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

Form 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2010.

Or

o **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	**38-2687639**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)

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)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Name of Each Exchange on Which Registered:
Common stock, $0.01 par value	NASDAQ

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 and Section 15(d) of the Act. Yes o No ☒

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 o

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 (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

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

Large Accelerated Filer o	Accelerated Filer ☒	Non-accelerated Filer o (Do not check if a smaller reporting company)	Smaller Reporting Company o

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

The aggregate market value of the voting common equity held by non-affiliates of the Registrant as of June 30, 2010 was approximately $207.6 million, based upon the closing sales price of the Registrant's common stock, $0.01 par value, reported for such date on the New York Stock Exchange. For purposes of this calculation only, directors, executive officers and the principal controlling shareholder or entities controlled by such controlling shareholder are deemed to be affiliates of the Registrant.

As of February 23, 2011, the number of outstanding shares of the Registrant's common stock, $.01 par value, was 34,065,856 shares.

Portions of the Registrant's Proxy Statement for the 2010 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein.

TRIMAS CORPORATION INDEX

Forward-Looking Statements

This report contains forward-looking statements (as that term is defined by the federal securities laws) about our financial condition, results of operations and business. You can find many of these statements by looking for words such as "may," "will," "expect," "anticipate," "believe," "estimate" and similar words used in this report.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties. Because the statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution readers not to place undue reliance on the statements, which speak only as of the date of this report.

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 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 under Item 1A, "*Risk Factors*," and Item 7, "*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 condition, results of operations, prospects and ability to service our debt.

PART I

Item 1. Business

We are a global manufacturer and distributor of products for commercial, industrial and consumer markets. Most of our businesses share important characteristics, including leading market shares, strong brand names, broad product offerings, established distribution networks, relatively high operating margins, relatively low capital investment requirements, product growth opportunities and strategic acquisition opportunities. We believe that a majority of our 2010 net sales were in markets in which our products enjoy the number one or number two market position within their respective product categories. In addition, we believe that in many of our businesses, we are one of only a few manufacturers in the geographic markets where we currently compete.

Our Reportable Segments

Effective October 1, 2010, we realigned our reportable segments to be consistent with our current operating structure and strategic priorities. We previously reported under the following five segments: Packaging, Energy, Aerospace & Defense, Engineered Components and Cequent. As a result of this realignment, the Company has increased the number of reportable segments from five to six. The Company's Packaging and Aerospace & Defense reportable segments remain unchanged. However, the Company's Arrow Engine operating segment, previously within the Energy reportable segment, has been moved to the Engineered Components reportable segment. In addition, the previous Cequent reportable segment has been split into two reportable segments, with the Company's Cequent Performance Products and Cequent Consumer Products operating segments comprising the new Cequent North America reportable segment, and the Company's Cequent Asia Pacific operating segment becoming a separate reportable segment. Our reportable segments had net sales and operating profit for the year ended December 31, 2010 as follows: Packaging (net sales: $171.2 million; operating profit: $48.7 million), Energy (net sales: $129.1 million; operating profit: $14.7 million), Aerospace & Defense (net sales: $73.9 million; operating profit: $18.1 million), Engineered Components (net sales: $153.2 million; operating profit: $17.4 million), Cequent Asia Pacific (net sales: $76.0 million; operating profit: $12.1 million) and Cequent North America (net sales: $339.3 million; operating profit: $27.8 million).

In addition to our reportable segments as presented, we have discontinued certain lines of businesses over the past three years as follows, the results of which are presented as discontinued operations for all periods presented in the financial statements attached hereto:

- During the fourth quarter of 2009, we discontinued our medical device manufacturing line of business, which was previously included within our Engineering Components segment.

- During the fourth quarter of 2008, we entered into a binding agreement to sell certain assets within our specialty laminates, jacketings and insulation tapes line of business, which was previously included within our Packaging segment. We concluded the sale of these assets in February 2009.

- In the fourth quarter of 2007, we reached a decision to sell the N.I. Industries property management business within our Aerospace & Defense segment. The sale was completed in April 2010.

Each reportable segment has distinctive products, distribution channels, strengths and strategies, which are described below.

Packaging

We believe Packaging is a leading designer, manufacturer and distributor of specialty, highly-engineered closure and dispensing systems for a range of end markets, including steel and plastic industrial and consumer packaging applications. We believe that Packaging is one of the largest manufacturers of steel and plastic industrial container closures and dispensing products in North America and also has a significant presence in Europe and other international markets. Packaging manufactures high-performance, value-added products that are designed to enhance its customers' ability to store, transport, process and dispense various products for the industrial, agricultural, consumer, food, personal care, pharmaceutical and medical markets. Packaging's products include steel and plastic closure caps, drum enclosures, rings and levers, and dispensing systems, such as pumps and specialty sprayers.

Our Packaging brands, which include Rieke®, Englass®, Rieke® Italia and Stolz® are well established and recognized in their respective markets.

- Rieke®, located in Auburn, Indiana, designs and manufactures traditional industrial closures and dispensing products in North America and Asia. We believe Rieke® has significant market share for many of its key products, such as steel drum enclosures, plastic drum closures and plastic pail dispensers and plugs.

- Englass®, located in the United Kingdom, focuses on pharmaceutical and personal care dispensers sold primarily in Europe, but its product and engineering "know-how" is applicable to the consumer dispensing market in North America and other regions, which provides continuing significant opportunities for growth.

- Rieke® Italia, located in Italy, specializes in ring and lever closures that are used in the European industrial market. This specialty closure system is also sold into the North American Free Trade Agreement ("NAFTA") markets.

- Rieke® Germany designs, manufactures and distributes products under our Stolz® brand. We believe that it is a European leader in plastic enclosures for sub-20 liter sized containers used in automotive and chemical applications.

Competitive Strengths

We believe Packaging benefits from the following competitive strengths:

- *Strong Product Innovation.* We believe that Packaging's research and development capability and new product focus is a competitive advantage. For 90 years, Packaging's product development programs have provided innovative and proprietary product solutions, such as the Visegrip® steel flange and plug closure, the Poly-Visegrip™ plastic closure and the all-plastic, environmentally safe, self-venting FlexSpout® flexible pouring spout. Packaging's emphasis upon highly-engineered packaging solutions and research and development has yielded numerous issued and enforceable patents, with many other patent applications pending. We believe that Packaging's innovative product solutions have enabled them to evolve their products to meet existing customers' needs, as well as attract new customers in a variety of end markets such as consumer, food, personal care, pharmaceutical and medical.

- *Customized Solutions that Enhance Customer Loyalty and Relationships.* A significant portion of Packaging's products are customized for end-users, as Packaging's products are often developed and engineered to address specific customer needs, providing real solutions for issues or problems. Packaging provides extensive in-house design and development technical staff to provide solutions to customer requirements for closures and dispensing applications. For example, the installation in customer drum and pail plants of customized, patent protected, Rieke®-designed insertion equipment and tools that are specially designed for use on Rieke® manufactured closures and dispensers creates substantial switching costs. As a result, and because the equipment is located inside customers' plants, we are able to support favorable pricing and generate a high degree of customer loyalty. Rieke® has also been successful in promoting the sale of complementary products in an effort to create preferred supplier status.

- *Leading Market Positions and Global Presence.* We believe that Packaging is a leading designer and manufacturer of plastic closure caps, drum enclosures, rings and levers and dispensing systems, such as pumps and specialty sprayers. Packaging maintains a global presence, reflecting its global opportunities and customer base. The majority of Rieke®'s manufacturing facilities around the world have technologically advanced injection molding machines required to manufacture industrial container closures and specialty dispensing and packaging products, as well as automated, high-speed assembly equipment for multiple component products.

Strategies

We believe Packaging has significant opportunities to grow, including:

- *Product Innovation and New Applications.* Rieke® has focused its research and development capabilities on North American consumer applications requiring special packaging forms and stylized containers and dispenser systems requiring a high degree of functionality and engineering, as well as continuously evolving its industrial applications. In 2010, we launched the FLEXSPOUT II™ closure system used on five gallon pails for the paint, oil and chemical industries. We believe that this product's increased functionality, including an easy-to-use retractable pour spout, has enabled Rieke® to increase its market share. In 2009, we introduced the DuraTouch® product line of small pump sprayers used in multiple product applications. These pumps emit volumes from 100-700 mcl per stroke and are used in personal care, cosmetics and pharmaceutical markets. During 2008, we introduced two major new dispensing products into various markets: an airless dispensing system for dosing hygienic solutions such as lotions, creams and gels, and an airless high viscosity dispensing system ("HVDS").

- *Product Cross-Selling Opportunities.* Recently, Rieke® began to cross-market successful European products, such as rings and levers, to a similar end-user customer base in the North American market utilizing its direct sales force. We believe that, as compared with its competitors, Rieke® is able to offer a wider variety of products to its long-term North American customers at better pricing and with enhanced service and tooling support. Many of these customers have entered into supply agreements with Rieke® based on these broader product offerings.

- *Increased International Presence.* Packaging has increased its international manufacturing and sales presence, with advanced manufacturing capabilities in Southeast Asia, most notably China, as well as an increased sales presence in that region. We have also increased our sales coverage in Southern and Eastern Europe, as well as Latin America. By maintaining a presence in certain foreign locations, Rieke® hopes to continue to discover new markets and new applications in international markets and to capitalize on lower-cost production opportunities.

Marketing, Customers and Distribution

Packaging employs an internal sales force in the NAFTA and European regions, and uses third-party agents and distributors in key geographic markets, including Europe, South America and Asia. Rieke®'s agents and distributors primarily sell directly to container manufacturers and to users or fillers of containers. While the point of sale may be to a container manufacturer, Rieke®, via a "pull through" strategy, calls on the container user or filler and suggests that it specify that a Rieke® product be used on its container.

To support its "pull-through" strategy, Rieke® offers more attractive pricing on products purchased directly from Rieke® and products where the container users or fillers specify Rieke®. Users or fillers that use or specify Rieke®'s products include industrial chemical, agricultural chemical, petroleum, paint, personal care, pharmaceutical and sanitary supply chemical companies such as BASF, Bayer, Dupont, General Electric, ICI Paints, Lucas Oil, Sherwin-Williams and PPG, among others.

Packaging's primary end customers include Berger, Boots, Design Worx, Dupont, Ecolab, Method, Pepsi, Pharmacia, Sherwin-Williams, Schering-Plough and Starbucks, as well as supplying major container manufacturers around the world such as Berenfield, BWAY, Greif and North Coast Container. Packaging maintains a customer service center that provides technical support as well as other technical assistance to customers to reduce overall production costs.

Competition

Since Rieke® has a broad range of products in both closures and dispensing products, there are competitors in each of our product offerings. We do not believe that there is a single competitor that matches our entire product offering.

In both the NAFTA and European markets, we compete with Greif Closure Systems and Technocraft in the industrial steel closure product line. In the industrial plastic 55-gallon drum closure line, our primary competitor is Greif Closure Systems in both regions. In the 5-gallon container closure market, our primary competitors are Greif Closure Systems and Bericap. Our primary competitors in the ring and lever product line are Berger, Self Industries and Technocraft. Rieke®'s dispensing products compete with those of Calmar and Airspray.

Energy

We believe Energy is a leading manufacturer and distributor of metallic and non metallic gaskets, as well as various types of stud bolts, industrial fasteners and specialty products for the petroleum refining, petrochemical, oil field and industrial markets. With operations principally in North America and newer locations in Europe and the Far East, Lamons® supplies gaskets and complementary fasteners to both industrial original equipment manufacturers and maintenance repair operations. Our companies and brands which comprise this segment include Lamons® and South Texas Bolt & Fitting ("STBF").

Competitive Strengths

We believe Energy benefits from the following competitive strengths:

- *Established and Extensive Distribution Channels.* Our Lamons® business utilizes an established hub-and-spoke distribution system whereby our primary manufacturing facilities supplies product to our own branches and highly knowledgeable network of worldwide distributors and licensees, which are located in close proximity to our primary customers. This established network comprised of both Company-owned and third-party distributors allows us to add new customers in various locations or to increase distribution to existing customers with relatively small increases in incremental costs. Our experienced in-house sales support team works with our global network of distributors and licensees to create a strong market presence in all aspects of the oil, gas and petrochemical refining industries.

- *Comprehensive Product Offering.* Lamons® currently offers a full suite of gasket and bolt products to the petroleum refining, petrochemical, oil field and industrial markets. While many of the competitors manufacture and distribute either gaskets or bolts, supplying both provides Lamons® an advantage with customers who prefer to deal with fewer suppliers. Lamons'® ability to provide quick turn-around and customized solutions for its customers is a competitive strength.

- *Leading Market Positions and Strong Brand Names.* We believe Lamons® is one of the largest gasket and bolt suppliers to the global petroleum industry. We believe that Lamons® and South Texas

Bolt & Fitting are known as quality brands and offer premium service to the industry. All Lamons® global facilities have the latest proprietary technology and equipment to be able to produce emergency gaskets and bolts locally to meet their customers' demands.

Strategies

We believe Energy has opportunities to grow, while reducing its cost structure, including:

- *Expansion into New Geographies.* Energy has significant opportunities to grow its business by replicating its U.S branch strategy. Lamons® is presently targeting additional locations outside of the U.S. in close proximity of its global customers, and plans further penetration into Europe, Asia and North and South America. Opening locations within close proximity of its customers, increases Lamons® ability to provide better service and meet their quick turn-around needs. Lamons® has also opened additional branches in North America to better penetrate underserved markets.

- *Synergies Related to the South Texas Bolt & Fitting Acquisition.* Energy has significant opportunities to grow as a result of acquiring STBF during fourth quarter 2010. STBF is a diversified manufacturer and distributor of customized stud bolts, industrial fasteners and specialty products with advanced machining capabilities to produce custom bolts in various sizes and made-to-order configurations using specialty steels and other exotic materials. We believe that incorporating this business into Lamons® will allow us to leverage Lamons'® extensive sales and service center network to drive incremental revenue from the sale of specialty bolts to Lamons'® existing customers. We also believe we have opportunities to sell traditional Lamons'® products to STBF's current customer base.

- *Entry into New End Markets and Development of New Customers.* Energy has opportunities to grow its business by offering its current products to new customers and new markets. Lamons® is presently targeting additional industries such as original equipment manufacturers, pulp and paper, power plants and mining.

- *Pursuit of Lower-Cost Manufacturing and Sourcing Initiatives.* As Lamons® expands and develops, we believe that there will be further opportunities to reduce their cost structures through ongoing manufacturing, overhead and administrative productivity initiatives, global sourcing and selectively shifting manufacturing capabilities to countries with lower costs. In addition to Lamons'® core domestic manufacturing facility in Houston, Lamons® has its own advanced manufacturing facility and sourcing capability in China.

Marketing, Customers and Distribution

Energy relies upon a combination of direct sales forces and established networks of independent distributors and licensees with familiarity of the end users. Gaskets and bolts are supplied directly to major customers through Lamons'® sales and service facilities in major regional markets, or through a large network of independent distributors/licensees. This sales and distribution network's close proximity to the customer makes it possible for Energy to respond to customer-specific engineered applications and provide a high degree of customer service. Lamons'® overseas sales are made either through our newer sales and service facilities in China, the Netherlands, or United Kingdom, Lamons'® licensees or through its many distributors. Significant Energy customers include Dow Chemical, ExxonMobil, McJunkin Redman, Valero, Lyondellbasell, Wilson and National Oilwell Varco.

Competition

Energy's primary competitors include Flexitallic/Siem, Garlock (EnPro), Klinger and Lone Star. Most of Energy's competitors supply either gaskets or bolts. We believe that providing both gaskets and bolts, as well as our hub-and-spoke distribution model, gives Lamons® a competitive advantage with many customers. We believe that Lamons'® broader product portfolio and strong brand name enables Lamons® to maintain their market leadership position as one of the largest gasket and bolt suppliers to the global petroleum industry.

Aerospace & Defense

We believe Aerospace & Defense is a leading designer, manufacturer of a diverse range of products for use in focused markets within the aerospace and defense markets. This segment's products include aerospace fasteners and military munitions components to serve aircraft and weapons platforms. In general, these products are highly-engineered, customer-specific items that are sold into focused markets with few competitors.

Aerospace & Defense's brands include Monogram™ Aerospace Fasteners and NI Industries™ which are well established and recognized in their markets.

- *Monogram™ Aerospace Fasteners.* We believe Monogram™ Aerospace Fasteners ("Monogram™") is a leading manufacturer of permanent blind bolts, screws and temporary fasteners used in commercial, business and military aircraft construction and assembly. Certain of Monogram™'s products contain patent protection, with additional patents pending. We believe Monogram™ is a leader in the development of blind bolt fastener technology for the aerospace industry, specifically in high-strength, rotary-actuated blind bolts. Its Visu-Lok®, Visu-Lok®II and Radial-Lok® blind bolts allow sections of aircraft to be joined together when access is limited to only one side of the airframe, providing certain cost efficiencies over conventional two piece fastening devices. Monogram™'s Composi-Lok®, Composi-Lok®II , Composi-Lok®III, Inconnel and Ti-OSI® blind bolts are designed to solve unique fastening problems associated with the assembly of composite aircraft structures, and are therefore particularly well suited to take advantage of the increasing use of composite materials in aircraft construction.

- *NI Industries™.* NI Industries™ has utilized proprietary know-how to manufacture a variety of munitions components, including large caliber cartridge cases, for the U.S. government, as well as domestic and foreign prime contractors. We believe NI Industries™ is a leading manufacturer in its product markets, due to its unique technical capabilities in the entire metal-forming process from the acquisition of raw material to the design and fabrication of the final product. The Riverbank Army Ammunition Plant ("Riverbank") California facility of NI Industries™ was included on the 2005 Base Realignment and Closure ("BRAC"). NI Industries™ completed production at this facility in 2009 and is working with the U.S. government to relocate the manufacturing capability from Riverbank to the Rock Island Arsenal in Illinois. NI Industries™ may have the opportunity to operate the Rock Island facility once the relocation is complete, subject to the U.S. government's request and approval. To broaden its product portfolio, NI Industries™ is currently evaluating opportunities to manufacture additional highly-engineered products and is also assisting select TriMas entities in marketing their technical and manufacturing capabilities to military customers.

Strategies

We believe the businesses within the Aerospace & Defense segment have significant opportunities to grow, based on the following:

- *Strong Product Innovation.* The Aerospace & Defense segment has a history of successfully creating and introducing new products and there are currently several significant product initiatives underway. Monogram™ has developed the next generation Composi-Lok® offering a flush break upon installation, and is testing an enlarged footprint version of the Composi-Lok® offering improved clamping force on composite structures. The company has developed the next generation of temporary fastener, which is targeted to have load clamping capabilities in the range of a permanent fastener. We believe the strategy of offering a variety of custom engineered variants has been very well received by Monogram™'s customer base and is increasing our share of custom-engineered purchases. In addition, NI Industries™ has played an important role in the development of the 155mm cartridge case to support the ammunition requirements of the U.S. Navy's DDG-1000 destroyer.

- *Entry into New Markets and Development of New Customers.* The Aerospace & Defense segment has significant opportunities to grow its businesses by offering its products to new customers and new markets. In addition, Monogram™ is focused on expanding its geographic presence.

- *Expansion of Product Line Offerings.* Monogram™ is expanding its aerospace fastener product lines to include new bolts, screws and collars and is rapidly increasing its applications and content on planes. NI Industries™ continues to explore highly-engineered material applications for a variety of vehicle platforms to support the U.S. military's near-term and long-term objectives.

Marketing, Customers and Distribution

Aerospace & Defenses' customers operate primarily in the aerospace and defense industries. Given the focused nature of many of our products, the Aerospace & Defense segment relies upon a combination of direct sales forces and established networks of independent distributors with familiarity of the end-users. For example, Monogram™'s aerospace fasteners are sold through internal sales personnel and independent sales representatives. Although the overall market for fasteners and metallurgical services is highly competitive, these businesses provide products and services primarily for specialized markets, and compete principally as technology, quality and service-oriented suppliers in their respective markets. Monogram™'s products are sold to manufacturers and distributors within the commercial, business and military aerospace industry, both domestic and foreign. During 2010, there was consolidation within the distribution segment of the aerospace hardware industry. While Monogram™ sells to both manufacturers and distributors, Monogram™ works directly with aircraft manufacturers to develop and test new products and improve existing products. This close working relationship is a necessity given the critical safety nature and regulatory environment of its customers' products. The narrow end-user base of many of these products makes it possible for this segment to respond to customer-specific engineered applications and provide a high degree of customer service. Aerospace & Defenses' OEM and distribution customers include Airbus, Boeing, Peerless, Spirit, U.S. Army and Wesco.

Competition

This segment's primary competitors include Cherry (PCC) and Fairchild Fasteners (Alcoa) in aerospace fasteners and Amtec Corporation, General Dynamics, Medico Industries and Poongsang in defense products. We believe that Monogram™ is a leader in the blind bolt market with significant market share in all blind fastener product categories in which they compete. We believe that NI Industries™ is a leader in metal munitions components with significant market share in the large caliber cartridge case product segment. Aerospace & Defenses' companies supply highly engineered, non-commodity, customer-specific products that principally have large shares of small markets supplied by a limited number of competitors.

Engineered Components

We believe Engineered Components is a leading designer, manufacturer and distributor of a variety of natural gas engines and parts, compressors, gas production equipment and chemical pumps engineered for well sites for the oil and gas industry; high-pressure and low-pressure cylinders for the transportation, storage and dispensing of compressed gases; specialty fittings for the automotive industry; precision cutting instruments for the medical industry; and specialty precision tools such as center drills, cutters, end mills and countersinks for the industrial metal-working market. In general, these products are highly-engineered, customer-specific items that are sold into focused markets with few competitors.

Engineered Components' brands, including Arrow® Engine, Hi-Vol™ Products, Norris Cylinder™, KEO® Cutters, Richards Micro-Tool™ and Cutting Edge Technologies™ are well established and recognized in their respective markets.

- *Arrow® Engine.* We believe that Arrow® Engine is a market leading provider of specialty engines and engine replacement parts for use in oil and natural gas production and other industrial and commercial markets. Arrow® Engine distributes its products through a worldwide distribution network with a particularly strong presence in the U.S. and Canada. Arrow® Engine owns the original equipment manufacturing rights to distribute engines and replacement parts for four main engine lines and offers a full range of replacement parts for an additional seven engine lines, which are widely used in the energy industry and other industrial applications. Arrow® Engine has recently developed a new line of products in the area of industrial engine spare parts for various industrial engines not manufactured by Arrow® Engine, including selected engines manufactured and sold under the Caterpillar®, Waukesha®, Ajax® and Gemini® brands. In the recent years, Arrow® Engine has expanded its product line to include compressors and compressor packaging, gas production equipment, meter runs and other electronic products.

- *Hi-Vol™ Products.* We believe Hi-Vol™ Products ("Hi-Vol™") is a market leading supplier of tube nuts and engineered precision machined components to the automotive and industrial markets of North America. Hi-Vol™ recently launched a line of fuel system components for a next generation gasoline direct injection engine. Hi-Vol™'s market leading position is attributable to its long standing reputation for quality and innovation in the area of inverted flare or tube nuts and cold-forming hollow or semi-hollow components.

- *Norris Cylinder™.* Norris Cylinder™ is a leading provider of a complete line of large and intermediate size, high-pressure and low-pressure steel cylinders for the transportation, storage and dispensing of compressed gases. Norris Cylinder™'s large high-pressure seamless compressed gas cylinders are used principally for shipping, storing and dispensing oxygen, nitrogen, argon, helium and other gases for industrial and health-care markets. In addition, Norris Cylinder™ offers a complete line of low-pressure steel cylinders used to contain and dispense acetylene gas for the welding and cutting industries. Norris Cylinder™ markets cylinders primarily to major domestic and international industrial gas producers and distributors, welding equipment distributors and buying groups, as well as equipment manufacturers.

- *Precision Tool Company™.* Precision Tool Company™ produces a variety of specialty precision tools such as combined drills and countersinks, NC spotting drills, key seat cutters, end mills and countersinks. Markets served by these products include the industrial, aerospace, automotive and medical equipment industries. We believe Precision Tool Company™'s KEO® brand is the market share leader in the industrial combined drill and countersink markets, while Richards Micro-Tool™ and Cutting Edge Technologies™ are leading suppliers of miniature end mills to the tool-making industry. Richards Micro-Tool™ has also been successful in supplying the growing medical device market with bone drills, cranial surgery tools and dental reamers.

Strategies

We believe the businesses within the Engineered Components segment have significant opportunities to grow, based on the following:

- *Strong Product Innovation.* The Engineered Components segment has a history of successfully creating and introducing new products and there are currently several significant product initiatives underway. Arrow® Engine continues to introduce new products in the area of industrial engine spare parts for various industrial engines not manufactured by Arrow® Engine, including selected engines manufactured and sold under the Caterpillar®, Waukesha®, Ajax® and Gemini® brands. The company has also launched an offering of customizable compressors and gas production and meter run equipment, which are used by existing end customers in the natural gas extraction market, as well as development of a natural gas compressor ("CNG") used for CNG filling stations. Norris Cylinder™ developed a process for manufacturing ISO cylinders capable of holding higher pressure gases, and has been awarded a United Nations certification for its ISO cylinders, making Norris the first manufacturer approved to distribute ISO cylinders internationally. Norris Cylinder™ also is creating new designs for use in Hydrogen Fuel Cell applications related to Clean Energy programs. Precision Tool Company™ is developing new products for use in the medical instrumentation market. In recent periods, Hi-Vol™ has had success expanding its product offerings, and has been awarded a contract to produce a line of cold formed and machined fuel system components.

- *Entry into New Markets and Development of New Customers.* Engineered Components has significant opportunities to grow its businesses by offering its products to new customers, markets and geographies. Norris Cylinder™'s 2010 acquisition of Taylor Wharton International's Huntsville, Alabama facility adds highly-engineered specialty cylinder products to its product portfolio. We believe this acquisition enables Norris Cylinder™ to expand its product portfolio to its existing customers, while bringing new customers to Norris Cylinder™. Norris Cylinder™ is also expanding international sales of its ISO cylinders to Europe, South Africa and South America, as well as pursuing new end markets such as cylinders for use at cell towers (hydrogen fuel cells), in mine safety (breathing air and rescue chambers) and in fire suppression. Arrow® Engine continues to expand its product portfolio to serve new customers utilizing compressed natural gas, as well as serving customers involved in shale drilling. Hi-Vol™ has continued to ramp up production on a contract with a tier two supplier for a line of fuel system components that represents a significant expansion from the traditional product line and customers served by this company. Hi-Vol™ is actively developing secondary opportunities in the fuel system component area. Precision Tool Company™ continues to expand its offerings and capabilities in the market for medical and dental equipment tools. Precision Tool Company™ is also pursuing the development of international sales channels for it's KEO® brand, with an emphasis on higher growth emerging markets.

Marketing, Customers and Distribution

Engineered Components' customers operate in the oil and gas, industrial, commercial, automotive and medical equipment industries. Given the focused nature of many of our products, the Engineered Components segment relies upon a combination of direct sales forces and established networks of independent distributors with familiarity of the end-users. For example, Hi-Vol™'s automotive fasteners are sold through internal sales personnel and independent sales representatives. Although the overall market for fasteners and metallurgical services is highly competitive, these businesses provide products and services primarily for specialized markets, and compete principally as quality and service-oriented suppliers in their respective markets. Hi-Vol™ sells its products to manufacturers in automotive markets. In many of the markets this segment serves, its companies' brand names are virtually synonymous with product applications. The narrow end-user base of many of these products makes it possible for this segment to respond to customer-specific engineered applications and provide a high degree of customer service.

Engineered Components' OEM and aftermarket customers include Above & Beyond Compression, Airgas, Air Liquide, Air Products, Cooper-Standard Automotive, Desoto Gathering, Harvey Tool Company, Industrial Ignition, Kidde-Fenwel, Martinrea Industries, Millennium Industries, Medtronic, MSC Industrial and Praxair.

Competition

Arrow® Engine tends to compete against lower horsepower multi-cylinder engines such as Cummins, Chevy and Ford industrial engines and electric motors. Additional Engineered Components' competitors include H&L (Chicago Rivet) and Nagano in tube nuts and fittings; Worthington, Beijing Tianhai Industry Co., Faber and Vitkovice Cylinders in cylinders; and M.A. Ford, Niagara, Whitney Tool and Magafor in precision tools. Engineered Components' companies supply highly engineered, non-commodity, customer-specific products and most have large shares of small markets supplied by a limited number of competitors.

Cequent Asia Pacific and Cequent North America

We believe Cequent, which includes our Cequent Asia Pacific and Cequent North America reportable segments, is a leading designer, manufacturer and distributor of a wide variety of high quality, custom-engineered towing and trailer products including vehicle specific wiring and hitch applications, heavy duty towing products, lighting, jacks, couplers and cargo management. These products, which are similar for both Cequent Asia Pacific and Cequent North America, were designed to support all original equipment manufacturers (OEM) and aftermarket customers within the automotive, recreational vehicle, agricultural, utility, military, marine and industrial vehicle and trailer markets. We believe that Cequent's brand names and product lines are among the most recognized and extensive in the industry.

While Cequent Asia Pacific focuses it sales and manufacturing efforts in the Asia Pacific region of the world, Cequent North America is focused on North American markets. Cequent North America consists of two businesses: Cequent Performance Products ("CPP"), a leading manufacturer of aftermarket and OE towing and trailer products and accessories, and Cequent Consumer Products ("CCP"), a leading provider of towing, trailer, vehicle protection and cargo management solutions serving the end-user through the retail customer market.

Cequent Asia Pacific and Cequent North America have positioned their product portfolios to create pricing options for entry-level through premium across all of our market channels. We believe that no other competitor features a comparable array of components and brand names.

Our primary product categories are offered through a number of channels as described below:

- The Fulton® and Bulldog® brands include trailer products and accessories, such as jacks, winches, couplers and fenders. These brands are sold through independent installers, trailer OEMs, military and distributor channels serving the marine, agricultural, industrial and horse/livestock market sectors.

- The Tekonsha® brand is the most recognized name in brake controls and related brake components with market leading technology to assure safe towing. These products are sold through automotive, recreational vehicle and agricultural distributors and OEMs.

- The Bargman® and Wesbar® brands are recognized names for recreational vehicle and marine lighting, respectively. Bargman® branded products include interior and exterior recreational vehicle lighting and accessories, while Wesbar® branded products include submersible and utility trailer lighting. These brands and products are sold through independent installers, trailer and recreational vehicle OEMs and wholesale distributors, and marine retail specialty stores.

- The Hayman-Reese™ brand of towing products has strong brand awareness in the Australian marketplace where it is well established at both the wholesale and retail levels of the aftermarket. Products include tow bars, electrical connectivity, brake controls, cargo management and accessories.

- The Draw-Tite®, Reese® and Hidden Hitch® brands represent towing products and accessories, such as hitches, weight distribution systems, fifth wheel hitches, ball mounts, draw bars, gooseneck hitches, brake controls, wiring harnesses and T-connectors and are sold to independent installers and distributor channels for automotive, truck and recreational vehicles. Similar towing accessory products are sold through the retail and mass merchandising channel under the Reese® Towpower™ brand name.

- The Highland, ROLA®, Reese® Carrypower and Reese® Outfitter brands anchor our presence in the cargo management category. Products include bike racks, roof cross bar systems, cargo carriers, luggage boxes, tie-downs and soft travel interior organizers which are sold through hitch installers, independent bike dealers, wholesale distributors, retail and mass merchandising channels.

