of costs associated with exiting our manufacturing facility in Wolverhampton, United Kingdom.

Overall, the operating loss within Energy increased approximately \$0.3 million to an approximate \$3.9 million loss, or 9.5% of sales, in the three months ended March 31, 2017, as compared to a loss of \$3.6 million, or 8.1% of sales, in the three months ended March 31, 2016, as the impact of lower sales levels and incremental costs associated with footprint realignment activities more than offset the decrease to operating loss as a result of lower bad debt expense, reduced fixed costs as a result of prior footprint realignment activities and improved manufacturing efficiencies.

Engineered Components. Net sales for the three months ended March 31, 2017 decreased approximately \$5.0 million, or 13.3%, to \$32.5 million, as compared to \$37.5 million in the three months ended March 31, 2016. Sales of our industrial cylinders decreased by approximately \$4.4 million, primarily due to the impact of customer consolidations and lower demand for large high pressure gas cylinders in industrial applications. Sales of our engines and compression-related products declined by approximately \$0.6 million as a result of continued low levels of oil and gas drilling and well completions in the U.S. and Canada.

Gross profit within Engineered Components decreased approximately \$1.2 million to \$6.8 million, or 21.0% of sales, in the three months ended March 31, 2017, from \$8.0 million, or 21.4% of sales, in the three months ended March 31, 2016. Gross profit from sales of our industrial cylinders decreased approximately \$1.5 million as a result of lower sales in the U.S. industrial packaged gas market. Gross profit from sales of our engines and compression-related products increased approximately \$0.3 million as a result of leveraging our lower fixed cost structure implemented in response to the lower oil-related activity.

Selling, general and administrative expenses decreased approximately \$0.5 million to \$1.9 million, or 5.7% of sales, in the three months ended March 31, 2017, as compared to \$2.4 million, or 6.5% of sales, in the three months ended March 31, 2016 primarily due to lower salaries and wages given the efforts to align costs with currently lower demand levels.

Operating profit within Engineered Components decreased approximately \$0.6 million to \$5.0 million, or 15.3% of sales, in the three months ended March 31, 2017, as compared to \$5.6 million, or 14.9% of sales, in the three months ended March 31, 2016. Operating profit declined primarily due to lower sales levels, while operating profit margin as a percentage of sales improved 40 basis points as a result of cost reduction actions taken to better align our cost structure with demand levels.

Corporate Expenses. Corporate expenses consist of the following (dollars in millions):

	Three months ended March 31,	
	2017	2016
Corporate operating expenses	\$ 2.4	\$ 1.9
Employee costs and related benefits	4.8	4.9
Corporate expenses	\$ 7.2	\$ 6.8

Corporate expenses increased approximately \$0.4 million to \$7.2 million for the three months ended March 31, 2017, from \$6.8 million for the three months ended March 31, 2016, primarily due to a favorable property tax assessment settlement of approximately \$0.4 million for a former business unit during the three months ended March 31, 2016 that did not repeat in 2017.

Liquidity and Capital Resources

Cash Flows

Cash flows provided by operating activities were approximately \$22.0 million for the three months ended March 31, 2017, as compared to cash used for operating activities of approximately \$3.3 million for the three months ended March 31, 2016. Significant changes in cash flows provided by and used for operating activities and the reasons for such changes were as follows:

- For the three months ended March 31, 2017, the Company generated approximately \$25.1 million of cash, based on the reported net income of approximately \$7.0 million and after considering the effects of non-cash items related to losses on dispositions of assets, depreciation, amortization, changes in deferred income taxes, stock-based compensation and other operating activities. For the three months ended March 31, 2016, the Company generated approximately \$23.5 million in cash flows based on the reported net income of approximately \$8.3 million and after considering the effects of similar non-cash items.

- Increases in accounts receivable resulted in a use of cash of approximately \$7.6 million and \$11.2 million for the three months ended March 31, 2017 and 2016, respectively. The increased use of cash for each of the three month periods is due primarily to the timing of sales and collection of cash within the periods, as our first quarter net sales are typically greater than those in the fourth quarter. Days sales outstanding of receivables decreased by 5 days as of March 31, 2017 as compared to March 31, 2016, primarily as a result of our increased focus on working capital management.
- We increased our investment in inventory by approximately \$0.4 million for the three months ended March 31, 2017 primarily as a result of operating at higher production levels in anticipation of higher customer demand. We reduced our investment in inventory by approximately \$0.3 million for the three months ended March 31, 2016.
- Decreases in prepaid expenses and other assets resulted in a cash source of approximately \$8.1 million and \$7.7 million for the three months ended March 31, 2017 and 2016, respectively, primarily as a result of the timing of payments made for income taxes and certain operating expenses.
- Decreases in accounts payable and accrued liabilities resulted in a cash use of approximately \$3.2 million and \$23.7 million for the three months ended March 31, 2017 and 2016, respectively. The change in cash used for accounts payable and accrued liabilities is primarily a result of higher levels of purchases in first quarter of 2017, as well as the timing of payments made to suppliers and the mix of vendors and related terms. Our days accounts payable on hand remained relatively flat period-over-period.

Net cash used for investing activities for the three months ended March 31, 2017 and 2016 was approximately \$10.7 million and \$5.9 million, respectively. During the first three months of 2017, we incurred approximately \$10.7 million in capital expenditures, as we have continued our investment in growth, capacity and productivity-related capital projects. During the first three months of 2016, we incurred approximately \$6.0 million in capital expenditures and received cash from the disposition of property and equipment of approximately \$0.1 million.

Net cash used for financing activities for the three months ended March 31, 2017 was approximately \$9.3 million, as compared to net cash provided by financing activities of \$15.2 million for the three months ended March 31, 2016. During the first three months of 2017, we made net repayments of \$5.1 million on our revolving credit and accounts receivable facilities, and repaid approximately \$3.5 million on our term loan. We also used a net cash amount of approximately \$0.7 million related to our stock compensation arrangements. During the first three months of 2016, we had net additional borrowings of approximately \$19.9 million on our revolving credit and accounts receivable facilities, and repaid approximately \$3.5 million on our term loan. We also used a net cash amount of approximately \$1.3 million related to our stock compensation arrangements.

Our Debt and Other Commitments

We are party to a Credit Agreement, consisting of a \$500.0 million senior secured revolving credit facility, which permits borrowings denominated in specific foreign currencies ("Foreign Currency Loans"), subject to a \$75.0 million sub limit, and a \$275.0 million senior secured term loan A facility ("Term Loan A Facility"). The Credit Agreement matures on June 30, 2020 and is subject to interest at London Interbank Offered Rates ("LIBOR") plus 1.625%. The interest rate spread is based upon the leverage ratio, as defined, as of the most recent determination date.

At March 31, 2017, approximately \$254.4 million was outstanding on the Term Loan A Facility and approximately \$73.4 million was outstanding on the revolving credit facility. The Credit Agreement allows issuance of letters of credit, not to exceed \$40.0 million in aggregate, against revolving credit facility commitments, of which approximately \$16.2 million was outstanding at March 31, 2017.

The Credit Agreement also provides for incremental term loan facility and/or revolving credit commitments, not to exceed the greater of \$300.0 million and an amount such that, after giving effect to the making of such commitments and the incurrence of any other indebtedness substantially simultaneously with the making of such commitments, the senior secured net leverage ratio, as defined in the Credit Agreement, is no greater than 2.50 to 1.00. The terms and conditions of any incremental term loan and/or revolving credit facility commitments must be no more favorable than the existing credit facility.

We may be required to prepay a portion of our Term Loan A Facility in an amount equal to a percentage of our excess cash flow, as defined, which such percentage will be based on our leverage ratio, as defined. As of March 31, 2017, no amounts are due under this provision.

Amounts drawn under our revolving credit facility fluctuate daily based upon our working capital and other ordinary course needs. Availability under our revolving credit facility depends upon, among other things, compliance with our Credit Agreement's financial covenants. Our Credit Agreement contains various negative and affirmative covenants and other requirements affecting us and our subsidiaries, including restrictions on incurrence of debt, liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, asset dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted payments, transactions with affiliates, restrictive agreements and amendments to charters, bylaws, and other material documents. The terms of our Credit Agreement require us and our subsidiaries to meet certain restrictive financial covenants and ratios computed quarterly, including a maximum leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable securitization facility over consolidated EBITDA, as defined) and a minimum interest expense coverage ratio (consolidated EBITDA, as defined, over cash interest expense, as defined). Our permitted leverage ratio under the Credit Agreement is 3.50 to 1.00 as of March 31, 2017. If we were to complete an acquisition which qualifies for a Covenant Holiday Period, as defined in our Credit Agreement, then our permitted leverage ratio cannot exceed 4.00 to 1.00 during that period. Our actual leverage ratio was 2.52 to 1.00 at March 31, 2017. Our permitted interest expense coverage ratio under the Credit Agreement is 3.00 to 1.00 as of March 31, 2017. Our actual interest expense coverage ratio was 12.03 to 1.00 at March 31, 2017. At March 31, 2017, we were in compliance with our financial covenants.

The following is a reconciliation of net income, as reported, which is a GAAP measure of our operating results, to Consolidated Bank EBITDA, as defined in our Credit Agreement, for the twelve months ended March 31, 2017 (dollars in thousands). We present Consolidated Bank EBITDA to show our performance under our financial covenants.

	Twelve Months Ended March 31, 2017
Net loss	\$ (41,110)
Bank stipulated adjustments:	
Interest expense	13,830
Depreciation and amortization	44,610
Extraordinary non-cash charges	98,900
Non-cash compensation expense ⁽¹⁾	6,440
Other non-cash expenses or losses	12,070
Non-recurring expenses or costs relating to cost saving projects ⁽²⁾	13,700
Acquisition integration costs ⁽³⁾	690
Consolidated Bank EBITDA, as defined	<u>\$ 149,130</u>

	March 31, 2017
Total Consolidated Indebtedness, as defined ⁽⁴⁾	\$ 375,490
Consolidated Bank EBITDA, as defined	149,130
Actual leverage ratio	2.52 x
Covenant requirement	<u>3.50 x</u>

	Twelve Months Ended March 31, 2017
Interest expense	\$ 13,830
Bank stipulated adjustments:	
Interest income	(60)
Non-cash amounts attributable to amortization of financing costs	(1,370)
Total Consolidated Cash Interest Expense, as defined	<u>\$ 12,400</u>

	March 31, 2017
Consolidated Bank EBITDA, as defined	\$ 149,130
Total Consolidated Cash Interest Expense, as defined	12,400
Actual interest expense coverage ratio	12.03 x
Covenant requirement	<u>3.00 x</u>

⁽¹⁾ Non-cash compensation expenses resulting from the grant of restricted shares and units of common stock and common stock options.

⁽²⁾ Non-recurring costs and expenses relating to cost savings projects, including restructuring and severance expenses, not to exceed \$15.0 million in any fiscal year and \$40.0 million in aggregate, subsequent to June 30, 2015.

⁽³⁾ Costs and expenses arising from the integration of any business acquired not to exceed \$15.0 million in any fiscal year and \$40.0 million in the aggregate.

⁽⁴⁾ Includes \$4.0 million of acquisition deferred purchase price.

Another important source of liquidity is our \$75.0 million accounts receivable facility, under which we have the ability to sell eligible accounts receivable to a third-party multi-seller receivables funding company. Our available liquidity under our accounts receivable facility has ranged from approximately \$49 million to \$66 million, depending on the level of our receivables outstanding at a given point in time during the year. We had approximately \$43.7 million and \$45.5 million outstanding under the facility as of March 31, 2017 and December 31, 2016, respectively, and approximately \$11.1 million and \$10.1 million available but not utilized as of March 31, 2017 and December 31, 2016, respectively. At March 31, 2017, we had approximately \$73.4 million outstanding under our revolving credit facility and had approximately \$410.4 million potentially available after giving effect to approximately \$16.2 million of letters of credit issued and outstanding. At December 31, 2016, we had approximately \$75.9 million outstanding under our revolving credit facility and had approximately \$408.2 million potentially available after giving effect to approximately \$15.9 million of letters of credit issued and outstanding. The letters of credit are used for a variety of purposes, including support of certain operating lease agreements, vendor payment terms and other subsidiary operating activities, and to meet various states' requirements to self-insure workers' compensation claims, including incurred but not reported claims. Including availability under our accounts receivable facility and after consideration of leverage restrictions contained in the Credit Agreement, as of March 31, 2017 and December 31, 2016, we had approximately \$146.5 million and \$126.5 million, respectively, of borrowing capacity available for general corporate purposes.

We rely upon our cash flow from operations and available liquidity under our revolving credit and accounts receivable facilities to fund our debt service obligations and other contractual commitments, working capital and capital expenditure requirements. At the end of each quarter, we use cash on hand from our domestic and foreign subsidiaries to pay down amounts outstanding under our revolving credit and accounts receivable facilities.

Our combined weighted average monthly amounts outstanding on our Credit Agreement and our accounts receivable facility during the first three months of 2017 approximated \$414.0 million, compared to the weighted average monthly amounts outstanding during the first three months of 2016 of approximately \$474.8 million. The overall decrease is primarily due to cash generated and used to repay amounts outstanding on our revolving credit facility.

Cash management related to our revolving credit and accounts receivable facilities is centralized. We monitor our cash position and available liquidity on a daily basis and forecast our cash needs on a weekly basis within the current quarter and on a monthly basis outside the current quarter over the remainder of the year. Our business and related cash forecasts are updated monthly. While the majority of our cash on hand as of March 31, 2017 is located in jurisdictions outside the U.S., given aggregate available funding under our revolving credit and accounts receivable facilities of \$146.5 million at March 31, 2017, after consideration of the aforementioned leverage restrictions, and based on forecasted cash sources and requirements inherent in our business plans, we believe that our liquidity and capital resources, including anticipated cash flows from operations, will be sufficient to meet our debt service, capital expenditure and other short-term and long-term obligation needs for the foreseeable future.

Our exposure to interest rate risk results from the variable rates under our Credit Agreement. Borrowings under the Credit Agreement bear interest, at various rates, as more fully described in Note 7, "*Long-term Debt*," to our consolidated financial statements included in Part I, Item 1 of this quarterly report on Form 10-Q. We use interest rate swap agreements to fix the LIBOR-based variable portion of the interest rates on our term loan facility. As of March 31, 2017, we had interest rate swap agreements in place that hedge a declining notional value of debt ranging from approximately \$241.7 million to approximately \$192.7 million, with established fixed interest rates in a range of 0.74% to 2.68%, with various expiration terms extending to June 30, 2020.

We are subject to variable interest rates on our term loan and revolving credit facility. At March 31, 2017, 1-Month LIBOR approximated 0.98%. Based on our variable rate-based borrowings outstanding at March 31, 2017, and after consideration of the interest rate swap agreement associated with our Term Loan A Facility, a 1% increase in the per annum interest rate would increase our interest expense by approximately \$1.3 million annually.