- The Pro Series™ and Tow Ready™ brands offer Cequent the ability to meet the need for entry-level towing products without reducing the value of our premium brands and their position within the market. The brands include products such as hitches, weight distribution systems, fifth wheel hitches, ball mounts, draw bars, cargo management, wiring harnesses and T-connectors. These products complement the premium brands in all the markets we serve.

Competitive Strengths

- *Diverse Product Portfolio of Strong Brand Names.* Cequent Asia Pacific and Cequent North America both benefit from a diverse range of product offerings and do not solely rely upon any single item. By offering a wide range of products, the Cequent businesses are able to provide a complete solution to satisfy their customers' towing and cargo management needs, as well as serve diverse channels through effective brand management. We believe that the various brands mentioned above are well-known in their respective product area and channel. In addition, we believe many of the products within Cequent Asia Pacific or Cequent North America have leading market positions.

- *Value Engineering.* Cequent Asia Pacific and Cequent North America have extensive engineering and performance capability, enabling these segments to continue their product innovation, improve product reliability and reduce manufacturing costs. The businesses within these segments conduct extensive testing of their products in an effort to assure high quality and reliable product performance. Engineering, product design and fatigue testing are performed utilizing computer aided design and finite element analysis.

- *Established Distribution Channels. C*equent Asia Pacific and Cequent North America utilize several distribution channels for sales, including OEM trailer manufacturers, OEM vehicle manufacturers, wholesale distribution, dealers, installers, specialty retailers, internet resellers and mass merchants. The businesses are positioned to meet all delivery requirements specified by our diverse group of customers.

- *Flexibility in Supply.* As a result of significant restructuring activity completed over the last few years, most notably in Cequent North America, Cequent has reduced its cost structure and improved its supply flexibility, allowing for quicker and more efficient responses to changes in the end market demand. In Cequent North America, we have the ability to produce low-volume, customized products in-house, quickly and efficiently at manufacturing facilities in both the U.S. and Mexico. We outsource high-volume production to lower cost supply partners in Southeast Asia. Extensive sourcing arrangements with suppliers in low-cost environments enable the flexibility to choose to manufacture or source products as end-market demand fluctuates. In Cequent Asia Pacific, we have manufacturing facilities in both Melbourne and Thailand.

Strategies

We believe that Cequent has opportunities to grow, including the following:

- *Enhanced Towing Solutions.* As a result of its broad product portfolio, Cequent Asia Pacific and Cequent North America are well positioned to provide customers with solutions for trailering, towing and cargo management needs. Due to both segments' product breadth and depth, we believe the Cequent businesses can provide customers with compelling value propositions with superior features and convenience. In many instances, Cequent can offer more competitive pricing by providing complete sets of product rather than underlying components separately. We believe this merchandising strategy also enhances the segment's ability to better compete in markets where its competitors have narrower product lines and are unable to provide "one stop shopping" to customers.

- *Cross-Selling Products.* We believe that Cequent Asia Pacific and Cequent North America both have significant opportunities to further introduce products into new channels of distribution that traditionally concentrated in other products or product lines. Cequent Asia Pacific and North America have developed strategies to introduce its products into new channels, including the Asian automotive manufacturer "port of entry" market, the retail sporting goods market, the independent bike dealer, the ATV and motorcycle market, the military and within select international markets. More specifically, Cequent Asia Pacific is focused on selling the whole product range through all channels, leveraging strong U.S. brands to broaden the local product offering and expanding its business with Thailand-based automotive OEM's.

- *International Expansion.* Cequent Asia Pacific has a strong business presence in Australia with its Hayman-Reese™ brand which was further enhanced with the acquisition of Parkside Towbars in 2008, providing a greater penetration into Western Australia. In addition, we have introduced products into the local market in Thailand after launching our local plant there. Cequent North America is also evaluating sales opportunities outside of North America.

- *Strong Product Innovation.* Cequent North America has a history of successfully developing and launching new products. Newer introductions include F-2 aluminum jack and RV landing gear, brake controls (P3), custom harnesses, LED lighting and electrical accessories, a plug and play brake controller, and a heavy duty towing weight distribution with sway control unit. In addition, it is continually refreshing its existing retail products with new designs and features and innovative packaging and merchandising. Cequent Asia Pacific also continues to evolve its products and recently expanded its stainless steel product line.

Marketing, Customers and Distribution

Cequent Asia Pacific and Cequent North America employ a dedicated sales force in each of the primary channels, including automotive aftermarket, automotive OEM, industrial, power sports, recreational vehicle installers, and retail including: mass merchants, auto specialty, marine specialty, hardware/home centers, and catalogs. The businesses rely upon strong historical relationships, significant brand heritage and its broad product offerings to bolster its towing, trailer and accessory product sales through the OEM channel and in various aftermarket segments. Cequent North America serves customers such as Ford, Keystone Automotive, Stag Parkway, Toyota and U-Haul, and is also well represented in mass merchant retailers like Wal-Mart, specialty retailers such as Tractor Supply, hardware home centers such as Home Depot and Lowe's, and specialty auto retailers including Advanced Auto Parts and AutoZone. Cequent Asia Pacific's customers include many automotive manufacturers and suppliers, including Toyota, Nissan and Mitsubishi.

Competition

The competitive environment for towing products is highly fragmented and is characterized by numerous smaller suppliers, even the largest of which tends to focus in narrow product categories. Significant trailer competitors include Pacific Rim, Dutton-Lainson, Shelby, Ultra-Fab, Sea-Sense and Atwood. Significant electrical competitors include Hayes Brake Control Company, Hopkins Manufacturing, Peterson Industries, Grote, Optronics and Pollack. Significance towing competitors include Curt Manufacturing, Valley Towing Products, B&W, Buyers and Camco. The retail channel presents a different set of competitors that are typically not seen in our installer and distributor channels, including Masterlock, Buyers, Allied, Keeper, Bell, Smart Straps and Axius. In addition, competition in the cargo management product category primarily comes from Thule and Yakima.

Acquisition Strategy

We believe that our businesses have significant opportunities to grow through disciplined, strategic acquisitions. We typically seek "bolt-on" acquisitions, in which we would acquire another industry participant or product line within our industries and to enhance the strengths of our core businesses. When seeking acquisition targets, we are looking for opportunities to supplement our existing product lines, gain access to additional distribution channels, expand our geographic footprint and achieve scale and cost efficiencies.

Materials and Supply Arrangements

Our largest raw materials purchases are for steel, copper, aluminum, polyethylene and other resins, and energy. Raw materials and other supplies used in our operations are normally available from a variety of competing suppliers. In addition to raw materials, we purchase a variety of components and finished products from low-cost sources in China, Taiwan and India.

Steel is purchased primarily from steel mills and service centers with pricing contracts principally in the three to six month time frame. Changing global dynamics for steel production and supply will continue to present a challenge to our business. Polyethylene is generally a commodity resin with multiple suppliers capable of providing product. While both steel and polyethylene are readily available from a variety of competing suppliers, our business has experienced, and we believe will continue to experience, volatility in the costs of these raw materials.

Employees and Labor Relations

As of December 31, 2010, we employed approximately 3,900 people, of which approximately 28% were unionized and approximately 39% were located outside the U.S. We currently have collective bargaining agreements covering seven facilities worldwide for our continuing operations, five of which are in the U.S. Employee relations have generally been satisfactory. Due to the relocation of the NI Industries™ business from Riverbank, California to Rock Island, Illinois, we negotiated a closing agreement in February 2009 with the International Association of Machinists and Aeropsace Workers, Local 1528 (the "IAM") to extend the collective bargaining agreement to March 31, 2010, with an ability to extend the contract, if necessary, due to business conditions. There are currently no unionized employees employed with NI Industries at the Riverbank location. Due to the relocation, we elected not to extend the collective bargaining agreement with the IAM, therefore, the contract has expired.

Seasonality and Backlog

There is some seasonality in the businesses within our Cequent reportable segments, primarily within Cequent North America, where sales of towing and trailering products are generally stronger in the second and third quarters, as trailer original equipment manufacturers ("OEMs"), distributors and retailers acquire product for the spring and summer selling seasons. No other reportable segment experiences significant seasonal fluctuation in its businesses. We do not consider sales order backlog to be a material factor in our business.

Environmental Matters

Our operations are subject to federal, state, local and foreign laws and regulations pertaining to pollution and protection of the environment, health and safety, governing among other things, emissions to air, discharge to waters and the generation, handling, storage, treatment and disposal of waste and other materials, and remediation of contaminated sites. We have been named as a potentially responsible party under CERCLA, the federal Superfund law, or similar state laws at several sites requiring clean-up related to the disposal of wastes we generate. These laws generally impose liability for costs to investigate and remediate contamination without regard to fault and under certain circumstances liability may be joint and several resulting in one responsible party being held responsible for the entire obligation. Liability may also include damages to natural resources. We have entered into consent decrees relating to two sites in California along with the many other co-defendants in these matters. We have incurred substantial expenses for these sites over a number of years, a portion of which has been covered by insurance. In addition to the foregoing, our businesses have incurred and likely will continue to incur expenses to investigate and clean up existing and former company-owned or leased property, including those properties made the subject of sale-leaseback transactions for which we have provided environmental indemnities to the lessors.

In 1992, Rieke® Packaging Systems and numerous other companies entered into a consent decree with the United States Environmental Protection Agency ("EPA") and the State of Indiana under which Rieke® and the other companies agreed to remediate contaminated soil and groundwater at the Wayne Reclamation and Recycling Site near Columbia City, Indiana. Contractors for the group of companies completed construction of the remediation systems required by the consent decree in 1995, and have operated them since then under the oversight of the EPA and the State of Indiana. The remediation systems have successfully removed substantial amounts of contaminants from the soil and the groundwater; however, some contaminants remain at concentrations above the performance standards set by the consent decree, and are still being removed. Consultants to the group of companies expect that some or all of the remediation systems will be required to operate indefinitely. A 2004 report by the EPA concluded that operation of the existing systems is "protective of human health and the environment." The agreement among the companies provides that Rieke®'s share is approximately 9% of total remediation costs for the site.

U.S. regulations pertaining to climate change continue to evolve in both the U.S. and internationally. We do not anticipate any impact that would be unique to our operations.

We believe that our business, operations and facilities are being operated in compliance in all material respects with applicable environmental and health and safety laws and regulations, many of which provide for substantial fines and criminal sanctions for violations. Based on information presently known to us and accrued environmental reserves, we do not expect environmental costs or contingencies to have a material adverse effect on us. The operation of manufacturing plants entails risks in these areas, however, and we may incur material costs or liabilities in the future that could adversely affect us. Potentially material expenditures could be required in the future. For example, we may be required to comply with evolving environmental and health and safety laws, regulations or requirements that may be adopted or imposed in the future or to address newly discovered information or conditions that require a response.

Intangibles and Other Assets

Our identified intangible assets, consisting of customer relationships, trademarks and trade names and technology, are recorded at approximately $159.9 million at December 31, 2010, net of accumulated amortization. The valuation of each of the identified intangibles was performed using broadly accepted valuation methodologies and techniques.

Customer Relationships. We have developed and maintained stable, long-term selling relationships with customer groups for specific branded products and/or focused market product offerings within each of our businesses. Useful lives assigned to customer relationship intangibles range from 5 to 25 years and have been estimated using historic customer retention and turnover data. Other factors considered in evaluating estimated useful lives include the diverse nature of focused markets and products of which we have significant share, how customers in these markets make purchases and these customers' position in the supply chain. We also monitor and evaluate the impact of other evolving risks including the threat of lower cost competitors and evolving technology.

Trademarks and Trade Names. Each of our operating groups designs and manufactures products for focused markets under various trade names and trademarks including Draw-Tite®, Reese®, Hidden Hitch®, Bulldog®, Tekonsha®, Highland "The Pro's Brand"®, Fulton®, Wesbar®, Visu-Lok®, Monogram™, Rieke®, ViseGrip®, FlexSpout®, Lamons® and Arrow®, among others. Our trademark/trade name intangibles are well-established and considered long-lived assets that require maintenance through advertising and promotion expenditures. Because it is our practice and intent to maintain and to continue to support, develop and market these trademarks/trade names for the foreseeable future, we consider our rights in these trademarks/trade names to have an indefinite life, except as otherwise dictated by applicable law.

Technology. We hold a number of U.S. and foreign patents, patent applications, and unpatented or proprietary product and process oriented technologies within all six of our reportable segments. We have, and will continue to dedicate, technical resources toward the further development of our products and processes in order to maintain our competitive position in the transportation, industrial and commercial markets that we serve. Estimated useful lives for our technology intangibles range from one to thirty years and are determined in part by any legal, regulatory or contractual provisions that limit useful life. For example, patent rights have a maximum limit of twenty years in the U.S. Other factors considered include the expected use of the technology by the operating groups, the expected useful life of the product and/or product programs to which the technology relates, and the rate of technology adoption by the industry.

Quarterly, or as conditions may warrant, we assess whether the value of our identified intangibles has been impaired. Factors considered in performing this assessment include current operating results, business prospects, customer retention, market trends, potential product obsolescence, competitor activities and other economic factors. We continue to invest in maintaining customer relationships, trademarks and trade names, and the design, development and testing of proprietary technologies that we believe will set our products apart from those of our competitors.

International Operations

Approximately 17.6% of our net sales for the year ended December 31, 2010 were derived from sales by our subsidiaries located outside of the U.S., and we may significantly expand our international operations through organic growth actions and acquisitions. In addition, approximately 21.4% of our operating net assets as of December 31, 2010 were located outside of the U.S. We operate manufacturing facilities in Australia, Thailand, Canada, China, the United Kingdom (U.K.), Italy, Germany, the Netherlands and Mexico. For information pertaining to the net sales and operating net assets attributed to our international operations, refer to Note 19, "Segment Information," to the audited financial statements included herein.

Sales outside of the U.S., particularly sales to emerging markets, are subject to various risks that are not present in sales within U.S. markets, including governmental embargoes or foreign trade restrictions such as antidumping duties, changes in U.S. and foreign governmental regulations, tariffs and other trade barriers, the potential for nationalization of enterprises, foreign exchange risk and other political, economic and social instability. In addition, there are tax inefficiencies in repatriating portions of our cash flow from non-U.S. subsidiaries.

Item 1A. Risk Factors

You should carefully consider each of the risks described below, together with information included elsewhere in this Annual Report on Form 10-K and other documents we file with the SEC. The risks and uncertainties described below are those that we have identified as material, but are not the only risks and uncertainties facing us. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial may also impact our business operations, financial results and liquidity.

We have a history of net losses.

While we generated net income of $45.3 million for the year ended December 31, 2010, we incurred net losses of $0.2 million and $136.2 million for the years ended December 31, 2009 and 2008, respectively. The loss in 2008 principally resulted from pre-tax, non-cash goodwill and indefinite-lived impairment charges of $166.6 million, included in continuing operations. The losses in 2009 and 2008 were also impacted by losses from discontinued operations of $13.0 million and $12.1 million, respectively. In addition, interest expense associated with our highly leveraged capital structure, non-cash expenses such as depreciation and amortization of intangible assets and other asset impairments also contributed to our net losses. We may experience net losses in the future.

Our businesses depend upon general economic conditions and we serve some customers in highly cyclical industries; as such we are subject to the loss of sales and margins due to an economic downturn or recession.

Our financial performance depends, in large part, on conditions in the markets that we serve in both the U.S. and global economies. Some of the industries that we serve are highly cyclical, such as the automotive, construction, industrial equipment, energy, aerospace and electrical equipment industries. We may experience a reduction in sales and margins as a result of a downturn in economic conditions or other macroeconomic factors. Lower demand for our products may also negatively affect the capacity utilization of our production facilities, which may further reduce our operating margins.

Many of the markets we serve are highly competitive, which could limit the volume of products that we sell and reduce our operating margins.

Many of our products are sold in competitive markets. We believe that the principal points of competition in our markets are product quality and price, design and engineering capabilities, product development, conformity to customer specifications, reliability and timeliness of delivery, customer service and effectiveness of distribution. Maintaining and improving our competitive position will require continued investment by us in manufacturing, engineering, quality standards, marketing, customer service and support of our distribution networks. We may have insufficient resources in the future to continue to make such investments and, even if we make such investments, we may not be able to maintain or improve our competitive position. We also face the risk of lower-cost foreign manufacturers located in China, Southeast Asia and other regions competing in the markets for our products and we may be driven as a consequence of this competition to increase our investment overseas. Making overseas investments can be highly complicated and we may not always realize the advantages we anticipate from any such investments. Competitive pressure may limit the volume of products that we sell and reduce our operating margins.

Increases in our raw material or energy costs or the loss of critical suppliers could adversely affect our profitability and other financial results.

We are sensitive to price movements in our raw materials supply base. Our largest material purchases are for steel, copper, aluminum, polyethylene and other resins and energy. Prices for these products fluctuate with market conditions and we have experienced sporadic increases recently. We may be unable to completely offset the impact with price increases on a timely basis due to outstanding commitments to our customers, competitive considerations or our customers' resistance to accepting such price increases and our financial performance may be adversely impacted by further price increases. A failure by our suppliers to continue to supply us with certain raw materials or component parts on commercially reasonable terms, or at all, could have a material adverse effect on us. To the extent there are energy supply disruptions or material fluctuations in energy costs, our margins could be materially adversely impacted.

We may be unable to successfully implement our business strategies. Our ability to realize our business strategies may be limited.

Our businesses operate in relatively mature industries and it may be difficult to successfully pursue our growth strategies and realize material benefits therefrom. Even if we are successful, other risks attendant to our businesses and the economy generally may substantially or entirely eliminate the benefits. While we have successfully utilized some of these strategies in the past, our growth has principally come through acquisitions.

Our products are typically highly engineered or customer-driven and we are subject to risks associated with changing technology and manufacturing techniques that could place us at a competitive disadvantage.

We believe that our customers rigorously evaluate their suppliers on the basis of product quality, price competitiveness, technical expertise and development capability, new product innovation, reliability and timeliness of delivery, product design capability, manufacturing expertise, operational flexibility, customer service and overall management. Our success depends on our ability to continue to meet our customers' changing expectations with respect to these criteria. We anticipate that we will remain committed to product research and development, advanced manufacturing techniques and service to remain competitive, which entails significant costs. We may be unable to address technological advances, implement new and more cost-effective manufacturing techniques, or introduce new or improved products, whether in existing or new markets, so as to maintain our businesses' competitive positions or to grow our businesses as desired.

We depend on the services of key individuals and relationships, the loss of which could materially harm us.

Our success will depend, in part, on the efforts of our senior management, including our chief executive officer. Our future success will also depend on, among other factors, our ability to attract and retain other qualified personnel. The loss of the services of any of our key employees or the failure to attract or retain employees could have a material adverse effect on us.

We have substantial debt and interest payment requirements that may restrict our future operations and impair our ability to meet our obligations.

We continue to have indebtedness that is substantial in relation to our shareholders' equity. As of December 31, 2010, we have approximately $494.7 million of outstanding debt and approximately $112.3 million of shareholders' equity. After consideration of our interest rate swap agreements, approximately 10% of our debt bears interest at variable rates. We may experience material increases in our interest expense as a result of increases in interest rate levels generally. Our debt service payment obligations in 2010 were approximately $47.7 million and, based on amounts outstanding as of December 31, 2010, a 1% increase in the per annum interest rate for our variable rate debt would increase our interest expense by approximately $0.3 million annually. Our degree of leverage and level of interest expense may have important consequences, including:

- our leverage may place us at a competitive disadvantage as compared with our less leveraged competitors and make us more vulnerable in the event of a downturn in general economic conditions or in any of our businesses;

- our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate may be limited;

- our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, business development efforts, general corporate or other purposes may be impaired;

- a substantial portion of our cash flow from operations will be dedicated to the payment of interest and principal on our indebtedness, thereby reducing the funds available to us for other purposes, including our operations, capital expenditures, future business opportunities or obligations to pay rent in respect of our operating leases; and

- our operations are restricted by our debt instruments, which contain material financial and operating covenants, and those restrictions may limit, among other things, our ability to borrow money in the future for working capital, capital expenditures, acquisitions, rent expense or other purposes.

Our ability to service our debt and other obligations will depend on our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control. Our business may not generate sufficient cash flow, and future financings may not be available to provide sufficient net proceeds, to meet these obligations or to successfully execute our business strategies. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*."

Restrictions in our debt instruments and accounts receivable facility limit our ability to take certain actions and breaches thereof could impair our liquidity.

Our credit facility and the indenture governing our senior subordinated notes contain covenants that restrict our ability to:

- pay dividends or redeem or repurchase capital stock;

- incur additional indebtedness and grant liens;

- make acquisitions and joint venture investments;

- sell assets; and

- make capital expenditures.

Our credit facility also requires us to comply with financial covenants relating to, among other things, interest coverage and leverage. Our accounts receivable facility contains covenants similar to those in our credit facility and includes additional requirements regarding our receivables. We may not be able to satisfy these covenants in the future or be able to pursue our strategies within the constraints of these covenants. Substantially all of our assets and the assets of our domestic subsidiaries (other than our special purpose receivables subsidiary) are pledged as collateral pursuant to the terms of our credit facility. A breach of a covenant contained in our debt instruments could result in an event of default under one or more of our debt instruments, our accounts receivable facility and our lease financing arrangements. Such breaches would permit the lenders under our credit facility to declare all amounts borrowed thereunder to be due and payable, and the commitments of such lenders to make further extensions of credit could be terminated. In addition, such breach may cause a termination of our accounts receivable facility. Each of these circumstances could materially and adversely impair our liquidity.

We have significant goodwill and intangible assets, and future impairment of our goodwill and intangible assets could have a material negative impact on our financial results.

We test goodwill and indefinite-lived intangible assets for impairment on an annual basis as of October 1, and more frequently if we experience changes in our business conditions that indicate an interim test may be required, by comparing the estimated fair values with their respective carrying values. We estimate the fair value of our goodwill and indefinite-lived intangible assets utilizing a combination of a discounted cash flow approach, which is based upon management's operating budget and internal five-year forecast, and market-based valuation measures that consider earnings multiples (for goodwill testing) and royalty rates (for indefinite-lived intangible asset testing). We test goodwill for impairment by comparing the estimated fair value of each of our reporting units, determined using a combination of the aforementioned techniques, to its respective carrying value on our balance sheet. If carrying value exceeds fair value, then a possible impairment of goodwill exists and further evaluation is performed. We test indefinite-lived intangible assets by comparing the estimated fair value of the assets, determined based on discounted future cash flows related to the net amount of royalty expenses avoided due to the existence of the trademark or trade name, to the carrying value. If the carrying value exceeds fair value, an impairment charge is recorded.

The utilization of a discounted cash flow approach in the impairment test for both goodwill and indefinite-lived intangible assets requires us to make significant estimates regarding future revenues and expenses, projected capital expenditures, changes in working capital and the appropriate discount rate. The projections also take into account several factors including current and estimated economic trends and outlook, costs of raw materials, consideration of our market capitalization in comparison to the estimated fair value of our reporting units determined using discounted cash flow analyses and other factors that are beyond our control.

At December 31, 2010, our goodwill and intangible assets were approximately $365.8 million and represented approximately 39.6% of our total assets. Our net loss of $136.2 million for the year ended December 31, 2008 included $166.6 million of pre-tax charges for impairment of goodwill and indefinite-lived intangible assets in continuing operations, and $0.9 million of such charges in discontinued operations. If we experience declines in sales and operating profit or do not meet our current and forecasted operating budget, we may be subject to future goodwill impairments. In addition, while the fair value of our remaining goodwill exceeds its carrying value, significantly different assumptions regarding future performance of our businesses or significant declines in our stock price could result in additional impairment losses. Because of the significance of our goodwill and intangible assets, any future impairment of these assets could have a material adverse effect on our financial results.

We may face liability associated with the use of products for which patent ownership or other intellectual property rights are claimed.

We may be subject to claims or inquiries regarding alleged unauthorized use of a third party's intellectual property. An adverse outcome in any intellectual property litigation could subject us to significant liabilities to third parties, require us to license technology or other intellectual property rights from others, require us to comply with injunctions to cease marketing or using certain products or brands, or require us to redesign, reengineer, or rebrand certain products or packaging, any of which could affect our business, financial condition and operating results. If we are required to seek licenses under patents or other intellectual property rights of others, we may not be able to acquire these licenses on acceptable terms, if at all. In addition, the cost of responding to an intellectual property infringement claim, in terms of legal fees and expenses and the diversion of management resources, whether or not the claim is valid, could have a material adverse effect on our business, results of operations and financial condition.

We may be unable to adequately protect our intellectual property.

While we believe that our patents, trademarks and other intellectual property have significant value, it is uncertain that this intellectual property or any intellectual property acquired or developed by us in the future, will provide a meaningful competitive advantage. Our patents or pending applications may be challenged, invalidated or circumvented by competitors or rights granted thereunder may not provide meaningful proprietary protection. Moreover, competitors may infringe on our patents or successfully avoid them through design innovation. Policing unauthorized use of our intellectual property is difficult and expensive, and we may not be able to, or have the resources to, prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the

U.S. The cost of protecting our intellectual property may be significant and have a material adverse effect on our financial condition and future results of operations.

We may incur material losses and costs as a result of product liability, recall and warranty claims that may be brought against us.

We are subject to a variety of litigation incidental to our businesses, including claims for damages arising out of use of our products, claims relating to intellectual property matters and claims involving employment matters and commercial disputes.

We currently carry insurance and maintain reserves for potential product liability claims. However, our insurance coverage may be inadequate if such claims do arise and any liability not covered by insurance could have a material adverse effect on our business. Although we have been able to obtain insurance in amounts we believe to be appropriate to cover such liability to date, our insurance premiums may increase in the future as a consequence of conditions in the insurance business generally or our situation in particular. Any such increase could result in lower net income or cause the need to reduce our insurance coverage. In addition, a future claim may be brought against us that could have a material adverse effect on us. Any product liability claim may also include the imposition of punitive damages, the award of which, pursuant to certain state laws, may not be covered by insurance. Our product liability insurance policies have limits that, if exceeded, may result in material costs that could have an adverse effect on our future profitability. In addition, warranty claims are generally not covered by our product liability insurance. Further, any product liability or warranty issues may adversely affect our reputation as a manufacturer of high-quality, safe products, divert management's attention, and could have a material adverse effect on our business.

In addition, the Lamons business within our Energy reportable segment is a party to lawsuits related to asbestos contained in gaskets formerly manufactured by it or its predecessors. Some of this litigation includes claims for punitive and consequential as well as compensatory damages. We are not able to predict the outcome of these matters given that, among other things, claims may be initially made in jurisdictions without specifying the amount sought or by simply stating the minimum or maximum permissible monetary relief, and may be amended to alter the amount sought. Of the 8,200 claims pending at December 31, 2010, 40 set forth specific amounts of damages (other than those stating the statutory minimum or maximum). 28 of the 40 claims sought between $1.0 million and $5.0 million in total damages (which includes compensatory and punitive damages), 9 sought between $5.0 million and $10.0 million in total damages (which includes compensatory and punitive damages) and 3 sought over $10.0 million (which includes compensatory and punitive damages). Solely with respect to compensatory damages, 30 of the 40 claims sought between $50,000 and $600,000, 7 sought between $1.0 million and $5.0 million and 3 sought over $5.0 million. Solely with respect to punitive damages, 28 of the 40 claims sought between $1.0 million and $2.5 million, 9 sought between $2.5 million and $5.0 million and 3 sought over $5.0 million. Total defense costs from January 1, 2010 to December 31, 2010 were approximately $2.9 million and total settlement costs (exclusive of defense costs) for all asbestos cases since inception have been approximately $5.8 million through December 31, 2009. To date, approximately 50% of our costs related to defense and settlement of asbestos litigation have been covered by our primary insurance. Effective February 14, 2006, we entered into a coverage-in-place agreement with our first level excess carriers regarding the coverage to be provided to us for asbestos-related claims when our primary insurance is exhausted. The coverage-in-place agreement makes asbestos defense costs and indemnity insurance coverage available to us that might otherwise be disputed by the carriers and provides a methodology for the administration of such expenses. Nonetheless, we believe it is likely that there will to be a period within the next three years, prior to the commencement of coverage under this agreement and following exhaustion of our primary insurance coverage, during which we likely 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. We also may incur significant litigation costs in defending these matters in the future. We may be required to incur additional defense costs and pay damage awards or settlements or become subject to equitable remedies that could adversely affect our businesses.

Our business may be materially and adversely affected by compliance obligations and liabilities under environmental laws and regulations.

We are subject to federal, state, local and foreign environmental laws and regulations which impose limitations on the discharge of pollutants into the ground, air and water and establish standards for the generation, treatment, use, storage and disposal of solid and hazardous wastes, and remediation of contaminated sites. We may be legally or contractually responsible or alleged to be responsible for the investigation and remediation of contamination at various sites, and for personal injury or property damages, if any, associated with such contamination. We have been named as potentially responsible parties under CERCLA (the federal Superfund law) or similar state laws in several sites requiring clean-up related to disposal of wastes we generated. These laws generally impose liability for costs to investigate and remediate contamination without regard to fault and under certain circumstances liability may be joint and several resulting in one responsible party being held responsible for the entire obligation. Liability may also include damages to natural resources. We have entered into consent decrees relating to two sites in California along with the many other co-defendants in these matters. We have incurred substantial expenses for each of these sites over a number of years, a portion of which has been covered by insurance. In addition to the foregoing, our businesses have incurred and likely will continue to incur expenses to investigate and clean up existing and former company-owned or leased property, including those properties made the subject of sale-leaseback transactions for which we have provided environmental indemnities to the lessors. Additional sites may be identified at which we are a potentially responsible party under the federal Superfund law or similar state laws. We must also comply with various health and safety regulations in the U.S. and abroad in connection with our operations.

We believe that our business, operations and facilities are being operated in compliance in all material respects with applicable environmental and health and safety laws and regulations, many of which provide for substantial fines and criminal sanctions for violations. Based on information presently known to us and accrued environmental reserves, we do not expect environmental costs or contingencies to have a material adverse effect on us. The operation of manufacturing plants entails risks in these areas, however, and we may incur material costs or liabilities in the future that could adversely affect us. There can be no assurance that we have been or will be at all times in substantial compliance with environmental health and safety laws. Failure to comply with any of these laws could result in civil, criminal, monetary and non-monetary penalties and damage to our reputation. In addition, potentially material expenditures could be required in the future. For example, we may be required to comply with evolving environmental and health and safety laws, regulations or requirements that may be adopted or imposed in the future or to address newly discovered information or conditions that require a response.

Our growth strategy includes the impact of acquisitions. If we are unable to identify attractive acquisition candidates, successfully integrate acquired operations or realize the intended benefits of our acquisitions, we may be adversely affected.

One of our principal growth strategies is to pursue strategic acquisition opportunities. Since our separation from Metaldyne in June 2002, we have completed fifteen acquisitions. Each of these acquisitions required integration expense and actions that negatively impacted our results of operations and that could not have been fully anticipated beforehand. In addition, attractive acquisition candidates may not be identified and acquired in the future, financing for acquisitions may be unavailable on satisfactory terms and we may be unable to accomplish our strategic objectives in effecting a particular acquisition. We may encounter various risks in acquiring other companies, including the possible inability to integrate an acquired business into our operations, diversion of management's attention and unanticipated problems or liabilities, some or all of which could materially and adversely affect our business strategy and financial condition and results of operations.

We have significant operating lease obligations and our failure to meet those obligations could adversely affect our financial condition.

We lease many of our manufacturing facilities and certain capital equipment. Our annualized rental expense in 2010 under these operating leases was approximately $15.4 million. A failure to pay our rental obligations would constitute a default allowing the applicable landlord to pursue any remedy available to it under applicable law, which would include taking possession of our property and, in the case of real property, evicting us. These leases are categorized as operating leases and are not considered indebtedness for purposes of our debt instruments.

We may be subject to further unionization and work stoppages at our facilities or our customers may be subject to work stoppages, which could seriously impact the profitability of our business.

As of December 31, 2010, approximately 28% of our work force in our continuing operations was unionized under several different unions and bargaining agreements. If our unionized workers were to engage in a strike, work stoppage or other slowdown in the future, we could experience a significant disruption of our operations. In addition, if a greater percentage of our work force becomes unionized, our labor costs and risks associated with strikes, work stoppages or other slowdowns may increase.

On July 10, 2009, we reached a mutually agreeable settlement with the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("Union") regarding the duration of a neutrality agreement we have with the Union. The agreement commits us to remain generally neutral in Union organizing drives through the duration of the agreement. On August 17, 2009, the Union began an organizing drive under the terms of the neutrality agreement at our facility located in Houston, Texas, which is included in our Energy segment. Since the Union obtained a simple majority of authorization cards during the organizing drive, on November 4, 2009 we recognized the Union at this facility. The recognition requires us and the Union to negotiate a first collective bargaining agreement within 180 days from the date of recognition. Under the neutrality agreement, there is no threat of strike or work slowdown during the first collective bargaining agreement. On December 10, 2009, we received a notice of filing petition for union decertification at the Houston, Texas facility. A decertification vote administered by the National Labor Relations Board occurred on August 26, 2010, however, those ballots were impounded in light of the Union's previously field request for review. The matter is still pending with the National Labor Relations Board.

On December 4, 2009, we received a notice of filing petition for union representation election filed by the International Association of Machinists and Aerospace workers with regard to our Engineered Components facility located in Plymouth, Massachusetts. On January 15, 2010, a vote was held according to the rules of the National Labor Relations Board. The union was unsuccessful in receiving the simple majority of the required votes; therefore, the Plymouth, Massachusetts facility remains union free.

Other than as described above, we are not aware of any present active union organizing drives at any of our other facilities. We cannot predict the impact of any further unionization of our workplace.

Many of our direct or indirect customers have unionized work forces. Strikes, work stoppages or slowdowns experienced by these customers or their suppliers could result in slowdowns or closures of assembly plants where our products are included. In addition, organizations responsible for shipping our customers' products may be impacted by occasional strikes or other activity. Any interruption in the delivery of our customers' products could reduce demand for our products and could have a material adverse effect on us.

Our healthcare costs for active employees and future retirees may exceed our projections and may negatively affect our financial results.

We maintain a range of healthcare benefits for our active employees and a limited number of retired employees pursuant to labor contracts and otherwise. Healthcare benefits for active employees and certain retirees are provided through comprehensive hospital, surgical and major medical benefit provisions or through health maintenance organizations, all of which are subject to various cost-sharing features. Some of these benefits are provided for in fixed amounts negotiated in labor contracts with the respective unions. If our costs under our benefit programs for active employees and retirees exceed our projections, our business and financial results could be materially adversely affected. Additionally, foreign competitors and many domestic competitors provide fewer benefits to their employees and retirees, and this difference in cost could adversely impact our competitive position.

A growing portion of our sales may be derived from international sources, which exposes us to certain risks which may adversely affect our financial results and impact our ability to service debt.

Approximately 17.6% of our net sales for the year ended December 31, 2010 were derived from sales by our subsidiaries located outside of the U.S. We may significantly expand our international operations through internal growth and acquisitions. Sales outside of the U.S., particularly sales to emerging markets, and manufacturing in non-US countries are subject to various other risks which are not present within U.S. markets, including governmental embargoes or foreign trade restrictions such as anti-dumping duties, changes in U.S. and foreign governmental regulations, tariffs and other trade barriers, the potential for nationalization of enterprises, foreign exchange risk and other political, economic and social instability. In addition, there are tax inefficiencies in repatriating cash flow from non-U.S. subsidiaries that could affect our financial results and reduce our ability to service debt.

Our stock price may be subject to significant volatility due to our own results or market trends.

If our revenue, earnings or cash flows in any quarter fail to meet the investment community's expectations, there could be an immediate negative impact on our stock price. Our stock price could also be impacted by broader market trends and world events unrelated to our performance.

Heartland owns approximately 33.9% of our voting common equity.

Heartland Industrial Partners ("Heartland") beneficially owns approximately 33.9% of our outstanding voting common equity. As a result, Heartland has the power to substantially influence all matters submitted to our stockholders, exercise significant influence over our decisions to enter into any corporate transaction and any transaction that requires the approval of stockholders regardless of whether other stockholders believe that any such transactions are in their own best interests. For example, Heartland could cause us to make acquisitions that increase the amount of our indebtedness, sell revenue-generating assets or cause us to undergo a "going private" transaction with it or one of its affiliates based on its ownership without a legal requirement of unaffiliated shareholder approval. In addition, Heartland has the power to control the election of a majority of our directors. So long as Heartland continues to own a significant amount of the outstanding shares of our common stock, it will continue to be able to strongly influence or effectively control our decisions. Its interests may differ from other stockholders and it may vote in a way with which other stockholders disagree. In addition, this concentration of ownership may have the effect of preventing, discouraging or deterring a change of control. One of our directors is the Managing Member of Heartland's general partner. Heartland also has the right to require us to file a registration statement with the SEC for purposes of registering for sale to the public some or all of the common stock of ours that it owns. See "Certain Relationships and Related Party Transactions" within this Form 10-K for further information.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Properties

Our principal manufacturing facilities range in size from approximately 10,000 square feet to approximately 380,000 square feet. Except as set forth in the table below, all of our manufacturing facilities are owned. The leases for our manufacturing facilities have initial terms that expire from 2011 through 2022 and are all renewable, at our option, for various terms, provided that we are not in default under the lease agreements. Substantially all of our owned U.S. real properties are subject to liens under our amended and restated credit facility and will be subject to several liens in favor of the notes. Our executive offices are located in Bloomfield Hills, Michigan under a lease through June 2015. Our buildings have been generally well maintained, are in good operating condition and are adequate for current production requirements.

The following list sets forth the location of our principal owned and leased manufacturing and other facilities used in continuing operations and identifies the principal reportable segment utilizing such facilities as of December 31, 2010:

Packaging	Energy	Aerospace & Defense	Engineered Components	Cequent Asia Pacific	Cequent North America
United States:	*United States:*	*United States:*	*United States:*	*International:*	*United States:*
Indiana:	Texas:	California:	Massachusetts:	Australia:	Indiana:
Auburn	Houston[(1)]	Commerce[(1)]	Plymouth[(1)]	Dandenong, Victoria	Goshen[(1)]
Hamilton[(1)]	*International:*	Illinois:	Michigan:	Lyndhurst, Victoria[(1)]	Huntington[(1)]
International:	Canada:	Rock Island[(2)]	Warren[(1)]	Perth, Western Australia[(1)]	South Bend[(1)]
Germany:	Sarnia, Ontario[(1)]		Livonia[(1)]	Thailand:	Michigan:
Neunkirchen	China:		Texas:	Chon Buri[(1)]	Plymouth[(1)]
France:	Hangzhou[(1)]		Longview		Tekonsha[(1)]
Trappes	The Netherlands:		Alabama:		Ohio:
Italy:	Rotterdam[(1)]		Huntsville		Solon[(1)]
Valmadrera, Lecco			Oklahoma:		*International:*
Mexico:			Tulsa		Canada:
Mexico City					Burlington, Ontario
United Kingdom:					Mexico:
Leicester					Juarez[(1)]
China:					Reynosa[(1)]
Hangzhou[(1)]					

(1) Represents a leased facility. All such leases are operating leases.

(2) Owned by the U.S. Government and operated by our NI Industries™ business under a facility maintenance contract.

During 2002 and 2003, we entered into sale-leaseback transactions with respect to twelve real properties in the U.S. and Canada. The term of these leases is between 15 and 20 years, with the right to extend. Rental payments are due monthly. All of the foregoing leases are accounted for as operating leases. In general, pursuant to the terms of each sale-leaseback transactions, we transferred title of the real property to a purchaser and, in turn, entered into separate leases with the purchaser having a basic lease term plus renewal options. With respect to the 2002 sale-leaseback transactions, which includes nine of the twelve properties, the renewal option must be exercised with respect to all, and not less than all, of the property locations.

Item 3. Legal Proceedings

See Note 15, "*Commitments and Contingencies*" included in Part II, Item 8, "*Notes to Audited Consolidated Financial Statements*," within this Form 10-K.

Item 4. Reserved

Supplementary Item. Executive Officers of the Company

See Item 10, "Directors, Executive Officers and Corporate Governance" included in Part III, within this Form 10-K.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock, par value $0.01 per share, is listed for trading on the NASDAQ Global Select Market under the symbol "TRS." Effective January 3, 2011, TriMas became eligible for inclusion in the NASDAQ Global Select Market. We were previously listed on the NASDAQ Global Market. As of February 23, 2011, there were 591 holders of record of our common stock.

We did not pay dividends in 2010 or 2009. Our current policy is to retain earnings to repay debt and finance our operations and acquisitions. In addition, our credit facility and the indenture governing our outstanding senior subordinated notes restrict the payment of dividends on common stock. See the discussion under Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources"* and Note 12 to the Company's financial statements captioned "*Long-term Debt,"* included in Item 8 of this report.

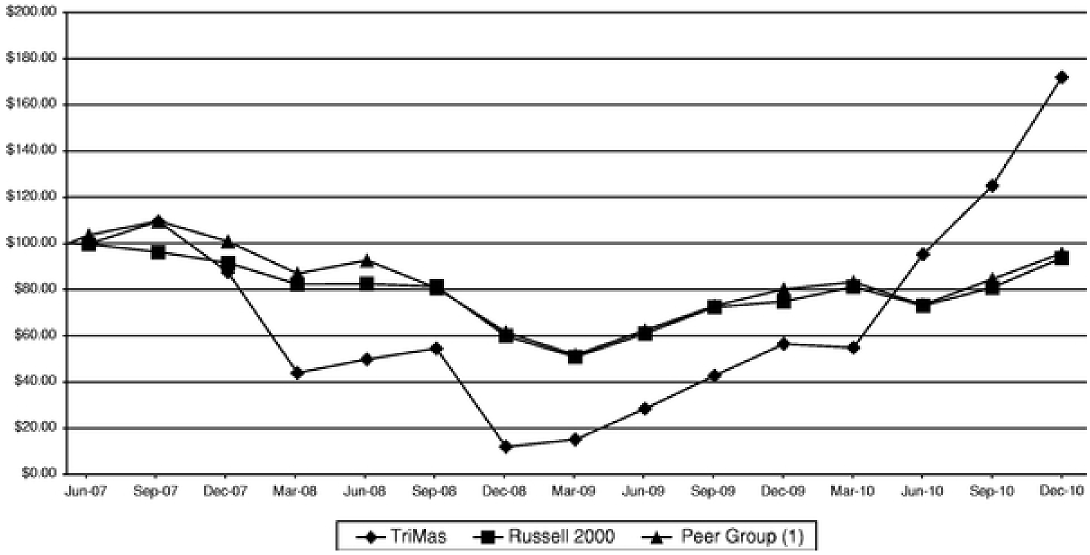
The high and low sales prices per share of our common stock by quarter, as reported on the New York Stock Exchange, through August 23, 2009, and as reported on the NASDAQ from August 24, 2009 through December 31, 2010, are shown below:

	Price range of common stock	
	High Price	**Low Price**
Year Ended December 31, 2010:		
4th Quarter	$ 22.63	$ 14.81
3rd Quarter	$ 14.99	$ 9.62
2nd Quarter	$ 12.55	$ 6.98
1st Quarter	$ 7.49	$ 5.76
Year Ended December 31, 2009:		
4th Quarter	$ 7.49	$ 4.23
3rd Quarter	$ 5.37	$ 2.84
2nd Quarter	$ 4.28	$ 1.81
1st Quarter	$ 2.19	$ 0.97

Please see Item 12, "*Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*" for securities authorized for issuance under equity compensation plans.

Performance Graph

The following graph compares the cumulative total stockholder return from the date of our IPO through December 31, 2010 for TriMas' common stock, the Russell 2000 Index and peer group[(1)] of companies we have selected for purposes of this comparison. We have assumed that dividends have been reinvested and returns have been weighted-averaged based on market capitalization. The graph assumes that $100 was invested in each of TriMas' common stock, the stocks comprising the Russell 2000 Index and the stocks comprising the peer group.



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(1) Includes Actuant Corporation, Carlisle Companies Inc., Crane Co., Dover Corporation, IDEX Corporation, Illinois Tool Works, Inc., Kaydon Corporation, SPX Corporation and Teleflex, Inc.

Item 6. Selected Financial Data

The following table sets forth our selected historical financial data from continuing operations for the five years ended December 31, 2010. The financial data for each of the five years presented has been derived from our financial statements and notes to those financial statements, which have been audited by KPMG LLP. The following data should be read in conjunction with Item 7. "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and our audited financial statements included elsewhere in this report.

	Year ended December 31,				
	2010	2009	2008	2007	2006
	(dollars and shares in thousands, except per share data)				
Statement of Operations Data:					
Net sales	$ 942,650	$ 803,650	$ 1,013,820	$ 999,130	$ 948,340
Gross profit	280,350	208,820	263,370	272,500	255,800
Impairment of goodwill and indefinite-lived intangible assets	—	—	(166,610)	(171,210)	(116,500)
Operating profit (loss)	114,080	49,910	(69,340)	(95,250)	(18,800)
Income (loss) from continuing operations	41,900	12,730	(124,070)	(161,580)	(111,430)
Per Share Data:					
Basic:					
Continuing operations	$ 1.24	$ 0.38	$ (3.71)	$ (5.67)	$ (5.51)
Weighted average shares	33,761	33,490	33,423	28,499	20,230
Diluted:					
Continuing operations	$ 1.21	$ 0.37	$ (3.71)	$ (5.67)	$ (5.51)
Weighted average shares	34,435	33,892	33,423	28,499	20,230

	Year ended December 31,				
	2010	2009	2008	2007	2006
	(dollars in thousands)				
Statement of Cash Flows Data:					
Cash flows provided by (used for) Operating activities	$ 94,960	$ 83,510	$ 31,170	$ 64,970	$ 15,880
Investing activities	(37,850)	9,130	(33,380)	(68,910)	(22,160)
Financing activities	(20,220)	(87,070)	1,320	5,140	6,150
Balance Sheet Data:					
Total assets	$ 924,160	$ 825,780	$ 930,220	$ 1,127,990	$ 1,286,060
Total debt	494,650	514,550	609,940	615,990	734,490
Goodwill and other intangibles	365,820	360,410	380,100	567,170	769,850

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The statements in the discussion and analysis regarding industry outlook, our expectations regarding the performance of our business and the other non-historical statements in the discussion and analysis are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in Item 1A "Risk Factors." 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 Item 8, "Financial Statements and Supplementary Data."

Introduction

We are a global manufacturer and distributor of products for commercial, industrial and consumer markets. We are principally engaged in six reportable segments: Packaging, Energy, Aerospace & Defense, Engineered Components, Cequent Asia Pacific and Cequent North America. In reviewing our financial results, consideration should be given to certain critical events, particularly as it relates to the global economic decline in late 2008 and into 2009, and recent economic upturn in 2010, along with acquisitions and consolidation, integration and restructuring efforts in several of our business operations. Effective October 1, 2010, we realigned our reportable segments to be consistent with our current operating structure and strategic priorities. As a result of this realignment, we have increased the number of reportable segments from five to six. Our Packaging and Aerospace & Defense reportable segments remain unchanged. However, the Arrow Engine operating segment, previously within the Energy reportable segment, is now included in the Engineered Components reportable segment. In addition, the former Cequent reportable segment has been split into two reportable segments, with our Cequent Performance Products and Cequent Consumer Products operating segments comprising the new Cequent North America reportable segment, and our Cequent Asia Pacific operating segment becoming a separate reportable segment. All information included in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" reflects this realignment.

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 themselves adversely impacted by unfavorable economic conditions. During the fourth quarter of 2008, worldwide credit markets and global economic conditions deteriorated significantly, resulting in declines in demand for our products and services. These conditions persisted throughout 2009, resulting in reductions in sales and earnings from comparable prior periods across all of our reportable segments except Packaging. We experienced generally higher levels of economic activity during 2010, which is one of the significant factors helping to generate year-over-year increases in revenue and earnings in all of our reportable segments except Aerospace & Defense. We expect that, although we benefited from the economic recovery in 2010, revenue and earnings may continue to trend below historical levels until the continuing uncertainty in the world economies stabilizes.

Critical factors affecting our ability to succeed include: our ability to successfully pursue 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 will supplement existing product lines, add new distribution channels, expand our geographic coverage or enable us to better absorb overhead costs; our ability to manage our cost structure more efficiently through improved 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 and overhead 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.

There is some seasonality in the businesses within our Cequent reportable segments, primarily within Cequent North America, where sales of towing and trailering products are generally stronger in the second and third quarters, as trailer original equipment manufacturers ("OEMs"), distributors and retailers acquire product for the spring and summer selling seasons. No other reportable segment experiences significant seasonal fluctuation in its businesses. We do not consider sales order backlog to be a material factor in our business. A growing portion of our sales may be derived from international sources, which exposes us to certain risks, including currency risks.

The demand for some of our products, particularly in our two Cequent reportable segments, is heavily influenced by consumer sentiment. We experienced decreases in sales and earnings in 2008 and 2009 as a result of an uncertain credit market and interest rate environment and rising energy costs, among other things. While we experienced sales increases in both of our Cequent reportable segments in 2010 as compared to 2009 given the improved economic conditions, we expect the current end market conditions may remain unstable, primarily for Cequent North America, until the U.S. economy recovers from existing recessionary forces, employment levels increase and consumer credit availability improves, thereby resulting in an increase in consumer discretionary spending.

We are sensitive to price movements in our raw materials supply base. Our largest material purchases are for steel, copper, aluminum, polyethylene and other resins and energy. Historically, we have experienced increasing costs of steel and resin and have worked with our suppliers to manage cost pressures and disruptions in supply. We also utilize pricing programs to pass increased steel, copper, aluminum and resin costs to customers. Although we may experience delays in our ability to implement price increases, we generally are able to recover such increased costs. We may experience disruptions in supply in the future and we may not be able to pass along higher costs associated with such disruptions to our customers in the form of price increases. We will continue to take actions as necessary to manage risks associated with increasing steel or other raw material costs. However, such increased costs may adversely impact our earnings.

We report shipping and handling expenses associated with our Cequent North America reportable segment's distribution network as an element of selling, general and administrative expenses in our consolidated statement of operations. As such, gross margins for the Cequent North America reportable segment may not be comparable to other companies which include all costs related to their distribution network in cost of sales.

We have substantial debt, interest and lease payment requirements that may restrict our future operations and impair our ability to meet our obligations and, in a rising interest rate environment, our performance may be adversely affected by our degree of leverage.

Recent Consolidation, Integration and Restructuring Activities. During the past several years, we have undertaken significant consolidation, integration and other cost-savings programs to enhance our efficiency and achieve cost reduction opportunities which exist in our businesses. In addition to major consolidation projects, there have also been a series of ongoing initiatives to eliminate duplicative and excess manufacturing and distribution facilities, sales forces, and back office and other support functions in order to continue to optimize our cost structure in response to competitor actions and market conditions.

In the fourth quarter of 2008, in response to the deteriorating economic conditions, we accelerated our Profit Improvement Plan, which included further consolidation of distribution and manufacturing activities, continued integration of certain business activities, movement of production to lower-cost environments and expansion of strategic sourcing initiatives. We also implemented reductions in salaried headcount and in fixed and variable spending to better align the fixed cost structure of these operating segments with the reality of the then-current market environment and to maintain or improve operating margins. We implemented commercial actions to protect and gain market share through continued introduction of new and innovative products and by providing superior delivery and service to our customers. Further, we implemented pricing actions to recover inflationary cost increases and continue actions to leverage our businesses' strong brand names. The Company has realized savings during 2009 of approximately $32 million resulting from actions taken as a part of the Profit Improvement Plan. These implemented actions were a significant driver of maintaining our gross profit margin in 2009 despite a 20%

reduction in sales as compared to 2008, and have helped to facilitate the 370 basis point gross profit margin expansion in 2010 as compared to 2009, given our lower cost structure is able to support our higher sales levels. There were no significant charges recorded in 2010 related to further implementation of our Profit Improvement Plan initiatives.

The most significant element of our Profit Improvement Plan implemented during 2009 was the restructuring of our legacy towing, trailering and electrical businesses within our Cequent North America reportable segment into one business, rationalizing facilities and the management team. This restructuring plan included the closure of the Mosinee, WI manufacturing facility, with the production and distribution functions previously located in Mosinee being relocated to lower-cost manufacturing facilities or to third party sourcing partners.

In 2008, our most significant action was the restructuring of our organizational structure within our corporate office.

Key Indicators of Performance. In evaluating our business, our management has historically considered Adjusted EBITDA as a key indicator of financial operating performance and as a measure of cash generating capability. We define Adjusted EBITDA as net income (loss) before cumulative effect of accounting change, interest, taxes, depreciation, amortization, debt extinguishment costs, non-cash asset and goodwill impairment charges and write-offs and non-cash losses on sale-leaseback of property and equipment. Management believed that consideration of Adjusted EBITDA, together with a careful review of our results reported under GAAP, was the best way to analyze our ability to service and/or incur indebtedness, as we have been a highly leveraged company. Thus, the use of Adjusted EBITDA as a key performance measure facilitated operating performance comparisons from period to period and company to company, as it excluded potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the impact of purchase accounting and depreciation and amortization expense. Because Adjusted EBITDA facilitated internal comparisons of our historical operating performance on a more consistent basis, we have also used Adjusted EBITDA for business planning purposes, in measuring our performance relative to that of our competitors and in evaluating acquisition opportunities. In addition, we believe Adjusted EBITDA and similar measures are widely used by investors, securities analysts, ratings agencies and other interested parties as a measure of financial performance and debt-service capabilities.

In light of the significant changes in our business over the past few years, including changes in our senior leadership (new CFO in 2008 and CEO in 2009) as well as the structural and operating changes in our businesses, we believe we are a more competitive company, with a lower fixed cost structure and more focused on productivity and other lean initiatives to drive future profitability and cash flows. We have generated significant cash from operations during the last two years, which has enabled us to reduce our debt levels. Given these changes, and the resulting improvement in earnings quality, management believes we are evolving from a highly leveraged company that, for comparative purposes, relied on Adjusted EBITDA as a key indicator of performance, to one that can rely and report on GAAP-based results. As the Company continues to grow its earnings base and decrease its debt levels, investors and analysts are placing TriMas in comparable company groupings that rely primarily on GAAP-based metrics for valuation and presentation purposes. Thus, while Adjusted EBITDA remains an important indicator of performance, beginning in 2011, we intend to rely primarily on the GAAP-based metrics of operating profit and cash flow from operations as they relate to our key metrics of earnings and liquidity, respectively.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- it does not reflect our cash expenditures for capital equipment or other contractual commitments;

- although depreciation, amortization and asset impairment charges and write-offs are non-cash charges, the assets being depreciated, amortized or written off may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our indebtedness;
- it does not reflect certain tax payments that may represent a reduction in cash available to us;
- it includes amounts resulting from matters we consider not to be indicative of underlying performance of our fundamental business operations; and
- other companies, including companies in our industry, may calculate these measures differently and as the number of differences in the way two different companies calculate these measures increases, the degree of their usefulness as a comparative measure correspondingly decreases.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in our growth. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA only supplementally. We carefully review our operating profit margins (operating profit as a percentage of net sales) at a reportable segment level, which are discussed in detail in our year-to-year comparison of operating results.

The following is a reconciliation of our net income (loss) to Adjusted EBITDA and cash flows provided by operating activities for the three years ended December 31:

	Year ended December 31,		
	2010	2009	2008
	(dollars in thousands)		
Net income (loss)	$ 45,270	$ (220)	$ (136,190)
Income tax expense (benefit)[1]	21,450	(520)	(12,610)
Interest expense[2]	52,380	45,720	55,920
Debt extinguishment costs	—	11,400	140
Impairment of property and equipment[3]	—	2,340	500
Impairment of goodwill and indefinite-lived intangible assets[4]	—	930	184,530
Depreciation and amortization[5]	37,740	43,940	44,070
Adjusted EBITDA	$ 156,840	$ 103,590	$ 136,360
Interest paid	(45,090)	(43,600)	(52,660)
Taxes paid	(8,920)	(8,200)	(8,060)
(Gain) loss on disposition of plant and equipment[6]	(8,510)	570	70
Gain on bargain purchase	(410)	—	—
Gain on extinguishment of debt	—	(24,500)	(3,880)
Receivables sales and securitization, net	2,050	(15,550)	(18,310)
Net change in working capital	(1,000)	71,200	(22,350)
Cash flows provided by operating activities	$ 94,960	$ 83,510	$ 31,170

(1) Includes income tax expense (benefit) of approximately $2.2 million, ($8.9 million) and ($13.1 million) recorded in 2010, 2009 and 2008, respectively, related to discontinued operations. See Note 5, "Discontinued Operations and Assets Held for Sale" to the financial statements attached hereto for further information.

(2) Includes interest expense related to discontinued operations in the amounts of $0.6 million, $0.7 million and $0.2 million in 2010 , 2009 and 2008, respectively.

(3) Includes asset impairments related to discontinuing operations of approximately $2.3 million in 2009.

(4) Includes goodwill and indefinite-lived intangible asset impairment charges of $0.9 million and $15.5 million related to discontinued operations in 2009 and 2008, respectively.

(5) Includes depreciation and amortization related to discontinued operations in the amounts of $0.03 million, $3.5 million and $6.5 million in 2010, 2009 and 2008, respectively.

(6) Includes gain on disposition of plant and equipment related to discontinued operations in the amounts of $10.1 million in 2010 and $0.3 million in 2008. No such gain or loss related to discontinued operations occurred in 2009.

The following details certain items relating to our consolidation, restructuring and integration efforts and other items that are included in the determination of net income (loss) under GAAP and are not added back to net income (loss) in determining Adjusted EBITDA, but that we separately consider in evaluating our Adjusted EBITDA:

	Year ended December 31,		
	2010	2009	2008
	(dollars in thousands)		
Severance and business unit restructuring costs[a]	$ —	$ 10,870	$ 4,910
Estimated future unrecoverable lease obligations[b]	—	5,250	—
Fees incurred under advisory services agreement[c]	—	2,890	—
Gross gain on extinguishment of debt[d]	—	(29,390)	(3,880)
	$ —	$ (10,380)	$ 1,030

(a) Principally employee severance costs associated with business unit restructuring and other cost reduction activities.

(b) Estimate of future unrecoverable lease obligations for facilities no longer utilized, net of projected sublease recoveries.

(c) Expenses associated with our advisory services agreement with Heartland.

(d) Gains recognized in connection with the extinguishment of $81.2 million of our senior subordinated notes due 2012, excluding debt extinguishment costs.

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Segment Information and Supplemental Analysis

The following table summarizes financial information for our six reportable segments:

(dollars in thousands)	Year ended December 31, 2010	As a Percentage of Net Sales	2009	As a Percentage of Net Sales	2008	As a Percentage of Net Sales
Net Sales						
Packaging	$ 171,170	18.2%	$ 145,060	18.1%	$ 161,330	15.9%
Energy	129,100	13.7%	111,520	13.9%	132,760	13.1%
Aerospace & Defense	73,930	7.8%	74,420	9.3%	95,300	9.4%
Engineered Components	153,190	16.3%	99,700	12.4%	200,040	19.7%
Cequent Asia Pacific	75,990	8.1%	63,930	8.0%	65,600	6.5%
Cequent North America	339,270	36.0%	309,020	38.5%	358,790	35.4%
Total	$ 942,650	100.0%	$ 803,650	100.0%	$1,013,820	100.0%
Gross Profit						
Packaging	$ 70,050	40.9%	$ 52,920	36.5%	$ 53,500	33.2%
Energy	36,930	28.6%	30,750	27.6%	38,110	28.7%
Aerospace & Defense	27,610	37.3%	30,290	40.7%	40,660	42.7%
Engineered Components	31,880	20.8%	15,000	15.0%	42,730	21.4%
Cequent Asia Pacific	20,450	26.9%	14,480	22.6%	11,750	17.9%
Cequent North America	93,430	27.5%	65,380	21.2%	76,620	21.4%
Total	$ 280,350	29.7%	$ 208,820	26.0%	$ 263,370	26.0%
Selling, General and Administrative						
Packaging	$ 20,450	11.9%	$ 19,630	13.5%	$ 22,400	13.9%
Energy	22,170	17.2%	19,540	17.5%	20,450	15.4%
Aerospace & Defense	9,510	12.9%	8,490	11.4%	8,790	9.2%
Engineered Components	13,950	9.1%	10,240	10.3%	13,370	6.7%
Cequent Asia Pacific	8,400	11.1%	6,510	10.2%	6,740	10.3%
Cequent North America	65,540	19.3%	63,200	20.5%	71,350	19.9%
Corporate expenses	24,710	N/A	22,590	N/A	22,160	N/A
Total	$ 164,730	17.5%	$ 150,200	18.7%	$ 165,260	16.3%
Impairment of Assets and Goodwill						
Packaging	$ —	—%	$ —	—%	$ 62,490	38.7%
Energy	—	—%	—	—%	—	—%
Aerospace & Defense	—	—%	—	—%	—	—%
Engineered Components	—	—%	—	—%	19,180	9.6%
Cequent Asia Pacific	—	—%	—	—%	14,950	22.8%
Cequent North America	—	—%	—	—%	70,490	19.6%
Total	$ —	—%	$ —	—%	$ 167,110	16.5%
Operating Profit (Loss)						
Packaging	$ 48,710	28.5%	$ 33,050	22.8%	$ (31,200)	(19.3)%
Energy	14,700	11.4%	11,140	10.0%	17,650	13.3%
Aerospace & Defense	18,090	24.5%	21,770	29.3%	31,850	33.4%
Engineered Components	17,400	11.4%	4,600	4.6%	9,950	5.0%
Cequent Asia Pacific	12,050	15.9%	7,990	12.5%	(9,960)	(15.2)%
Cequent North America	27,840	8.2%	(3,160)	(1.0)%	(65,470)	(18.2)%
Corporate expenses	(24,710)	N/A	(25,480)	N/A	(22,160)	N/A
Total	$ 114,080	12.1%	$ 49,910	6.2%	$ (69,340)	(6.8)%

(dollars in thousands)	2010	As a Percentage of Net Sales	2009	As a Percentage of Net Sales	2008	As a Percentage of Net Sales
	Year ended December 31,					
Capital Expenditures						
Packaging	$ 5,200	3.0%	$ 4,190	2.9%	$ 5,890	3.7%
Energy	3,660	2.8%	1,270	1.1%	3,060	2.3%
Aerospace & Defense	1,850	2.5%	1,550	2.1%	5,720	6.0%
Engineered Components	4,330	2.8%	3,650	3.7%	8,080	4.0%
Cequent Asia Pacific	3,530	4.6%	750	1.2%	2,240	3.4%
Cequent North America	3,100	0.9%	2,530	0.8%	2,770	0.8%
Corporate	230	N/A	80	N/A	100	N/A
Total	$ 21,900	2.3%	$ 14,020	1.7%	$ 27,860	2.7%
Depreciation and Amortization						
Packaging	$ 12,640	7.4%	$ 13,330	9.2%	$ 13,780	8.5%
Energy	1,960	1.5%	1,860	1.7%	1,840	1.4%
Aerospace & Defense	2,330	3.2%	2,260	3.0%	1,960	2.1%
Engineered Components	4,730	3.1%	4,110	4.1%	3,840	1.9%
Cequent Asia Pacific	2,820	3.7%	2,590	4.1%	2,710	4.1%
Cequent North America	13,110	3.9%	17,140	5.5%	15,700	4.4%
Corporate	120	N/A	110	N/A	100	N/A
Total	$ 37,710	4.0%	$ 41,400	5.2%	$ 39,930	3.9%
Adjusted EBITDA						
Packaging	$ 60,530	35.4%	$ 45,730	31.5%	$ 45,030	27.9%
Energy	16,640	12.9%	13,120	11.8%	19,390	14.6%
Aerospace & Defense	20,420	27.6%	24,030	32.3%	33,810	35.5%
Engineered Components	22,540	14.7%	8,740	8.8%	33,040	16.5%
Cequent Asia Pacific	14,800	19.5%	12,170	19.0%	7,350	11.2%
Cequent North America	40,580	12.0%	13,110	4.2%	20,960	5.8%
Corporate income (expenses)	(24,820)	N/A	2,050	N/A	(20,280)	N/A
Subtotal from continuing operations	$ 150,690	16.0%	$ 118,950	14.8%	$ 139,300	13.7%
Discontinued operations	6,150	N/A	(15,360)	N/A	(2,940)	N/A
Total	$ 156,840	16.6%	$ 103,590	12.9%	$ 136,360	13.5%

Results of Operations

Year Ended December 31, 2010 Compared with Year Ended December 31, 2009

The principal factors impacting us during the year ended December 31, 2010 compared with the year ended December 31, 2009 were:

- the upturn in economic conditions in 2010 compared to the global economic recession in 2009, contributing to increased net sales in all of our reportable segments except for Aerospace & Defense;
- costs incurred and savings realized related to our Profit Improvement Plan initiatives implemented in 2008 and 2009, primarily in our Packaging and Cequent North America reportable segments, and other ongoing productivity initiatives;
- increases in the value of foreign currencies in other countries in which we operate as compared to the U.S. dollar;
- gains on extinguishment of debt in 2009 resulting from the repurchase of our $9^7/8$% senior subordinated notes at prices below their face value; and
- costs incurred related to the refinancing of our credit facilities and senior notes in December 2009.