Principal payments required under the Credit Agreement for the Term Loan A Facility are \$3.4 million due each fiscal quarter from December 2015 through September 2018 and approximately \$5.2 million due each fiscal quarter from December 2018 through March 2020, with final payment of \$202.8 million due on June 30, 2020.

In addition to our long-term debt, we have other cash commitments related to leases. We account for these lease transactions as operating leases, and annual rent expense for continuing operations related thereto approximated \$17.4 million in 2016. We expect to continue to utilize leasing as a financing strategy in the future to meet capital expenditure needs and to reduce debt levels.

Market Risk

We conduct business in various locations throughout the world and are subject to market risk due to changes in the value of foreign currencies. The functional currencies of our foreign subsidiaries are primarily the local currency in the country of domicile. We manage these operating activities at the local level and revenues and costs are generally denominated in local currencies; however, results of operations and assets and liabilities reported in U.S. dollars will fluctuate with changes in exchange rates between such local currencies and the U.S. dollar.

We have historically used derivative financial instruments to manage currency risks, albeit in immaterial notional contracts, as we explored the predictability of our procurement activities denominated in currencies other than the functional currency of our subsidiaries and the impact of currency rate volatility on our earnings.

We are also subject to interest risk as it relates to our long-term debt. We use interest rate swap agreements to fix the variable portion of our debt to manage this risk. See Note 8, "*Derivative Instruments*," included in Part 1, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," within this quarterly report on Form 10-Q for additional information.

Common Stock

TriMas is listed in the NASDAQ Global Select MarketSM. Our stock trades under the symbol "TRS."

Credit Rating

We and certain of our outstanding debt obligations are rated by Standard & Poor's and Moody's. On June 9, 2016, Moody's affirmed a rating of Ba3 to our senior secured credit facilities, as presented in Note 7, "*Long-term Debt*" included in Part I, Item 1, "*Notes to Unaudited Consolidated Financial Statements*" within this quarterly report on Form 10-Q. Moody's also affirmed a Ba3 to our Corporate Family Rating and maintained our outlook as stable. On December 21, 2016, Standard & Poor's affirmed a BB- corporate credit rating to our credit facilities and on June 1, 2015, Standard & Poor's maintained our outlook as stable. If our credit ratings were to decline, our ability to access certain financial markets may become limited, our cost of borrowings may increase, the perception of us in the view of our customers, suppliers and security holders may worsen and as a result, we may be adversely affected.

Outlook

The past few years have been a period of significant change for TriMas, with portfolio reshaping as part of spinning-off our former Cequent business in 2015, various acquisitions within our Packaging and Aerospace businesses and significant reductions in our fixed cost structure in response to challenging macroeconomic conditions. In addition, we underwent a CEO leadership transition in July 2016, and have a renewed focus on optimizing the financial performance of our current portfolio of businesses. We have also implemented a redefined TriMas Business Model that establishes the major tenants of how we will operate in 2017 and later years.

We remain cautiously optimistic about the possibility for growth in 2017, particularly focused on growth programs in our Packaging and Aerospace reportable segments, and realized year-over-year growth in both of these segments during first quarter. In addition, while uncertainty still exists with respect to the broader macroeconomic environment, there are signs of stabilization in certain of our key end markets, most notably within the Aerospace distribution channel, where year-over-year sales increased in first quarter, and increased quoting activity for upstream oil and gas-related business. There remains the potential that the new U.S. presidential administration might accelerate the U.S. industrial economy, which would benefit us given a majority of our sales and production is in the U.S. While these additional factors would be positive for TriMas, we are not counting on significant market improvement. Rather, we remain focused on managing internal projects that we control, including continued execution of our performance improvement plans in Energy and Aerospace, pruning our product portfolios to de-emphasize or no longer sell certain lower-margin products within certain regions, and seeking lower-cost sources for input costs, all while continuously assessing our manufacturing footprint and fixed cost structure.

Impact of New Accounting Standards

See Note 2, "*New Accounting Pronouncements*," included in Part 1, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," within this quarterly report on Form 10-Q.

Critical Accounting Policies

Certain of our accounting policies require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, our evaluation of business and macroeconomic trends, and information from other outside sources, as appropriate.

During the quarter ended March 31, 2017, there were no material changes to the items that we disclosed as our critical accounting policies in Part II, Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," in the Annual Report on Form 10-K for the year ended December 31, 2016.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, we are exposed to market risk associated with fluctuations in foreign currency exchange rates. We are also subject to interest risk as it relates to long-term debt. See Part I, Item 2, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," for details about our primary market risks, and the objectives and strategies used to manage these risks. Also see Note 7, "*Long-term Debt*," and Note 8, "*Derivative Instruments*," in Part I, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," included within this quarterly report on Form 10-Q for additional information.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Evaluation of disclosure controls and procedures

As of March 31, 2017, an evaluation was carried out by management, with the participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act) pursuant to Rule 13a-15 of the Exchange Act. The Company's disclosure controls and procedures are designed only to provide reasonable assurance that they will meet their objectives. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that as of March 31, 2017, the Company's disclosure controls and procedures are effective to provide reasonable assurance that they would meet their objectives.

Changes in internal control over financial reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

TRIMAS CORPORATION

Item 1. Legal Proceedings

See Note 9, "Commitments and Contingencies," included in Part I, Item 1, "Notes to Unaudited Consolidated Financial Statements," within this quarterly report on Form 10-Q.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part 1, Item 1A., "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2016, which could materially affect our business, financial condition or future results. There have been no significant changes in our risk factors as disclosed in our 2016 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

Exhibits Index:

3.1(a)	Fourth Amended and Restated Certificate of Incorporation of TriMas Corporation.
3.2(b)	Third Amended and Restated By-laws of TriMas Corporation.
10.1	Form of Performance Stock Units Agreement - 2017 LTI - under the 2011 Omnibus Incentive Compensation Plan.
10.2	Form of Restricted Stock Units Agreement (Three-Year Vest) - 2017 LTI - under the 2011 Omnibus Incentive Compensation Plan.
10.3	Form of Restricted Stock Units Agreement (Board Of Directors) (One-Year Vest) - 2017 LTI - under the 2011 Omnibus Incentive Compensation Plan.
10.4	Foreign Subsidiary Borrowing Agreement and Amendment dated as of January 10, 2017, among TriMas Company LLC, TriMas Corporation, TriMas Corporation Limited, JPMorgan Chase Bank, N.A., as administrative agent for the Lenders (as defined therein) and as Fronting Lender, JPMorgan Chase Bank, N.A., Bank of America, N.A. and Wells Fargo Bank, National Association, J.P. Morgan Europe Limited, in its capacity as Foreign Currency Agent, and the Revolving Lenders party hereto.
10.5	Amendment, dated as of March 8, 2017 to the Credit Agreement, dated as of October 16, 2013 (as amended, amended and restated, supplemented or otherwise modified from time to time), among TriMas Corporation, TriMas Company LLC, the subsidiary borrowers from time to time parties thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other agents party thereto.
31.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
(a)	Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on August 3, 2007 (File No. 001-10716).
(b)	Incorporated by reference to the Exhibits filed with our Current Report on Form 8-K filed on December 18, 2015 (File No. 001-10716).

Signatures

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 (Registrant)

/s/ ROBERT J. ZALUPSKI

Date: April 27, 2017

By:

Robert J. Zalupski
Chief Financial Officer

1/1/17 - 12/31/19 Award
Performance Stock Units

TRIMAS CORPORATION
2011 OMNIBUS INCENTIVE COMPENSATION PLAN
PERFORMANCE STOCK UNITS AGREEMENT

TriMas Corporation (the “Corporation”), as permitted by the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended (“Plan”), and as approved by the Committee, has granted to the individual listed below (“Grantee”), the opportunity to earn Performance Stock Units (“PSUs”) in the amount designated in this Performance Stock Unit Agreement (“Agreement”), subject to the terms and conditions of the Plan and this Agreement.

Unless otherwise defined in this Agreement or in the Appendices to this Agreement, the terms used in this Agreement have the same meaning as defined in the Plan; provided, however, that, as permitted by Section 10.1 of the Plan, the PSUs granted under this Agreement consist solely of Restricted Stock Units (with performance conditions) under the Plan. The term “Service Provider” as used in this Agreement means an individual actively providing services to the Corporation or a Subsidiary or Affiliate of the Corporation.

I. NOTICE OF PSU AWARD

Grantee:	Grantee’s name
Date of Agreement:	specify date
Grant Date:	Grant Date
Number of PSUs in Award:	number of PSUs (“Target”), subject to addition or subtraction as set forth on Appendix A depending on achievement of performance goals
Performance Period:	<i>Beginning on January 1, 2017, and continuing through December 31, 2019</i>
Settlement Date	March 1, 2020
Settlement Method:	Earned and vested PSUs will be settled by delivery of one share of Stock for each PSU being settled

II. AGREEMENT

A. **Grant of PSUs.** The Corporation has granted to Grantee (who, pursuant to this Award is a Participant in the Plan) the number of PSUs set forth above, subject to adjustment as provided otherwise in this Agreement (this “Award”). The PSUs granted under this Agreement are payable only in shares of Stock. Notwithstanding anything to the contrary anywhere else in this Agreement, the PSUs in this Award are subject to the terms and provisions of the Plan, which are incorporated by reference into this Agreement.

1. **Vesting.** Except as otherwise designated in this Agreement, Grantee must be a Service Provider on the Settlement Date (as such term is defined in Section II.A.7 below) to be eligible to vest in, and earn, any PSUs, and any unvested PSUs subject to this Award will be canceled and forfeited if Grantee terminates as a Service Provider prior to the Settlement Date. Any PSUs that remain unearned after the “Determination Date” (as such term is defined in Appendix A) will be cancelled and forfeited.

2. **Performance Goals to Earn PSUs.** Grantee will only receive shares of Stock related to, and to the extent that such shares are earned pursuant to, the performance goals specified in Appendix A to this Agreement (“Performance Goals”).

3. **Dividend Equivalent Rights.** From and after the Grant Date and until the earlier of (a) the time when the PSUs are earned and/or vest and are settled in accordance with Section II.A.7 hereof or (b) the time when Grantee’s rights to the PSUs are forfeited in accordance with Section II.A.6 or II.A.7 hereof, on the date that the Corporation pays a cash dividend (if any) to holders of Stock generally, Grantee shall be credited with cash per PSU equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including earning, vesting, payment, and forfeitability) as apply to the PSUs based on which the dividend equivalents were credited, and such amounts shall be paid in either cash or Stock, as determined by the Committee in its sole discretion, at the same time as the PSUs to which they relate. If such amounts are paid in Stock, the number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing such credited amounts by the Fair Market Value per share of Stock on the payment date.

4. **Rights as a Shareholder.** This Award does not entitle Grantee to any ownership interest in any actual shares of Stock unless and until such shares of Stock are issued to Grantee pursuant to the terms of the Plan. Except as otherwise provided in Section II.A.3 hereof, until shares of Stock are issued to Grantee in settlement of earned and vested PSUs under this Award, Grantee will have none of the rights of a stockholder of the Corporation with respect to the shares of Stock issuable in settlement of the PSUs, including the right to vote the shares of Stock. Shares of Stock issuable in settlement of PSUs will be delivered to Grantee on the Settlement Date in book entry form or in such other manner as the Committee may determine.

5. **Adjustments.** The Stock to which the PSUs covered by this Award relate will be subject to adjustment as provided in Section 17 of the Plan.

6. Termination of Service; Forfeiture.

(a) **Voluntary Termination; Termination by Corporation.** Any unvested PSUs subject to this Award will be forfeited if, prior to the Settlement Date, Grantee voluntarily terminates as a Service Provider (other than for Good Reason as provided below), or if Grantee's status as a Service Provider is terminated by the Corporation, a Subsidiary or Affiliate for any reason (other than death, Disability, or Retirement).

(b) **Qualifying Termination Prior to a Change of Control.** Notwithstanding the foregoing, and except as set forth in subsection (f) of this Section II.A.6, if Grantee ceases to be a Service Provider prior to the Settlement Date as a result of Grantee's Qualifying Termination, Grantee shall receive a pro-rata portion of the number of PSUs, if any, that are earned under Section II.A.2 due to the achievement of one or more performance measures specified in Appendix A during the performance period specified in the table above (the "Performance Period"). The pro-rata percentage of the number of PSUs to be earned and settled under Section II.A.7 shall be equal to (x) the amount determined under Section II.A.2 above at the end of the Performance Period, multiplied by (y) a fraction (not greater than 1), the numerator of which is the number of full calendar months Grantee was employed or rendering services from the beginning of the Performance Period through the date of Grantee's termination, and the denominator of which is 36.

(c) **Disability.** Notwithstanding the foregoing, if Grantee ceases to be a Service Provider prior to the Settlement Date as a result of Grantee's Disability, Grantee's PSUs shall become fully vested at the end of the Performance Period based on the number of PSUs that would have been actually earned due to the achievement of one or more performance measures specified in Appendix A, assuming Grantee had continued to be a Service Provider through the Settlement Date.

(d) **Death.** Notwithstanding the foregoing, if Grantee ceases to be a Service Provider prior to the Settlement Date as a result of Grantee's death, Grantee's PSUs shall immediately become fully vested based on the Target number set forth in "Number of PSUs in Award" in Section I.

(e) **Retirement.** If Grantee ceases to be a Service Provider as a result of Grantee's Retirement, the Committee may, *in its discretion*, permit Grantee to receive a pro-rata portion of the number of PSUs specified in Section I above, with the pro-rata percentage of the number of PSUs to be vested to be determined in accordance with subsection (b) of this Section II.A.6.

(f) **Qualifying Termination Following a Change of Control.** Notwithstanding anything set forth herein to the contrary, if Grantee ceases to be a Service Provider due to Grantee's Qualifying Termination within two years after a "Change of Control" (as defined in Appendix B) and prior to the Settlement Date, the number of PSUs subject to the Award that shall become vested and non-forfeitable shall equal (x) the Target number set forth in "Number of PSUs in Award" in Section I, less (y) the number of PSUs that had already become vested as of the date of such termination, but in no event may negative discretion

be exercised with respect to the number of PSUs awarded. Any PSUs that are not earned and do not vest in accordance with the foregoing sentence shall terminate and be forfeited.

Any PSUs that are not earned and do not vest in accordance with this Section II.A.6. shall terminate and be forfeited as of the date of Grantee's termination. Further, the Corporation retains the right to accelerate the vesting (but not the time of payment) of all or a portion of the PSUs subject to this Award, in which event a similar pro-ration determination as provided in this Section II.A.6 will be applied.

7. Determination of PSUs Earned and Vested; Settlement.

(a) Subject to Section II.A.7(b), upon the Committee's certification of achievement of the Performance Goals described in Appendix A, and Grantee's satisfaction of the vesting requirements in Section II.A.1 and Section II.A.6 above, as applicable, this Award shall be settled by issuing to Grantee the number of shares of Stock determined pursuant to Appendix A, and Grantee's name shall be entered as the shareholder of record on the books of the Corporation with respect to such shares. This settlement shall occur on March 1, 2020 (the "Settlement Date").