Overall, net sales increased approximately $139.0 million, or approximately 17.3%, to $942.7 million in 2010, as compared to $803.7 million in 2009. The main driver of the increased sales levels was the economic upturn experienced in 2010, compared to the economic recession in 2009, where sales levels dropped significantly from historical levels. In addition, we continue to introduce new products and expand into new markets, with the most significant increases in sales from these programs in our Packaging and Energy reportable segments. In addition, net sales were favorably impacted by approximately $9.9 million as a result of currency exchange, as our reported results in U.S. dollars were favorably impacted by stronger foreign currencies relative to the U.S. dollar.

Gross profit margin (gross profit as a percentage of sales) approximated 29.7% and 26.0% in 2010 and 2009, respectively. This 370 basis point improvement year-over-year is primarily due to the operating leverage associated with the higher sales levels and reduced cost structure and realization of savings from our cost reduction and alternate sourcing initiatives that began in the fourth quarter of 2008 as part of our Performance Improvement Plan, with the largest impact experienced in our Packaging, Engineered Components and both Cequent reportable segments.

Operating profit margin (operating profit as a percentage of sales) approximated 12.1% and 6.2% in 2010 and 2009, respectively. Operating profit increased $64.2 million in 2010 as compared to 2009, primarily as a result of higher sales volumes and higher gross profit resulting from savings realized in connection with our Profit Improvement Plan and ongoing productivity initiatives. In addition, during 2009, we recorded charges of $5.3 million related to estimated unrecoverable lease obligations for our former Mosinee, Wisconsin facility and $2.9 million related to fees incurred under an advisory services agreement on our debt refinancing activities that did not recur in 2010. These increases in operating profit were partially offset by increases in selling, general and administrative expenses primarily in support of our growth initiatives and other new product programs.

Interest expense increased approximately $6.8 million, to $51.8 million in 2010 as compared to $45.1 million in 2009. The primary drivers of the increase in interest expense were an increase in our weighted average interest rate on variable rate U.S. borrowings to approximately 5.6% during 2010, from approximately 3.9% during 2009, an unfavorable change in the fair value of our interest rate swaps of $1.6 million in 2010 compared to 2009, a $1.2 million increase in commitment fees for unused borrowings under our revolving credit facility, a $1.1 million of aggregate costs incurred under our receivables facility in 2010, which was recorded in other expense, net in 2009, and $0.7 million increased amortization of debt issue costs in 2010 compared to 2009. Partially offsetting this increase in interest rates was a decrease in our weighted-average variable rate U.S. borrowings from approximately $307.8 million in 2009 to approximately $266.7 million in 2010, as we had less need for intra-quarter borrowings due to the level of cash generated from operations. In addition, we recorded approximately $3.1 million lower interest expense related to our senior secured notes in 2010 compared to the interest on our former senior subordinated notes 2009, due primarily to a decrease in our average outstanding balance of approximately $32.0 million during 2010.

Gain on extinguishment of debt decreased by approximately $18.0 million, as we did not incur any gains or losses on extinguishment of debt during 2010. During 2009, we retired approximately $73.2 million face value of our former senior subordinated notes, resulting in a gross gain of $29.4 million, less $1.1 million in debt extinguishment costs. In addition, we incurred approximately $10.3 million in net debt extinguishment costs in December 2009 related to the refinance of our credit facility and senior notes.

Other expense, net decreased approximately $0.2 million to $1.5 million in 2010, from $1.8 million in 2009. During 2010, we incurred approximately $1.1 million of losses on transactions denominated in foreign currencies. During 2009, we incurred approximately $2.1 million of expenses in connection with the use of our receivables securitization facility and sales of receivables to fund working capital needs and experienced approximately $0.7 million of gains on transactions denominated in foreign currencies. There were no other individually significant amounts incurred or changes in amounts incurred in either 2010 or 2009.

The effective income tax rate for 2010 was 31.5% compared to 39.6% for 2009. In 2010, we reported domestic and foreign pre-tax income of approximately $34.7 million and $26.5 million, respectively. We recorded a $1.3 million tax benefit during 2010 related to decreases in valuation allowances on certain deferred tax assets including state and foreign tax operating loss carryforwards. In 2009, we recorded $1.1 million tax expense associated with deferred tax adjustments for prior years and tax expense of $1.7 million related to increases in valuation allowances on certain deferred tax assets, including a foreign capital loss carryforward and certain state and foreign tax operating loss carryforwards.

Net income from continuing operations increased approximately $29.2 million to $41.9 million in 2010, from $12.7 million in 2009, primarily as a result of higher sales levels year-over-year and increased operating profit resulting from savings realized due to our Profit Improvement Plan actions taken in 2008 and 2009. In addition, during 2009, we recorded an $18.0 million gain on debt extinguishment, a $5.3 million charge for estimated unrecoverable lease obligations and a $2.9 million advisory fee charge associated with our debt refinancing activities. The $64.2 million increase in operating profit, less a $6.8 million increase in interest expense, primarily due to higher interest rates year-over-year, less the $18.0 million debt extinguishment gain in 2009 that did not recur in 2010, plus the impact of a lower tax rate in 2010 than 2009 due to our mix of foreign versus domestic pre-tax income and other facts, resulted in the increase in net income in 2010 compared to 2009.

Adjusted EBITDA margin from continuing operations (Adjusted EBITDA as a percentage of sales) approximated 16.0% and 14.8% in 2010 and 2009, respectively. Adjusted EBITDA increased approximately $31.7 million in 2010 as compared to 2009. After consideration of the $11.5 million and $6.8 million increases in income tax expense and interest expense, respectively, in 2010 compared to 2009, a reduction in depreciation and amortization expense of $6.2 million in 2010 compared to 2009, and the $11.4 million debt extinguishment costs in 2009 that did not recur in 2010, the change in Adjusted EBITDA from continuing operations was consistent with the change in net income from continuing operations.

See below for a discussion of operating results by reportable segment.

Packaging. Net sales increased approximately $26.1 million, or 18.0%, to $171.2 million in 2010, as compared to $145.1 million in 2009. Sales of our specialty dispensing products and new product introductions increased by approximately $8.4 million in 2010 compared to 2009, due primarily to increased sales into the personal care markets, pharmaceuticals and the food industries. Sales of our industrial closures, rings and levers increased by approximately $19.0 million in 2010 compared to 2009, primarily as a result of the continued moderate general economic recovery. Despite this recovery, core product sales in 2010 were still approximately 5-15% below historical levels. In addition, sales decreased approximately $1.3 million due to 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 increased approximately $17.1 million to $70.1 million, or 40.9% of sales in 2010, as compared to $52.9 million, or 36.5% of sales in 2009. Of the increase in gross profit, approximately $9.6 million relates to the increase in sales levels between years, which was partially offset by approximately $0.3 million unfavorable currency exchange. Our gross profit margin increased approximately 440 basis points in 2010 compared to 2009. The most significant drivers of this profitability increase, accounting for more than half of the year-over-year margin percentage increase, were internal labor and overhead-related productivity projects, comprising both lean initiatives and capital spending projects, designed to improve processing, throughput and overall efficiency and increase automation in our manufacturing operations. The other significant reasons for the increase in profit margin year-over-year were a more favorable product sales mix in 2010 than 2009, as medical product sales related to the swine flu epidemic comprised a larger percentage of sales in 2009 and were sold at lower margin rates, and a reduced overall material cost due to alternate sourcing or more efficient usage of certain production materials.

Packaging's selling, general and administrative expenses increased approximately $0.8 million to $20.5 million, or 11.9% of sales in 2010, as compared to $19.6 million, or 13.5% of sales in 2009. While the spending levels increased slightly in support of our growth initiatives, this segment was able to significantly reduce selling, general and administrative expenses as a percent of sales due to its fixed cost reductions implemented throughout 2009 and into 2010.

Packaging's operating profit increased approximately $15.7 million to $48.7 million, or 28.5% of sales in 2010, as compared to $33.1 million, or 22.8% of sales, in 2009. The increase in operating profit between years is due primarily to the higher sales levels in 2010 compared to 2009, productivity initiatives and capital spending programs, which have improved processing and throughput, and reduced material, labor and overhead content in our products, and a more favorable product sales mix in 2010 than 2009.

Packaging's Adjusted EBITDA increased approximately $14.8 million to $60.5 million, or 35.4% of sales in 2010, as compared to $45.7 million, or 31.5% of sales in 2009, consistent with the change in operating profit between years after consideration of approximately $0.7 million lower depreciation and amortization in expense in 2010 than in 2009.

Energy. Net sales in 2010 increased approximately $17.6 million, or 15.8%, to $129.1 million, as compared to $111.5 million in 2009. Of this increase, approximately $2.8 million relates to sales generated by our new Salt Lake City (Utah), Rotterdam (the Netherlands), Edmonton (Canada), and Grimsby (United Kingdom) branch facilities, $2.6 million relates to the acquisition of South Texas Bolt & Fitting, completed in the fourth quarter of 2010, and $0.6 million relates to currency exchange, as our reported results in U.S. dollars were positively impacted as a result of stronger foreign currencies. The remaining increase is primarily as a result of increased levels of turn-around activity at petrochemical refineries and increased sales demand from the chemical industry, as customers continue to perform maintenance work and new programs deferred from 2009 that require our replacement and specialty gaskets and bolts. We also experienced an increase in our market share of bolts, as certain existing customers have awarded us additional bolt business as they consolidate their supply base.

Gross profit within Energy increased approximately $6.2 million to $36.9 million, or 28.6% of sales, in 2010, as compared to $30.8 million, or 27.6% of sales, in 2009. Gross profit increased approximately $4.8 million as a result of the increase in sales levels between years. In addition, the improvement in gross profit margin was the result of successful implementation of productivity and cost reduction activities at the end of 2009 and during 2010, generating realized savings of approximately $2 million to $3 million in 2010, including sourcing and inbound freight initiatives, which were partially offset by incremental air freight costs of approximately $1 million incurred as a result of overseas inventory shortages.

Selling, general and administrative expenses within Energy increased approximately $2.6 million to $22.2 million, or 17.2% of net sales, in 2010, as compared to $19.5 million or 17.5% of net sales, in 2009, as our spending increased in support of our increased sales levels and in support of our branch growth initiatives. However, this segment was able to lower its spending as a percentage of sales in 2010 compared to 2009 due to its fixed cost reductions implemented during 2009.

Overall, operating profit within Energy increased approximately $3.6 million to $14.7 million, or 11.4% of sales, in 2010, as compared to $11.1 million, or 10.0% of sales, in 2009, due principally to higher sales levels and the successful implementation of productivity and cost reduction activities at the end of 2009 and during 2010, partially offset by incremental air freight costs and higher selling, general and administrative expenses in 2010 supporting our higher sales levels and branch growth initiatives.

Energy's Adjusted EBITDA increased $3.5 million to $16.6 million, or 12.9% of sales, in 2010, as compared to $13.1 million, or 11.8% of sales, in 2009, consistent with the increase in operating profit between years.

Aerospace & Defense. Net sales in 2010 decreased approximately $0.5 million, or 0.7%, to $73.9 million, as compared to $74.4 million in 2009. Sales in our aerospace business decreased approximately $5.0 million, primarily due to lower demand from distribution customers as they sold-off their existing inventory during the first half of 2010, which more than offset increases in their purchases during the back half of 2010. In addition, we had a launch order for new products, primarily titanium screws, of approximately $4.4 million during 2009 that did not recur in 2010. Sales in our defense business increased approximately $4.5 million. Revenue primarily associated with managing the relocation and closure of the defense facility of $11.5 million more than offset the fact that we did not sell any cartridge cases and provided less related maintenance in 2010 due to the relocation of the defense facility, as compared to approximately $4.9 million of cartridge case sales with related maintenance activity in 2009, and $2.1 million lower net product sales in 2010 than 2009.

Gross profit within Aerospace & Defense decreased approximately $2.7 million to $27.6 million, or 37.3% of sales, in 2010, from $30.3 million, or 40.7% of sales, in 2009. Gross profit decreased approximately $0.2 million as a result of the decline in sales levels between years. The primary reasons for the decline in gross profit were a less favorable product sales mix in our defense business, as 2010 sales were more heavily weighted to lower margin facility relocation management while 2009 included higher margin cartridge case sales, and lower absorption of fixed costs in our aerospace business as a result of lower production and/or sales levels over which to spread the fixed costs.

Selling, general and administrative expenses increased approximately $1.0 million to $9.5 million, or 12.9% of sales, in 2010, as compared to $8.5 million, or 11.4% of sales, in 2009, due primarily to increased legal fee costs within our defense business.

Operating profit within Aerospace & Defense decreased approximately $3.7 million to $18.1 million, or 24.5% of sales, in 2010, as compared to $21.8 million, or 29.3% of sales, in 2009, primarily due to lower sales levels, an unfavorable product sales mix in our defense business, lower absorption of fixed costs in our aerospace business and increased selling, general and administrative expenses.

Aerospace & Defense's Adjusted EBITDA decreased $3.6 million to $20.4 million, or 27.6% of sales, in 2010, as compared to $24.0 million, or 32.3% of sales, in 2009, consistent with the decrease in operating profit between years.

Engineered Components. Net sales in 2010 increased approximately $53.5 million, or 53.7%, to $153.2 million, as compared to $99.7 million in 2009. Sales of slow speed and compressor engines and related products increased by approximately $22.8 million, as sales of engines and engine parts increased approximately $17.1 million due to increased drilling activity as compared to 2009. Sales of gas compression products and processing and meter run equipment increased by approximately $5.7 million as we continue to introduce new products to add to our well-site content. Sales in our industrial cylinder business increased $17.1 million. Of this increase, approximately $9.8 million relates to the asset acquisition in the second quarter of 2010 and approximately $2.6 million relates to new product introductions during 2010, primarily related to cellular phone tower and breathing air applications. The remainder of the increase relates to the general economic improvement, which began to impact the cylinder business in the second half of 2010. Sales within our specialty fittings business increased approximately $9.2 million, as our new product offerings for automotive fuel systems increased by approximately $5.0 million and sales of our core tube nut products increased by approximately $4.2 million as a result of the economic upturn in 2010. Sales in our precision tool cutting businesses increased approximately $4.5 million, due primarily to the economic recovery in 2010.

Gross profit within Engineered Components increased approximately $16.9 million to $31.9 million, or 20.8% of sales, in 2010, from $15.0 million, or 15.0% of sales, in 2009, as all businesses within this segment improved their gross profit dollars and margin as compared to 2009. Gross profit increased approximately $8.0 million as a result of the increase in sales levels between years. Our gross profit margin increased approximately 580 basis points in 2010 compared to 2009. The most significant drivers of this profitability increase were the productivity and cost reduction efforts implemented in 2009 and early 2010 in response to the economic slowdown in late 2008 and 2009, which the Company is now benefiting from the lower fixed cost structure and efficiencies gained from the productivity initiatives. In addition, this segment experienced low absorption of fixed costs during 2009 due to the historically low sales levels over which to spread such costs. The combination of higher sales levels and lower fixed costs in 2010 based on the aforementioned actions implemented has helped significantly with the increased gross profit margins.

Selling, general and administrative expenses increased approximately $3.7 million to $14.0 million, or 9.1% of sales, in 2010, as compared to $10.2 million, or 10.3% of sales, in 2009. This increase is primarily related to promotional spending in support of the higher sales levels and incremental legal and transaction costs as a result of acquisition of the Taylor-Wharton assets by our industrial cylinder business. Despite these increases, this segment was able to lower selling, general and administrative expenses as a percentage of sales in 2010 compared to 2009, due in part to both cost reduction efforts implemented in 2009 in response to the economic downturn and as a result of the significant increase in sales in 2010 that hasn't required significant additional infrastructure to support.

Operating profit within Engineered Components increased approximately $12.8 million to $17.4 million, or 11.4% of sales, in 2010, as compared to $4.6 million, or 4.6% of sales, in 2009. The increase in operating profit between years is due primarily to higher sales levels year-over-year, productivity and cost reduction efforts implemented in 2009 that have lowered this segment's cost structure and significantly higher absorption of fixed costs in 2010 compared to 2009 due to the lower fixed cost base over which to spread the higher sales levels in 2010. These increases in operating profit were partially offset by higher selling, general and administrative expenses in 2010 than 2009, primarily resulting from the asset acquisition in June 2010 in our industrial cylinders business and generally higher spending levels in support of our increased sales levels.

Engineered Components' Adjusted EBITDA increased approximately $13.8 million to $22.5 million, or 14.7% of sales, in 2010, as compared to $8.7 million, or 8.8% of sales, in 2009, consistent with the change in operating profit between years after consideration of the $0.4 million bargain purchase gain recognized in 2010 on the industrial cylinder business' asset acquisition and $0.6 million of increased depreciation and amortization expense in 2010 compared to 2009.

Cequent Asia Pacific. Net sales increased $12.1 million, or 18.9%, to $76.0 million in 2010, as compared to $63.9 million in 2009 . Net sales were favorably impacted by approximately $10.6 million of currency exchange, as our reported results in U.S. dollars were positively impacted as a result of the weaker U.S. dollar relative to foreign currencies. Excluding the impact of currency exchange, net sales increased approximately $1.5 million, as market share gains within our original equipment and aftermarket customer bases more than offset the significant boost in sales in the back half of 2009 resulting from an Australian government stimulus that was not offered in 2010.

Cequent Asia Pacific's gross profit increased $6.0 million to $20.5 million, or 26.9% of net sales in 2010, from approximately $14.5 million, or 22.6% of net sales, in 2009. Of this increase, approximately $3.1 million is as a result of favorable currency exchange and $0.3 million is as a result of higher sales levels year-over-year. Our gross profit margin increased approximately 430 basis points in 2010 compared to 2009. The most significant drivers of this profitability increase were increased utilization of our lower-cost manufacturing plant in Thailand and labor and overhead productivity initiatives to automate and streamline operations in our Australian facilities.

Cequent Asia Pacific's selling, general and administrative expenses increased approximately $1.9 million to $8.4 million, or 11.1% of sales in 2010, as compared to $6.5 million, or 10.2% of sales in 2009. Of this increase, approximately $1.5 million is as a result of currency exchange. The remaining $0.4 million increase in spending is primarily in support of our growth initiatives.

Cequent Asia Pacific's operating profit increased approximately $4.1 million to $12.1 million, or 15.9% of sales, in 2010, from $8.0 million, or 12.5% of net sales in 2009 . Of this increase, approximately $1.6 million is as a result of favorable currency exchange. The remaining increase in operating profit is as a result of higher sales levels, additional utilization of our lower-cost manufacturing plant in Thailand and our productivity initiatives. These improvements in operating profit were partially offset by higher selling, general and administrative expenses in 2010 in support of our sales growth initiatives.

Cequent Asia Pacific's Adjusted EBITDA increased approximately $2.6 million to $14.8 million, or 19.5% of net sales in 2010, from $12.2 million, or 19.0% of net sales in 2009 . In 2010, Cequent Asia Pacific recognized approximately $0.3 million of losses on transactions denominated in foreign currencies as compared to $1.4 million of gains on such transactions in 2009. In addition, depreciation expense was approximately $0.1 million higher in 2010 compared to 2009. After consideration of these two items, the change in Adjusted EBITDA is consistent with the change in operating profit between years.

Cequent North America. Net sales increased approximately $30.3 million, or 9.8%, to $339.3 million in 2010, as compared to $309.0 million in 2009, primarily due to year-over-year increases within our original equipment, aftermarket, retail and industrial channels, all of which were aided by the economic recovery during 2010. Sales to original equipment manufacturers and suppliers increased approximately $10.9 million in 2010 compared to 2009, primarily due to new product launches at three significant customers. Sales within our aftermarket channel increased approximately $8.5 million in 2010 compared to 2009, primarily due to market share gains and new product introductions. Sales in our retail channel increased approximately $6.1 million in 2010 compared to 2009, primarily due to market share gains at certain of our existing customers to whom we now provide additional products. Sales in our industrial channel increased approximately $3.3 million in 2010 compared to 2009, primarily due to higher levels of trailer-builds, mainly within our horse and agriculture customers.

Cequent North America's gross profit increased approximately $28.1 million to $93.4 million, or 27.5% of sales, in 2010, from approximately $65.4 million, or 21.2% of sales, in 2009. Of this increase, approximately $6.4 million is as a result of the higher sales levels in 2010 compared to 2009. Our gross profit margin increased approximately 630 basis points in 2010 compared to 2009. The most significant drivers of this increased profitability were our cost reduction efforts implemented throughout 2009 as a part of our Profit Improvement Plan to resize our business and the fixed cost structure to recent demand levels, to identify alternate lower-cost foreign-sourced suppliers and to implement productivity initiatives to increase manufacturing efficiencies. The largest item within the Profit Improvement plan was the closure of the Mosinee, WI manufacturing facility, which was completed in 2009, for which $6.4 million of costs within gross profit were incurred in 2009 to implement the actions. In addition, in 2009, due to the significant drop in sales levels, this segment had low absorption of fixed costs into its inventory, as the costs could not be cut as quickly as the sales demand fell. In 2010, Cequent North America benefited from limited spending for productivity actions, compared to significant spending in 2009, plus realized much higher profitability as it did not need to significantly increase its cost structure to fulfill the higher sales levels.

Selling, general and administrative expenses increased approximately $2.3 million to $65.5 million, or 19.3% of sales, in 2010, as compared to $63.2 million, or 20.5% of sales, in 2009. Cequent North America incurred approximately $1.6 million of costs associated with implementing the Profit Improvement Plan in 2009, primarily related to severance charges recorded in connection with the closure of the Mosinee, WI facility. The remaining $3.9 million increase in selling, general and administrative expenses, after consideration of the 2009 Profit Improvement Plan charges, primarily result from new sales promotions and other costs previously deferred that support our sales growth initiatives and higher sales levels in 2010.

Cequent North America's operating profit increased by approximately $31.0 million to $27.8 million, or 8.2% of sales, in 2010, from an operating loss of $3.2 million, or (1.0)% of net sales, in 2009. The increased profitability in 2010 is primarily due to higher sales volumes, the impact realized in 2010 of the

Profit Improvement Plan, lower-cost sourcing and productivity project initiatives, for which the cost was incurred in 2009, and the incremental margin earned as this segment did not need to significantly increase its fixed cost structure in order to fulfill the higher sales levels in 2010. In addition, this segment recorded a $5.3 million charge in 2009 related to the estimated net unrecoverable future lease obligations for the Mosinee, Wisconsin manufacturing facility that was closed in 2009.

Cequent North America's Adjusted EBITDA increased approximately $27.5 million to $40.6 million, or 12.0% of sales, in 2010, from $13.1 million, or 4.2% of sales, in 2009. After consideration of approximately $3.4 million of lower depreciation expense in 2010 compared to 2009, due primarily to the closure of the Mosinee, Wisconsin facility, the change in Adjusted EBITDA is consistent with the change in operating profit between years.

Corporate (Income) Expenses. Corporate expenses and management fees included in operating profit and Adjusted EBITDA consist of the following:

	Year ended December 31,	
	2010	2009
	(in millions)	
Corporate operating expenses	$ 10.7	$ 10.7
Employee costs and related benefits	13.9	11.7
Management fees and expenses	0.1	3.1
Corporate expenses—operating profit	$ 24.7	$ 25.5
Receivables sales and securitization expenses	—	1.7
Gain on repurchase of bonds	—	(29.4)
Depreciation	(0.1)	(0.1)
Other, net	0.2	0.2
Corporate expenses (income)—Adjusted EBITDA	$ 24.8	$ (2.1)

Corporate expenses included in operating profit decreased by approximately $0.8 million to $24.7 million in 2010, from $25.5 million in 2009. In 2009, we incurred approximately $2.9 million of costs associated with the termination of our former chief executive officer and an additional approximately $2.9 million of advisory services fees to Heartland Industrial Partners incurred in connection with our debt refinancing activities. The expected decrease based on the aforementioned two items not recurring in 2010 was mostly offset by an increase in employee costs and related benefits attributed to short and long-term incentive equity and cash compensation expense, primarily resulting from the higher attainment of compensation measures associated with the significant improvement in year-over-year sales and operating performance in 2010 compared to 2009. Receivables sales and securitization expenses decreased by approximately $1.7 million for the year ended December 31, 2010 compared with year ended December 31, 2009, as new accounting guidance effective in the first quarter of 2010 required that we account for the facility similar to our credit facility debt. Amounts outstanding under the facility classified on the balance sheet as debt and costs incurred under the facility are shown on the statement of operations as interest expense. In addition, we did not retire any of our senior notes during 2010, compared to retiring $73.2 million face value of our former senior subordinated notes during 2009, resulting in a gross gain of $29.4 million.

Discontinued Operations. The results of discontinued operations consist of our medical device line of business, which was sold in May 2010, our property management line of business, which was sold in April 2010 and our specialty laminates, jacketings and insulation tapes line of business, which was sold in February 2009. Income from discontinued operations, net of income tax expense, was $3.4 million in 2010, while we incurred a loss from discontinued operations of $13.0 million in 2009. See Note 5, "Discontinued Operations and Assets Held for Sale," to our consolidated financial statements attached herein.

Year Ended December 31, 2009 Compared with Year Ended December 31, 2008

The principal factors impacting us during the year ended December 31, 2009 compared with the year ended December 31, 2008 were:

- the impact of the current global economic recession, resulting in lower sales volumes across all of our reportable segments and reduced earnings in all reportable segments except Packaging;
- costs incurred and savings realized related to our Profit Improvement Plan, primarily in our Packaging and Cequent North America reportable segments;
- compression of gross profit margins in certain of our segments due to lower absorption of fixed costs and, during the early 2009, sales of higher-cost inventory;
- increases in the value of the U.S. dollar as compared to the currencies in other countries where we operate;
- gains on extinguishment of debt in 2009 resulting from the repurchase of our $9^{7}/8$% senior subordinated notes at prices below their face value; and
- costs incurred resulting from the refinancing of our credit facilities and senior notes in December 2009.

Overall, net sales decreased $210.2 million, or approximately 20.7%, to $803.7 million in 2009, as compared to $1.014 billion in 2008. Although a few of our businesses benefited from new product introductions and new sales promotions during 2009, net sales declined in each of our six reportable segments, generally due to lower sales volumes resulting from the global economic recession. In addition, net sales were unfavorably impacted by approximately $9.6 million as a result of currency exchange, as our reported results in U.S. dollars were negatively impacted by weaker foreign currencies.

Gross profit margin (gross profit as a percentage of sales) approximated 26.0% in both 2009 and 2008, respectively. as we were able to essentially hold our gross profit margin despite the 21% reduction in sales volumes, reduced absorption of fixed costs and unfavorable currency exchange as a result of realization of savings from our cost reduction and alternate sourcing initiatives that began in the fourth quarter of 2008, with the largest impact experienced in our Packaging and Cequent segments.

Operating profit (loss) margin (operating profit (loss) as a percentage of sales) approximated 6.2% and (6.8)% in 2009 and 2008, respectively. Operating profit increased approximately $119.3 million in 2009 as compared to 2008. In 2008, we experienced a negative operating profit margin as a result of approximately $167.1 million in impairment of asset and goodwill charges. We did not record any similar charges in 2009. We were able to essentially hold our gross profit margin, and although selling, general and administrative expenses were higher as a percentage of sales, we lowered such costs by approximately $15.1 million compared to 2008 based on cost reduction and discretionary spend actions in response to the lower sales volumes.

Interest expense decreased approximately $10.7 million to $45.1 million in 2009, as compared to $55.7 million in 2008. The decrease in interest expense was primarily the result of a decrease in our effective weighted average interest rate on variable rate U.S. borrowings to approximately 3.9% during 2009, from approximately 5.3% during 2008. Partially offsetting this reduction in interest rates was an increase in our weighted-average U.S. borrowings from approximately $297.1 million in 2008 to approximately $307.8 million in 2009, as we utilized our revolving credit facility as our primary source to fund operations in 2009 (as it was our lowest cost source of borrowings), as compared to utilizing our securitization facility as the primary source of operational funding in 2008 when it was the more cost-effective alternative. In addition, we recorded approximately $5.8 million lower interest expense related to our senior subordinated notes in 2009 compared to 2008, due primarily to approximately $73.2 million of note repurchases during 2009.

Our net gain on extinguishment of debt increased approximately $14.3 million to a gain of $18.0 million in 2009, from a gain of $3.7 million in 2008. During the first three quarters of 2009, we retired approximately $73.2 million face value of our senior subordinated notes, resulting in a gross gain of $29.4 million, less $1.1 million in debt extinguishment costs. During the fourth quarter, we incurred approximately $10.3 million in net debt extinguishment costs related to the refinance of our credit facility and senior notes. In 2008, we recognized a $3.9 million gross gain on the repurchase of $8.0 million face value of senior subordinated notes, less $0.2 million in debt extinguishment costs.

Other expense, net decreased approximately $0.5 million to $1.8 million in 2009, from $2.3 million in 2008. During 2009, we incurred approximately $2.1 million of expenses in connection with the use of our receivables securitization facility and sales of receivables to fund working capital needs and experienced approximately $0.7 million of gains on transactions denominated in foreign currencies. During 2008, we incurred approximately $2.6 million of expenses in connection with the use of our receivables securitization facility and sales of receivables to fund working capital needs and experienced approximately $0.8 million of gains on transactions denominated in foreign currencies. There were no other individually significant amounts incurred or changes in amounts incurred in either 2009 or 2008.

The effective income tax rate for 2009 was 39.6% compared to (0.4)% for 2008. In 2009, we reported domestic and foreign pre-tax income of approximately $2.8 million and $18.3 million, respectively. In 2009, we recorded $1.1 million tax expense associated with deferred tax adjustments for prior years and tax expense of $1.7 million related to increases in valuation allowances related to our change in judgments about the effects of tax restrictions on utilizing certain deferred tax assets, including a foreign capital loss carryforward and certain state and foreign tax operating loss carryforwards. The pre-tax loss in 2008 is primarily the result of a goodwill impairment charge of $166.6 million, for which we received an income tax benefit of only $15.2 million, which significantly reduced our effective tax rate in 2008. In 2008, we also recorded a tax benefit of approximately $2.9 million primarily associated with the release of a capital loss valuation allowance.

Net income from continuing operations increased approximately $136.8 million to income of $12.7 million, or 1.6% of sales in 2009, as compared to a net loss from continuing operations of $(124.1) million, or (12.2)% of sales in 2008. In 2008, we recorded a $167.1 million pre-tax charge primarily related to the impairment of goodwill and intangible assets. We did not incur a similar charge in 2009. After consideration of the 2008 impairment charge, 2009 net income from continuing operations decreased by approximately $30.3 million compared to 2008. The most significant factor contributing to this decrease was the decline in our net sales of 20.7% due primarily to the global economic recession, under which sales declined in each of our reportable segments. The decrease in net income resulting from the lower sales levels, reduced absorption of fixed costs due to the decline in sales levels and unfavorable currency exchange experienced during 2009 more that offset the aforementioned increase in gains on debt extinguishment of $14.3 million, reduced selling, general and administrative expenses of $15.1 million, reduced interest expense of $10.7 million and cost savings from our cost reduction and alternative sourcing initiatives in 2009 as compared to 2008.

Adjusted EBITDA margin from continuing operations (Adjusted EBITDA as a percentage of sales) approximated 14.8% and 13.7% in 2009 and 2008, respectively. Adjusted EBITDA decreased approximately $20.4 million in 2009 as compared to 2008. After consideration of the $167.1 million impairment of goodwill and asset charges in 2008, $25.3 million higher gross gain on debt extinguishment resulting from the repurchase of our senior subordinated notes in 2009 compared to 2008, an increase in year-over-year depreciation and amortization expense of approximately $1.5 million and approximately $0.5 million lower year-over-year expense for receivables sales and securitization, the change in Adjusted EBITDA is consistent with the change in operating profit between years.

See below for a discussion of operating results by reportable segment.

Packaging. Net sales decreased $16.3 million, or approximately 10.1%, to $145.1 million in 2009, as compared to $161.3 million in 2008. Overall, sales decreased approximately $6.6 million due to 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. Sales of our specialty dispensing products and new product introductions increased by approximately $16.1 million in 2010 compared to 2009, due primarily to increased sales into the personal care markets, pharmaceuticals and the food industries. Sales of our industrial closures, rings and levers decreased by approximately $25.7 million in 2010 compared to 2009, primarily as a result of the continued general economic slowdown.

Packaging's gross profit decreased approximately $0.6 million to $52.9 million, or 36.5% of sales, in 2009, as compared to $53.5 million, or 33.2% of sales, in 2008. The decrease in gross profit between years was primarily attributed to lower sales volumes of our industrial products and unfavorable currency exchange. However, our gross profit margin improved 330 basis points in 2009 compared to 2008 due to the impact of the implementation of productivity projects, improved matching of resources with lower industrial sales volumes and lower costs for certain commodities due to alternate sourcing or improved internal processing.

Packaging's selling, general and administrative costs decreased approximately $2.8 million to $19.6 million, or 13.5% of sales, in 2009, as compared to $22.4 million, or 13.9% of sales, in 2008. Discretionary spending was reduced from 2008 levels, and additional selling, general and administrative cost reduction plans were implemented to better align the fixed cost structure with current business requirements resulting from the general economic decline.

Packaging's operating profit (loss) increased $64.3 million to $33.1 million, or 22.8% of sales, in 2009, as compared to $31.2 million, or (19.3)% of sales, in 2008. The increase in operating profit profit between years is due primarily to the recognition of a $62.5 million goodwill and indefinite-lived intangible asset impairment charge recorded in 2008. After consideration of the 2008 impairment charge, operating profit improved as compared to 2008 due to the impact of our productivity projects, alternate sourcing of commodities and reduced selling, general and administrative costs.

Packaging's Adjusted EBITDA increased $0.7 million to $45.7 million, or 31.5% of sales, in 2009, as compared to $45.0 million, or 27.9% of sales, in 2008, consistent with the change in operating profit between years after consideration of the $62.5 million goodwill impairment in 2008 and losses on transactions denominated in foreign currencies of approximately $0.5 million in 2009 as compared to gains on similar transactions of $0.5 million in 2008.

Energy. Net sales for 2009 decreased approximately $21.2 million, or 16.0%, to $111.5 million, as compared to $132.8 million in 2008. Due to the significant decrease in oil commodity pricing in 2009 compared to 2008, petrochemical companies deferred maintenance of their refineries and did not begin new programs that require our replacement and specialty gaskets and hardware. Thus, our sales levels have decreased not only to the petrochemical company customers, but also to our engineering, construction and original equipment customers who supply our products to the refineries.

Gross profit within Energy decreased $7.4 million to $30.8 million, or 27.6% of sales, in 2009, as compared to $38.1 million, or 28.7% of sales in 2008. Gross profit decreased approximately $6.1 million as a result of the reduction in sales levels between years. The remaining decrease in gross profit is primarily attributable to lower absorption of fixed costs as a result of the lower sales volumes.

Selling, general and administrative expenses within Energy decreased $0.9 million to $19.5 million, or 17.5% of net sales, in 2009, as compared to $20.5 million, or 15.4% of net sales, in 2008. This decrease was primarily due to reduced sales commissions and lower compensation and other administrative costs in an effort to match spending and headcount to current production volumes. These decreases were partially offset by costs associated with the opening of two new branches, one in Salt Lake City, Utah, and one in Rotterdam, the Netherlands, in 2009, which increased selling, general and administrative expenses in 2009 by approximately $0.9 million.

Overall, operating profit within Energy decreased $6.5 million to $11.1 million, or 10% of sales, in 2009, as compared to $17.7 million, or 13.3% of sales, in 2008, due principally to lower sales volumes and lower absorption of fixed costs, which were partially offset by reductions in compensation and other administrative costs as a result of management actions in response to lower sales volumes and increased costs related to our two new branches opened in 2009.

Energy's Adjusted EBITDA decreased $6.3 million to $13.1 million, or 11.8% of sales, in 2009, as compared to $19.4 million, or 14.6% of sales, in 2008, consistent with the decrease in operating profit between years.

Aerospace & Defense. Net sales in 2009 decreased $20.9 million, or approximately 21.9%, to $74.4 million, as compared $95.3 million in 2008. Sales in our aerospace business decreased approximately $17.1 million, primarily due to lower blind-bolt fastener sales resulting from the consolidation of the distributor segment of our customer base and inventory reductions by our distribution customers, who are adjusting inventory levels in response to slowing of production levels by aircraft manufacturers and as a result of the current economic uncertainty. This decrease was partially offset by sales of new products, primarily titanium screws, of approximately $4.5 million during 2009, which increased our content on certain aircraft. Sales in our defense business decreased approximately $3.8 million. Revenue associated with managing the relocation and closure of the defense facility increased approximately $2.6 million in 2009 compared to 2008. In addition, we had approximately $1.7 million of new product sales during 2009. These increases in revenue were more than offset by a decrease in cartridge sales of approximately $8.1 million in 2009 compared with 2008, as our customer had been building its inventory throughout 2008 in advance of the relocation of the facility, which began in second quarter 2009.

Gross profit within Aerospace & Defense decreased $10.4 million to $30.3 million, or 40.7% of sales, in 2009, from $40.7 million, or 42.7% of sales, in 2008. Gross profit decreased approximately $8.9 million as a result of the decline in sales levels between years. This decrease in gross profit was also impacted by lower absorption of fixed costs as a result of lower production and/or sales levels, primarily within our aerospace business, and a less favorable product sales mix.

Selling, general and administrative expenses decreased approximately $0.3 million to $8.5 million, or 11.4% of sales, in 2009, as compared to $8.8 million, or 9.2% of sales, in 2008, due primarily to reduced sales commissions and expenses and discretionary spending in light of the decrease in sales levels between years.

Overall, operating profit within Aerospace & Defense decreased $10.1 million to $21.8 million, or 29.3% of sales, in 2009, as compared to $31.9 million, or 33.4% of sales, in 2008, primarily due to lower sales volumes, lower absorption of fixed costs and a less favorable product sales mix, which were partially offset by reduced selling, general and administrative expenses.

Aerospace & Defense's Adjusted EBITDA decreased $9.8 million to $24.0 million, or 32.3% of sales, in 2009, as compared to $33.8 million, or 35.5% of sales, in 2008, consistent with the decrease in operating profit between years.

Engineered Components. Net sales in 2009 decreased $100.3 million, or approximately 50.2%, to $99.7 million, as compared to $200.0 million in 2008. Sales of slow speed and compressor engines and related products within our engine business decreased by approximately $43.6 million, due to a reduction of drilling activity in North America and customers deferring completion of previously drilled wells. In addition, 2008 sales levels in our engine business reached record levels due in part to high demand for engines in advance of emissions law changes that became effective on July 1, 2008. Sales of compression products increased slightly over 2008 levels, as the Company continues to develop new products to add to its well-site content. Sales in our industrial cylinder and precision tool cutting businesses decreased $50.6 million and $4.8 million, respectively, due primarily to the global economic recession, which significantly impacted industrial applications and products. Sales within our specialty fittings business declined $1.3 million due to lower sales of our core tube nut products which have been significantly impacted by the continued weak domestic automotive market demand. This decrease was partially offset by new product offerings for automotive fuel systems.

Gross profit within Engineered Components decreased $27.7 million to $15.0 million, or 15.0% of sales, in 2009, from $42.7 million, or 21.4% of sales, in 2008. Gross profit decreased approximately $21.4 million as a result of the decline in sales levels between years. This decrease in gross profit was also impacted by sales of higher-cost inventory, primarily related to steel, in excess of the businesses' ability to secure price increases and lower absorption of fixed costs as a result of lower production and/or sales levels.

Selling, general and administrative expenses decreased approximately $3.1 million to $10.2 million, or 10.3% of sales, in 2009, as compared to $13.4 million, or 6.7% of sales, in 2008, due primarily to lower sales commissions as a result of the decrease in sales levels between years, and reduced compensation and discretionary spending as a result of action items taken in response to the lower sales levels.

Operating profit within Engineered Components decreased $5.4 million to $4.6 million or 4.6%, in 2009, as compared to $10.0 million, or 5.0% of sales, in 2008. Operating profit increased in 2009 from 2008 due to the recognition of a $19.2 million goodwill and indefinite-lived intangible asset impairment charge recorded in 2008, for which there was no similar charge in 2009. After consideration of the 2008 impairment charge, operating profit declined $24.6 million, primarily due to lower sales volumes, reduced absorption of fixed costs and sales of higher-cost inventory, which were partially offset by reduced sales commissions, compensation expense and discretionary spending within selling, general and administrative expenses.

Engineered Components' Adjusted EBITDA decreased approximately $24.3 million to $8.7 million, or 8.8% of sales, in 2009, as compared to $33.0 million, or 16.5% of sales, in 2008, consistent with the change in operating profit between years after consideration of the 2008 goodwill and indefinite-lived intangible asset impairment charge.

Cequent Asia Pacific. Net sales decreased $1.7 million, or 2.5%, to 63.9 million in 2009, as compared to $65.6 million in 2008. Net sales were unfavorably impacted by approximately $2.4 million of currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger US dollar relative to foreign currencies. Excluding the impact of currency exchange, net sales increased approximately $0.7 million, due primarily to significant increases in sales in the second half of 2009 as compared to the first half of 2009 and 2008 levels, primarily resulting from a government incentive stimulus in Australia. The increases in sales resulting from the stimulus were mostly offset by decreases in certain original equipment manufacturer revenue and reduced sales in the first half of 2009 due to the overall global economic recession.

Cequent Asia Pacific's gross profit increased $2.7 million to $14.5 million, or 22.6% of net sales in 2009, from approximately $11.8 million, or 17.9% of net sales, in 2008. The increase in gross profit between years was primarily due to material and labor productivity initiatives implemented in 2009 and by increased utilization of our lower-cost manufacturing plant in Thailand.

Cequent Asia Pacific's selling, general and administrative expenses decreased approximately $0.2 million to $6.5 million, or 10.2% of sales in 2009, as compared to $6.7 million, or 10.3% of sales in 2008, as this segment held its spending levels at levels consistent with 2008 due to the relatively flat sales change year-over-year.

Cequent Asia Pacific's operating profit increased approximately $18.0 million to $8.0 million, or 12.5% of sales, in 2009, from an operating loss of $10.0 million, or (15.2)% of net sales in 2008. The increase in operating profit between years is due primarily to the recognition of a $15.0 million goodwill and indefinite-lived intangible asset impairment charge recorded in 2008. After consideration of this charge in 2008, the remaining increase of approximately $3.0 million in operating profit between years was primarily due to improved material and labor margins earned as a result of our productivity initiatives implemented in 2009 and increased utilization of our lower-cost Thailand manufacturing plant.

Cequent Asia Pacific's Adjusted EBITDA increased approximately $4.8 million to $12.2 million, or 19.0% of net sales in 2009, from $7.4 million, or 11.2% of net sales in 2008. In 2009, Cequent Asia Pacific recognized approximately $1.4 million of gains on transactions denominated in foreign currencies as compared to $0.6 million of losses on such transactions in 2008. In addition, depreciation expense was approximately $0.1 million lower in 2009 compared to 2008. After consideration of these two items and consideration of the $15.0 million 2008 goodwill and indefinite-lived intangible asset impairment charge, the change in Adjusted EBITDA is consistent with the change in operating profit between years.

Cequent North America. Net sales decreased approximately $49.8 million, or 13.9%, to $309.0 million in 2009, as compared to $358.8 million in 2008. Our retail sales increased approximately $1.4 million due to additional business at a few large customers and the addition of several new customers during 2009, which were partially offset by reduced sales volumes to existing retail customers due to the economic uncertainty. Our aftermarket and original equipment sales decreased by $51.2 million, due to the continued soft demand in the majority of the end markets we serve due to the current uncertain economic conditions.

Cequent North America's gross profit decreased approximately $11.2 million to $65.4 million, or 21.2% of sales, in 2009, from approximately $76.6 million, or 21.4% of sales, in 2008. The decline in gross profit between years was primarily due to lower sales volumes resulting from the economic uncertainty, sales of higher-cost inventory in excess of the businesses' ability to secure sales price increases during the first two quarters of 2009, lower absorption of fixed costs as a result of lower production and/or sales levels and accelerated depreciation expense related to machinery and equipment in our Mosinee, Wisconsin manufacturing facility that is no longer utilized following the closure in late 2009.

Selling, general and administrative expenses decreased approximately $8.2 million to $63.2 million, or 20.5% of sales, in 2009, as compared to $71.4 million, or 19.9% of sales, in 2008, due primarily to reductions in salaries, sales promotions, sales commissions and other discretionary spending, all as a part of our Profit Improvement Plan to better align the spending and cost structure with the current demand and production levels. These decreases were partially offset by severance charges of approximately $1.6 million incurred in 2009 associated with the involuntary termination of employees located at our Mosinee, Wisconsin manufacturing facility, which was closed during the fourth quarter of 2009.

Cequent North America's operating loss was reduced by approximately $62.3 million to a loss of $3.2 million, or (1.0)% of sales, in 2009, from an operating loss of $65.5 million, or (18.2)% of net sales, in 2008. The reduction in operating loss between years is due primarily to the recognition of a $70.5 million goodwill and indefinite-lived intangible asset impairment charge recorded in 2008. After consideration of this charge in 2008, the decline in operating profit between years was primarily due to lower sales volumes, sales of higher-cost inventory, lower absorption of fixed costs and costs associated with the closure of the Mosinee, Wisconsin manufacturing facility, including the $5.3 million charge associated with our estimate of the net unrecoverable future lease obligations, which were partially offset by cost savings realized as a result of actions taken as part of the Profit Improvement Plan.

Cequent North America's Adjusted EBITDA decreased approximately $7.9 million to $13.1 million, or 4.2% of sales, in 2009, from $21.0 million, or 5.8% of sales, in 2008. In 2009, Cequent North America recognized approximately $0.1 million in losses on transactions denominated in foreign currencies as compared to gains of approximately $0.9 million on such transactions in 2008. In addition, depreciation expense was approximately $1.4 million higher in 2009 compared to 2008, primarily as a result of accelerated depreciation incurred in 2009 in connection with certain machinery and equipment that will no longer be utilized following the closure of the Mosinee facility. After consideration of these two items and consideration of the 2008 $70.5 million goodwill and indefinite-lived intangible asset impairment charge, the change in Adjusted EBITDA is consistent with the change in operating profit between years.

Corporate Expenses. Corporate expenses and management fees included in operating profit and Adjusted EBITDA consist of the following:

	Year ended December 31,	
	2009	2008
	(in millions)	
Corporate operating expenses	$ 10.7	$ 11.6
Employee costs and related benefits	11.7	10.4
Management fees and expenses	3.1	0.2
Corporate expenses—operating profit (loss)	$ 25.5	$ 22.2
Receivables sales and securitization expenses	1.7	2.6
Gain on repurchase of bonds	(29.4)	(3.9)
Depreciation	(0.1)	(0.1)
Other, net	0.2	(0.5)
Corporate expenses (income)—Adjusted EBITDA	$ (2.1)	$ 20.3

Corporate expenses included in our operating profit increased by approximately $3.3 million to $25.5 million in 2009, from $22.2 million in 2008. During 2009, we recorded a charge of approximately $2.9 million associated with the termination of our former chief executive officer. During 2008, we recorded a charge of approximately $1.6 million related to severance related to our corporate office restructuring. In addition, we incurred approximately $2.9 million of advisory services fees from Heartland Industrial Partners in connection with the debt refinancing activities in the fourth quarter of 2009. The net increase of $1.3 million in severance costs and $2.9 million in management fees and expenses was partially offset by a $0.9 million reduction in discretionary and overall spending levels in 2009. See gain (loss) on extinguishment of debt and other expense, net at the beginning of the 2009 compared to 2008 discussion for explanations for changes in receivables sales and securitization expenses and gain on repurchase of bonds.

Discontinued Operations. The results of discontinued operations consist of our medical device line of business and our N.I. Industries property management line of business, both of which are classified as held for sale for all periods presented, as well as our specialty laminates, jacketings and insulation tapes business, which was sold in February 2009. Loss from discontinued operations, net of income tax benefit, was $13.0 million and $12.1 million in 2009 and 2008, respectively. See Note 5, "Discontinued Operations and Assets Held for Sale," to our consolidated financial statements included herein.

Liquidity and Capital Resources

Cash Flows

Cash provided by operating activities in 2010 was approximately $95.0 million, as compared to $83.5 million in 2009. Significant changes in cash flows provided by operating activities and the reasons for such changes are as follows:

- In 2010, the Company generated $93.8 million in cash flows, based on the reported net income from operations and after considering the effects of non-cash items related to gains/losses on disposition of PP&E, bargain purchase gains, depreciation, amortization, compensation, changes in deferred taxes and other, net. In 2009, the Company generated $21.3 million based on the reported net loss from operations and after considering the effects of non-cash items.

- In 2010, activity related to the use of our accounts receivable facility resulted in a net cash source of approximately $2.1 million, compared to a net cash use of approximately $15.6 million in 2009. The primary reason for the change between years was due to the lower borrowing requirements in 2009 compared to 2008, as we did not require any funding from our receivables facility at December 31, 2010 or December 31, 2009, compared to $20.0 million of borrowings at December 31, 2008.

- Increases in receivables, generated from higher sales levels in 2010 compared to 2009, resulted in a use of cash of approximately $19.2 million in 2010, while decreases in receivables, based on the significantly lower sales in 2009 compared to 2008 due to the global economic recession, resulted in a source of cash of approximately $30.4 million in 2009. The change between years is due primarily to the increase in year-over-year sales, as our days sales outstanding of receivables were consistent in the mid-to-upper 40 day range as of December 31, 2010 and December 31, 2009, respectively.

- For the year ended December 31, 2010, we used approximately $12.8 million of cash for investment in our inventories. For the year ended December 31, 2009, we reduced our investment in inventory, which resulted in a cash source of approximately $51.8 million. In 2009, due to the significantly lower demand levels resulting from the economic recession, management had a concerted focus to lower its investment in inventory, increase inventory turns and better align inventory levels with then-current end market demand. During 2010, management has continued its focus on inventory levels, primarily on improving inventory turns. While gross inventory levels are higher in 2010 than 2009, our days sales of inventory on hand has declined slightly, as we have not needed to make a significant investment in additional inventory in 2010 despite the 17.3% increase in sales year-over-year.

- For the year ended December 31, 2010 , accounts payable and accrued liabilities resulted in a net source of cash of approximately $31.7 million, as compared to a net use of cash of $11.4 million for the year ended December 31, 2009. The increase in accounts payable and accrued liabilities is primarily a result of increased production levels during 2010. The increase was partially offset by our improved inventory management, as we continue to optimize inventory levels with changes in end market demand.

- Prepaid expenses and other assets resulted in a use of cash of approximately $0.6 million for the year ended December 31, 2010. For the year ended December 31, 2009, prepaid expenses and other assets were a source of cash of approximately $7.0 million. Although sales levels increased by 17.3% in 2010 compared to 2009, prepaid expense and other assets increased only slightly from 2009 levels.

Net cash used for investing activities for the year ended December 31, 2010 was approximately $37.9 million, as compared to net cash provided by investing activities of $9.1 million for the year ended December 31, 2009. During 2010, we paid approximately $30.8 million for business acquisitions, primarily for the asset acquisition from Taylor-Wharton within our Engineered Components reportable segment and the stock acquisition of South Texas Bolt & Fitting within our Energy reportable segment. We also incurred approximately $21.9 million in capital expenditures, which was a significant increase from 2009 levels of $14.1 million as a result of both the better economic conditions and funding a greater number of growth and productivity initiatives. The cash used for acquisitions and capital expenditures was partially offset by cash received from the sale of our property management line of business, our medical device line of business and other asset dispositions of approximately $14.8 million. During 2009, we generated approximately $23.2 million of cash from business and asset dispositions, primarily related to the sale of our specialty laminates, jacketings and insulation tapes line of business. We also incurred approximately $14.1 million in capital expenditures to support our growth initiatives.

Net cash used by financing activities in 2010 was approximately $20.2 million, as compared to net cash used by financing activities of approximately $87.1 million for 2009. During 2010, we decreased amounts outstanding on our revolving credit facilities by approximately $6.1 million as a result of our strong operating cash flows, as we did not require any borrowings on our available revolving facilities as of December 31, 2010. In addition, during 2010, we used approximately $12.1 million to pay down senior credit facilities in Australia and the U.S. During 2009, we used approximately $43.8 million of available cash to retire $73.2 million face value of our $9^7/_8$% senior subordinated notes due 2012 via open market purchases. During the fourth quarter of 2009, we refinanced our long-term debt, amending and extending our credit facility, retiring our senior subordinated notes and issuing new senior secured notes, paying approximately $16.7 million in fees and expenses. In conjunction with our debt refinance, we reduced the total amount of senior notes outstanding by approximately $11.6 million. In addition, we reduced our borrowings on our revolving credit facilities in 2009 by approximately $4.4 million and used approximately $10.6 million to pay down senior credit facilities in Australia, Italy and the U.S.

Our Debt and Other Commitments

During the fourth quarter of 2009, we amended and restated our credit facilities, primarily to extend our maturity dates. Prior to the amendment and restatement, the credit facilities consisted of a $90.0 million revolving credit facility, a $60.0 million deposit-linked supplemental revolving credit facility and a $260.0 million term loan facility, of which $252.2 million was outstanding. Under the amended and restated credit facilities, the revolving credit facility was reduced to $83.0 million, while the supplemental revolving credit facility and term loan facility remained at $60.0 million and $252.2 million, respectively (collectively, the "Credit Facility"). During the second half of 2010, we elected to reduce our supplemental revolving credit facility from $60.0 million to $20.0 million. Key terms as of December 31, 2010 are as follows:

Instrument	Amount $ (in millions)	Maturity Date	Interest Rate
Term Loan Facility			
Extended	$ 223.4	12/15/2015	LIBOR plus 4.00% with a 2.00% LIBOR floor
Non-extended	25.6	8/2/2013	LIBOR plus 2.25%
Total outstanding	$ 249.0		
Revolving Credit Facility			
Extended	$ 75.0	12/15/2013	LIBOR plus 4.00% or Prime plus 3.00%, as defined
Non-extended	8.0	8/2/2011	LIBOR plus 1.75%
Total available	$ 83.0		

Instrument	Amount $ (in millions)	Maturity Date	Interest Rate
Supplemental Revolving Credit Facility			
Extended	$ 17.7	8/2/2011	LIBOR plus 4.00% with a 2.00% LIBOR floor
Non-extended	2.3	8/2/2011	LIBOR plus 2.25%
Total available	$ 20.0		

At December 31, 2010, approximately $249.0 million was outstanding on the term loan and no amounts were outstanding on the revolving credit facilities. Under the Credit Facility, up to $25.0 million in the aggregate is available in 2010 to be used for one or more permitted acquisitions subject to certain conditions and other outstanding borrowings and issued letters of credit.

Under the Credit Agreement, we are required to make a prepayment of our term loan pursuant to an excess cash flow sweep provision, equal to 50% of the computed amount of excess cash flow generated during the year, as defined in the agreement. For 2010, we are required to prepay $15.0 million of term loan under this provision, with such amount included in current maturities of long-term debt in the accompanying consolidated balance sheet. No amounts were required to be prepaid for 2009 under this provision.

Amounts drawn under our revolving credit facilities fluctuate daily based upon our working capital and other ordinary course needs. Availability under our revolving credit facilities depends upon, among other things, compliance with our credit agreement's financial covenants. Our credit facilities contain negative and affirmative covenants and other requirements affecting us and our subsidiaries, including among others: restrictions on incurrence of debt (except for permitted acquisitions and subordinated indebtedness), liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, asset dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted junior payments, stock repurchases, transactions with affiliates, restrictive agreements and amendments to charters, by-laws, 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 leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable securitization facility over consolidated EBITDA, as defined), interest expense coverage ratio (consolidated EBITDA, as defined, over cash interest expense, as defined) and a capital expenditures covenant. The most restrictive of these financial covenants are the leverage ratio and interest expense coverage ratio. Our permitted leverage ratio under the Credit Facility is 5.00 to 1.00 as of December 31, 2010, 4.75 to 1.00 for January 1, 2011 to June 30, 2011, 4.50 to 1.00 for July 1, 2011 to September 30, 2011, 4.25 to 1.00 for October 1, 2011 to September 30, 2012, 4.00 to 1.00 for October 1, 2012 to June 30, 2013 and 3.50 to 1.00 from July 1, 2013 and thereafter. Our actual leverage ratio was 3.06 to 1.00 at December 31, 2010. Our permitted interest expense coverage ratio under the Credit Facility is 2.00 to 1.00 as of December 31, 2010, 2.00 to 1.00 for July 1, 2010 to June 30, 2011, 2.25 to 1.00 for July 1, 2011 to June 30, 2012, 2.40 to 1.00 for July 1, 2012 to December 31, 2012, 2.50 to 1.00 for January 1, 2013 to September 30, 2013 and 2.75 to 1.00 for October 1, 2013 and thereafter. Our actual interest expense coverage ratio was 3.10 to 1.00 at December 31, 2010. At December 31, 2010, 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 year ended December 31, 2010.

	Year ended December 31, 2010 (dollars in thousands)
Net income, as reported	$ 45,270
Bank stipulated adjustments:	
Interest expense, net (as defined)	52,380
Income tax expense[1]	21,450
Depreciation and amortization	37,740
Non-cash expenses related to stock option grants[2]	2,180
Other non-cash expenses or losses	4,180
Non-recurring fees and expenses in connection with acquisition integration[3]	640
Negative EBITDA from discontinued operations[4]	200
Permitted dispositions[5]	(6,340)
Permitted acquisitions[6]	4,130
Consolidated Bank EBITDA, as defined	$ 161,830

	December 31, 2010 (dollars in thousands)
Total long-term debt	$ 494,650
Aggregate funding under the receivables securitization facility	—
Total Consolidated Indebtedness, as defined	$ 494,650
Consolidated Bank EBITDA, as defined	$ 161,830
Actual leverage ratio	3.06x
Covenant requirement	5.00x
Interest expense, as reported	52,380
Interest income	(460)
Noncash amounts attributable to amortization of financing costs	(2,960)
Pro forma adjustment for acquisitions and dispositions	3,290
Total Consolidated Cash Interest Expense, as defined	$ 52,250
Consolidated Bank EBITDA, as defined	$ 161,830
Actual interest expense ratio	3.10x
Covenant requirement	2.00x

(1) Amount includes tax expense associated with discontinued operations.

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

(3) Non-recurring costs and expenses arising from the integration of any business acquired not to exceed $25,000,000 in the aggregate.

(4) Not to exceed $10,000,000 in any fiscal year.

(5) EBITDA from permitted dispositions, as defined.

(6) EBITDA from permitted acquisitions, as defined.

In 2010, two of our international businesses were also parties to loan agreements with banks, denominated in their local currencies. In the United Kingdom, we were party to a revolving debt agreement with a bank in the amount of £1.0 million. During the fourth quarter of 2010, we paid-in-full and closed the facility. In Australia, we are party to a debt agreement with a bank in the amount of $5.0 million Australian dollars. At December 31, 2010, we had no amounts outstanding under this agreement.

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. Through December 28, 2009, we were party to a 364-day accounts receivable facility through TSPC, Inc. ("TSPC"), a wholly-owned subsidiary, to sell trade accounts receivable of substantially all of our domestic business operations. On December 29, 2009, we entered into a new three year accounts receivable facility through TSPC. This facility replaced our existing 364-day facility, which was due in February 2010. As of December 31, 2010, we had no amounts funded under the facility with $41.4 million available but not utilized.

At December 31, 2010, our available revolving credit capacity of $103.0 million under our Credit Facility was reduced by approximately $23.7 million of letters of credit outstanding as of that date. 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. After consideration of outstanding letters of credit at December 31, 2010, we had $79.3 million of revolving credit capacity available, in addition to $41.4 million of available liquidity under our accounts receivable facility discussed above. After consideration of our leverage covenant, we had aggregate available funding under our revolving credit and accounts receivable facilities of $120.7 million at December 31, 2010.

Our available revolving credit capacity under the Credit Facility, after consideration of approximately $23.7 million in letters of credit outstanding related thereto, is approximately $79.3 million, while our available liquidity under our accounts receivable facility ranges from $32 million to $59 million, depending on the level of our receivables outstanding at a given point in time during the year. 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. Generally, we use available liquidity under these facilities to fund capital expenditures and daily working capital requirements during the first half of the year, as we experience some seasonality in our two Cequent reportable segments, primarily within Cequent North America. Sales of towing and trailering products within this segment are generally stronger in the second and third quarters, as original equipment manufacturers (OEMs), distributors and retailers acquire product for the spring and summer selling seasons. None of our other reportable segments experiences any significant seasonal fluctuations in their respective businesses. During the second half of the year, the investment in working capital is reduced and amounts outstanding under our revolving credit and receivable facilities are paid down. To further illustrate this fluctuation within the year, our weighted-average daily amounts outstanding under our revolving credit and receivable facilities during the first half of 2010 approximated $43 million, while weighted-average daily amounts outstanding approximated $20 million over the second half of 2010. Weighted-average daily amounts outstanding under these facilities were significantly less in 2010 than in 2009 ($77 million in the front half of the year and $45 million in the back half of the year) due to significant levels of cash generated from operations during 2010 as a result of our improved sales and earnings levels. 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.