(b) The PSUs that become vested as a result of Grantee's death pursuant to Section II.A.6(d) will be settled by issuing to Grantee one share of Stock for each PSU that is vested within 30 days of Grantee's death, and Grantee's name shall be entered as the shareholder of record on the books of the Corporation with respect to such shares. The PSUs that become vested as a result of Grantee's Qualifying Termination within two years after a Change of Control pursuant to Section II.A.6(f) will be settled by issuing to Grantee one share of Stock for each PSU that is vested within 30 days of such Qualifying Termination, and Grantee's name shall be entered as the shareholder of record on the books of the Corporation with respect to such shares.

(c) Any unearned PSUs at the end of the Performance Period, or if earlier, the time of settlement, will be canceled and forfeited. In all circumstances, the number of PSUs earned or vested will be rounded down to the nearest whole PSU, unless otherwise determined by the Committee.

B. Other Terms and Conditions.

1. **Non-Transferability of Award.** Except as described below, this Award and the PSUs subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of Grantee.

2. **Withholding.** Grantee authorizes the Corporation to withhold from the shares of Stock to be delivered in respect of the PSUs as payment the amount needed to satisfy any applicable minimum income and employment tax withholding obligations, or Grantee agrees to tender sufficient funds to satisfy any applicable income and employment tax withholding obligations in connection with the vesting of the PSUs and the resulting delivery of shares of Stock under this

Award. Notwithstanding any other provision of this Agreement or the Plan, the Corporation shall not be obligated to guarantee any particular tax result for Grantee with respect to any payment provided to Grantee hereunder, and Grantee shall be responsible for any taxes imposed on Grantee with respect to any such payment.

3. Dispute Resolution. Grantee and the Corporation agree that any disagreement, dispute, controversy, or claim arising out of or relating to this Agreement, its interpretation, validity, or the alleged breach of this Agreement, will be settled exclusively and, consistent with the procedures specified in this Section II.B.3., irrespective of its magnitude, the amount in controversy, or the nature of the relief sought, in accordance with the following:

(a) **Negotiation.** Grantee and the Corporation will use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they will consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

(b) **Arbitration.** If Grantee and the Corporation do not reach a solution within a period of 30 days from the date on which the dispute, claim, disagreement, or controversy arises, then, upon written notice by Grantee to the Corporation or the Corporation to Grantee, all disputes, claims, questions, controversies, or differences will be submitted to arbitration administered by the American Arbitration Association (the "AAA") in accordance with the provisions of its Employment Arbitration Rules (the "Arbitration Rules").

(1) **Arbitrator.** The arbitration will be conducted by one arbitrator skilled in the arbitration of executive employment matters. The parties to the arbitration will jointly appoint the arbitrator within 30 days after initiation of the arbitration. If the parties fail to appoint an arbitrator as provided above, an arbitrator with substantial experience in executive employment matters will be appointed by the AAA as provided in the Arbitration Rules. The Corporation will pay all of the fees, if any, and expenses of the arbitrator and the arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys' fees or other costs of representation.

(2) **Location.** The arbitration will be conducted in Oakland County, Michigan.

(3) **Procedure.** At any oral hearing of evidence in connection with the arbitration, each party or its legal counsel will have the right to examine its witnesses and cross-examine the witnesses of any opposing party. No evidence of any witness may be presented in any form unless the opposing party or parties has the opportunity to cross-examine the witness, except under extraordinary circumstances in which the arbitrator determines that the interests of justice require a different procedure.

(4) **Decision.** Any decision or award of the arbitrator is final and binding on the parties to the arbitration proceeding. The parties agree that the arbitration award may be enforced against the parties to the arbitration proceeding or their assets

wherever they may be found and that a judgment upon the arbitration award may be entered in any court having jurisdiction.

(5) **Power.** Nothing contained in this Agreement may be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add to, or subtract from any of the provisions of this Agreement.

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Corporation's and Grantee's respective successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim described above, and may not be modified without the consent of the Corporation. To the extent arbitration is required, no person asserting a claim has the right to resort to any federal, state or local court or administrative agency concerning the claim unless expressly provided by federal statute, and the decision of the arbitrator is a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute, unless precluded by federal statute.

4. **Code Section 409A.** Without limiting the generality of any other provision of this Agreement and to the extent applicable, Sections 18.9 and 18.10 of the Plan pertaining to Code Section 409A are explicitly incorporated into this Agreement.

5. **No Continued Right as Service Provider.** Nothing in the Plan or in this Agreement confers on Grantee any right to continue as a Service Provider, or interferes with or restricts in any way the rights of the Corporation or any Subsidiary or Affiliate of the Corporation, which are hereby expressly reserved, to discharge Grantee at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written employment agreement between Grantee and the Corporation or any Subsidiary or Affiliate of the Corporation.

6. **Effect on Other Benefits.** In no event will the value, at any time, of the PSUs or any other payment or right to payment under this Agreement be included as compensation or earnings for purposes of any other compensation, retirement, or benefit plan offered to employees of, or other Service Providers to, the Corporation or any Subsidiary or Affiliate of the Corporation unless otherwise specifically provided for in such plan.

7. **Unfunded and Unsecured General Creditor.** Grantee, as a holder of PSUs and rights under this Agreement has no rights other than those of a general creditor of the Corporation. The PSUs represent an unfunded and unsecured obligation of the Corporation, subject to the terms and conditions of this Agreement and the Plan.

8. **Severability.** If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid or unenforceable, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid or unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

9. **Electronic Delivery.** The Corporation may, in its sole discretion, deliver any documents related to the PSUs and Grantee's participation in the Plan, or future awards that

may be granted under the Plan, by electronic means or request Grantee's consent to participate in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation.

10. Nature of Grant. In accepting the Award, Grantee acknowledges that:

(a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Corporation at any time unless otherwise provided in the Plan or this Agreement;

(b) the grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Awards, or benefits in lieu of Awards, even if Awards have been granted repeatedly in the past,

(c) all decisions with respect to future grants, if any, will be at the sole discretion of the Corporation;

(d) Grantee is voluntarily participating in the Plan;

(e) the PSUs and the Stock subject to the PSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Corporation or Grantee's employer, and which is outside the scope of Grantee's employment contract, if any;

(f) the PSUs and the Stock subject to the PSUs are not intended to replace any pension rights or compensation;

(g) the future value of the underlying Stock is unknown and cannot be predicted with certainty;

(h) Awards and resulting benefits are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments insofar as permitted by law;

(i) in consideration of the grant of the PSUs, no claim or entitlement to compensation or damages shall arise from forfeiture of the PSUs resulting from termination of Grantee's employment with the Corporation or Grantee's employer (for any reason whatsoever and whether or not in breach of local labor laws) and Grantee irrevocably releases the Corporation and Grantee's employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, Grantee shall be deemed irrevocably to have waived any entitlement to pursue such claim; and

(j) in the event Grantee ceases to be a Service Provider (whether or not in breach of local labor laws), Grantee's right to vest in the PSUs under the Plan, if any, will terminate effective as of the date that Grantee is no longer a Service Provider and will not be extended by any notice period mandated under local law (e.g., active service would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when Grantee is no longer a Service Provider for purposes of the PSUs.

11. Non-U.S. Addendum. Notwithstanding any provisions in this Agreement, the PSUs shall also be subject to the special terms and conditions set forth in the Non-U.S. Addendum attached as Appendix C to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in the Non-U.S. Addendum, the special terms and conditions for such country will apply to Grantee to the extent the Corporation determines that the application of such terms and conditions are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Non-U.S. Addendum attached hereto as Appendix C constitutes part of this Agreement.

12. Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Michigan, notwithstanding conflict of law provisions.

13. Clawback Policy. Any shares of Stock issued to Grantee in settlement of the PSUs shall be subject to the Corporation's recoupment policy, as in effect from time to time. Further, notwithstanding anything in this Agreement to the contrary, Grantee acknowledges and agrees that (a) this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of such policy, or any other form of Corporation clawback policy (if any) as may be in effect from time to time specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Shares may be traded) (the "Compensation Recovery Policy"), (b) applicable provisions of this Agreement shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof, and (c) Grantee's consent shall not be required to an amendment to this Agreement that is deemed necessary by the Corporation to ensure compliance with Section 10D of the Exchange Act.

(Signature Page Follows)

This Agreement may be executed in two or more counterparts, each of which is deemed an original and all of which constitute one document.

TRIMAS CORPORATION

Dated: **Grant Date**

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President, General Counsel and Chief Compliance Officer

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS PERFORMANCE STOCK UNIT AGREEMENT, NOR IN THE CORPORATION'S 2011 OMNIBUS INCENTIVE COMPENSATION PLAN, AS AMENDED, WHICH IS INCORPORATED INTO THIS AGREEMENT BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY OR AFFILIATE OF THE CORPORATION, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE CORPORATION'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.

BY CLICKING THE "ACCEPT" BUTTON, GRANTEE ACKNOWLEDGES RECEIPT OF A COPY OF THE PLAN AND REPRESENTS THAT GRANTEE IS FAMILIAR WITH THE TERMS AND PROVISIONS OF THE PLAN. GRANTEE ACCEPTS THIS PERFORMANCE STOCK UNIT AWARD SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT AND THE PLAN. GRANTEE HAS REVIEWED THE PLAN AND THIS AGREEMENT IN THEIR ENTIRETY. GRANTEE AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN OR THIS AWARD.

APPENDIX A
TO
PERFORMANCE STOCK UNITS AGREEMENT

PERFORMANCE GOALS FOR PSU AWARD

The actual number of PSUs earned by Grantee will be determined by the Committee by March 1, 2020 following the end of the Performance Period (“Determination Date”), using data as of, and including, December 31, 2019 under the rules described below. Any PSUs not earned as of the Determination Date will be canceled and forfeited.

1. The actual number of shares of Stock delivered to Grantee in settlement of the PSUs earned under this Agreement will be determined based on actual performance results as described below, subject to Section II.A.1 of the Agreement.
2. The PSUs subject to this Award are earned based on the achievement of specific performance measures over the Performance Period (i.e., January 1, 2017 through December 31, 2019) and determined on the Determination Date.
3. 50% of the Target PSUs will be earned based on the achievement of EPS CAGR (the “*EPS CAGR PSUs*”), and 50% of the Target PSUs will be earned based on the achievement of Relative Total Shareholder Return (“*RTSR PSUs*”).
4. Definitions. For purposes hereof:
 - (A) “*EPS CAGR*” means the cumulative average growth rate during the Performance Period of the diluted earnings per share from continuing operations as reported in the Corporation’s Income Statement within the applicable Form 10-Q and Form 10-K, plus or minus special items that may occur from time-to-time that the Committee believes should adjust the as-reported results for measurement of performance.
 - (B) “*Peer Group*” means, of a benchmark group of 105 entities currently in the S&PSmallCap 600 Capped Industrials index (the names of which are attached hereto as Annex A), those entities that remain in the Peer Group as of the end of the Performance Period after application of the Peer Group Adjustment Protocol.
 - (C) “*Peer Group Adjustment Protocol*” means: (i) if an entity listed in Annex A files for bankruptcy and/or liquidation, is operating under bankruptcy protection, or is delisted from its primary stock exchange because it fails to meet the exchange listing requirements, then such entity will remain in the Peer Group, but RTSR for the Performance Period will be calculated as if such entity achieved Total Shareholder Return placing it at the bottom (chronologically, if more than one such entity) of the Peer Group; and (ii) if, by the last day of the Performance Period, an entity listed in Annex A has been acquired and/or is no longer existing as a public company that is traded on its primary stock exchange (other than for the reasons as described in

subsection (i) above), then such entity will not remain in the Peer Group and RTSR for the Performance Period will be calculated as if such entity had never been a member of the Peer Group; and (iii) except as otherwise described in subsection (i) and (ii) above, for purposes of this performance goal, for each of the entities listed in Annex A, such entity shall be deemed to include any successor to all or substantially all of the primary business of such entity at end of the Performance Period.

- (D) “**Relative Total Shareholder Return**” or “**RTSR**” means the percentile rank of the Corporation’s Total Shareholder Return among the Total Shareholder Returns of all members of the Peer Group, ranked in descending order, at the end of the Performance Period.
- (E) “**Total Shareholder Return**” means, with respect to the Stock and the common stock of each of the members of the Peer Group, a rate of return reflecting stock price appreciation, plus the reinvestment of dividends in additional shares of stock, from the beginning of the Performance Period through the end of the Performance Period. For purposes of calculating Total Shareholder Return for each of the Corporation and the members of the Peer Group, the beginning stock price will be based on the average closing stock price for the 20 trading days immediately preceding January 1, 2017 on the principal stock exchange on which the stock then traded and the ending stock price will be based on the average closing stock price for the 20 trading days immediately preceding January 1, 2020 on the principal stock exchange on which the stock then trades.

5. EPS CAGR Performance Matrix. From 0% to 200% of the EPS CAGR PSUs will be earned based on achievement of the EPS CAGR performance goal during the Performance Period as follows:

EPS CAGR %	EPS CAGR PSUs Earned
4.5%	40.0%
5.0%	50.0%
5.5%	65.0%
6.0%	77.5%
6.5%	90.0%
7.5%	100.0%
8.5%	120.0%
9.5%	140.0%
10.0%	160.0%
10.5%	180.0%
11.0%	200.0%

5. Number of EPS CAGR PSUs Earned. Following the Performance Period, on the Determination Date, the Committee shall determine whether and to what extent the EPS CAGR

performance goal has been satisfied for the Performance Period and shall determine the number of EPS CAGR PSUs that shall become nonforfeitable hereunder and under the Agreement on the basis of the following:

- (A) Below Threshold. If, upon the conclusion of the Performance Period, EPS CAGR for the Performance Period falls below the lowest EPS CAGR level set forth in the Performance Matrix, no EPS CAGR PSUs shall become nonforfeitable.
- (B) Threshold or Above. If, upon the conclusion of the Performance Period, EPS CAGR for the Performance Period is exactly equal to one of the levels set forth in the Performance Matrix, a percentage of the EPS CAGR PSUs equal to the percentage set forth opposite such level in the Performance Matrix (rounded down to the nearest whole number of PSUs) shall become nonforfeitable. If, upon the conclusion of the Performance Period, EPS CAGR for the Performance Period falls between two levels set forth in the Performance Matrix, a percentage of the EPS CAGR PSUs shall become nonforfeitable based on straight-line mathematical interpolation between the percentages applicable to such levels (rounded down to the nearest whole number of PSUs).

6. RTSR Performance Matrix. From 0% to 200% of the RTSR PSUs will be earned based on achievement of the RTSR performance goal during the Performance Period as follows:

Performance Level	Relative Total Shareholder Return	RTSR PSUs Earned
Threshold	Ranked below or at 25 th percentile	0%
Above Threshold	Ranked at 35 th percentile	50%
Target	Ranked at 50 th percentile	100%
Intermediate	Ranked at 65 th percentile	150%
Maximum	Ranked at or above 80 th percentile	200%

7. Number of RTSR PSUs Earned. Following the Performance Period, on the Determination Date, the Committee shall determine whether and to what extent the RTSR performance goal has been satisfied for the Performance Period and shall determine the number of RTSR PSUs that shall become nonforfeitable hereunder and under the Agreement on the basis of the following:

- (A) Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals or falls below the “Threshold” level, as set forth in the Performance Matrix, no RTSR PSUs shall become nonforfeitable.
- (B) Between Threshold and Above Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Threshold” level, but is less than the “Above Threshold” level, as set forth in the Performance Matrix, a percentage between 0% and 50% (determined on the basis of straight-line

mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.

- (C) Above Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the “Above Threshold” level, as set forth in the Performance Matrix, 50% of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (D) Between Above Threshold and Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Above Threshold” level, but is less than the “Target” level, as set forth in the Performance Matrix, a percentage between 50% and 100% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (E) Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the “Target” level, as set forth in the Performance Matrix, 100% of the RTSR PSUs shall become nonforfeitable.
- (F) Between Target and Intermediate. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Target” level, but is less than the “Intermediate” level, as set forth in the Performance Matrix, a percentage between 100% and 150% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (G) Intermediate. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the “Intermediate” level, as set forth in the Performance Matrix, 150% of the RTSR PSUs shall become nonforfeitable.
- (H) Between Intermediate and Maximum. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Intermediate” level, but is less than the “Maximum” level, as set forth in the Performance Matrix, a percentage between 150% and 200% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (I) Equals or Exceeds Maximum. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals or exceeds the “Maximum” level, as set forth in the Performance Matrix, 200% of the RTSR PSUs shall become nonforfeitable.

8. Section 162(m). Before all or any portion of any award of PSUs intended to qualify as “qualified performance-based compensation” for purposes of Section 162(m) of the Code shall become nonforfeitable or paid in accordance with this Appendix A or the Agreement, the Committee

shall determine in writing that the applicable performance goal(s) (as communicated to the applicable grantees) have been satisfied.

ANNEX A

Peer Group

S&P SmallCap 600 Industrials (End of December 2016)					
Company Name	Ticker	Company Name	Ticker	Company Name	Ticker
AAON INC	AAON	EXPONENT INC	EXPO	MYR GROUP INC	MYRG
AAR CORP	AIR	FEDERAL SIGNAL CORP	FSS	NATIONAL PRESTO INDS INC	NPK
ABM INDUSTRIES INC	ABM	FORWARD AIR CORP	FWRD	NAVIGANT CONSULTING INC	NCI
ACTUANT CORP -CL A	ATU	FRANKLIN ELECTRIC CO INC	FELE	ON ASSIGNMENT INC	ASGN
AEGION CORP	AEGN	G&K SERVICES INC -CL A	GK	ORION GROUP HOLDINGS INC	ORN
AEROJET ROCKETDYNE HOLDINGS	AJRD	GENERAL CABLE CORP/DE	BGC	PATRICK INDUSTRIES INC	PATK
AEROVIRONMENT INC	AVAV	GIBRALTAR INDUSTRIES INC	ROCK	PGT INC	PGTI
ALAMO GROUP INC	ALG	GREENBRIER COMPANIES INC	GBX	POWELL INDUSTRIES INC	POWL
ALBANY INTL CORP -CL A	AIN	GRIFFON CORP	GFF	PROTO LABS INC	PRLB
ALLEGIANT TRAVEL CO	ALGT	HARSCO CORP	HSC	QUANEX BUILDING PRODUCTS	NX
AMERICAN WOODMARK CORP	AMWD	HAWAIIAN HOLDINGS INC	HA	RAVEN INDUSTRIES INC	RAVN
APOGEE ENTERPRISES INC	APOG	HEALTHCARE SERVICES GROUP	HCSG	RESOURCES CONNECTION INC	REC�
APPLIED INDUSTRIAL TECH INC	AIT	HEARTLAND EXPRESS INC	HTLD	ROADRUNNER TRANS SYSTEMS INC	RRTS
ARCBEST CORP	ARCB	HEIDRICK & STRUGGLES INTL	HSII	SAIA INC	SAIA
ASTEC INDUSTRIES INC	ASTE	HILLENBRAND INC	HI	SIMPSON MANUFACTURING INC	SSD
ATLAS AIR WORLDWIDE HLDG INC	AAWW	HUB GROUP INC -CL A	HUBG	SKYWEST INC	SKYW
AZZ INC	AZZ	INSPERITY INC	NSP	SPX CORP	SPXC
BARNES GROUP INC	B	INSTEEL INDUSTRIES	IIIN	SPX FLOW INC	FLOW
BRADY CORP	BRC	INTERFACE INC	TILE	STANDEX INTERNATIONAL CORP	SXI
BRIGGS & STRATTON	BGG	JOHN BEAN TECHNOLOGIES	JBT	TASER INTERNATIONAL INC	TASR
BRINKS CO	BCO	KAMAN CORP	KAMN	TEAM INC	TISI
CDI CORP	CDI	KELLY SERVICES INC -CL A	KELYA	TENNANT CO	TNC
CELADON GROUP INC	CGI	KNIGHT TRANSPORTATION INC	KNX	TETRA TECH INC	TTEK
CHART INDUSTRIES INC	GTLS	KORN/FERRY INTERNATIONAL	KFY	TITAN INTERNATIONAL INC	TWI
CIRCOR INTL INC	CIR	LINDSAY CORP	LNN	TREX CO INC	TREX
COMFORT SYSTEMS USA INC	FIX	LSC COMMUNICATIONS INC	LKSD	TRUEBLUE INC	TBI
CUBIC CORP	CUB	LYDALL INC	LDL	UNIFIRST CORP	UNF
DONNELLEY (R R) & SONS CO	RRD	MARTEN TRANSPORT LTD	MRTN	UNIVERSAL FOREST PRODS INC	UFPI
DXP ENTERPRISES INC	DXPE	MATSON INC	MATX	US ECOLOGY INC	ECOL
ECHO GLOBAL LOGISTICS INC	ECHO	MATTHEWS INTL CORP -CL A	MATW	VERITIV CORP	VRTV
ENCORE WIRE CORP	WIRE	MERCURY SYSTEMS INC	MRCY	VIAD CORP	VVI
ENGILITY HOLDINGS INC	EGL	MOBILE MINI INC	MINI	VICOR CORP	VICR
ENPRO INDUSTRIES INC	NPO	MOOG INC -CL A	MOG.A	WABASH NATIONAL CORP	WNC

**APPENDIX B
TO
PERFORMANCE STOCK UNITS AGREEMENT
GLOSSARY**

For purposes of this Agreement:

“**Beneficial Owner**” shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

A “**Change of Control**” shall be deemed to have occurred upon the first of the following events to occur:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities beneficially owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 35% or more of the combined voting power of the Corporation’s then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below;

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving on the Board: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation) whose appointment or election by the Board or nomination for election by the Corporation’s stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended (the “Incumbent Board”); provided, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened election contest (an “Election Contest”) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a “Proxy Contest”), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;

(iii) there is consummated a merger, consolidation, wind-up, reorganization or restructuring of the Corporation with or into any other entity, or a similar event or series of such events, other than (A) any such event or series of events which results in (1) the voting securities of the Corporation outstanding immediately prior to such event or series of events continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any subsidiary of the Corporation, at least 51% of the combined voting power of the securities of the Corporation or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (2) the

individuals who comprise the Board immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Corporation, the entity surviving such merger or consolidation or, if the Corporation or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) any such event or series of events effected to implement a recapitalization of the Corporation (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 35% or more of the combined voting power of the Corporation's then outstanding securities; or

(iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation or there is consummated an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Corporation of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Corporation's stockholders unless the Board expressly determines in writing that such approval is required solely by reason of any relationship between the Corporation and any other Person or an Affiliate of the Corporation and any other Person), other than a sale or disposition by the Corporation of all or substantially all of the Corporation's assets to an entity (A) at least 51% of the combined voting power of the voting securities of which are owned by stockholders of the Corporation in substantially the same proportions as their ownership of the Corporation immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board immediately prior thereto.

Notwithstanding the foregoing, (A) a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Corporation immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Corporation immediately following such transaction or series of transactions and (B) if required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a "Change of Control" shall be deemed to have occurred only if a "change in the ownership of the corporation," a "change in effective control of the corporation" or a "change in the ownership of a substantial portion of the assets of the corporation," within the meaning of Section 409A(a)(2)(A)(v) of the Code shall also be deemed to have occurred under Section 409A of the Code.

"Good Reason" means:

- (i) A material and permanent diminution in Grantee's duties or responsibilities;
- (ii) A material reduction in the aggregate value of base salary and bonus opportunity provided to Grantee by the Corporation; or

- (iii) A permanent reassignment of Grantee to another primary office more than 50 miles from the current office location.

Grantee must notify the Corporation of Grantee's intention to invoke termination for Good Reason within 90 days after Grantee has knowledge of such event and provide the Corporation 30 days' opportunity for cure, or such event shall not constitute Good Reason. Grantee may not invoke termination for Good Reason if Cause exists at the time of such termination.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

"Qualifying Termination" means a termination of Grantee's Service with the Corporation or a Subsidiary or an Affiliate of the Corporation for any reason other than:

- (i) death;
- (ii) Disability;
- (iii) Cause; or
- (iv) a termination of Service by Grantee without Good Reason (as defined above).

**APPENDIX C
TO
PERFORMANCE STOCK UNIT AGREEMENT
NON-U.S. ADDENDUM**

Additional Terms and Conditions for Equity Grants Under the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended

January 2017

Terms and Conditions

This Addendum includes additional terms and conditions that govern the performance stock units (“PSUs”) granted to you under the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended (referred to as the “Plan”) if you reside in one of the countries listed below. Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or your award agreement (the “Agreement”) that relates to your award. By accepting your award, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your award.

Notifications

This Addendum also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2017. Such laws are often complex and change frequently. As a result, it is strongly recommended that you not rely on the information in this Addendum as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in your PSUs or sell shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and TriMas Corporation (the “Corporation”) is not in a position to assure you of a particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transferred employment after the PSUs were granted to you, or are considered a resident of another country for local law purposes, the information contained herein may not apply.

COUNTRY-SPECIFIC LANGUAGE

Below please find country specific language that applies to Grantees in the following countries: the United Kingdom.

UNITED KINGDOM

Terms and Conditions

Retirement. For purposes of the Agreement, “Retirement” shall mean the termination of Grantee’s services with the Corporation or a Subsidiary or an Affiliate in circumstances determined by the Committee (in its reasonable discretion, provided that, for the avoidance of doubt, the Committee shall not be obliged to exercise its discretion in favor of the Grantee) to be retirement.

Dividend Equivalent Rights. Section II.A.3 of the Agreement is hereby amended in its entirety to read as follows:

From and after the Grant Date and until the earlier of (a) the time when the PSUs are earned and/or vest and are settled in accordance with Section II.A.7 hereof or (b) the time when Grantee’s rights to the PSUs are forfeited in accordance with Section II.A.6 or II.A.7 hereof, on the date that the Corporation pays a cash dividend (if any) to holders of Stock generally, Grantee shall be notionally credited with cash per PSU equal to the amount of such dividend. Any amounts notionally credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment or forfeitability) as apply to the PSUs based on which the dividend equivalents were notionally credited, and such amounts shall be paid in either cash or Stock, as determined by the Committee in its sole discretion, at the same time as the PSUs to which they relate. If such amounts are paid in Stock, the number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing such credited amounts by the Fair Market Value per share of Stock on the payment date. Notwithstanding the foregoing provisions of this Section II.A.3, Grantee shall not be entitled to the cash notionally credited at any time to the PSUs (or the Stock representing the same, as the case may be) either legally or beneficially unless and until Grantee becomes entitled to receive the actual Stock in respect of the Award pursuant to Section II.A.7 of this Agreement.

Non-Transferability of Award. Section II.B.1 of the Agreement is hereby amended in its entirety to read as follows:

“Except as described below, this Award and the PSUs subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and the Award shall lapse and any unvested PSUs subject to this Award shall be forfeited if a bankruptcy order is made in respect of Grantee. For the avoidance of doubt, the provisions contained in Section 10.2 of the Plan which allow each Participant to designate a beneficiary for the PSUs awarded to him or her under the Plan shall not apply to this Award.”

Withholding. Section II.B.2 of the Agreement is hereby amended in its entirety to read as follows:

“Grantee hereby indemnifies the Corporation, Grantee’s employer or any other person in respect of:

- (i) any amount of income tax for which the Corporation, Grantee's employer or any other person is obliged to account under the Pay-As-You-Earn system and any amounts of employee's national insurance contributions arising from the vesting of the Award (or which would not otherwise have arisen but for the grant of the Award to Grantee); and
- (ii) any amount of income tax for which the Corporation, Grantee's employer or any other person is obliged to account under the Pay-As-You-Earn system and any amounts of employee's national insurance contributions arising in respect of, or in connection with the holding or disposal by Grantee of the shares of Stock acquired pursuant to the Award or the conversion of such shares of Stock into securities of another description whilst such shares of Stock are held by Grantee,

and in pursuance of such indemnity, Grantee hereby agrees that he or she shall pay to the Corporation (or to such other entity as directed by it) such amount as shall be notified to Grantee by the Corporation as being due on any occasion under such indemnity, within seven days after being so notified. To the extent that Grantee fails to pay any amount so notified to him or her by the Corporation within seven days after such notification, Grantee hereby agrees that the Corporation may withhold, or procure the withholding, from any salary, wages, payment or payments due to Grantee from the Corporation or Grantee's employer an amount which is equal to the amount notified to Grantee, sell or procure the sale of sufficient of the shares of Stock acquired by Grantee pursuant to the Award on behalf of Grantee to produce a sum which after any costs of sale is sufficient to discharge the amount so notified to Grantee and retain such sum or make such other arrangements, by which Grantee hereby agrees to be bound, so as to ensure that the amount notified to Grantee is discharged in full. The Corporation will not be obliged to deliver any shares of Stock to Grantee pursuant to the Award, if Grantee fails to comply with his or her obligations under the foregoing provisions of this Section II.B.2 and Grantee shall not be entitled to receive the delivery of such shares of Stock."

Clawback Policy. Section II.B.13 of the Agreement shall not apply.