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. Given aggregate available funding under our revolving credit and accounts receivable facilities of $120.7 million at December 31, 2010, 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.

During the fourth quarter of 2009, the Company issued $250.0 million principal amount of $9^{3}/4$% senior secured notes due 2017 ("Senior Notes") at a discount of $5.0 million. The Senior Notes were issued in a private placement under Rule 144A of the Securities Act of 1933, as amended. The net proceeds of the offering of approximately $239.7 million, together with $29.3 million of cash on hand, were used to repurchase $256.5 million principal amount of the Company's $9^{7}/8$% senior subordinated notes due 2012 ("Sub Notes"), to pay tender costs and expenses related to repurchase of the Sub Notes, and to pay fees and expenses related to issuance of the Senior Notes. The tender costs, fees and expenses for both the Sub Notes and Senior Notes amounted to approximately $12.5 million, of which $6.5 million were deferred as debt issuance costs in the accompanying consolidated balance sheet and $6.0 million were included as a reduction in the net gain on extinguishment of debt line item in the accompanying statement of operations. Interest on the Senior Notes accrues at the rate of 9.75% per annum and is payable semi-annually in arrears on June 15 and December 15.

The Senior Notes are general senior secured obligations of the Company and are *pari passu* in right of payment with all existing and future indebtedness of the Company that is not subordinated in right of payment to the Senior Notes.

Prior to December 15, 2012, the Company may redeem up to 35% of the principal amount of Senior Notes at a redemption price equal to 109.750% of the principal amount, plus accrued and unpaid interest to the applicable redemption date plus additional interest, if any, with the net cash proceeds of one or more equity offerings, provided that at least 65% of the original principal amount of Senior Notes issued remains outstanding after such redemption, and provided further that each such redemption occurs within 90 days of the date of closing of each such equity offering.

During the first three quarters of 2009, the Company utilized approximately $43.8 million of cash on hand to retire $73.2 million of face value of Sub Notes, resulting in a net gain of approximately $28.3 million, after considering non-cash debt extinguishment costs of $1.1 million. We did not retire any notes during 2010.

Principal payments required under the Credit Facility term loan are: $15.0 million within 95 days of December 31, 2010, or earlier, as defined in the credit agreement, under the aforementioned excess cash flow sweep provision, $0.7 million due each calendar quarter through September 30, 2015, with $23.3 million due on August 2, 2013 and $198.3 million due on December 15, 2015.

Our Credit Facility is guaranteed on a senior secured basis by us and all of our domestic subsidiaries, other than our special purpose receivables subsidiary, on a joint and several basis. In addition, our obligations and the guarantees thereof are secured by substantially all the assets of us and the guarantors.

Our exposure to interest rate risk results from variable rates under our credit facility. Borrowings under our credit facility bear interest at various rates some of which are subject to a 2% LIBOR-floor, as more fully described above and in Note 12, "Long-term Debt," to the accompanying 2010 consolidated financial statements.

At December 31, 2010, LIBOR approximated 0.26%. Based on our variable rate-based borrowings outstanding at December 31, 2010, and after consideration of the 2% LIBOR-floor applicable to $17.7 million of our supplemental revolving credit facility and $223.4 million of our term loan, a 1% increase in the per annum interest rate for borrowings under our U.S. and foreign credit facilities would increase our interest expense by approximately $ 0.3 million annually. The impact of a further decrease in LIBOR on our annual interest expense would not be material.

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 $15.4 million. We expect to continue to utilize leasing as a financing strategy in the future to meet capital expenditure needs and to reduce debt levels.

In addition to rent expense from continuing operations, we also have approximately $2.2 million in annual future lease obligations related to businesses that have been discontinued, of which approximately 64% relates to the facility for the former specialty laminates, jacketings and insulation tapes line of business (which extends through 2024) and 36% relates to the Wood Dale facility in the former industrial fastening business (which extends through 2022).

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. We do not currently use derivative financial instruments to manage these risks. The functional currencies of our foreign subsidiaries are 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.

Common Stock

We voluntarily transferred our stock exchange listing in the U.S. from The New York Stock Exchange to the NASDAQ Global Market℠ effective August 24, 2009. Effective January 3, 2011, TriMas became eligible for inclusion, and is now listed, in the NASDAQ Global Select Market℠. Our stock continues to trade under the symbol "TRS."

Off-Balance Sheet Arrangements

Through December 28, 2009, we were party to a 364-day accounts receivable facility to sell, on an ongoing basis, the trade accounts receivable of certain business operations to our wholly-owned, bankruptcy-remote, special purpose subsidiary, TSPC. Subject to certain conditions, TSPC could from time to time sell an undivided fractional ownership interest in the pool of domestic receivables, up to approximately $55.0 million, to a third party multi-seller receivables funding company, or conduit. On December 29, 2009, we entered into a new three year accounts receivable facility through TSPC. This facility replaced our existing 364-day facility, which was due in February 2010. Our new three year facility is an important source of liquidity and increased the level of committed funding from $55.0 million to $75.0 million.

Prior to January 1, 2010, amounts outstanding under the 364-day accounts receivable facility qualified for off-balance sheet accounting treatment, and costs and fees associated with the facility were included in other, net in our consolidated statement of operations. Effective January 1, 2010, based on changes in the accounting literature governing receivables sales, amounts funded under the new three year facility would be on-balance sheet as a component of current or long-term debt, and expenses related thereto are included in interest expense in our consolidated statement of operations. The Company did not have any amounts outstanding under the facility as of December 31, 2010 or 2009, but had $41.4 million and $32.1 million, respectively, available but not utilized.

In future periods, if we are unable to renew or replace this facility, it could materially and adversely affect our liquidity.

Commitments and Contingencies

Under various agreements, we are obligated to make future cash payments in fixed amounts. These include payments under our long-term debt agreements, rent payments required under operating lease agreements and certain capital equipment, certain benefit obligations and principal and interest obligations on our term loan and Senior Notes. Interest on the extended term loans is based on LIBOR plus 400 basis points per annum with a 2.00% LIBOR floor, and interest on the non-extended term loans is based on LIBOR plus 225 basis points, which equaled 6.0% and 2.6%, at December 31, 2010, respectively. These rates were used to estimate our future interest obligations with respect to the term loan included in the table below.

The following table summarizes our expected fixed cash obligations over various future periods related to these items as of December 31, 2010.

	Payments Due by Periods (dollars in thousands)				
	Total	Less than One Year	1 - 3 Years	3 - 5 Years	More than 5 Years
Contractual cash obligations:					
Long-term debt	$ 499,240	$ 17,730	$ 28,660	$ 202,850	$ 250,000
Lease obligations	124,500	16,270	30,280	22,910	55,040
Benefit obligations	24,290	2,850	6,680	5,290	9,470
Interest obligations:					
Term loan	59,860	13,330	25,500	21,030	—
Senior secured notes	170,230	24,380	48,750	48,750	48,350
Total contractual obligations	$ 878,120	$ 74,560	$ 139,870	$ 300,830	$ 362,860

As of December 31, 2010, we had a $83.0 million revolving credit facility, a $20.0 million deposit-linked supplemental revolving credit facility and a $75.0 million accounts receivable facility. Throughout the year, outstanding balances under these facilities fluctuate and we incur additional interest obligations on such variable outstanding debt.

Under the Credit Agreement, we are required to make a prepayment of our term loan pursuant to an excess cash flow sweep provision, equal to 50% of the computed amount of excess cash flow generated during the year, as defined in the agreement. For 2010, we are required to prepay $15.0 million of term loan under this provision, with such amount included in current maturities of long-term debt in the accompanying consolidated balance sheet. No amounts were required to be prepaid for 2009 under this provision.

As of December 31, 2010, we are contingently liable for standby letters of credit totaling $23.7 million issued on our behalf by financial institutions under our credit facilities. These letters of credit are used for a variety of purposes, including to support 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.

Credit Rating

We and certain of our outstanding debt obligations are rated by Standard & Poor's and Moody's. On August 23, 2010, Moody's upgraded our credit ratings and assigned a rating of B3 to our senior secured notes, assigned a rating of B2 to our corporate family rating, assigned a rating of Ba3 to our senior secured credit facility, and affirmed our outlook as stable. On August 11, 2010, Standard & Poor's upgraded our outlook to stable and affirmed our credit facilities, senior secured notes, and corporate credit ratings of BB, B- and B+, respectively. If our credit ratings were to decline, our ability to access certain financial markets may become limited, 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

As we entered 2010, we were coming off a very challenging 2009, where all but one of our reportable segments experienced significant declines in net sales and profitability levels compared to 2008 and historical levels. In response to the global economic recession, we implemented several initiatives in attempts to reduce our fixed cost structure, as evidenced by the success of our Profit Improvement Plan to realize $32 million of cost savings in 2009, and to generate additional cash from operations, as evidenced by the $83.5 million of cash flow from operating activities, primarily from our working capital initiatives and management, despite being in an economic recession. We also were able to refinance our debt structure and extend our significant debt maturities, providing for enhanced flexibility and potential liquidity.

Strategic and operational initiatives implemented in 2009 provided us a solid foundation in 2010. As the U.S. economy began to improve in late 2009 and into 2010, we were able to capitalize on the operating leverage associated with our cost reduction activities, and were able to meet the higher end market demand without adding significant fixed costs back to our business. This fact, combined with our ongoing productivity and alternate sourcing initiatives, allowed us to achieve a 370 basis point improvement in gross profit margin on a 17.3% increase in net sales in 2010 compared to 2009. Net sales and profitability improved in five of our six reportable segments in 2010 compared to 2009, with significant improvement in Packaging, Engineered Components and both Cequent North America and Cequent Asia Pacific.

In addition to our core growth and ongoing productivity initiatives, we were able to successfully complete two bolt-on acquisitions and integrate them into our legacy businesses. We will continue to look to identify similar opportunities for complimentary business acquisitions within our focused markets and execute on strategies to grow our existing business platforms.

We enter 2011 cautiously optimistic that, given a continued economic recovery, we can continue to build upon the improvements made in the past two years to reduce our cost structure, increase our flexibility and instill a culture of continuous productivity in all that we do. Our top priorities for 2011 are consistent with those from 2010 and our strategic aspirations: continuing to identify and execute on cost savings and productivity initiatives that fund core growth, reduce cycle times and secure our position as best cost producer, to grow revenue via new products and expand our core products in non-U.S. markets, to continue to reduce our debt leverage and to increase our available liquidity. While our current debt structure does not have significant current debt maturities and allows for operating flexibility as we pursue and execute on our strategic priorities, significant deterioration in general economic conditions would adversely impact our anticipated revenue growth and financial performance.

Impact of New Accounting Standards

As of December 31, 2010, there are no recently issued accounting pronouncements we have not yet adopted that would have a material impact on our results of operations or financial position.

Critical Accounting Policies

The following discussion of accounting policies is intended to supplement the accounting policies presented in our audited financial statements included elsewhere in this Form 10K. 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.

Receivables. Receivables are presented net of allowances for doubtful accounts of approximately $4.6 million and $5.7 million at December 31, 2010 and 2009, respectively. We monitor our exposure for credit losses and maintain adequate allowances for doubtful accounts. We determine these allowances based on our historical write-off experience and/or specific customer circumstances and provide such allowances when amounts are reasonably estimable and it is probable a loss has been incurred. We do not have concentrations of accounts receivable with a single customer or group of customers and do not believe that significant credit risk exists due to our diverse customer base. Trade accounts receivable of substantially all domestic business operations may be sold, on an ongoing basis, to TSPC, but remain included in our consolidated balance sheet.

Depreciation and Amortization. Depreciation is computed principally using the straight-line method over the estimated useful lives of the assets. Annual depreciation rates are as follows: buildings and buildings/land improvements, 10 to 40 years, and machinery and equipment, 3 to 15 years. Capitalized debt issuance costs are amortized over the underlying terms of the related debt securities. Customer relationship intangibles are amortized over periods ranging from 5 to 25 years, while technology and other intangibles are amortized over periods ranging from 1 to 30 years.

Impairment of Long-Lived Assets and Definite-Lived Intangible Assets. We review, on at least a quarterly basis, the financial performance of each business unit for indicators of impairment. In reviewing for impairment indicators, we also consider events or changes in circumstances such as business prospects, customer retention, market trends, potential product obsolescence, competitive activities and other economic factors. An impairment loss is recognized when the carrying value of an asset group exceeds the future net undiscounted cash flows expected to be generated by that asset group. The impairment loss recognized is the amount by which the carrying value of the asset group exceeds its fair value.

Goodwill and Indefinite-Lived Intangibles. We test goodwill and indefinite-lived intangible assets for impairment on an annual basis by comparing the estimated fair value of each of its reporting units and indefinite-lived intangible assets to the respective carrying value on the balance sheet. More frequent evaluations may be required if the Company experiences changes in its business climate or as a result of other triggering events that take place. If carrying value exceeds fair value, a possible impairment exists and further evaluation is performed.

The Company determines its reporting units at the individual operating segment level, or one level below, when there is discrete financial information available that is regularly reviewed by segment management for evaluating operating results. For purposes of the Company's 2010 goodwill impairment test, the Company had eleven reporting units within its six reportable segments.

We estimate the fair value of its reporting units utilizing a combination of three valuation techniques: discounted cash flow (Income Approach), market comparable method (Market Approach) and market capitalization (Direct Market Data Method). The Income Approach is based on management's operating budget and internal five-year forecast. This approach utilizes forward-looking assumptions and projections, but considers factors unique to each of our businesses and related long-range plans that may not be comparable to other companies and that are not yet publicly available. The Market Approach considers potentially comparable companies and transactions within the industries where our reporting units participate, and applies their trading multiples to the our reporting units. This approach utilizes data from actual marketplace transactions, but reliance on its results is limited by difficulty in identifying companies that are specifically comparable to the our reporting units, considering the diversity of the our businesses, their relative sizes and levels of complexity. We also use the Direct Market Data Method by comparing its book value and the estimates of fair value of the reporting units to our market capitalization as of and at dates near the annual testing date. Management uses this comparison as additional evidence of the fair value of the Company, as its market capitalization may be suppressed by other factors such as the control premium associated with a controlling shareholder, the Company's high degree of leverage, and the limited float of the Company's common stock. Management evaluates and weights the results based on a combination of the Income and Market Approaches, and, in situations where the Income Approach results differ significantly from the Market and Direct Market Data Approaches, management re-evaluates and adjusts, if necessary, its assumptions.

The Income Approach requires us to calculate the present value of estimated future cash flows. In making this calculation, management makes significant estimates regarding future revenues and expenses, projected capital expenditures, changes in working capital and the appropriate discount rate. The projections also include significant assumptions related to including current and estimated economic trends and outlook, costs of raw materials, consideration of our market capitalization as compared to the estimated fair values of our reporting units determined using the Income Approach and other factors which are beyond management's control.

We utilize the estimates of fair value determined under the Income Approach as the basis for its indefinite-lived intangible asset testing. Management utilizes the royalty relief method to estimate the fair value of its indefinite-lived intangible assets, basing the estimate on discounted future cash flows related to the net amount of royalty expenses avoided due to the existence of the trademark or tradename. Management then compares the estimated fair value to the carrying value. If carrying value exceeds fair value, an impairment charge is recorded.

Future declines in sales and/or operating profit, declines in the Company's stock price, or other changes in our business or the markets for its products could result in further impairments of goodwill and other intangible assets.

Pension and Postretirement Benefits Other than Pensions. Annual net periodic expense and accrued benefit obligations recorded with respect to our defined benefit plans are determined on an actuarial basis. We determine assumptions used in the actuarial calculations which impact reported plan obligations and expense, considering trends and changes in the current economic environment in determining the most appropriate assumptions to utilize as of our measurement date. Annually, we review the actual experience compared to the most significant assumptions used and make adjustments to the assumptions, if warranted. The healthcare trend rates are reviewed with the actuaries based upon the results of their review of claims experience. Discount rates are based upon an expected benefit payments duration analysis and the equivalent average yield rate for high-quality fixed-income investments. Pension benefits are funded through deposits with trustees and the expected long-term rate of return on fund assets is based upon actual historical returns modified for known changes in the market and any expected change in investment policy. Postretirement benefits are not funded and our policy is to pay these benefits as they become due. Certain accounting guidance, including the guidance applicable to pensions, does not require immediate recognition of the effects of a deviation between actual and assumed experience or the revision of an estimate. This approach allows the favorable and unfavorable effects that fall within an acceptable range to be netted.

Income Taxes. We compute income taxes using the asset and liability method, whereby deferred income taxes using current enacted tax rates are provided for the temporary differences between the financial reporting basis and the tax basis of assets and liabilities and for operating loss and tax credit carryforwards. We determine valuation allowances based on an assessment of positive and negative evidence on a jurisdiction-by-jurisdiction basis and record a valuation allowance to reduce deferred tax assets to the amount more likely than not to be realized. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. We record interest and penalties related to unrecognized tax benefits in income tax expense.

Derivative Financial Instruments. Derivative financial instruments are recorded at fair value on the balance sheet as either assets or liabilities. The effective portion of changes in the fair value of derivatives which qualify for hedge accounting is recorded in other comprehensive income and is recognized in the statement of operations when the hedged item affects earnings. The ineffective portion of the change in fair value of a hedge is recognized in income immediately. We have historically entered into interest rate swaps to hedge cash flows associated with variable rate debt.

Other Loss Reserves. We have other loss exposures related to environmental claims, asbestos claims and litigation. Establishing loss reserves for these matters requires the use of estimates and judgment in regard to risk exposure and ultimate liability. We are generally self-insured for losses and liabilities related principally to workers' compensation, health and welfare claims and comprehensive general, product and vehicle liability. Generally, we are responsible for up to $0.5 million per occurrence under our retention program for workers' compensation, between $0.3 million and $2.0 million per occurrence under our retention programs for comprehensive general, product and vehicle liability, and have a $0.3 million per occurrence stop-loss limit with respect to our self-insured group medical plan. We accrue loss reserves up to our retention amounts based upon our estimates of the ultimate liability for claims incurred, including an estimate of related litigation defense costs, and an estimate of claims incurred but not reported using actuarial assumptions about future events. We accrue for such items in accordance with the Contingencies Topic of the FASB Accounting Standards Codification when such amounts are reasonably estimable and probable. We utilize known facts and historical trends, as well as actuarial valuations in determining estimated required reserves. Changes in assumptions for factors such as medical costs and actual experience could cause these estimates to change significantly.

Item 7A. 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, commodity prices, insurable risks due to property damage, employee and liability claims, and other uncertainties in the financial and credit markets, which may impact demand for our products. We are also subject to interest risk as it relates to long-term debt, for which we have historically and may prospectively employ derivative instruments such as interest rate swaps to mitigate the risk of variable interest rates. See Item 7. "*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 12, "*Long-term Debt,*" in the notes to the financial statements for additional information.

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
TriMas Corporation:

We have audited the accompanying consolidated balance sheets of TriMas Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2010. In connection with our audits of the consolidated financial statements, we also have audited the financial statement schedule in the 2010 Annual Report on Form 10-K. These consolidated financial statements and the financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and the financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of TriMas Corporation and subsidiaries as of December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2010, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), TriMas Corporation's internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 28, 2011 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

Detroit, Michigan
February 28, 2011

TriMas Corporation

Consolidated Balance Sheet

(Dollars in thousands, except per share amounts)

	December 31, 2010	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	$ 46,370	$ 9,480
Receivables, net	117,050	93,380
Inventories	161,300	141,840
Deferred income taxes	34,500	24,320
Prepaid expenses and other current assets	7,550	6,500
Assets of discontinued operations held for sale	—	4,250
Total current assets	366,770	279,770
Property and equipment, net	167,510	162,220
Goodwill	205,890	196,330
Other intangibles, net	159,930	164,080
Other assets	24,060	23,380
Total assets	$ 924,160	$ 825,780
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities, long-term debt	$ 17,730	$ 16,190
Accounts payable	128,300	92,840
Accrued liabilities	68,400	65,750
Liabilities of discontinued operations	—	1,070
Total current liabilities	214,430	175,850
Long-term debt	476,920	498,360
Deferred income taxes	63,880	42,590
Other long-term liabilities	56,610	47,000
Total liabilities	811,840	763,800
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: 34,065,856 and 33,895,503 shares at December 31, 2010 and 2009, respectively	340	330
Paid-in capital	531,030	528,370
Accumulated deficit	(465,110)	(510,380)
Accumulated other comprehensive income	46,060	43,660
Total shareholders' equity	112,320	61,980
Total liabilities and shareholders' equity	$ 924,160	$ 825,780

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

TriMas Corporation
Consolidated Statement of Operations
(Dollars in thousands, except per share amounts)

	Year ended December 31, 2010	2009	2008
Net sales	$ 942,650	$ 803,650	$ 1,013,820
Cost of sales	(662,300)	(594,830)	(750,450)
Gross profit	280,350	208,820	263,370
Selling, general and administrative expenses	(164,730)	(150,200)	(165,260)
Estimated future unrecoverable lease obligations	—	(5,250)	—
Fees incurred under advisory services agreement	—	(2,890)	—
Net loss on dispositions of property and equipment	(1,540)	(570)	(340)
Impairment of property and equipment	—	—	(500)
Impairment of goodwill and indefinite-lived intangible assets	—	—	(166,610)
Operating profit (loss)	114,080	49,910	(69,340)
Other expense, net:			
Interest expense	(51,830)	(45,070)	(55,740)
Gain on extinguishment of debt	—	17,990	3,740
Gain on bargain purchase	410	—	—
Other expense, net	(1,510)	(1,750)	(2,260)
Other expense, net	(52,930)	(28,830)	(54,260)
Income (loss) from continuing operations before income tax expense	61,150	21,080	(123,600)
Income tax expense	(19,250)	(8,350)	(470)
Income (loss) from continuing operations	41,900	12,730	(124,070)
Income (loss) from discontinued operations, net of income taxes	3,370	(12,950)	(12,120)
Net income (loss)	$ 45,270	$ (220)	$ (136,190)
Earnings (loss) per share—basic:			
Continuing operations	1.24	0.38	(3.71)
Discontinued operations, net of income taxes	0.10	(0.39)	(0.36)
Net income (loss) per share	$ 1.34	$ (0.01)	$ (4.07)
Weighted average common shares—basic	33,761,430	33,489,659	33,422,572
Earnings (loss) per share—diluted:			
Continuing operations	1.21	0.37	(3.71)
Discontinued operations, net of income taxes	0.10	(0.38)	(0.36)
Net income (loss) per share	$ 1.31	$ (0.01)	$ (4.07)
Weighted average common shares—diluted	34,435,245	33,892,170	33,422,572

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

TriMas Corporation
Consolidated Statement of Cash Flows
(Dollars in thousands)

	Year ended December 31, 2010	2009	2008
Cash Flows from Operating Activities:			
Net income (loss)	$ 45,270	$ (220)	$ (136,190)
Adjustments to reconcile net income (loss) to net cash provided by operating activities, net of acquisition impact:			
Impairment of goodwill and indefinite-lived intangible assets	—	930	184,530
Impairment of property and equipment	—	2,340	500
(Gain) loss on dispositions of property and equipment	(8,510)	570	70
Gain on bargain purchase	(410)	—	—
Depreciation	23,640	29,050	28,430
Amortization of intangible assets	14,100	14,890	15,640
Amortization of debt issue costs	2,960	2,240	2,450
Deferred income taxes	11,900	(5,950)	(19,690)
Gain on extinguishment of debt	—	(24,500)	(3,740)
Non-cash compensation expense	2,180	580	1,040
Net proceeds from (reductions in) sale of receivables and receivables securitization	2,050	(15,550)	(18,310)
(Increase) decrease in receivables	(19,240)	30,400	(480)
(Increase) decrease in inventories	(12,820)	51,780	(8,740)
(Increase) decrease in prepaid expenses and other assets	(600)	7,010	3,490
Increase (decrease) in accounts payable and accrued liabilities	31,740	(11,440)	(13,930)
Other, net	2,700	1,380	(3,900)
Net cash provided by operating activities, net of acquisition impact	94,960	83,510	31,170
Cash Flows from Investing Activities:			
Capital expenditures	(21,900)	(14,060)	(29,170)
Acquisition of businesses, net of cash acquired	(30,760)	—	(6,650)
Net proceeds from disposition of businesses and other assets	14,810	23,190	2,440
Net cash provided by (used for) investing activities	(37,850)	9,130	(33,380)
Cash Flows from Financing Activities:			
Repayments of borrowings on senior credit facilities	(14,660)	(10,570)	(5,070)
Proceeds from borrowings on term loan facilities	—	—	490
Proceeds from borrowings on revolving credit facilities	476,310	802,820	576,990
Repayments of borrowings on revolving credit facilities	(482,360)	(807,180)	(566,970)
Retirement of senior subordinated notes	—	(300,390)	(4,120)
Proceeds on borrowings on senior secured notes	—	244,980	—
Debt refinance fees and expenses	—	(16,730)	—
Shares surrendered upon vesting of options and restricted stock awards to cover tax obligations	(240)	—	—
Proceeds from exercise of stock options	130	—	—
Excess tax benefits from stock based compensation	600	—	—
Net cash provided by (used for) financing activities	(20,220)	(87,070)	1,320
Cash and Cash Equivalents:			
Increase (decrease) for the year	36,890	5,570	(890)
At beginning of year	9,480	3,910	4,800
At end of year	$ 46,370	$ 9,480	$ 3,910
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 45,090	$ 43,600	$ 52,660
Cash paid for income taxes	$ 8,920	$ 8,200	$ 8,060

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

TriMas Corporation
Consolidated Statement of Shareholders' Equity
Years Ended December 31, 2010, 2009 and 2008
(Dollars in thousands)

	Common Stock	Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balances at December 31, 2007	$ 330	$ 525,960	$ (373,970)	$ 56,170	$ 208,490
Comprehensive income (loss):					
Net loss	—	—	(136,190)	—	(136,190)
Foreign currency translation	—	—	—	(17,810)	(17,810)
Defined pension and postretirement pension plans (net of tax of $0.04 million) (Note 17)	—	—	—	90	90
Change in fair value of cash flow hedge (net of tax of $0.4 million) (Note 13)	—	—	—	(720)	(720)
Total comprehensive loss	—	—	—	—	(154,630)
Non-cash compensation expense	—	1,040	—	—	1,040
Balances at December 31, 2008	$ 330	$ 527,000	$ (510,160)	$ 37,730	$ 54,900
Comprehensive income (loss):					
Net loss	—	—	(220)	—	(220)
Foreign currency translation	—	—	—	7,620	7,620
Defined pension and postretirement pension plans (net of tax of $0.5 million) (Note 17)	—	—	—	(750)	(750)
Changes in fair value of cash flow hedges (net of tax of $0.6 million) (Note 13)	—	—	—	(940)	(940)
Total comprehensive income	—	—	—	—	5,710
Reclassification of compensation expense to be paid in restricted shares of common stock (Note 18)	—	790	—	—	790
Non-cash compensation expense	—	580	—	—	580
Balances at December 31, 2009	$ 330	$ 528,370	$ (510,380)	$ 43,660	$ 61,980
Comprehensive income (loss):					
Net Income	—	—	45,270	—	45,270
Foreign currency translation	—	—	—	1,690	1,690
Defined pension and postretirement pension plans (net of tax of $0.5 million) (Note 17)	—	—	—	(720)	(720)
Changes in fair value of cash flow hedges (net of tax of $0.9 million) (Note 13)	—	—	—	1,430	1,430
Total comprehensive income	—	—	—	—	47,670
Shares surrendered upon vesting of options and restricted stock awards to cover tax obligations	—	(240)	—	—	(240)
Stock option exercises and restricted stock vestings	10	120	—	—	130
Excess tax benefits from stock based compensation	—	600	—	—	600
Non-cash compensation expense	—	2,180	—	—	2,180
Balances at December 31, 2010	$ 340	$ 531,030	$ (465,110)	$ 46,060	$ 112,320

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

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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. Effective October 1, 2010, the Company's reportable segments were realigned to be consistent with its operating structure and strategic priorities. The Company previously defined its five reportable segments as Packaging, Energy, Aerospace & Defense, Engineered Components and Cequent. Following the realignment, the Company reports the following six segments: Packaging, Energy, Aerospace & Defense, Engineered Components, Cequent Asia Pacific and Cequent North America. Packaging offers a broad spectrum of closure and dispensing solutions in industrial and consumer packaging applications. Energy is a manufacturer and distributor of specialty gaskets, fasteners and bolts for the oil and gas, petrochemical and industrial markets. Aerospace & Defense designs and manufactures a diverse range of industrial products for use in focused markets within the aerospace and defense markets. Engineered Components designs and manufactures a diverse range of industrial products for use in focused markets within the oil and gas, industrial, automotive and medical equipment markets. Cequent North America and Cequent Asia Pacific manufacture and distribute custom-engineered towing, trailering and electrical products. See Note 19, "Segment Information," for further information on each of the Company's reportable segments.

2. New Accounting Pronouncements

As of December 31, 2010, there are no recently issued accounting pronouncements not yet adopted by the Company that would have a material impact on the Company's results of operations or financial position.

3. Summary of Significant Accounting Policies

Principles of Consolidation. The accompanying consolidated financial statements include the accounts and transactions of TriMas and its wholly-owned subsidiaries. Significant intercompany transactions have been eliminated.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates and assumptions also affect the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of property and equipment, goodwill and other intangibles, valuation allowances for receivables, inventories and deferred income tax assets, valuation of derivatives, estimated future unrecoverable lease costs, estimated unrecognized tax benefits, reserves for legal and product liability matters and assets and obligations related to employee benefits. Actual results may differ from such estimates and assumptions.

Cash and Cash Equivalents. The Company considers cash on hand and on deposit and investments in all highly liquid debt instruments with initial maturities of three months or less to be cash and cash equivalents.

Receivables. Receivables are presented net of allowances for doubtful accounts of approximately $4.6 million and $5.7 million at December 31, 2010 and 2009, respectively. The Company monitors its exposure for credit losses and maintains allowances for doubtful accounts based upon the Company's best

3. Summary of Significant Accounting Policies (Continued)

estimate of probable losses inherent in the accounts receivable balances. The Company does not believe that significant credit risk exists due to its diverse customer base.

Sales of Receivables. The Company may, from time to time, sell certain of its receivables to third parties. Sales of receivables are recognized at the point in which the receivables sold are transferred beyond the reach of the Company and its creditors, the purchaser has the right to pledge or exchange the receivables and the Company has surrendered control over the transferred receivables.

Inventories. Inventories are stated at the lower of cost or net realizable value, with cost determined using the first-in, first-out method. Direct materials, direct labor and allocations of variable and fixed manufacturing-related overhead are included in inventory cost.

Property and Equipment. Property and equipment additions, including significant improvements, are recorded at cost. Upon retirement or disposal of property and equipment, the cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in the accompanying statement of operations. Repair and maintenance costs are charged to expense as incurred.

Depreciation and Amortization. Depreciation is computed principally using the straight-line method over the estimated useful lives of the assets. Annual depreciation rates are as follows: buildings and buildings/land improvements, 10 to 40 years, and machinery and equipment, 3 to 15 years. Capitalized debt issuance costs are amortized over the underlying terms of the related debt securities. Customer relationship intangibles are amortized over periods ranging from 5 to 25 years, while technology and other intangibles are amortized over periods ranging from 1 to 30 years.