Data Privacy. A new Section II.B.14 is added to the Agreement to read as follows:

"The Corporation and Grantee's employer (together the "Data Processors") will process the Grantee's personal data and each may transfer the Grantee's personal data to their Subsidiaries, HM Revenue and Customs and third party service providers, for the purposes of managing and administering the Award and the operation of the Plan including but not limited to:

- (a) administering and maintaining records relating to Grantee;

- (b) providing information to (i) trustees of any employee benefit trust or (ii) other third party administrators involved directly or indirectly in the operation of the Plan;
- (c) providing information relating to Grantee in connection with the operation of the Plan to HM Revenue and Customs;
- (d) providing information to potential purchasers of one or more of the Data Processors; and
- (e) allowing any personal data provided by Grantee to be sent to and kept and used by any third party engaged by the Corporation to administer the Plan, including but not limited to the maintenance by such a third party of a database of Participants in the Plan.

Such personal data includes (without limitation) Grantee's name, home address and telephone number; date of birth; social insurance or national insurance number or other identification number; salary; nationality; job title; any Stock or directorships held in the any of the Data Processors; alleged, proven and convicted offences, felonies and/or wilful misconduct; wilful failure or refusal to follow directions from the board of the Corporation; breach of fiduciary duty to the Corporation or a Subsidiary; and details of all Awards or any other entitlement to Stock awarded, cancelled, exercised, vested, unvested or outstanding in Grantee's favour.

Grantee's personal data may be transferred to the Data Processors or to any third parties assisting in the implementation, administration and management of the Plan and/or the Award which are based outside of the UK. Grantee's employer and the Corporation (as appropriate) will implement safeguards to ensure the appropriate levels of protection for all such personal data. Grantee may request a list with the names and addresses of any potential recipients of the data by contacting their local human resources representative.

Grantee's personal data will be held only as long as is necessary for the purpose for which it was collected. Grantee may (without cost) by contacting in writing their local human resources representative (i) view or request additional information about the storage and processing of their personal data, and/or (ii) request that any personal data that the Data Processors hold about Grantee which is inaccurate or out of date is corrected where appropriate."

Loss of Office or Employment. A new Section II.B.15 is added to the Agreement to read as follows:

"In no circumstances shall Grantee, on ceasing to hold the office or employment by virtue of which he has been granted this Award, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Award or the Plan which he might otherwise have enjoyed

whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise.”

Notifications

There are no country-specific notifications.

**Restricted Stock Unit
Three-Year Vest**

TRIMAS CORPORATION

2011 OMNIBUS INCENTIVE COMPENSATION PLAN

RESTRICTED STOCK UNITS AGREEMENT

TriMas Corporation (the “Corporation”), as permitted by the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended (“Plan”), and as approved by the Committee, grants to the individual listed below (“Grantee”), a Restricted Stock Units Award (“Award”) for the number of Restricted Stock Units set forth below (“Restricted Stock Units”), subject to the terms and conditions of the Plan and this Restricted Stock Units Agreement (“Agreement”).

Unless otherwise defined in this Agreement or in Appendix A to this Agreement, the terms used in this Agreement have the same meaning as defined in the Plan. The term “Service Provider” as used in this Agreement means an individual actively providing services to the Corporation or a Subsidiary or Affiliate of the Corporation.

I. NOTICE OF RESTRICTED STOCK UNITS AWARD

Grantee:	[specify Grantee’s name]
Date of Agreement:	[grant date]
Grant Date:	March 1, 2017
Number of Restricted Stock Units:	[number of Restricted Stock Units]

II. AGREEMENT

A. Grant of Restricted Stock Units. The Corporation grants to Grantee (who, pursuant to this Award is a Participant in the Plan) the number of Restricted Stock Units set forth above, subject to adjustment as provided in this Agreement. The Restricted Stock Units granted under this Agreement are payable only in shares of Stock as described in Section II.A.2. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Stock Units subject to this Award are subject to the terms and provisions of the Plan, which are incorporated by reference into this Agreement.

1. Vesting.

(a) **General.** Subject to Section II.A.1(b), the Restricted Stock Units will vest in three equal installments on the first three anniversaries of the Grant Date (each, a “Vesting

Date”), subject to Grantee’s continued status as a Service Provider through each such Vesting Date.

(b) **Termination of Service; Forfeiture.** Notwithstanding any other provision of this Agreement:

(i) **Voluntary Termination; Termination for Cause.** Any unvested Restricted Stock Units subject to the Award will be canceled and forfeited if Grantee voluntarily terminates as a Service Provider (other than for Good Reason as provided below), or if Grantee’s status as a Service Provider is involuntarily terminated by the Corporation or a Subsidiary or Affiliate of the Corporation for Cause. Notwithstanding the foregoing, no termination of Grantee’s employment shall qualify as a termination for Cause unless (x) the Corporation notifies Grantee in writing of the Corporation’s intention to terminate Grantee’s employment for Cause within 90 days following the initial existence of the occurrence or event giving rise to Cause, (y) Grantee fails to cure such occurrence or event within 30 days after receipt of such notice from the Corporation and (z) the Corporation terminates Grantee’s employment within 45 days after the expiration of Grantee’s cure period in subsection (y).

(ii) **Death; Disability.** If Grantee ceases to be a Service Provider prior to any Vesting Date as a result of Grantee’s death or Disability, Grantee shall fully vest in the Restricted Stock Units subject to the Award that have not already vested as of the date on which Grantee ceases to be a Service Provider due to Grantee’s death or Disability.

(iii) **Qualifying Termination Prior to a Change of Control.** If Grantee has a “Qualifying Termination” (as defined in Appendix A) that occurs prior to a “Change of Control” (as defined in Appendix A) and before the final Vesting Date, Grantee shall vest in a pro-rata portion of Grantee’s unvested Restricted Stock Units, with the pro-rata amount calculated by (x) multiplying the total number of Restricted Stock Units subject to this Award by a fraction with (i) a numerator equaling the number of whole calendar months that have elapsed from the Grant Date to the date of Grantee’s termination, and (ii) a denominator equal to 36, and then (y) subtracting the number of Restricted Stock Units that have already vested under this Award.

(iv) **Qualifying Termination Following a Change of Control.** If Grantee has a Qualifying Termination within two years following a Change of Control, Grantee shall fully vest in the Restricted Stock Units subject to the Award that have not already vested.

Any Restricted Stock Units that do not vest in accordance with Section II.A.1(a) or this Section II.A.1(b) shall be canceled and forfeited as of the date of Grantee’s termination of services. Further, subject to Code Section 409A, the Corporation retains the right to accelerate the vesting of all or a portion of the Restricted Stock Units subject to this Award.

2. **Settlement.**

(a) **General.** Subject to Section II.A.2(b) below, and as soon as administratively practicable following (but no later than thirty (30) days following) each applicable Vesting Date, the Corporation shall issue Grantee one share of Stock for each Restricted Stock Unit that is vested on such Vesting Date.

(b) **Other Payment Events.** Notwithstanding Section II.A.2(a), to the extent the Restricted Stock Units have not previously been settled, if Grantee ceases to be a Service Provider prior to any Vesting Date as a result of Grantee's death, Disability, or Qualifying Termination, and such cessation to be a Service Provider constitutes a separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), the Corporation shall issue Grantee one share of Stock for each vested Restricted Stock Unit as soon as practicable following (but no later than thirty (30) days following) the date of such cessation.

3. **Dividend Equivalent Rights.** From and after the Grant Date and until the earlier of (a) the time when the Restricted Stock Units vest and are settled in accordance with Section II.A.2 hereof or (b) the time when Grantee's rights to the Restricted Stock Units are forfeited in accordance with Section II.A.1(b) hereof, on the date that the Corporation pays a cash dividend (if any) to holders of Stock generally, Grantee shall be credited with cash per Restricted Stock Unit equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment or forfeitability) as apply to the Restricted Stock Units based on which the dividend equivalents were credited, and such amounts shall be paid in either cash or Stock, as determined by the Committee in its sole discretion, at the same time as the Restricted Stock Units to which they relate. If such amounts are paid in Stock, the number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing such credited amounts by the Fair Market Value per share of Stock on the payment date.

4. **Rights as a Shareholder.** Grantee will not have any rights of a stockholder (including voting and dividend rights) with respect to the Restricted Stock Units covered by this Award (except as otherwise provided in Section II.A.3).

5. **Adjustments.** The Restricted Stock Units covered by this Award will be subject to adjustment as provided in Section 17 of the Plan.

B. **Other Terms and Conditions.**

1. **Non-Transferability of Award.** Except as described below, this Award and the Restricted Stock Units subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of Grantee.

2. **Withholding.** Grantee authorizes the Corporation or Grantee's employer to withhold from the shares of Stock to be delivered as payment the number of shares of Stock needed

to satisfy any applicable minimum income and employment tax withholding obligations, or Grantee agrees to tender sufficient funds to satisfy any applicable income and employment tax withholding obligations in connection with the vesting of the Restricted Stock Units under this Award. Notwithstanding any other provision of this Agreement or the Plan, the Corporation shall not be obligated to guarantee any particular tax result for Grantee with respect to any payment provided to Grantee hereunder, and Grantee shall be responsible for any taxes imposed on Grantee with respect to any such payment.

3. Dispute Resolution. Grantee and the Corporation agree that any disagreement, dispute, controversy, or claim arising out of or relating to this Agreement, its interpretation, validity, or the alleged breach of this Agreement, will be settled exclusively and, consistent with the procedures specified in this Section II.B.3., irrespective of its magnitude, the amount in controversy, or the nature of the relief sought, in accordance with the following:

(a) **Negotiation.** Grantee and the Corporation will use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they will consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

(b) **Arbitration.** If Grantee and the Corporation do not reach a solution within a period of 30 days from the date on which the dispute, claim, disagreement, or controversy arises, then, upon written notice by Grantee to the Corporation or the Corporation to Grantee, all disputes, claims, questions, controversies, or differences will be submitted to arbitration administered by the American Arbitration Association (the "AAA") in accordance with the provisions of its Employment Arbitration Rules (the "Arbitration Rules").

(1) **Arbitrator.** The arbitration will be conducted by one arbitrator skilled in the arbitration of executive employment matters. The parties to the arbitration will jointly appoint the arbitrator within 30 days after initiation of the arbitration. If the parties fail to appoint an arbitrator as provided above, an arbitrator with substantial experience in executive employment matters will be appointed by the AAA as provided in the Arbitration Rules. The Corporation will pay all of the fees, if any, and expenses of the arbitrator and the arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys fees or other costs of representation.

(2) **Location.** The arbitration will be conducted in Oakland County, Michigan.

(3) **Procedure.** At any oral hearing of evidence in connection with the arbitration, each party or its legal counsel will have the right to examine its witnesses and cross-examine the witnesses of any opposing party. No evidence of any witness may be presented in any form unless the opposing party or parties has the opportunity to cross-examine the witness, except under extraordinary circumstances in which the arbitrator determines that the interests of justice require a different procedure.

(4) **Decision.** Any decision or award of the arbitrator is final and binding on the parties to the arbitration proceeding. The parties agree that the arbitration award may be enforced against the parties to the arbitration proceeding or their assets wherever they may be found and that a judgment upon the arbitration award may be entered in any court having jurisdiction.

(5) **Power.** Nothing contained in this Agreement may be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add to, or subtract from any of the provisions of this Agreement.

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Corporation's and Grantee's respective successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim described above, and may not be modified without the consent of the Corporation. To the extent arbitration is required, no person asserting a claim has the right to resort to any federal, state or local court or administrative agency concerning the claim unless expressly provided by federal statute, and the decision of the arbitrator is a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute, unless precluded by federal statute.

4. **Code Section 409A.** Without limiting the generality of any other provision of this Agreement and to the extent applicable, Sections 18.9 and 18.10 of the Plan pertaining to Code Section 409A are explicitly incorporated into this Agreement.

5. **No Continued Right as Service Provider.** Nothing in the Plan or in this Agreement confers on Grantee any right to continue as a Service Provider, or interferes with or restricts in any way the rights of the Corporation or any Subsidiary or Affiliate of the Corporation, which are hereby expressly reserved, to discharge Grantee at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written employment agreement between Grantee and the Corporation or any Subsidiary or Affiliate of the Corporation.

6. **Effect on Other Benefits.** In no event will the value, at any time, of the Restricted Stock Units or any other payment or right to payment under this Agreement be included as compensation or earnings for purposes of any other compensation, retirement, or benefit plan offered to employees of, or other Service Providers to, the Corporation or any Subsidiary or Affiliate of the Corporation unless otherwise specifically provided for in such plan.

7. **Severability.** If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid or unenforceable, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid or unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

8. **Electronic Delivery.** The Corporation may, in its sole discretion, deliver any documents related to the Restricted Stock Units and Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request Grantee's consent to participate in the Plan by electronic means. Grantee hereby consents to receive such documents

by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation.

9. Nature of Grant. In accepting the Award, Grantee acknowledges that:

(a) the Plan is established voluntarily by the Corporation, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Corporation at any time unless otherwise provided in the Plan or this Agreement;

(b) the grant of the Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock units, or benefits in lieu of restricted stock units, even if restricted stock units have been granted repeatedly in the past;

(c) all decisions with respect to future restricted stock unit grants, if any, will be at the sole discretion of the Corporation;

(d) Grantee is voluntarily participating in the Plan;

(e) the Restricted Stock Units and the Stock subject to the Restricted Stock Units are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Corporation or Grantee's employer, and which is outside the scope of Grantee's employment contract, if any;

(f) the Restricted Stock Units and the Stock subject to the Restricted Stock Units are not intended to replace any pension rights or compensation;

(g) the future value of the underlying Stock is unknown and cannot be predicted with certainty;

(h) Awards and resulting benefits are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments insofar as permitted by law;

(i) in consideration of the grant of the Restricted Stock Units, no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from termination of Grantee's employment with the Corporation or Grantee's employer (for any reason whatsoever and whether or not in breach of local labor laws) and Grantee irrevocably releases the Corporation and Grantee's employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, Grantee shall be deemed irrevocably to have waived any entitlement to pursue such claim; and

(j) in the event Grantee ceases to be a Service Provider (whether or not in breach of local labor laws), Grantee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the date that Grantee is no longer a Service Provider and will not be extended by any notice period mandated under local law (e.g., active service would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when Grantee is no longer a Service Provider for purposes of the Restricted Stock Units.

10. Non-U.S. Addendum. Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall also be subject to the special terms and conditions set forth in the Non-U.S. Addendum attached as Appendix B to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in the Non-U.S. Addendum, the special terms and conditions for such country will apply to Grantee to the extent the Corporation determines that the application of such terms and conditions are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Non-U.S. Addendum attached hereto as Appendix B constitutes part of this Agreement.

11. Governing Law. This Agreement is governed by and construed in accordance with the laws of the State of Michigan, notwithstanding conflict of law provisions.

12. Clawback Policy. Any Restricted Stock Units that have vested shall be subject to the Corporation's recoupment policy, as in effect from time to time.

(Signature Page Follows)

This Agreement may be executed in two or more counterparts, each of which is deemed an original and all of which constitute one document.

TRIMAS CORPORATION

Dated: March 1, 2017

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President, General Counsel and Chief Compliance Officer

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK UNITS AGREEMENT, NOR IN THE CORPORATION'S 2011 OMNIBUS INCENTIVE COMPENSATION PLAN, AS AMENDED, WHICH IS INCORPORATED INTO THIS AGREEMENT BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY OR AFFILIATE OF THE CORPORATION, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE CORPORATION'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.

BY CLICKING THE "ACCEPT" BUTTON BELOW, GRANTEE ACKNOWLEDGES RECEIPT OF A COPY OF THE PLAN AND REPRESENTS THAT GRANTEE IS FAMILIAR WITH THE TERMS AND PROVISIONS OF THE PLAN. GRANTEE ACCEPTS THIS RESTRICTED STOCK UNIT AWARD SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT AND THE PLAN. GRANTEE HAS REVIEWED THE PLAN AND THIS AGREEMENT IN THEIR ENTIRETY. GRANTEE AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN OR THIS AWARD.

**APPENDIX A
TO
RESTRICTED STOCK UNITS AGREEMENT**

GLOSSARY

For purposes of this Agreement:

“**Beneficial Owner**” shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

A “**Change of Control**” shall be deemed to have occurred upon the first of the following events to occur:

- (i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities beneficially owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 35% or more of the combined voting power of the Corporation’s then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below;
- (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving on the Board: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation) whose appointment or election by the Board or nomination for election by the Corporation’s stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended (the “Incumbent Board”); provided, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened election contest (an “Election Contest”) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a “Proxy Contest”), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;
- (iii) there is consummated a merger, consolidation, wind-up, reorganization or restructuring of the Corporation with or into any other entity, or a similar event or series of such events, other than (A) any such event or series of events which results in (1) the voting securities of the Corporation outstanding immediately prior to such event or series of events continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any subsidiary of the Corporation, at least 51% of the combined voting power of the securities of the

Corporation or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (2) the individuals who comprise the Board immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Corporation, the entity surviving such merger or consolidation or, if the Corporation or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) any such event or series of events effected to implement a recapitalization of the Corporation (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 35% or more of the combined voting power of the Corporation's then outstanding securities; or

- (iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation or there is consummated an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Corporation of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Corporation's stockholders unless the Board expressly determines in writing that such approval is required solely by reason of any relationship between the Corporation and any other Person or an Affiliate of the Corporation and any other Person), other than a sale or disposition by the Corporation of all or substantially all of the Corporation's assets to an entity (A) at least 51% of the combined voting power of the voting securities of which are owned by stockholders of the Corporation in substantially the same proportions as their ownership of the Corporation immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board immediately prior thereto.

Notwithstanding the foregoing, (A) a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Corporation immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Corporation immediately following such transaction or series of transactions and (B) if required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a "Change of Control" shall be deemed to have occurred only if a "change in the ownership of the corporation," a "change in effective control of the corporation" or a "change in the ownership of a substantial portion of the assets of the corporation," within the meaning of Section 409A(a)(2)(A)(v) of the Code shall also be deemed to have occurred under Section 409A of the Code.

"Good Reason" means:

- (i) A material and permanent diminution in Grantee's duties or responsibilities;

- (ii) A material reduction in the aggregate value of base salary and bonus opportunity provided to Grantee by the Corporation; or
- (iii) A permanent reassignment of Grantee to another primary office more than 50 miles from the current office location.

Grantee must notify the Corporation of Grantee's intention to invoke termination for Good Reason within 90 days after Grantee has knowledge of such event and provide the Corporation 30 days' opportunity for cure, or such event shall not constitute Good Reason. Grantee may not invoke termination for Good Reason if Cause exists at the time of such termination.

"Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

"Qualifying Termination" means a termination of Grantee's Service with the Corporation or a Subsidiary or an Affiliate of the Corporation for any reason other than:

- (i) death;
- (ii) Disability;
- (iii) Cause; or
- (iv) a termination of Service by Grantee without Good Reason (as defined above).

**APPENDIX B
TO
RESTRICTED STOCK UNITS AGREEMENT**

NON-U.S. ADDENDUM

Additional Terms and Conditions for Equity Grants Under the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended

January 2017

Terms and Conditions

This Addendum includes additional terms and conditions that govern the performance stock units (“RSUs”) granted to you under the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended (referred to as the “Plan”) if you reside in one of the countries listed below. Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or your award agreement (the “Agreement”) that relates to your award. By accepting your award, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your award.

Notifications

This Addendum also includes information regarding exchange controls and certain other issues of which you should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other laws in effect in the respective countries as of January 2017. Such laws are often complex and change frequently. As a result, it is strongly recommended that you not rely on the information in this Addendum as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time you vest in your RSUs or sell shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to your particular situation, and TriMas Corporation (the “Corporation”) is not in a position to assure you of a particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

Finally, if you are a citizen or resident of a country other than the one in which you are currently working, transferred employment after the RSUs were granted to you, or are considered a resident of another country for local law purposes, the information contained herein may not apply.

COUNTRY-SPECIFIC LANGUAGE

Below please find country specific language that applies to Participants in the following countries: the United Kingdom.

UNITED KINGDOM

Terms and Conditions

Dividend Equivalent Rights. Section II.A.3 of the Agreement is hereby amended in its entirety to read as follows:

From and after the Grant Date and until the earlier of (a) the time when the Restricted Stock Units vest and are settled in accordance with Section II.A.2 hereof or (b) the time when Grantee's rights to the Restricted Stock Units are forfeited in accordance with Section II.A.1(b) hereof, on the date that the Corporation pays a cash dividend (if any) to holders of Stock generally, Grantee shall be notionally credited with cash per Restricted Stock Unit equal to the amount of such dividend. Any amounts notionally credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment or forfeitability) as apply to the Restricted Stock Units based on which the dividend equivalents were notionally credited, and such amounts shall be paid in either cash or Stock, as determined by the Committee in its sole discretion, at the same time as the Restricted Stock Units to which they relate. If such amounts are paid in Stock, the number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing such credited amounts by the Fair Market Value per share of Stock on the payment date. Notwithstanding the foregoing provisions of this Section II.A.3, Grantee shall not be entitled to the cash notionally credited at any time to the Restricted Stock Units (or the Stock representing the same, as the case may be) either legally or beneficially unless and until Grantee becomes entitled to receive the actual Stock in respect of the Award pursuant to Section II.A.2 of this Agreement.

Non-Transferability of Award. Section II.B.1 of the Agreement is hereby amended in its entirety to read as follows:

“Except as described below, this Award and the Restricted Stock Units subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and the Award shall lapse and any unvested Restricted Stock Units subject to this Award shall be forfeited if a bankruptcy order is made in respect of Grantee. For the avoidance of doubt, the provisions contained in Section 10.2 of the Plan which allow each Participant to designate a beneficiary for the Restricted Stock Units awarded to him or her under the Plan shall not apply to this Award.”

Withholding. Section II.B.2 of the Agreement is hereby amended in its entirety to read as follows:

“Grantee hereby indemnifies the Corporation, Grantee's employer or any other person in respect of:

- (i) any amount of income tax for which the Corporation, Grantee's employer or any other person is obliged to account under the Pay-As-You-Earn system and any amounts of employee's national insurance contributions arising from the vesting of the Award (or

which would not otherwise have arisen but for the grant of the Award to Grantee); and

- (ii) any amount of income tax for which the Corporation, Grantee's employer or any other person is obliged to account under the Pay-As-You-Earn system and any amounts of employee's national insurance contributions arising in respect of, or in connection with the holding or disposal by Grantee of the shares of Stock acquired pursuant to the Award or the conversion of such shares of Stock into securities of another description whilst such shares of Stock are held by Grantee,

and in pursuance of such indemnity, Grantee hereby agrees that he or she shall pay to the Corporation (or to such other entity as directed by it) such amount as shall be notified to Grantee by the Corporation as being due on any occasion under such indemnity, within seven days after being so notified. To the extent that Grantee fails to pay any amount so notified to him or by the Corporation within seven days after such notification, Grantee hereby agrees that the Corporation may withhold, or procure the withholding, from any salary, wages, payment or payments due to Grantee from the Corporation or the Grantee's employer an amount which is equal to the amount notified to Grantee, sell or procure the sale of sufficient of the shares of Stock acquired by Grantee pursuant to the Award on behalf of Grantee to produce a sum which after any costs of sale is sufficient to discharge the amount so notified to Grantee and retain such sum or make such other arrangements, by which Grantee hereby agrees to be bound, so as to ensure that the amount notified to Grantee is discharged in full. The Corporation will not be obliged to deliver any shares of Stock to Grantee pursuant to the Award if Grantee fails to comply with his or her obligations under the foregoing provisions of this Section II.B.2 and Grantee shall not be entitled to receive the delivery of such shares of Stock."

Clawback Policy. Section II.B.12 of the Agreement shall not apply.

Data Privacy. A new Section II.B.13 is added to the Agreement to read as follows:

"The Corporation and Grantee's employer (together the "Data Processors") will process the Grantee's personal data and each may transfer the Grantee's personal data to their Subsidiaries, HM Revenue and Customs and third party service providers, for the purposes of managing and administering the Award and the operation of the Plan including but not limited to:

- (a) administering and maintaining records relating to Grantee;
- (b) providing information to (i) trustees of any employee benefit trust or (ii) other third party administrators involved directly or indirectly in the operation of the Plan;

- (c) providing information relating to the Grantee in connection with the operation of the Plan to HM Revenue and Customs;
- (d) providing information to potential purchasers of one or more of the Data Processors; and
- (e) allowing any personal data provided by Grantee to be sent to and kept and used by any third party engaged by the Corporation to administer the Plan, including but not limited to the maintenance by such a third party of a database of Participants in the Plan.

Such personal data includes (without limitation) Grantee's name, home address and telephone number; date of birth; social insurance or national insurance number or other identification number; salary; nationality; job title; any Stock or directorships held in the any of the Data Processors; alleged, proven and convicted offences, felonies and/or wilful misconduct; wilful failure or refusal to follow directions from the board of the Corporation; breach of fiduciary duty to the Corporation or a Subsidiary; and details of all Awards or any other entitlement to Stock awarded, cancelled, exercised, vested, unvested or outstanding in Grantee's favour.

Grantee's personal data may be transferred to the Data Processors or to any third parties assisting in the implementation, administration and management of the Plan and/or the Award which are based outside of the UK. Grantee's employer and the Corporation (as appropriate) will implement safeguards to ensure the appropriate levels of protection for all such personal data. Grantee may request a list with the names and addresses of any potential recipients of the data by contacting their local human resources representative.

Grantee's personal data will be held only as long as is necessary for the purpose for which it was collected. Grantee may (without cost) by contacting in writing their local human resources representative (i) view or request additional information about the storage and processing of their personal data, and/or (ii) request that any personal data that the Data Processors hold about Grantee which is inaccurate or out of date is corrected where appropriate."

Loss of Office or Employment. A new Section II.B.14 is added to the Agreement to read as follows:

"In no circumstances shall Grantee, on ceasing to hold the office or employment by virtue of which he has been granted this Award, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Award or the Plan which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise."

Notifications

There are no country-specific notifications.

**Restricted Stock Units Award
To Board of Directors**

TRIMAS CORPORATION

2011 OMNIBUS INCENTIVE COMPENSATION PLAN

RESTRICTED STOCK UNITS AGREEMENT

TriMas Corporation (the “Corporation”), as permitted by the TriMas Corporation 2011 Omnibus Incentive Compensation Plan, as amended (“Plan”), and as approved by the Committee, hereby grants to the individual listed below (“Grantee”), a Restricted Stock Units Award (“Award”) for the number of Restricted Stock Units set forth below (“Restricted Stock Units”), subject to the terms and conditions of the Plan and this Restricted Stock Units Agreement (“Agreement”).

Unless otherwise defined in this Agreement, the terms used in this Agreement have the same meaning as defined in the Plan. The term “Service Provider” as used in this Agreement means an individual actively providing services to the Corporation or a Subsidiary or Affiliate of the Corporation. A Service Provider includes a member of the Board.

I. NOTICE OF RESTRICTED STOCK UNITS AWARD

Grantee:	[specify Grantee’s name]
Date of Agreement:	[grant date]
Grant Date:	March 1, 2017
Number of Restricted Stock Units:	[number of Restricted Stock Units]

II. AGREEMENT

A. Grant of Restricted Stock Units. The Corporation hereby grants to Grantee (who, pursuant to this Award is a Participant in the Plan) the number of Restricted Stock Units set forth above, subject to adjustment as provided in this Agreement. The Restricted Stock Units granted under this Agreement are payable only in shares of Stock as described in Section II.A.2. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Stock Units in this Award are subject to the terms and provisions of the Plan, which are incorporated by reference into this Agreement.

1. Vesting.

(a) **General.** Subject to Section II.A.1(b), the Restricted Stock Units will vest in full on the first anniversary of the Grant Date (the “Vesting Date”), subject to Grantee’s continued status as a Service Provider through such Vesting Date; provided, however, that

subject to Code Section 409A, the Corporation retains the right to accelerate the vesting of all or a portion of the Restricted Stock Units subject to this Award.

(b) **Termination of Service; Forfeiture.** Any unvested Restricted Stock Units subject to this Award will be canceled and forfeited if Grantee terminates as a Service Provider, or if Grantee's status as a Service Provider is terminated by the Corporation, for any reason before the Vesting Date; provided, however, if Grantee ceases to be a Service Provider prior to the Vesting Date as a result of Grantee's death or Disability, Grantee shall fully vest in the Restricted Stock Units subject to the Award as of the date on which Grantee ceases to be a Service Provider due to Grantee's death or Disability.

2. Settlement.

(a) **General.** Subject to Section II.A.2(b) below, and as soon as administratively practicable following (but no later than thirty (30) days following) the Vesting Date, the Corporation shall issue Grantee one share of Stock for each vested Restricted Stock Unit.

(b) **Other Payment Events.** Notwithstanding Section II.A.2(a), to the extent the Restricted Stock Units have not previously been settled, if Grantee ceases to be a Service Provider prior to the Vesting Date as a result of Grantee's death or Disability, and such cessation to be a Service Provider constitutes a separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), the Corporation shall issue Grantee one share of Stock for each vested Restricted Stock Unit as soon as practicable following (but no later than thirty (30) days following) the date of such cessation.

3. **Dividend Equivalent Rights.** From and after the Grant Date and until the earlier of (a) the time when the Restricted Stock Units vest and are settled in accordance with Section II.A.2 hereof or (b) the time when Grantee's rights to the Restricted Stock Units are forfeited in accordance with Section II.A.1(b) hereof, on the date that the Corporation pays a cash dividend (if any) to holders of Stock generally, Grantee shall be credited with cash per Restricted Stock Unit equal to the amount of such dividend. Any amounts credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment or forfeitability) as apply to the Restricted Stock Units based on which the dividend equivalents were credited, and such amounts shall be paid in either cash or Stock, as determined by the Committee in its sole discretion, at the same time as the Restricted Stock Units to which they relate. If such amounts are paid in Stock, the number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing such credited amounts by the Fair Market Value per share of Stock on the payment date.