Impairment of Long-Lived Assets and Definite-Lived Intangible Assets. The Company reviews, on at least a quarterly basis, the financial performance of each business unit for indicators of impairment. In reviewing for impairment indicators, the Company also considers events or changes in circumstances such as business prospects, customer retention, market trends, potential product obsolescence, competitive activities and other economic factors. An impairment loss is recognized when the carrying value of an asset group exceeds the future net undiscounted cash flows expected to be generated by that asset group. The impairment loss recognized is the amount by which the carrying value of the asset group exceeds its fair value.

Goodwill and Indefinite-Lived Intangibles. The Company tests goodwill and indefinite-lived intangible assets for impairment on an annual basis by comparing the estimated fair value of each of its reporting units and indefinite-lived intangible assets to the respective carrying value on the balance sheet. More frequent evaluations may be required if the Company experiences changes in its business climate or as a result of other triggering events that take place. If carrying value exceeds fair value, a possible impairment exists and further evaluation is performed.

The Company determines its reporting units at the individual operating segment level, or one level below, when there is discrete financial information available that is regularly reviewed by segment management for evaluating operating results. For purposes of the Company's 2010 goodwill impairment test, the Company had eleven reporting units within its six reportable segments.

The Company estimates the fair value of its reporting units utilizing a combination of three valuation techniques: discounted cash flow (Income Approach), market comparable method (Market Approach) and market capitalization (Direct Market Data Method). The Income Approach is based on management's

3. Summary of Significant Accounting Policies (Continued)

operating budget and internal five-year forecast. This approach utilizes forward-looking assumptions and projections, but considers factors unique to each of the Company's businesses and related long-range plans that may not be comparable to other companies and that are not yet publicly available. The Market Approach considers potentially comparable companies and transactions within the industries where the Company's reporting units participate, and applies their trading multiples to the Company's reporting units. This approach utilizes data from actual marketplace transactions, but reliance on its results is limited by difficulty in identifying companies that are specifically comparable to the Company's reporting units, considering the diversity of the Company's businesses, their relative sizes and levels of complexity. The Company also uses the Direct Market Data Method by comparing its book value and the estimates of fair value of the reporting units to the Company's market capitalization as of and at dates near the annual testing date. Management uses this comparison as additional evidence of the fair value of the Company, as its market capitalization may be suppressed by other factors such as the control premium associated with a controlling shareholder, the Company's high degree of leverage, and the limited float of the Company's common stock. Management evaluates and weights the results based on a combination of the Income and Market Approaches, and, in situations where the Income Approach results differ significantly from the Market and Direct Market Data Approaches, management re-evaluates and adjusts, if necessary, its assumptions.

The Income Approach requires the Company to calculate the present value of estimated future cash flows. In making this calculation, management makes significant estimates regarding future revenues and expenses, projected capital expenditures, changes in working capital and the appropriate discount rate. The projections also include significant assumptions related to including current and estimated economic trends and outlook, costs of raw materials, consideration of the Company's market capitalization as compared to the estimated fair values of the Company's reporting units determined using the Income Approach and other factors which are beyond management's control.

The Company utilizes the estimates of fair value determined under the Income Approach as the basis for its indefinite-lived intangible asset testing. Management utilizes the royalty relief method to estimate the fair value of its indefinite-lived intangible assets, basing the estimate on discounted future cash flows related to the net amount of royalty expenses avoided due to the existence of the trademark or tradename. Management then compares the estimated fair value to the carrying value. If carrying value exceeds fair value, an impairment charge is recorded.

Future declines in sales and/or operating profit, declines in the Company's stock price, or other changes in the Company's business or the markets for its products could result in further impairments of goodwill and other intangible assets.

Self-insurance. The Company is generally self-insured for losses and liabilities related to workers' compensation, health and welfare claims and comprehensive general, product and vehicle liability. The Company is generally responsible for up to $0.5 million per occurrence under its retention program for workers' compensation, between $0.3 million and $2.0 million per occurrence under its retention programs for comprehensive general, product and vehicle liability, and has a $0.3 million per occurrence stop-loss limit with respect to its self-insured group medical plan. Total insurance limits under these retention programs vary by year for comprehensive general, product and vehicle liability and extend to the applicable statutory limits for workers' compensation. Reserves for claims losses, including an estimate of related litigation defense costs, are recorded based upon the Company's estimates of the aggregate liability for

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. Summary of Significant Accounting Policies (Continued)

claims incurred using actuarial assumptions about future events. Changes in assumptions for factors such as medical costs and actual experience could cause these estimates to change.

Pension Plans and Postretirement Benefits Other Than Pensions. Annual net periodic pension expense and benefit liabilities under defined benefit pension plans are determined on an actuarial basis. Assumptions used in the actuarial calculations have a significant impact on plan obligations and expense. Annually, the Company reviews the actual experience compared to the more significant assumptions used and makes adjustments to the assumptions, if warranted. The healthcare trend rates are reviewed with the actuaries based upon the results of their review of claims experience. Discount rates are based upon an expected benefit payments duration analysis and the equivalent average yield rate for high-quality fixed-income investments. Pension benefits are funded through deposits with trustees and the expected long-term rate of return on fund assets is based upon actual historical returns modified for known changes in the market and any expected change in investment policy. Postretirement benefits are not funded and it is the Company's policy to pay these benefits as they become due.

Revenue Recognition. Revenues from product sales are recognized when products are shipped or services are provided to customers, the customer takes ownership and assumes risk of loss, the sales price is fixed and determinable and collectability is reasonably assured. Net sales is comprised of gross revenues less estimates of expected returns, trade discounts and customer allowances, which include incentives such as cooperative advertising agreements, volume discounts and other supply agreements in connection with various programs. Such deductions are recorded during the period the related revenue is recognized.

Cost of Sales. Cost of sales includes material, labor and overhead costs incurred in the manufacture of products sold in the period. Material costs include raw material, purchased components, outside processing and inbound freight costs. Overhead costs consist of variable and fixed manufacturing costs, wages and fringe benefits, and purchasing, receiving and inspection costs.

Selling, General and Administrative Expenses. Selling, general and administrative expenses include the following: costs related to the advertising, sale, marketing and distribution of our products, shipping and handling costs, amortization of customer intangible assets, costs of finance, human resources, legal functions, executive management costs and other administrative expenses.

Shipping and Handling Expenses. Freight costs are included in cost of sales and shipping and handling expenses, including those of Cequent North America's distribution network, are included in selling, general and administrative expenses in the accompanying statement of operations. Shipping and handling costs were $4.1 million, $3.1 million and $4.4 million for the years ended December 31, 2010, 2009 and 2008, respectively.

Advertising and Sales Promotion Costs. Advertising and sales promotion costs are expensed as incurred. Advertising costs were approximately $6.1 million, $4.8 million and $6.9 million for the years ended December 31, 2010, 2009 and 2008, respectively, and are included in selling, general and administrative expenses in the accompanying statement of operations.

Research and Development Costs. Research and development ("R&D") costs are expensed as incurred. R&D expenses were approximately $0.7 million, $0.9 million and $1.3 million for the years ended December 31, 2010, 2009 and 2008, respectively, and are included in cost of sales in the accompanying statement of operations.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. Summary of Significant Accounting Policies (Continued)

Income Taxes. The Company computes income taxes using the asset and liability method, whereby deferred income taxes using current enacted tax rates are provided for the temporary differences between the financial reporting basis and the tax basis of assets and liabilities and for operating loss and tax credit carryforwards. The Company determines valuation allowances based on an assessment of positive and negative evidence on a jurisdiction-by-jurisdiction basis and records a valuation allowance to reduce deferred tax assets to the amount more likely than not to be realized. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits in income tax expense.

Foreign Currency Translation. The financial statements of subsidiaries located outside of the United States are measured using the currency of the primary economic environment in which they operate as the functional currency. Net foreign currency transaction gains (losses) were approximately $(1.1) million, $0.7 million and $0.8 million for the years ended December 31, 2010, 2009 and 2008, respectively, and are included in other expense, net in the accompanying statement of operations. When translating into U.S. dollars, income and expense items are translated at average monthly exchange rates and assets and liabilities are translated at exchange rates in effect at the balance sheet date. Translation adjustments resulting from translating the functional currency into U.S. dollars are deferred as a component of accumulated other comprehensive income in the statement of shareholders' equity.

Derivative Financial Instruments. The Company records all derivative financial instruments at fair value on the balance sheet as either assets or liabilities, and changes in their fair values are immediately recognized in earnings if the derivatives do not qualify as effective hedges. If a derivative is designated as a fair value hedge, then changes in the fair value of the derivative are offset against the changes in the fair value of the underlying hedged item. If a derivative is designated as a cash flow hedge, then the effective portion of the changes in the fair value of the derivative is recognized as a component of other comprehensive income until the underlying hedged item is recognized in earnings or the forecasted transaction is no longer probable of occurring. The Company formally documents hedging relationships for all derivative transactions and the underlying hedged items, as well as its risk management objectives and strategies for undertaking the hedge transactions. See Note 13, "Derivative Instruments," for further information on the Company's financial instruments.

Fair Value of Financial Instruments. The Company accounts for its financial instruments at fair value. In accounting for and disclosing the fair value of these instruments, the Company uses the following hierarchy:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

3. Summary of Significant Accounting Policies (Continued)

Valuation of the interest rate swaps and foreign currency forward contracts are based on the income approach which uses observable inputs such as interest rate yield curves and forward currency exchange rates.

The carrying value of financial instruments reported in the balance sheet for current assets and current liabilities approximates fair value due to the short maturity of these instruments. The Company's term loan traded at 100.25% and 95.5% of par value as of December 31, 2010 and 2009, respectively. The Company's senior secured notes traded at approximately 108.5% and 98.5% of par value as of December 31, 2010 and 2009, respectively. The valuation of the term loan and senior secured notes was determined based on Level 2 inputs.

Earnings Per Share. Net earnings are divided by the weighted average number of shares outstanding during the year to calculate basic earnings per share. Diluted earnings per share are calculated to give effect to stock options and other stock-based awards. The calculation of diluted earnings per share included 118,841 and 64,882 restricted shares for the years ended December 31, 2010 and 2009, respectively. For the year ended December 31, 2008, no restricted shares were included in the computation of net income (loss) per share because to do so would be anti-dilutive. Options to purchase 1,742,086, 1,839,344, and 1,596,213 shares of common stock were outstanding at December 31, 2010, 2009 and 2008, respectively. The calculation of diluted earnings per share included 554,974 and 337,629 options to purchase shares of common stock for the years ended December 31, 2010 and 2009, respectively; however, for the years ended December 31, 2008, no options to purchase shares of common stock were included the computation of net income (loss) per share because to do so would have been anti-dilutive for the periods presented.

Stock-based Compensation. The Company recognizes compensation expense related to equity awards based on their fair values as of the grant date.

Other Comprehensive Income. The Company refers to other comprehensive income as revenues, expenses, gains and losses that under accounting principles generally accepted in the United States are included in comprehensive income but are excluded from net earnings as these amounts are recorded directly as an adjustment to stockholders' equity. Other comprehensive income is comprised of foreign currency translation adjustments, amortization of prior service costs and unrecognized gains and losses in actuarial assumptions and changes in unrealized gains and losses on derivatives.

The components of accumulated other comprehensive income as of December 31 are as follows:

	2010	2009
	(dollars in thousands)	
Foreign currency translation adjustments	$ 53,040	$ 51,350
Unrecognized prior service cost and unrecognized loss in actuarial assumptions	(6,750)	(6,030)
Unrealized loss on derivatives	(230)	(1,660)
Accumulated other comprehensive income	$ 46,060	$ 43,660

Reclassifications. Certain prior year amounts have been reclassified to conform with the current year presentation.

4. Acquisitions

On November 1, 2010, the Company acquired the stock of South Texas Bolt & Fitting, Inc. ("STBF") for the purchase price of $18.0 million, net of cash acquired. STBF is a diversified manufacturer and distributor of various types of stud bolts, industrial fasteners and specialty products to the oil field and industrial markets, and had approximately $14.5 million in revenue during the twelve months ended June 30, 2010. STBF has been integrated into the Company's Lamons business within the Energy reportable segment.

On June 8, 2010, the Company's Norris Cylinder subsidiary, included in the Company's Engineered Components reportable segment, completed the acquisition of certain assets and liabilities from Taylor-Wharton International, LLC ("TWI") and its subsidiary, TW Cylinders, related to TWI's high and low-pressure cylinder business for $11.1 million, including a net working capital adjustment of $0.1 million, which was finalized during the fourth quarter of 2010. The acquisition was completed following approval by the United States Bankruptcy Court for the District of Delaware pursuant to Section 363 of the U.S. Bankruptcy Code. The assets purchased generated approximately $17 million in revenue during 2009. The fair value of the net assets acquired exceeded the purchase price, resulting in a bargain purchase gain of approximately $0.4 million, which is included in other expense, net in the accompanying consolidated results of operations for the year ended December 31, 2010.

The assets acquired, liabilities assumed and results of operations of the aforementioned acquisitions are not significant compared to the overall assets, liabilities and results of operations of the Company.

5. Discontinued Operations and Assets Held for Sale

During the fourth quarter of 2009, the Company committed to a plan to exit its medical device line of business which was part of the Engineered Components operating segment. The Company recognized an impairment charge of approximately $3.3 million in the fourth quarter of 2009, primarily to write-down the value of its property and equipment and customer relationship intangible assets to their estimated fair values. The Company also recorded a charge of approximately $0.4 million related to severance benefits for approximately 40 employees to be involuntarily terminated as a result of this action. In addition, in the fourth quarter of 2008, the Company recognized an impairment charge of approximately $5.6 million as a part of the Company's annual goodwill impairment test to fully-impair the recorded goodwill of the medical device business. The business was sold in May 2010 for cash proceeds of $2.0 million, which approximated the net book value of the assets and liabilities sold.

During the fourth quarter of 2008, the Company entered into a binding agreement to sell certain assets within its specialty laminates, jacketings and insulation tapes line of business, which was part of the Packaging reportable segment. The Company recognized an impairment charge of approximately $12.3 million in December 2008 to write-down the value of goodwill and intangible assets to fair value in this business and recorded a charge of approximately $1.8 million related to severance benefits for approximately 125 employees to be terminated upon completion of the sale. The sale was completed in February 2009 for cash proceeds of approximately $21.0 million. The Company's manufacturing facility is subject to a lease agreement expiring in 2024 that was not assumed by the purchaser of the business. During first quarter 2009, upon the cease use date of the facility, the Company recorded a pre-tax charge of approximately $10.7 million for future lease obligations on the facility, net of estimated sublease recoveries. During the fourth quarter of 2010, the Company re-evaluated its estimate of unrecoverable future obligations and recorded an additional charge of approximately $3.5 million based on the further deterioration of real estate values and market comparables for this facility.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Discontinued Operations and Assets Held for Sale (Continued)

During the fourth quarter of 2007, the Company committed to a plan to sell its property management line of business. The sale was completed in April 2010 for cash proceeds of $13.0 million, resulting in a pre-tax gain on sale of approximately $10.1 million during the second quarter of 2010.

The assets and liabilities of the Wood Dale, IL operating location that was part of the Company's discontinued industrial fastening business were sold in December 2006, but purchaser did not assume the lease agreement for the facility that expires in 2022. During the fourth quarter of 2008, the Company re-evaluated its estimate of unrecoverable future obligations and recorded charges of $3.7 million. The facility remains available for sublease as of December 31, 2010.

The results of the aforementioned businesses are reported as discontinued operations for all periods presented.

Results of discontinued operations are summarized as follows:

	Year ended December 31,		
	2010	2009	2008
	(dollars in thousands)		
Net sales	$ 660	$ 13,500	$ 64,920
Income (loss) from discontinued operations, before income tax (expense) benefit	$ 5,570	$ (21,820)	$ (25,200)
Income tax (expense) benefit	(2,200)	8,870	13,080
Income (loss) from discontinued operations, net of income tax (expense) benefit	$ 3,370	$ (12,950)	$ (12,120)

Assets and liabilities of the discontinued operations as of December 31, are summarized as follows:

	2010	2009
	(dollars in thousands)	
Receivables, net	$ —	$ 200
Property and equipment, net	—	4,050
Total assets	$ —	$ 4,250
Accounts payable	$ —	$ 150
Accrued liabilities and other	—	920
Total liabilities	$ —	$ 1,070

6. Mosinee Plant Closure

In March 2009, the Company announced plans to close its manufacturing facility in Mosinee, Wisconsin, moving production and distribution functions currently in Mosinee to lower-cost manufacturing facilities or to third-party sourcing partners. The Company completed the move and ceased operations in Mosinee in 2009. During the fourth quarter of 2009, upon the cease use date of the facility, the Company recorded a pre-tax charge within its Cequent North America reportable segment of approximately $5.3 million for future lease obligations on the facility, net of estimated lease recoveries. During 2009, the Company recorded charges of approximately $1.8 million, primarily related to cash costs for severance

6. Mosinee Plant Closure (Continued)

benefits for approximately 160 employees to be involuntarily terminated as part of the closure. The Company fully paid all severance benefits during 2009 and 2010.

In addition, the Company recorded approximately $2.6 million of accelerated depreciation expense in 2009 as a result of shortening the expected useful lives on certain machinery and equipment assets that the Company no longer utilized following the facility closure (see Note 10).

7. Goodwill and Other Intangible Assets

The Company conducted its annual goodwill and indefinite-lived intangible asset impairment tests as of October 1, 2010. For purposes of the goodwill test, the Company gave equal weight to the Income and Market Approaches, while utilizing the Direct Market Data Approach for additional evidence of fair value. Significant management assumptions used under the Income Approach were weighted average costs of capital ranging from 12.0%—15.0% and estimated residual growth rates ranging from 0%—2.0%. In considering the weighted average cost of capital for each reporting unit, management considered the level of risk inherent in the cash flow projections based on historical attainment of its projections and current market conditions. Upon completion of its annual goodwill impairment test in 2010, the Company determined that each of its reporting units with recorded goodwill passed the Step I impairment test, with the estimated fair value of each of these reporting units exceeding the carrying value by more than 30%. In addition, a 1% reduction in residual growth rate combined with a 1% increase in the weighted average cost of capital would not have changed the conclusions reached under the Step I impairment test. For purposes of the indefinite-lived intangible asset impairment test, the Company utilized the Income Approach used in the goodwill impairment test and applied the royalty relief method to estimate the fair value of the indefinite-lived intangible assets. Upon completion of its annual indefinite-lived intangible asset impairment test, the Company determined that each of its indefinite-lived intangible assets had a fair value in excess of its carrying value.

In completing its annual goodwill impairment test in 2009, the Company determined that each of its reporting units with recorded goodwill passed the Step I impairment test, with the estimated fair value of each of those reporting units exceeding the carry value by more than 20%. In addition, a 1% reduction in residual growth rate combined with 1% increase in the weighted average cost of capital would not have changed the conclusions reached under the Step I impairment test. In completing its annual indefinite-lived intangible asset impairment test in 2009, the Company determined that each of its indefinite-lived intangible assets had a fair value in excess of its carrying value.

Upon completion of its annual tests in 2008, the Company determined that certain reporting units failed Step I of the goodwill impairment test, requiring a Step II test to determine the amount, if any, of an impairment charge. In addition, for certain indefinite-lived intangible assets , the Company determined that the carrying value exceeded the fair value. Based on the results of Step II testing for goodwill and the results of the indefinite-lived intangible asset testing, the Company recorded pre-tax goodwill and indefinite-lived intangible asset impairment charges in the fourth quarter of 2008 of $61.2 million and $8.8 million, respectively, in its Cequent North America segment, and $58.7 million and $3.8 million, respectively, in the Company's Packaging segment. The Company recorded a pre-tax goodwill impairment charge in the fourth quarter of 2008 of $19.2 million in its Engineered Components segment and $14.9 million in its Cequent Asia Pacific segment.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

7. Goodwill and Other Intangible Assets (Continued)

Future declines in sales and operating profit or declines in the Company's stock price may result in additional goodwill and indefinite-lived intangible asset impairments.

Changes in the carrying amount of goodwill for the years ended December 31, 2010 and 2009 are as follows:

	Packaging	Energy	Aerospace & Defense	Engineered Components	Cequent Asia Pacific	Cequent North America	Total
				(dollars in thousands)			
Balance, December 31, 2008	$ 113,760	$ 41,800	$ 43,540	$ 3,180	$ —	$ —	$ 202,280
Purchase accounting adjustments	(740)	(5,990)	(2,410)	—	—	—	(9,140)
Foreign currency translation and other	2,440	750	—	—	—	—	3,190
Balance, December 31, 2009	$ 115,460	$ 36,560	$ 41,130	$ 3,180	$ —	$ —	$ 196,330
Goodwill from acquisitions	—	11,400	—	—	—	—	11,400
Foreign currency translation and other	(2,140)	300	—	—	—	—	(1,840)
Balance, December 31, 2010	$ 113,320	$ 48,260	$ 41,130	$ 3,180	$ —	$ —	$ 205,890

In 2009, the Company identified a balance sheet gross-up of goodwill and deferred tax liabilities in the amount of $9.1 million and $8.0 million, respectively, which were incorrectly established in purchase accounting for business combinations occurring prior to 2004. Management corrected the affected accounts in 2009, which resulted in a non-cash charge to income tax expense of $1.1 million.

The gross carrying amounts and accumulated amortization of the Company's other intangibles as of December 31, 2010 and 2009 are summarized below. The Company amortizes these assets over periods ranging from 1 to 30 years.

Intangible Category by Useful Life	As of December 31, 2010 Gross Carrying Amount	As of December 31, 2010 Accumulated Amortization	As of December 31, 2009 Gross Carrying Amount	As of December 31, 2009 Accumulated Amortization
	(dollars in thousands)			
Customer relationships:				
5 - 12 years	$ 32,220	$ (20,650)	$ 24,710	$ (18,290)
15 - 25 years	154,610	(69,480)	154,610	(61,250)
Total customer relationships	186,830	(90,130)	179,320	(79,540)
Technology and other:				
1 - 15 years	26,910	(22,870)	25,800	(22,060)
17 - 30 years	42,460	(18,690)	42,120	(16,640)
Total technology and other	69,370	(41,560)	67,920	(38,700)
Trademark/Trade names (indefinite life)	35,420	—	35,080	—
	$ 291,620	$ (131,690)	$ 282,320	$ (118,240)

Amortization expense related to technology and other intangibles was approximately $3.6 million, $4.2 million, and $3.9 million for the years ended December 31, 2010, 2009 and 2008, respectively, and is

7. Goodwill and Other Intangible Assets (Continued)

included in cost of sales in the accompanying statement of operations. Amortization expense related to customer intangibles was approximately $10.5 million for each of the years ended December 31, 2010, 2009 and 2008, respectively, and is included in selling, general and administrative expenses in the accompanying statement of operations.

Estimated amortization expense for the next five fiscal years beginning after December 31, 2010 is as follows: 2011—$13.8 million, 2012—$13.6 million, 2013—$11.8 million, 2014—$11.6 million, and 2015—$11.6 million.

8. Receivables Facility

On December 29, 2009, the Company entered into a new three year 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 approximately $75.0 million to a third party multi-seller receivables funding company. The Company did not have any amounts outstanding under the facility as of December 31, 2010 or 2009, but had $41.4 million and $32.1 million, respectively, available but not utilized. 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. As of December 31, 2010, the cost of funds under this facility consisted of a 3-month London Interbank Offered Rates ("LIBOR")-based rate plus a usage fee of 3.00% and a fee on the unused portion of 0.75%. Aggregate costs incurred under this facility were $1.1 million in 2010, and are included in interest expense in the accompanying consolidated statement of operations. The Company incurred approximately $1.3 million in fees and expenses in 2009 to complete the new facility which expires on December 29, 2012. The Company did not sell any receivables under the new facility during December 2009.

The costs of funds 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 3-month LIBOR-based rate plus the usage fee discussed above and is computed in accordance with the terms of the agreement. For the year ended December 31, 2010, the costs of funds under the facility were based on an average liquidation period of the portfolio of approximately 1.5 months and an average discount rate of 1.7%.

Through December 28, 2009, TriMas was party to a 364-day accounts receivable facility through TSPC. Under this facility, TSPC, from time to time, was able to sell an undivided fractional ownership interest in the pool of receivables up to approximately $55.0 million to a third party multi-seller receivables funding company. The net proceeds of the sale of receivables were less than the face amount of accounts receivable sold by an amount that approximated the purchaser's financing costs. The cost of funds under this facility consisted of a commercial paper-based rate plus a usage fee of 4.5% and 1.05% in 2009 and 2008, respectively, and a fee on the unused portion of the facility of 2.25% and 0.5% during 2009 and 2008, respectively. Previously, the Company completed its annual renewal of this facility in February 2009, incurring approximately $0.4 million. Aggregate costs incurred under this facility, including renewal costs, were $1.2 million and $2.3 million in 2009 and 2008, respectively, and such amounts are included in other expense, net in the accompanying consolidated statement of operations.

8. Receivables Facility (Continued)

In addition, the Company from time to time may sell an undivided interest in accounts receivable under factoring arrangements at three of its European subsidiaries. As of December 31, 2010 and 2009, the Company's funding under these arrangements was approximately $2.1 million and $4.5 million, respectively. Sales of the European subsidiaries' accounts receivable were sold at a discount from face value of approximately 0.6%, 1.9% and 2.2%, at December 31, 2010, 2009 and 2008, respectively. Costs associated with the Company's European factoring arrangements were approximately $0.2 million, $0.3 million and $0.4 million in 2010, 2009 and 2008, respectively, and are included in other expense, net in the accompanying consolidated statement of operations.

9. Inventories

Inventories consist of the following components:

	December 31, 2010	December 31, 2009
	(dollars in thousands)	
Finished goods	$ 106,630	$ 95,420
Work in process	20,680	16,270
Raw materials	33,990	30,150
Total inventories	$ 161,300	$ 141,840

10. Property and Equipment, Net

Property and equipment consists of the following components:

	December 31, 2010	December 31, 2009
	(dollars in thousands)	
Land and land improvements	$ 2,970	$ 2,380
Buildings	50,490	44,810
Machinery and equipment	294,940	283,710
	348,400	330,900
Less: Accumulated depreciation	180,890	168,680
Property and equipment, net	$ 167,510	$ 162,220

Depreciation expense was approximately $23.6 million, $26.7 million and $25.5 million for each of the years ended December 31, 2010, 2009 and 2008, respectively, of which $20.9 million, $23.8 million and $21.8 million, respectively, is included in cost of sales in the accompanying statement of operations, and $2.7 million, $2.9 million and $3.7 million, respectively, is included in selling, general and administrative expenses in the accompanying statement of operations.

In 2009, in connection with the closure of the Mosinee facility (see Note 6), the Company recorded accelerated depreciation expense of approximately $2.6 million, which is included in the $23.8 million of depreciation expense recorded in cost of sales. This charge related to shortening the expected useful lives on certain machinery and equipment.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10. Property and Equipment, Net (Continued)

In 2008, the Company recorded an impairment charge of approximately $0.5 million to the write-down of the net book value of certain machinery and equipment within the Cequent North America segment to net realizable value.

11. Accrued Liabilities

	December 31, 2010	December 31, 2009
	(dollars in thousands)	
Self-insurance	$ 10,650	$ 10,840
Wages and bonus	21,810	14,720
Other	35,940	40,190
Total accrued liabilities	$ 68,400	$ 65,750

12. Long-term Debt

The Company's long-term debt consists of the following:

	December 31, 2010	December 31, 2009
	(dollars in thousands)	
U.S. bank debt	$ 248,950	$ 256,680
Non-U.S. bank debt and other	290	12,890
$9^{3}/4$% senior secured notes, due December 2017	245,410	244,980
	494,650	514,550
Less: Current maturities, long-term debt	17,730	16,190
Long-term debt	$ 476,920	$ 498,360

U.S. Bank Debt

The Company is a party to a credit facility consisting of a $83.0 million revolving credit facility, a $20.0 million deposit-linked supplemental revolving credit facility and a $252.2 million term loan facility (collectively, the "Credit Facility"). The Company amended and restated its Credit Facility in 2009,

12. Long-term Debt (Continued)

primarily to extend the maturity dates. Below is a summary of the key terms of the Company's available and outstanding borrowings under the Credit Facility as of December 31, 2010:

Instrument		Amount $ (in millions)	Maturity Date	Interest Rate
Term Loan Facility				
Extended	$	223.4	12/15/2015	LIBOR plus 4.00% with a 2.00% LIBOR floor
Non-extended		25.6	8/2/2013	LIBOR plus 2.25%
Total outstanding	$	249.0		
Revolving Credit Facility				
Extended	$	75.0	12/15/2013	LIBOR plus 4.00% or Prime plus 3.00%, as defined
Non-extended		8.0	8/2/2011	LIBOR plus 1.75%
Total available	$	83.0		
Supplemental Revolving Credit Facility				
Extended	$	17.7	8/2/2011	LIBOR plus 4.00% with a 2.00% LIBOR floor
Non-extended		2.3	8/2/2011	LIBOR plus 2.25%
Total available	$	20.0		

If, prior to December 16, 2011, the Company prepays the extended portion of its term loan ($223.4 million) and/or $20.0 million deposit-linked supplemental revolving credit facility using a new term loan facility or a synthetic letter of credit (or similar) facility with lower interest rate margins, then the Company is required to pay 1% premium of the aggregate principal amount so prepaid.

Under the Credit Agreement, the Company is required to make a prepayment of its term loan pursuant to an excess cash flow sweep provision, equal to 50% of the computed amount of excess cash flow generated during the year, as defined in the agreement. For 2010, the Company is required to prepay $15.0 million of term loan under this provision, with such amount included in current maturities of long-term debt in the accompanying consolidated balance sheet. No amounts were required to be prepaid for 2009 under this provision.

During the second half of 2010, the Company elected to reduce its supplemental revolving credit facility from $60.0 million to $20.0 million. Under the Credit Facility, the Company is also able to issue letters of credit, not to exceed $65.0 million in aggregate, against its revolving credit facility commitments. At December 31, 2010 and 2009, the Company had letters of credit of approximately $23.7 million and $31.2 million, respectively, issued and outstanding.

The Company had $0 million and $5.1 million outstanding under its revolving credit facility at December 31, 2010 and 2009, respectively, and had an additional $79.3 million and $101.7 million potentially available after giving effect to approximately $23.7 million and $31.2 million of letters of credit issued and outstanding at December 31, 2010 and 2009, respectively. However, including availability under its accounts receivable facility and after consideration of leverage restrictions contained in the Credit Facility, the Company had $120.7 million and $114.3 million of capacity available to it for general corporate purposes under its revolving credit and accounts receivable facilities at December 31, 2010 and 2009, respectively.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

12. Long-term Debt (Continued)

The bank debt is an obligation of the Company and its subsidiaries. Although the terms of the Credit Facility do not restrict the Company's subsidiaries from making distributions to it in respect of its $9^{3}/4$% senior secured notes, it does contain certain other limitations on the distribution of funds from TriMas Company LLC, the principal subsidiary, to the Company. The restricted net assets of the guarantor subsidiaries, of approximately $336.9 million and $270.4 million at December 31, 2010 and 2009, respectively, are presented in the financial information in Note 22, "*Supplemental Guarantor Condensed Consolidating Financial Information*." The Credit Facility also contains various negative and affirmative covenants and other requirements affecting the Company and its subsidiaries. The Credit Agreement also contains various negative and affirmative covenants and other requirements affecting the Company and its subsidiaries, including: restrictions on incurrence of debt, except for permitted acquisitions and subordinated indebtedness, liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, asset dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted junior payments, stock repurchases, transactions with affiliates, restrictive agreements and amendments to charters, by-laws, and other material documents. The Credit Agreement also requires the Company and its subsidiaries to meet certain restrictive financial covenants and ratios computed quarterly, including a leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable facility over consolidated EBITDA, as defined), interest expense ratio (consolidated EBITDA, as defined, over cash interest expense, as defined) and a capital expenditures covenant. The Company was in compliance with its covenants at December 31, 2010.