4. **Rights as a Shareholder.** Grantee will not have any rights of a stockholder (including voting and dividend rights) with respect to the Restricted Stock Units covered by this Award (except as otherwise provided in Section II.A.3).

5. **Adjustments.** The Restricted Stock Units covered by this Award will be subject to adjustment as provided in Section 17 of the Plan.

B. Other Terms and Conditions.

1. **Non-Transferability of Award.** Except as described below, this Award and the Restricted Stock Units subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of Grantee.

2. **Taxes.** Grantee is responsible for the payment of any and all taxes that arise with respect to the Award. Grantee agrees to tender sufficient funds to satisfy any applicable taxes arising in connection with the vesting of the Restricted Stock Units under the Award.

3. **Dispute Resolution.** Grantee and the Corporation agree that any disagreement, dispute, controversy, or claim arising out of or relating to this Agreement, its interpretation, validity, or the alleged breach of this Agreement, will be settled exclusively and, consistent with the procedures specified in this Section II.B.3, irrespective of its magnitude, the amount in controversy, or the nature of the relief sought, in accordance with the following:

(a) **Negotiation.** Grantee and the Corporation will use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they will consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

(b) **Arbitration.** If Grantee and the Corporation do not reach a solution within a period of 30 days from the date on which the dispute, claim, disagreement, or controversy arises, then, upon written notice by Grantee to the Corporation or the Corporation to Grantee, all disputes, claims, questions, controversies, or differences will be submitted to arbitration administered by the American Arbitration Association (the "AAA") in accordance with the provisions of its Employment Arbitration Rules (the "Arbitration Rules").

(1) **Arbitrator.** The arbitration will be conducted by one arbitrator skilled in the arbitration of executive employment matters. The parties to the arbitration will jointly appoint the arbitrator within 30 days after initiation of the arbitration. If the parties fail to appoint an arbitrator as provided above, an arbitrator with substantial experience in executive employment matters will be appointed by the AAA as provided in the Arbitration Rules. The Corporation will pay all of the fees, if any, and expenses of the arbitrator and the arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys fees or other costs of representation.

(2) **Location.** The arbitration will be conducted in Oakland County, Michigan.

(3) **Procedure.** At any oral hearing of evidence in connection with the arbitration, each party or its legal counsel will have the right to examine its witnesses and cross-examine the witnesses of any opposing party. No evidence of any witness may be presented in any form unless the opposing party or parties has the opportunity to cross-examine the witness, except under extraordinary circumstances in which the arbitrator determines that the interests of justice require a different procedure.

(4) **Decision.** Any decision or award of the arbitrator is final and binding on the parties to the arbitration proceeding. The parties agree that the arbitration award may be enforced against the parties to the arbitration proceeding or their assets wherever they may be found and that a judgment upon the arbitration award may be entered in any court having jurisdiction.

(5) **Power.** Nothing contained in this Agreement may be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add to, or subtract from any of the provisions of this Agreement.

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Corporation's and Grantee's respective successors, heirs, personal representatives, designated beneficiaries and any other person asserting a claim described above, and may not be modified without the consent of the Corporation. To the extent arbitration is required, no person asserting a claim has the right to resort to any federal, state or local court or administrative agency concerning the claim unless expressly provided by federal statute, and the decision of the arbitrator is a complete defense to any action or proceeding instituted in any tribunal or agency with respect to any dispute, unless precluded by federal statute.

4. **Code Section 409A.** Without limiting the generality of any other provision of this Agreement, Sections 18.9 and 18.10 of the Plan pertaining to Code Section 409A is hereby explicitly incorporated into this Agreement.

5. **No Continued Right as Service Provider.** Nothing in the Plan or in this Agreement confers on Grantee any right to continue as a Service Provider, or interferes with or restricts in any way the rights of the Corporation or any Subsidiary, which are hereby expressly reserved.

6. **Severability.** If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid or unenforceable, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid or unenforceable shall be reformed to the extent (and only to the extent) necessary to make it enforceable and valid.

7. **Governing Law.** This Agreement is governed by and construed in accordance with the laws of the State of Michigan, notwithstanding conflict of law provisions.

8. **Electronic Delivery.** The Corporation may, in its sole discretion, deliver any documents related to the Restricted Stock Units and Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request Grantee's consent to

participate in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation.

(Signature Page Follows)

This Agreement may be executed in two or more counterparts, each of which is deemed an original and all of which constitute one document.

TRIMAS CORPORATION

Dated: **March 1, 2017**

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President, General Counsel and Chief Compliance Officer

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK UNITS AGREEMENT, NOR IN THE CORPORATION'S 2011 OMNIBUS INCENTIVE COMPENSATION PLAN, WHICH IS INCORPORATED INTO THIS AGREEMENT BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY OR AFFILIATE OF THE CORPORATION, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE CORPORATION'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.

BY CLICKING THE "ACCEPT" BUTTON BELOW, GRANTEE ACKNOWLEDGES RECEIPT OF A COPY OF THE PLAN AND REPRESENTS THAT GRANTEE IS FAMILIAR WITH THE TERMS AND PROVISIONS OF THE PLAN. GRANTEE ACCEPTS THIS RESTRICTED STOCK UNIT AWARD SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT AND THE PLAN. GRANTEE HAS REVIEWED THE PLAN AND THIS AGREEMENT IN THEIR ENTIRETY. GRANTEE AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN OR THIS AWARD.

FOREIGN SUBSIDIARY BORROWING AGREEMENT AND AMENDMENT dated as of January 10, 2017 (this “Agreement”), among TRIMAS COMPANY LLC, a Delaware limited liability company (the “Parent Borrower”), TRIMAS CORPORATION, a Delaware corporation (“Holdings”), TRIMAS CORPORATION LIMITED, a company incorporated in England and Wales (the “New Foreign Subsidiary Borrower”), JPMORGAN CHASE BANK, N.A., a New York banking corporation (“JPMCB”), as administrative agent (in such capacity, the “Administrative Agent”) for the Lenders (as defined herein) and as Fronting Lender, JPMORGAN CHASE BANK, N.A., BANK OF AMERICA, N.A. and WELLS FARGO BANK, NATIONAL ASSOCIATION, each in its capacity as an Issuing Bank, J.P. MORGAN EUROPE LIMITED, in its capacity as Foreign Currency Agent, and the Revolving Lenders party hereto.

W I T N E S S E T H:

WHEREAS, reference is made to the Credit Agreement dated as of October 16, 2013 (as amended, amended and restated, supplemented or otherwise modified from time to time, including, without limitation, by that certain Replacement Facility Amendment dated as of June 30, 2015, the “Credit Agreement”), among, *inter alia*, the Parent Borrower, Holdings, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the “Lenders”), the Administrative Agent and JPMCB as collateral agent. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

WHEREAS, under the Credit Agreement, the Lenders have agreed, upon the terms and subject to the conditions therein set forth, to make Loans to the Parent Borrower, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (collectively, the “Borrowers”) and the Issuing Banks have agreed to issue Letters of Credit for the account of certain of the Borrowers.

WHEREAS, the Borrowers and the New Foreign Subsidiary Borrower desire that the New Foreign Subsidiary Borrower become a Foreign Subsidiary Borrower.

WHEREAS, Section 10.02(b) of the Credit Agreement permits the Parent Borrower, Holdings and the New Foreign Subsidiary Borrower to make certain amendments to the Credit Agreement with the written consent of the Administrative Agent, the Revolving Lenders party hereto, the Issuing Banks, the Foreign Currency Agent, and the Fronting Lender.

WHEREAS, upon execution of this Agreement, the Credit Agreement will be amended as set forth in Section 2 below.

WHEREAS, the parties hereto are willing to agree to this Agreement on the terms set forth herein.

NOW THEREFORE, in consideration of the premises and terms hereinafter set forth, the parties hereto agree as follows:

SECTION 1. Addition of New Foreign Subsidiary Borrower.

Each of Holdings, the Borrowers and the New Foreign Subsidiary Borrower represent and warrant that the representations and warranties of the Borrowers in the Credit Agreement relating to the New Foreign Subsidiary Borrower and this Agreement are true and correct on and as of the date hereof. The Borrowers and the New Foreign Subsidiary Borrower represent and warrant that, except for withholding taxes imposed by the United Kingdom, there is no income, stamp, or other tax of any country, or any taxing authority thereof or therein, in the nature of a withholding tax or otherwise, which is imposed on any payment to be made by the New Foreign Subsidiary Borrower pursuant to this Agreement or the Credit Agreement, or is imposed in respect of the execution, delivery or enforcement of this Agreement or the Credit Agreement. Holdings and the Borrowers agree that the Guarantees of Holdings and the Borrowers contained in the Credit Agreement will apply to the Obligations of the New Foreign Subsidiary Borrower.

Upon execution of this Agreement by each of the parties hereto, the New Foreign Subsidiary Borrower shall be a party to the Credit Agreement and a "Foreign Subsidiary Borrower" and a "Borrower" for all purposes thereof, and the New Foreign Subsidiary Borrower hereby agrees to be bound by all provisions of the Credit Agreement; *provided* that this Agreement shall not become effective if it shall be unlawful for the New Foreign Subsidiary Borrower to become a "Borrower" thereunder or for any Lender to make Loans or otherwise extend credit to the New Foreign Subsidiary Borrower as provided therein.

SECTION 2. Amendments to Credit Agreement. Effective as of the date hereof, the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended by inserting the following defined terms therein in appropriate alphabetical order:

"Applicable UK Payment" has the meaning assigned to such term in Section 2.17(k).

"CTA" means the UK Corporation Tax Act 2009.

"Direction" has the meaning assigned to such term in Section 2.17(k)(ii)(A).

"ITA" means the UK Income Tax Act 2007.

"Qualifying Lender" means:

- (a) a Revolving Lender (other than a Lender within clause (b) of the definition of Qualifying Lender) which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:
- (i) a Lender:
 - (A) that is a bank (as defined for the purpose of section 879 of the ITA) making an advance under a Loan Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the CTA; or
 - (B) in respect of an advance under a Loan Document by a person that was a bank (as defined for the purpose of section 879 of the ITA) at the time that such advance under a Loan Document was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or
 - (ii) a Lender which is:
 - (A) a company resident in the United Kingdom for United Kingdom Tax purposes;
 - (B) a partnership, each member of which is:
 - (1) a company so resident in the United Kingdom; or
 - (2) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
 - (C) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company; or
 - (iii) a Treaty Lender; or
- (b) a Revolving Lender that is a building society (as defined for the purposes of section 880 of the ITA) making an advance.

“Tax Confirmation” means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document is either:

- (a) a company resident in the United Kingdom for United Kingdom Tax purposes; or
- (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.

“Treaty” has the meaning assigned to such term in the definition of Treaty State.

“Treaty Lender” means a Revolving Lender which:

- (a) is treated as a resident of a Treaty State for the purposes of the Treaty;
- (b) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender’s participation in any advance is effectively connected; and
- (c) meets all of the conditions in the Treaty that relate to the Lender for full exemption from Taxes imposed by the United Kingdom on interest, subject to the completion of procedural formalities.

“Treaty State” means a jurisdiction having a double taxation agreement (a “Treaty”) with the United Kingdom which makes provision for full exemption from Tax imposed by the United Kingdom on interest.

“UK Borrower” means a Foreign Subsidiary Borrower which is incorporated in or otherwise organized under the laws of England and Wales or which is resident for Tax purposes in England and Wales.

“UK Loan” means any Loan or other extension of credit (including any Letter of Credit) made to a UK Borrower by a Revolving Lender.

“UK Tax Deduction” has the meaning assigned to such term in Section 2.17(k).

(b) The definition of “Excluded Taxes” in Section 1.01 of the Credit Agreement is hereby amended by replacing “Section 2.17(g)” therein with “Section 2.17(f)”.

(c) Section 2.17 of the Credit Agreement is hereby amended by inserting the following clauses (j) through (m) immediately after Section 2.17(i):

(j) Without limiting the provisions of Section 2.17(g), if a UK Tax Deduction is required by law to be made by a Loan Party from an Applicable UK Payment to a Revolving Lender which is a Treaty Lender and any Loan Party makes an increased payment to that Treaty Lender under Sections 2.17(a) or 2.17(c) in respect of that UK Tax Deduction but the Treaty Lender is or becomes entitled to a refund of the relevant Tax by virtue of the relevant Treaty (a “Treaty Rebate”), the Treaty Lender shall, following written request to do so from the relevant Loan Party, use commercially reasonable endeavours to claim that Treaty Rebate from the relevant Governmental Authority and shall pay to the relevant Loan Party a sum equal to the amount of that Treaty Rebate, net of all out-of-pocket expenses (including any Taxes) and without interest (other than any interest paid by the relevant Governmental Authority in respect of such refund), as soon as reasonably practicable following receipt of the Treaty Rebate from the relevant Governmental Authority. Nothing contained in this Section 2.17(j) shall require any Treaty Lender to make available its Tax returns or any other information relating to its Taxes which it deems confidential to that Lender or any other person.

(k) Notwithstanding anything to the contrary in any other provision of this Section 2.17, in the case of any UK Loan, no payment by any Loan Party under any Loan Document to that Revolving Lender in connection with that UK Loan (an “Applicable UK Payment”) shall be increased pursuant to Section 2.17(a) by reason of any deduction or withholding on account of Taxes imposed by the United Kingdom (a “UK Tax Deduction”) and no Loan Party shall be liable to make any payment under Section 2.17(c) to a Revolving Lender as a result of or in connection with any such UK Tax Deduction if, on the date on which the Applicable UK Payment falls due:

- (i) the payment could have been made to the relevant Lender without a UK Tax Deduction if the Lender had been a Qualifying Lender but, on that date, that Lender is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or
- (ii) the relevant Lender is a Qualifying Lender solely by virtue of clause (a)(ii) of the definition of Qualifying Lender, and:

(A) an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a “Direction”) under section 931 of the ITA which relates to the payment and that Lender has received from the UK Borrower making the payment a certified copy of that Direction; and

(B) the payment could have been made to the Lender without any UK Tax Deduction if that Direction had not been made; or

(iii) the relevant Lender is a Qualifying Lender solely by virtue of clause (a)(ii) of the definition of Qualifying Lender and:

(A) the relevant Lender has not given a Tax Confirmation to the UK Borrower; and

(B) the payment could have been made to the Lender without any UK Tax Deduction if the Lender had given a Tax Confirmation to the UK Borrower, on the basis that the Tax Confirmation would have enabled the UK Borrower to have formed a reasonable belief that the payment was an “excepted payment” for the purpose of section 930 of the ITA; or

(iv) the relevant Lender is a Treaty Lender and the Loan Party making the payment is able to demonstrate that the payment could have been made to the Lender without a UK Tax Deduction had the Lender complied with its obligations under paragraphs (l)(i) and (l)(iii) below.

(l) Without limiting the provisions of Section 2.17(f):

(i) a Treaty Lender and each relevant UK Borrower which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Loan Party to obtain authorisation to make that payment without a UK Tax Deduction and, upon satisfying a. or b. below, such Treaty Lender shall be deemed to have satisfied its obligations under this paragraph:

(a) a Treaty Lender which (a) is a party to this Agreement on the date on which a UK Borrower becomes a party to this Agreement pursuant to Section 2.20, (b) wishes to lend to that UK Borrower, and (c) holds a passport under the HMRC DT Treaty Passport scheme which it wishes to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in writing to the Parent Borrower and the Administrative Agent on or before (y) the date on which the UK Borrower becomes a party to this Agreement or, if later, (z) the date falling 5 Business Days after the Administrative Agent has notified the Treaty Lender that the UK Borrower has or will become a party to this Agreement in accordance with Section 2.20;

(b) a Treaty Lender which (a) becomes a party to this Agreement after the date on which a UK Borrower has become a party to this Agreement pursuant to Section 2.20, (b) wishes to lend to that UK Borrower, and (c) holds a passport under the HMRC DT Treaty Passport scheme which it wishes to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in writing to the Parent Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement;

(ii) within 30 days of a Treaty Lender satisfying a. or b. in paragraph (i) above, each relevant UK Borrower shall duly complete and file an HM Revenue & Customs form DTTP2 which contains the Treaty Lender's scheme reference number and jurisdiction of tax residence as notified to the Borrower in accordance with a. or b. in paragraph (i) above (a "UK Borrower DTTP Filing");

(iii) if a Treaty Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with a. or b. of paragraph (i) above and:

(a) a UK Borrower making a payment to that Treaty Lender has not made a UK Borrower DTTP Filing in respect of that Lender within the period provided for in paragraph (ii) above; or

(b) a UK Borrower making a payment to that Treaty Lender has made a UK Borrower DTTP Filing in respect of that Treaty Lender but:

(i) that UK Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

(ii) HM Revenue & Customs has not given the UK Borrower authority to make payments to that Treaty Lender without a UK Tax Deduction within 60 days of the date of the UK Borrower DTTP Filing,

and in each case, the UK Borrower has notified that Treaty Lender in writing, that Treaty Lender and the UK Borrower shall co-operate in completing any additional procedural formalities necessary for that UK Borrower to obtain authorisation to make that payment without a UK Tax Deduction;

(iv) if a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with a. or b. in paragraph (i) above, no Loan Party shall make a UK Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Loan unless the Lender otherwise agrees;

(v) a UK Borrower shall, promptly on making a UK Borrower DTTP Filing, deliver a copy of that UK Borrower DTTP Filing to the Administrative Agent for delivery to the relevant Lender.

(m) A Lender which is a Qualifying Lender solely by virtue of clause (a)(ii) of the definition of Qualifying Lender:

(i) which wishes to lend to a UK Borrower and which is a party to this Agreement on the date on which that UK Borrower becomes a party to this Agreement pursuant to Section 2.20 shall give a Tax Confirmation to the Parent Borrower on or before the date on which the UK Borrower becomes a party to this Agreement or, if later, the date falling 5 Business Days after the Administrative Agent has notified the Lender that the UK Borrower has or will become a party to this Agreement in accordance with Section 2.20;

(ii) which wishes to lend to a UK Borrower and which becomes a party to this Agreement after the date on which that UK Borrower has become a party to this Agreement pursuant to Section 2.20 shall give a Tax Confirmation to the Parent Borrower on or before the date on which it becomes a party to this Agreement; and

(iii) shall promptly notify the Parent Borrower if there is any change in the position from that set out in its Tax Confirmation.

SECTION 3. Effect of Agreement. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Administrative Agent under the Credit Agreement or any other Loan Document, or alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of the Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle the Parent Borrower to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. Except as expressly set forth herein, nothing in this Agreement shall be deemed to be a novation of any obligations under the Credit Agreement or any other Loan Document.

On and after the date hereof, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import, and each reference to the Credit Agreement in any other Loan Document shall be deemed a reference to the Credit Agreement as amended hereby. This Agreement shall constitute a “Loan Document” for all purposes of the Credit Agreement and the other Loan Documents.

SECTION 4. Miscellaneous. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by email or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers as of the date first appearing above.

TRIMAS CORPORATION,

by

/s/ Robert J. Zalupski

Name: Robert J. Zalupski

Title: Chief Financial Officer

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

TRIMAS COMPANY LLC

by

/s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Vice President & Secretary

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

TRIMAS CORPORATION LIMITED

by

/s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Director

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

JPMORGAN CHASE BANK, N.A., as Administrative Agent,

by

/s/ Christopher A. Salek

Name: Christopher A. Salek

Title: Vice President

JPMORGAN CHASE BANK, N.A., as Issuing Bank, Fronting Lender
and Revolving Lender,

by

/s/ Christopher A. Salek

Name: Christopher A. Salek

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

J.P. MORGAN EUROPE LIMITED, as Foreign Currency Agent,

by

/s/ Aljan Kayaalp

Name: Aljan Kayaalp

Title: Executive Director

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

BANK OF AMERICA, N.A., as Issuing Bank and Revolving Lender,

by

/s/ Gregory J. Bosio

Name: Gregory J. Bosio

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Issuing Bank
and Revolving Lender,

by

/s/ John D. Brady

Name: John D. Brady

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

BANK OF MONTREAL, as Revolving Lender,

by

/s/ Patrick Hartweger

Name: Patrick Hartweger

Title: Managing Director

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

BANK OF MONTREAL, London Branch as Revolving Lender,

by

/s/ Tony Ebdon /s/ Andy McClinton

Name: Tony Ebdon Andy McClinton

Title: Managing Director MD

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

CITIZENS BANK, N.A., as Revolving Lender,

by

/s/ Megan Livingston

Name: Megan Livingston

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

MUFG UNION BANK, N.A., as Revolving Lender,

by

/s/ Mark Maloney

Name: Mark Maloney

Title: Authorized Signatory

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

BRANCH BANKING & TRUST COMPANY, as Revolving Lender,

by

/s/ Ryan T. Hamilton

Name: Ryan T. Hamilton

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

KEYBANK NATIONAL ASSOCIATION, as Revolving Lender,

by

/s/ Suzannah Valdivia

Name: SUZANNAH VALDIVIA

Title: SENIOR VICE PRESIDENT

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

U.S. BANK NATIONAL ASSOCIATION, as Revolving Lender,

by

/s/ Jeffery S. Johnson

Name: Jeffery S. Johnson

Title: Senior Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

HSBC BANK USA, NATIONAL ASSOCIATION, as Revolving
Lender,

by

/s/ Frank M. Eassa

Name: Frank M. Eassa

Title: Senior Vice President, Corporate
Banking

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

DEUTSCHE BANK AG NEW YORK BRANCH, as Revolving Lender,

by

/s/ Peter Cucchiara

Name: Peter Cucchiara

Title: Vice President

by

/s/ Dusan Lazarov

Name: Dusan Lazarov

Title: Director

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

THE HUNTINGTON NATIONAL BANK, as Revolving Lender,

by

/s/ Dan Swanson

Name: Dan Swanson

Title: Assistant Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

THE NORTHERN TRUST COMPANY, as Revolving Lender,

by

/s/ Wicks Barkhausen

Name: Wicks Barkhausen

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

COMERICA BANK, as Revolving Lender,

by

/s/ Nicole Swigert

Name: Nicole Swigert

Title: Vice President

[Signature page to Foreign Subsidiary Borrowing Agreement and Amendment]

AMENDMENT

AMENDMENT, dated as of March 8, 2017 (this "Amendment"), to the CREDIT AGREEMENT, dated as of October 16, 2013 (as amended, amended and restated, supplemented or otherwise modified from time to time, including, without limitation, by that certain Replacement Facility Amendment dated as of June 30, 2015 and that certain Foreign Subsidiary Borrowing Agreement and Amendment, dated as of January 10, 2017, the "Credit Agreement"), among TRIMAS CORPORATION ("Holdings"), TRIMAS COMPANY LLC, (the "Parent Borrower"), the subsidiary borrowers from time to time parties thereto, the several banks and other financial institutions or entities from time to time parties thereto (the "Lenders"), JPMORGAN CHASE BANK, N.A., as administrative agent (the "Administrative Agent"), and the other agents party thereto.

WITNESSETH:

WHEREAS, Holdings, the Parent Borrower, the Lenders and the Administrative Agent are parties to the Credit Agreement;
and

WHEREAS, Holdings and the Parent Borrower have requested, and the Lenders and the Administrative Agent have agreed to enter into this amendment of the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. DEFINED TERMS

Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

II. AMENDMENT TO THE CREDIT AGREEMENT

Section 6.05(j) of the Credit Agreement shall be amended as of the Amendment Effective Date (as defined below) as follows:

(i) The parenthetical "(other than Equity Interests in a Subsidiary)" therein shall be replaced with the parenthetical "(other than Equity Interests in a Borrower)"; and

(ii) The following proviso shall be inserted at the end thereof: "provided further that with respect to any sale, transfer or other disposition of Equity Interests of a Subsidiary, (x) subject to clauses (i) and (ii) of the immediately preceding proviso, the aggregate fair market value of all such Equity Interests sold, transferred or otherwise disposed of in reliance upon this clause (j) shall not exceed \$20 million and (y) any sale, transfer or other disposition of Equity Interests in a Subsidiary that is a Loan Party shall only be permitted if 100% of the Equity Interests of such Subsidiary owned by Holdings and any of its Subsidiaries are so sold, transferred or otherwise disposed".

III. REPRESENTATIONS

Holdings and the Parent Borrower hereby represent that (i) the representations and warranties of each Loan Party set forth in the Loan Documents are true and correct as of the Amendment Effective Date and (ii) at the time of and immediately after giving effect to the Amendment Effective Date, no Default has occurred and is continuing.

IV. EFFECTIVENESS

This Amendment shall become effective on the date (the "Amendment Effective Date") on which all of the following conditions precedent have been satisfied or waived:

- (i) the Administrative Agent shall have received this Amendment, duly executed and delivered by a duly authorized officer of each of (A) Holdings, (B) the Parent Borrower, (C) the Administrative Agent and (D) the Required Lenders; and
- (ii) the Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses (including fees, charges and disbursements of counsel) required to be reimbursed or paid by any Loan Party hereunder or under any Loan Document.

V. MISCELLANEOUS

A. Effect on the Loan Documents.

(i) Except as specifically amended hereby, the provisions of the Credit Agreement are and shall remain in full force and effect and are hereby in all respects ratified and confirmed.

(ii) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

(iii) On and after the Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to the "Credit Agreement", "thereunder", "thereof", or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement after giving effect to this Amendment.

(iv) The Parent Borrower and the other parties hereto acknowledge and agree that this Amendment shall constitute a Loan Document.

B. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single document. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

C. GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED IN

ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

D. Expenses. The Parent Borrower agree to pay or reimburse the Administrative Agent for all of its reasonable and invoiced out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable and invoiced fees, charges and disbursements of one counsel to the Administrative Agent.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

TRIMAS CORPORATION

By: /s/ Robert J. Zalupski

Name: Robert J. Zalupski

Title: Chief Financial Officer

TRIMAS COMPANY LLC

By: /s/ Robert J. Zalupski

Name: Robert J. Zalupski

Title: Vice President

[Signature Page to Amendment]

JPMORGAN CHASE BANK, N.A., as Administrative Agent and a Lender,

By: /s/ Christopher A. Salek

Name: Christopher A. Salek

Title: Vice President

[Signature Page to Amendment]

BANK OF AMERICA, N.A., as a Lender

By: /s/ Michael E. Miller

Name: Michael E. Miller

Title: Vice President

[Signature Page to Amendment]

WELLS FARGO BANK, N.A., as a Lender

By: /s/ Tom Trail

Name: Tom Trail

Title: Director

[Signature Page to Amendment]

BANK OF MONTREAL, as a Lender

By: /s/ Joshua Hovermale

Name: Joshua Hovermale

Title: Director

[Signature Page to Amendment]

CITIZENS BANK, N.A., as a Lender

By: /s/ Megan Livingston

Name: Megan Livingston

Title: Senior Vice President

[Signature Page to Amendment]

MUFG UNION BANK, N.A., as a Lender

By: /s/ Mark S. Campbell

Name: Mark S. Campbell

Title: Authorized Signatory

[Signature Page to Amendment]

BRANCH BANKING & TRUST COMPANY, as a Lender

By: /s/ Brian J. Blomeke

Name: Brian J. Blomeke

Title: Senior Vice President

[Signature Page to Amendment]

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Suzannah Valdivia

Name: SUZANNAH VALDIVIA

Title: SENIOR VICE PRESIDENT

[Signature Page to Amendment]

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Jerrod Clements

Name: Jerrod Clements

Title: Assistant Vice President

[Signature Page to Amendment]

HSBC BANK USA, NATIONAL ASSOCIATION, as a Lender

By: /s/ Brian M. Barns

Name: Brian M. Barns

Title: Assistant Vice President

[Signature Page to Amendment]

DEUTSCHE BANK AG NEW YORK BRANCH, as a Lender

By: /s/ Peter Cucchiara

Name: Peter Cucchiara

Title: Vice President

By: /s/ Benjamin Souh

Name: Benjamin Souh

Title: Vice President

[Signature Page to Amendment]

THE HUNTINGTON NATIONAL BANK, as a Lender

By: /s/ Dan Swanson

Name: Dan Swanson

Title: Assistant Vice President

[Signature Page to Amendment]

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Wicks Barkhausen

Name: Wicks Barkhausen

Title: Vice President

[Signature Page to Amendment]

COMERICA BANK, as a Lender

By: /s/ Nicole Swigert

Name: Nicole Swigert

Title: Vice President

[Signature Page to Amendment]

Certification
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002
(Chapter 63, Title 18 U.S.C. Section 1350(A) and (B))

I, Thomas A. Amato, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TriMas Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2017

/s/ THOMAS A. AMATO

Thomas A. Amato
Chief Executive Officer

Certification
Pursuant to Section 302 of The Sarbanes-Oxley Act of 2002
(Chapter 63, Title 18 U.S.C. Section 1350(A) and (B))

I, Robert J. Zalupski, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TriMas Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 27, 2017

/s/ ROBERT J. ZALUPSKI

Robert J. Zalupski
Chief Financial Officer

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of TriMas Corporation (the "Company") on Form 10-Q for the period ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas A. Amato, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 27, 2017

/s/ THOMAS A. AMATO

Thomas A. Amato
Chief Executive Officer

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of TriMas Corporation (the "Company") on Form 10-Q for the period ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert J. Zalupski, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 27, 2017

/s/ ROBERT J. ZALUPSKI

Robert J. Zalupski
Chief Financial Officer