Principal payments required under the Credit Facility term loan are: $15.0 million within 95 days of December 31, 2010, or earlier, as defined in the credit agreement, under the aforementioned excess cash flow sweep provision, $0.7 million due each calendar quarter through September 30, 2015, with $23.3 million due on August 2, 2013 and $198.3 million due on December 15, 2015.

Non-U.S. Bank Debt

During the fourth quarter of 2010, the Company's subsidiary in the United Kingdom paid-in-full and closed its revolving credit facility. At December 31, 2009, the balance outstanding under this facility was approximately $0.8 million at an interest rate of 2.5%.

In Australia, the Company's subsidiary is party to a debt agreement which matures March 31, 2011 and is secured by substantially all the assets of the subsidiary. At December 31, 2010, the Company's subsidiary had no amounts outstanding under this agreement. At December 31, 2009, the balance outstanding under this agreement was approximately $11.7 million at an average interest rate of approximately 6.6%.

Notes

During the fourth quarter of 2009, the Company issued $250.0 million principal amount of $9^{3}/4$% senior secured notes due 2017 ("Senior Notes") at a discount of $5.0 million. The net proceeds of the offering, approximately $239.7 million, together with $29.3 million of cash on hand, were used to repurchase $256.5 million principal amount of the Company's $9^{7}/8$% senior subordinated notes due 2012 ("Sub Notes"), for tender costs and expenses related thereto, and to pay fees and expenses related to the Notes. The tender costs, fees and expenses for both the Senior Notes and Sub Notes amounted to approximately $12.5 million, of which $6.5 million were deferred as debt issuance costs in the accompanying consolidated balance sheet and $6.0 million were included as a reduction in the net gain on extinguishment of debt line item in the accompanying statement of operations. Interest on the Senior

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

12. Long-term Debt (Continued)

Notes accrues at the rate of 9.75% per annum and is payable semi-annually in arrears on June 15 and December 15.

The Notes are general senior secured obligations of the Company, and are *pari passu* in right of payment with all existing and future indebtedness of the Company that is not subordinated in right of payment to the Senior Notes.

Prior to December 15, 2012, the Company may redeem up to 35% of the principal amount of Senior Notes at a redemption price equal to 109.750% of the principal amount, plus accrued and unpaid interest to the applicable redemption date plus additional interest, if any, with the net cash proceeds of one or more equity offerings, provided that at least 65% of the original principal amount of Senior Notes issued remains outstanding after such redemption, and provided further that each such redemption occurs within 90 days of the date of closing of each such equity offering. Prior to December 15, 2013, the Company may redeem all or a part of the Senior Notes, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the applicable "make whole premium", accrued and unpaid interest and additional interest, if any, to the date of such redemption After December 15, 2013, the Company may redeem all or a part of the Senior Notes at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Senior Notes redeemed to the applicable redemption date, if redeemed during the twelve-month period beginning on December 15 of the years indicated below:

Year	Percentage
2013	104.875%
2014	102.438%
2015	100.000%

During the first three quarters of 2009, the Company utilized approximately $43.8 million of cash on hand to retire $73.2 million of face value of Sub Notes, resulting in a net gain of approximately $28.3 million, after considering non-cash debt extinguishment costs of $1.1 million. During the fourth quarter of 2008, the Company utilized approximately $4.1 million of cash on hand to retire $8.0 million of face value of Sub Notes, resulting in a net gain of approximately $3.7 million after considering non-cash debt extinguishment costs of $0.2 million.

The Notes indenture contains negative and affirmative covenants and other requirements that are comparable to those contained in the Credit Facility. At December 31, 2010, the Company was in compliance with all such covenant requirements.

The Company's unamortized debt issuance costs approximated $11.3 million and $13.5 million at December 31, 2010 and 2009, respectively, and are included in other assets in the accompanying consolidated balance sheet. These amounts consist primarily of legal, accounting and other transaction advisory fees as well as facility fees paid to the lenders. The Company's unamortized discount on the Senior Notes was $4.6 and $5.0 million at December 31, 2010 and 2009, respectively. Debt issuance costs for the Credit Facility and the discount on the Senior Notes are amortized using the interest method over the terms of the underlying debt instruments to which these amounts relate. Amortization expense for these items was approximately $2.5 million, $2.2 million and $2.5 million in 2010, 2009 and 2008, respectively, and is included in interest expense in the accompanying statement of operations. In addition, the Company incurred non-cash debt extinguishment costs of approximately $4.9 million and $0.2 million for the years ended December 31, 2009 and 2008, respectively.

12. Long-term Debt (Continued)

Future maturities of the face value of long-term debt at December 31, 2010 are as follows:

Year Ending December 31:	(dollars in thousands)
2011	$ 17,730
2012	2,670
2013	25,990
2014	2,610
2015	200,240
Thereafter	250,000
Total	$ 499,240

13. Derivative Instruments

In February 2008, the Company entered into an interest rate swap agreement effective April 2008 to fix the LIBOR-based variable portion of the interest rate on $125.0 million notional amount of its term loan facility at 2.73% through October 2009. In January 2009, the Company entered into two additional interest rate swap agreements. The first of these swaps was effective in January 2009 and fixed the LIBOR-based variable portion of the interest rate on $75.0 million notional amount of its term loan facility at 1.39% through January 2011. The second of these swaps was effective in October 2009 upon the maturity of the February 2008 interest rate swap, and fixed the LIBOR-based variable portion of the interest rate on $125.0 million notional amount of its term loan facility at 1.91% through July 2011. The Company formally designated these swap agreements as cash flow hedges upon entry into the contracts and expected them to be highly effective in offsetting fluctuations in the designated interest payments resulting from changes in the benchmark interest rate. However, upon the Company's amendment and restatement of its credit facilities in the fourth quarter of 2009, the Company determined that these interest rate swaps were no longer effective economic hedges due to the imposition of a LIBOR floor in the determination of the variable interest rate.

Up to the date of the credit facility refinance, the Company had utilized hedge accounting, which allows for the effective portion of the interest rate swaps to be recorded in accumulated other comprehensive income in the accompanying consolidated balance sheet. At the date of the credit facility refinance, the Company had $1.7 million (net of tax of $1.1 million) of unrealized loss in accumulated other comprehensive income related to the interest rate swaps, which, due to the swaps no longer being effective hedges, was frozen and all subsequent changes in the fair value of the interest rate swaps are recorded directly in interest expense in the statement of operations. The previously-effective amount frozen in accumulated other comprehensive income is being amortized into earnings over the period in which the originally hedged transactions would have affected earnings.

In the first quarter of 2010, the Company amended the interest rate swaps to include a LIBOR floor similar to the term loan facility, however, the amended interest rate swaps have not been designated as hedging instruments. For the years ended December 31, 2010 and 2009, approximately $2.3 million and $0.1 million, respectively, of unrealized loss from accumulated other comprehensive income was amortized into earnings as interest expense after the Company discontinued hedge accounting. Over the next 12 months, the Company expects approximately $0.4 million of unrealized loss in accumulated other

13. Derivative Instruments (Continued)

comprehensive income incurred while the interest rate swaps were effective to be amortized into earnings as interest expense.

As of December 31, 2009, the Company held a foreign exchange forward contract with a notional value of 55.5 million Mexican pesos and a foreign exchange forward contract with a notional value of £6.5 million. These contracts expired during first quarter of 2010 and were not designated as hedging instruments.

As of December 31, 2010 and 2009, the fair value carrying amounts of the Company's derivative instruments are recorded as follows:

		Asset Derivatives		Liability Derivatives	
	Balance Sheet Caption	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
		(dollars in thousands)			
Derivatives not designated as hedging instruments					
Interest rate swaps	Accrued liabilities	$ —	$ —	$ 1,130	$ 1,700
Interest rate swaps	Other long-term liabilities	—	—	—	660
Foreign currency forward contracts	Accrued liabilities	—	—	—	150
Total derivatives not designated as hedging instruments		$ —	$ —	$ 1,130	$ 2,510

Valuations of the interest rate swaps and foreign currency forward contracts are based on the income approach which uses observable inputs such as interest rate yield curves and forward currency exchange rates. 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 December 31, 2010 and 2009, are shown below:

		December 31, 2010			
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)
		(dollars in thousands)			
Interest rate swaps	Recurring	$ (1,130)	$ —	$ (1,130)	$ —

		December 31, 2009			
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)
		(dollars in thousands)			
Interest rate swaps	Recurring	$ (2,360)	$ —	$ (2,360)	$ —
Foreign currency forward contracts	Recurring	$ (150)	$ —	$ (150)	$ —

13. Derivative Instruments (Continued)

The effect of derivative instruments on the consolidated statement of operations for the years ended December 31, 2010, 2009 and 2008 is summarized as follows:

	Amount of Loss Recognized in AOCI on Derivatives (Effective Portion, net of tax)		Location of Loss Reclassified from AOCI into Earnings (Effective Portion)	Amount of Gain (Loss) Reclassified from AOCI into Earnings		
	As of December 31,			Year ended December 31		
	2010	2009		2010	2009	2008
	(dollars in thousands)			(dollars in thousands)		
Derivatives designated as hedging instruments						
Interest rate swaps	$ (230)	$ (1,660)	Interest expense	$ (2,350)	$ (2,880)	$ 250

	Amount of Gain (Loss) Recognized in Earnings on Derivatives			Location of Gain (Loss) Recognized in Earnings on Derivatives
	Year ended December 31			
	2010	2009	2008	
	(dollars in thousands)			
Derivatives not designated as hedging instruments				
Interest rate swaps	$ (1,610)	$ 420	$ —	Interest expense
Foreign currency forward contracts	$ —	$ (150)	$ —	Other expense, net

14. Leases

TriMas leases certain equipment and plant facilities under non-cancelable operating leases. Rental expense for TriMas totaled approximately $15.4 million in 2010, $14.7 million in 2009 and $15.5 million in 2008.

Minimum payments for operating leases having initial or remaining non-cancelable lease terms in excess of one year at December 31, 2010, including approximately $2.2 million annually related to discontinued operations, are summarized below:

Year Ending December 31:	(dollars in thousands)
2011	$ 16,270
2012	15,920
2013	14,360
2014	12,610
2015	10,300
Thereafter	55,040
Total	$ 124,500

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Commitments and Contingencies

Environmental

A civil suit was filed in the United States District Court for the Central District of California in December 1988 by the United States of America and the State of California against more than 180 defendants, including TriMas, for alleged release into the environment of hazardous substances disposed of at the Operating Industries, Inc. site in California. This site served for many years as a depository for municipal and industrial waste. The plaintiffs have requested, among other things, that the defendants clean up the contamination at that site. Consent decrees have been entered into by the plaintiffs and a group of the defendants, including TriMas, providing that the consenting parties perform certain remedial work at the site and reimburse the plaintiffs for certain past costs incurred by the plaintiffs at the site. The Company estimates that its share of the clean-up costs will not exceed $500,000, for which the Company has insurance proceeds. Plaintiffs had sought other relief such as damages arising out of claims for negligence, trespass, public and private nuisance, and other causes of action, but the consent decree governs the remedy. Based upon the Company's present knowledge and subject to future legal and factual developments, the Company does not believe that this matter will have a material adverse effect on its financial position, results of operations or cash flows.

Asbestos

As of December 31, 2010, the Company was a party to approximately 1,050 pending cases involving an aggregate of approximately 8,200 claimants 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 claimants, 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, 2008	9,544	723	2,668	75	$ 1,813	$ 3,448,000
Fiscal year ended December 31, 2009	7,524	586	254	40	$ 4,644	$ 2,652,000
Fiscal year ended December 31, 2010	7,816	892	456	52	$ 7,029	$ 2,870,000

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 the 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

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. Commitments and Contingencies (Continued)

the 8,200 claims pending at December 31, 2010, 40 set forth specific amounts of damages (other than those stating the statutory minimum or maximum). 28 of the 40 claims sought between $1.0 million and $5.0 million in total damages (which includes compensatory and punitive damages), 9 sought between $5.0 million and $10.0 million in total damages (which includes compensatory and punitive damages) and 3 sought over $10.0 million in total damages (which includes compensatory and punitive damages). Solely with respect to compensatory damages, 30 of the 40 claims sought between $50,000 and $600,000, 7 sought between $1.0 million and $5.0 million and 3 sought over $5.0 million. Solely with respect to punitive damages, 28 of the 40 claims sought between $1.0 and $2.5 million, 9 sought between $2.5 million and $5.0 million and 3 sought over $5.0 million. In addition, relatively few of the claims have reached the discovery stage and even fewer claims have gone past the discovery stage.

Total settlement costs (exclusive of defense costs) for all such cases, some of which were filed over 20 years ago, have been approximately $5.8 million. All relief sought in the asbestos cases is monetary in nature. To date, approximately 50% 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 that there will to be a period within the next three years, prior to the commencement of coverage under this agreement and following exhaustion of the Company's primary insurance coverage, during which the Company likely 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 that these cases will have a material adverse effect on its financial position and results of operations or cash flows.

Metaldyne Corporation

Prior to June 6, 2002, the Company was wholly-owned by Metaldyne Corporation ("Metaldyne"). In connection with the reorganization between TriMas and Metaldyne in June 2002, TriMas assumed certain liabilities and obligations of Metaldyne, mainly comprised of contractual obligations to former TriMas employees, tax related matters, benefit plan liabilities and reimbursements to Metaldyne of normal course payments to be made on TriMas' behalf.

On January 11, 2007, Metaldyne merged into a subsidiary of Asahi Tec Corporation ("Asahi") whereby Metaldyne became a wholly-owned subsidiary of Asahi. In connection with the consummation of the merger, Metaldyne dividended the 4,825,587 shares of the Company's common stock that it owned on a pro rata basis to the holders of Metaldyne's common stock at the time of such dividend. As a result of the merger, Metaldyne and the Company were no longer related parties. In addition, as a result of the merger, it has been asserted that Metaldyne may be obligated to accelerate funding and payment of actuarially determined amounts owing to seven former Metaldyne executives under a supplemental executive

15. Commitments and Contingencies (Continued)

retirement plan ("SERP"). Under the stock purchase agreement between Metaldyne and Heartland Industrial Partners ("Heartland"), TriMas is required to reimburse Metaldyne, when billed, for its allocated portion of the amounts due to certain Metaldyne SERP participants, as defined. At December 31, 2010, TriMas has accrued an estimated liability to Metaldyne on its reported balance sheet of approximately $5.2 million. However, if Metaldyne is required to accelerate funding of the SERP liability, TriMas may be obligated to reimburse Metaldyne up to approximately $7.6 million, which could result in future charges to the Company's statement of operations of up to $2.4 million. The Company continues to review the validity of these assertions.

Additionally, on May 28, 2009, Metaldyne and its U.S. subsidiaries filed voluntary petitions in the United States Bankruptcy Court under Chapter 11 of the U.S. Bankruptcy Code. On February 23, 2010, the U.S. Bankruptcy Court confirmed the reorganization plan of Metaldyne and its U.S. subsidiaries. The Company is evaluating the impact of Metaldyne's reorganization plans on its estimated SERP obligations to Metaldyne.

Subject to certain limited exceptions, Metaldyne and TriMas retained separate liabilities associated with the respective businesses following the reorganization in June 2002. Accordingly, the Company will indemnify and hold Metaldyne harmless from all liabilities associated with TriMas and its subsidiaries and the respective operations and assets, whenever conducted, and Metaldyne will indemnify and hold harmless Heartland and TriMas harmless from all liabilities associated with Metaldyne and its subsidiaries (excluding TriMas and its subsidiaries) and their respective operations and assets, whenever conducted. In addition, TriMas agreed with Metaldyne to indemnify one another for its allocated share (42.01% with respect to TriMas and 57.99% with respect to Metaldyne) of liabilities not readily associated with either business, or otherwise addressed including certain costs related to other matters intended to effectuate other provisions of the agreement. These indemnification provisions survive indefinitely and are subject to a $50,000 deductible.

Ordinary Course Claims

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 is likely to have a material adverse effect on its financial position and results of operations or cash flows.

16. Related Parties

Heartland has the right to earn a fee not to exceed 1% of the transaction value for services provided in connection with certain future financings, acquisitions and divestitures by the Company, subject to the approval, on a case-by-case basis, by the disinterested members of the Company's Board of Directors. Heartland did not charge the Company any fees related to transaction services in 2010. During 2009, Heartland charged the Company approximately $2.9 million for services rendered in connection with the Company's debt refinancing activities.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Employee Benefit Plans

Pension and Profit-Sharing Benefits

The Company provides a defined contribution profit sharing plan for the benefit of substantially all the Company's domestic salaried and non-union hourly employees. The plan contains both contributory and noncontributory profit sharing arrangements, as defined. Aggregate charges included in the accompanying statement of operations under this plan for both continuing and discontinued operations were approximately $4.2 million, $4.2 million and $4.9 million in 2010, 2009 and 2008, respectively. The Company's foreign and union hourly employees participate in defined benefit pension plans.

Postretirement Benefits

The Company provides postretirement medical and life insurance benefits, none of which are pre-funded, for certain of its active and retired employees.

Plan Assets, Expenses and Obligations

Plan assets, expenses and obligations for pension and postretirement benefit plans disclosed herein include both continuing and discontinued operations.

Net periodic pension and postretirement benefit expense (income) recorded in the Company's statement of operations for defined benefit pension plans and postretirement benefit plans include the following components:

	Pension Benefit			Postretirement Benefit		
	2010	2009	2008	2010	2009	2008
	(dollars in thousands)					
Service cost	$ 600	$ 530	$ 470	$ —	$ —	$ 90
Interest cost	1,570	1,620	1,490	70	100	420
Expected return on plan assets	(1,570)	(1,610)	(1,560)	—	—	—
Amortization of prior-service cost	—	10	—	(270)	(260)	—
Settlement/curtailment gain	—	—	—	—	(90)	(1,600)
Amortization of net (gain)/loss	440	310	280	(50)	(30)	30
Net periodic benefit expense (income)	$ 1,040	$ 860	$ 680	$ (250)	$ (280)	$ (1,060)

In 2009, the Company settled obligations outstanding under certain of its postretirement benefit plans, resulting in the recognition of previously deferred gains of approximately $0.1 million. In 2008, the Company's post-retirement benefit obligation decreased approximately $4.1 million due to amendments and/or curtailments of certain of the Company's plans, resulting in recognition of an approximate $1.6 million gain.

The estimated net actuarial loss and prior service cost for the defined benefit pension and postretirement benefit plans that is expected to be amortized from accumulated other comprehensive income into net periodic benefit cost in 2011 is $0.4 million.

17. Employee Benefit Plans (Continued)

Actuarial valuations of the Company's defined benefit pension and postretirement plans were prepared as of December 31, 2010, 2009 and 2008. Weighted-average assumptions used in accounting for the U.S. defined benefit pension plans and postretirement benefit plans are as follows:

	Pension Benefit			Postretirement Benefit		
	2010	2009	2008	2010	2009	2008
Discount rate for obligations	5.500%	6.125%	6.375%	4.66%	5.25%	6.650%
Discount rate for benefit costs	6.125%	6.375%	6.75%	5.25%	6.65%	6.375%
Rate of increase in compensation levels	N/A	N/A	N/A	N/A	N/A	N/A
Expected long-term rate of return on plan assets	8.00%	8.25%	8.50%	N/A	N/A	N/A

The Company utilizes a high-quality (Aa) corporate bond yield curve as the basis for its domestic discount rate for its pension and postretirement benefit plans. Management believes this yield curve removes the impact of including increased required corporate bond yields (potentially considered in the above-median curve) resulting from the economic downturn in 2008 and 2009 that do not necessarily reflect the general trend in high-quality interest rates.

Actuarial valuations of the Company's non-U.S. defined benefit pension plans were prepared as of December 31, 2010, 2009 and 2008. Weighted-average assumptions used in accounting for the non-U.S. defined benefit pension plans are as follows:

	Pension Benefit		
	2010	2009	2008
Discount rate for obligations	5.50%	5.90%	6.70%
Discount rate for benefit costs	5.90%	6.70%	5.80%
Rate of increase in compensation levels	4.00%	4.20%	4.15%
Expected long-term rate of return on plan assets	7.00%	7.30%	8.55%

The following provides a reconciliation of the changes in the Company's defined benefit pension and postretirement benefit plans' projected benefit obligations and fair value of assets for each of the years ended December 31, 2010 and 2009 and the funded status as of December 31, 2010 and 2009:

	Pension Benefit		Postretirement Benefit	
	2010	2009	2010	2009
	(dollars in thousands)			
Changes in Projected Benefit Obligations				
Benefit obligations at January 1	$ (27,250)	$ (24,500)	$ (1,500)	$ (1,830)
Service cost	(600)	(530)	—	—
Interest cost	(1,570)	(1,620)	(70)	(100)
Participant contributions	(40)	(50)	(10)	—
Actuarial gain (loss)	(2,430)	(1,300)	340	240
Benefit payments	1,750	1,830	140	100
Curtailment/terminations	—	—	—	90
Change in foreign currency	290	(1,080)	—	—
Projected benefit obligations at December 31	$ (29,850)	$ (27,250)	$ (1,100)	$ (1,500)
Accumulated benefit obligations at December 31	$ (27,530)	$ (26,460)	$ (1,100)	$ (1,500)

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Employee Benefit Plans (Continued)

	Pension Benefit		Postretirement Benefit	
	2010	2009	2010	2009
	(dollars in thousands)			
Changes in Plan Assets				
Fair value of plan assets at January 1	$ 17,990	$ 15,110	$ —	$ —
Actual return on plan assets	2,130	1,960	—	—
Employer contributions	1,890	1,640	130	100
Participant contributions	40	50	10	—
Benefit payments	(1,750)	(1,830)	(140)	(100)
Change in foreign currency	(150)	1,060	—	—
Fair value of plan assets at December 31	$ 20,150	$ 17,990	$ —	$ —

	Pension Benefit		Postretirement Benefit	
	2010	2009	2010	2009
	(dollars in thousands)			
Funded Status				
Plan assets less than projected benefits at December 31	$ (9,700)	$ (9,250)	$ (1,100)	$ (1,500)
Unrecognized prior-service cost	150	170	(1,800)	(2,070)
Unrecognized net loss/(gain)	12,800	11,380	(680)	(390)
Net asset (liability) recognized at December 31	$ 3,250	$ 2,300	$ (3,580)	$ (3,960)

	Pension Benefit		Postretirement Benefit	
	2010	2009	2010	2009
	(dollars in thousands)			
Components of the Net Asset Recognized				
Prepaid benefit cost	$ 970	$ 940	$ —	$ —
Current liabilities	(390)	(390)	(190)	(470)
Noncurrent liabilities	(10,280)	(9,800)	(910)	(1,030)
Accumulated other comprehensive loss	12,950	11,550	(2,480)	(2,460)
Net asset (liability) recognized at December 31	$ 3,250	$ 2,300	$ (3,580)	$ (3,960)

	Pension Benefit		Postretirement Benefit	
	2010	2009	2010	2009
	(dollars in thousands)			
Plans with Benefit Obligation Exceeding Plan Assets				
Benefit obligation	$ (28,190)	$ (25,620)	$ (1,100)	$ (1,500)
Plan assets	17,630	15,490	—	—
Benefit obligation in excess of plan assets	$ (10,560)	$ (10,130)	$ (1,100)	$ (1,500)

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. Employee Benefit Plans (Continued)

The assumptions regarding discount rates and expected return on plan assets can have a significant impact on amounts reported for benefit plans. A 25 basis point change in benefit obligation discount rates or 50 basis point change in expected return on plan assets would have the following affect:

	December 31, 2010 Benefit Obligation		2010 Expense	
	Pension	Postretirement Benefit	Pension	Postretirement Benefit
	(dollars in thousands)			
Discount rate				
25 basis point increase	$ (870)	$ (20)	$ (70)	$ —
25 basis point decrease	900	20	70	—
Expected return on assets				
50 basis point increase	N/A	N/A	$ (110)	N/A
50 basis point decrease	N/A	N/A	110	N/A

The Company expects to make contributions of approximately $2.3 million to fund its pension plans and $0.2 million to fund its postretirement benefit payments during 2011.

Plan Assets

The Company's overall investment goal is to provide for capital growth with a moderate level of volatility by investing assets in targeted allocation ranges. Specific long term investment goals include total investment return, diversity to reduce volatility and risk, and to achieve an asset allocation profile that reflects the general nature and sensitivity of the plans' liabilities. Investment goals are established after a comprehensive review of current and projected financial statement requirements, plan assets and liability structure, market returns and risks as well as special requirements of the plans. The Company reviews investment goals and actual results annually to determine whether stated objectives are still relevant and the continued feasibility of achieving the objectives.

The actual weighted average asset allocation of the Company's domestic and foreign pension plans' assets at December 31, 2010 and 2009 and target allocations by class, were as follows:

	Domestic Pension			Foreign Pension		
		Actual			Actual	
	Target	2010	2009	Target	2010	2009
Equity securities	50%-70%	58%	57%	50%-60%	41%	39%
Debt securities	30%-50%	35%	38%	40%-50%	59%	61%
Cash	—	7%	5%	—	—%	—%
Total	100%	100%	100%	100%	100%	100%

Actual allocations to each asset vary from target allocations due to periodic investment strategy changes, market value fluctuations and the timing of benefit payments and contributions. Amounts allocated to equity securities typically comprise the largest percentage of the asset allocation as they are projected to have the greatest rate of return on a long-term basis. The expected long-term rate of return for both the domestic and foreign plans' total assets is based on the expected return of each of the above

17. Employee Benefit Plans (Continued)

categories, weighted based on the target allocation for each class. Actual allocation is reviewed regularly and rebalancing investments to their targeted allocation range is performed when deemed appropriate.

In managing the plan assets, the Company reviews and manages risk associated with the funded status risk, interest rate risk, market risk, liquidity risk and operational risk. Investment policies reflect the unique circumstances of the respective plans and include requirements designed to mitigate these risks by including quality and diversification standards.

The following table summarizes the level under the fair value hierarchy (see Note 3) that the Company's pension plan assets are measured on a recurring basis as of December 31, 2010:

	Total	Level 1	Level 2	Level 3
Equity Securities				
Investment funds	$ 7,930	$ 3,820	$ 4,110	$ —
Common stock	4,950	—	4,950	—
Fixed Income Securities				
Investment funds	3,400	—	3,400	—
Government bonds	1,100	1,100	—	—
Government agencies	780	780	—	—
Corporate bonds	920	920	—	—
Other[(a)]	410	40	370	—
Cash and Cash Equivalents				
Money market funds	70	70	—	—
Short term investment funds	590	—	590	—
Total	$ 20,150	$ 6,730	$ 13,420	$ —

(a) Comprised of mortgage-backed and asset backed securities.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

	Pension Benefit	Postretirement Benefit
	(dollars in thousands)	
December 31, 2011	$ 1,620	$ 190
December 31, 2012	1,780	110
December 31, 2013	1,830	80
December 31, 2014	1,890	80
December 31, 2015	1,950	70
Years 2016-2020	11,110	270

The assumed health care cost trend rate used for purposes of calculating the Company's postretirement benefit obligation in 2010 was 9.0% for pre-65 plan participants and 9.0% for post-65 plan

17. Employee Benefit Plans (Continued)

participants, decreasing to an ultimate rate in 2018 of 5.0%. A one-percentage point change in the assumed health care cost trend would have the following effects:

	One Percentage-Point Increase	One Percentage-Point Decrease
	(dollars in thousands)	
Effect on total service and interest cost	$ —	$ —
Effect on postretirement benefit obligation	70	(60)

18. Equity Awards

The Company maintains two long-term equity incentive plans, the TriMas Corporation 2006 Long Term Equity Incentive Plan (the "2006 Plan") and the 2002 Long Term Equity Incentive Plan (the "2002 Plan"). The 2006 Plan provides for the issuance of equity-based incentives in various forms for up to an aggregate of 2,435,877 shares of the Company's common stock, of which up to 500,000 shares may be granted as incentive stock options. The 2002 Plan provides for the issuance of equity-based incentives in various forms, of which a total of 1,786,123 shares have been approved for issuance. In general, stock options and stock appreciation rights have a fungible ratio of one-to-one (one granted option/appreciation right counts as one share against the aggregate available to issue) under both the 2002 Plan and the 2006 Plan, while other forms of equity grants, including restricted shares of common stock, have a fungible ratio of one-to-one under the 2002 Plan and two-to-one under the 2006 Plan. See below for details of awards by plan.

2006 Plan

In 2009, the Company granted 578,000 stock options to certain key employees and non-employee directors, each of which may be used to purchase one share of the Company's common stock. These stock options have a ten year life, vest ratably over three years from date of grant, have exercise prices ranging from $1.01 to $1.38 and had a weighted-average fair value at grant date of $0.47. The fair value of these options at the grant date was estimated using the Black-Scholes option pricing model using the following weighted-average assumptions: expected life of 6 years, risk-free interest rate of 2.01% and expected volatility of 40%.

Also in 2009, the Company offered certain employees the voluntary option to convert a portion of their performance based cash bonus into restricted stock awards. As a part of this offering, the Company granted 131,810 restricted shares of its common stock, which vest ratably over an approximate four month period from the date of grant, and are subject to a service condition that employee remains with the Company through the vesting period and performance conditions that are identical to the cash bonus criteria. For employees that elected this option, the Company made an additional grant to each employee totaling 57,810 restricted shares. This secondary grant vests ratably over an approximate sixteen month period and is subject to the same performance conditions as the restricted shares converted from the cash bonus and requires the employee to remain with the Company through the vesting period. The performance conditions assumed in these restricted stock grants were met as of December 31, 2009. As of the date of grant, the Company reclassified accrued liabilities of approximately $0.5 million related to cash compensation expense recognized prior to the date of grant to paid in capital, as the amount was to be paid in restricted shares of stock rather than in cash.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

18. Equity Awards (Continued)

In 2008, the Company granted 391,000 restricted shares of its common stock to certain employees, which vest ratably over three years from date of grant but are contingent upon certain service and performance conditions. Of the 391,000 restricted shares granted, 111,500 shares are subject to a service provision, where the only condition to the share vesting is that the employee remains with the Company for the vesting period. The remaining 279,500 shares granted were subject to both a service provision (same as above) and a performance provision. These shares were to vest in the same manner as the service provision grants only if the Company attained and/or exceeds a certain EBITDA target for the year ended December 31, 2008, or would otherwise be cancelled. The Company did not meet or exceed this EBITDA target, resulting in the cancellation of all outstanding restricted shares containing the performance provision.

Information related to stock options at December 31, 2010 is as follows:

	Number of Stock Options	Weighted Average Option Price	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2010	554,000	$ 1.14		
Granted	—	—		
Exercised	(10,666)	1.01		
Cancelled	—	—		
Outstanding at December 31, 2010	543,334	$ 1.15	8.1	$ 10,493,850

As of December 31, 2010, 173,998 stock options were exercisable under the 2006 Plan. In addition, the fair value of options which vested during the years ended December 31, 2010 and 2009 was $0.1 million and $0 million, respectively. As of December 31, 2010 and 2009, there was approximately $40 thousand and $0.1 million, respectively, of unrecognized compensation cost related to stock options that is expected to be recorded over a weighted-average period of 1.0 years and 1.5 years, respectively.

In 2010, the Company granted 50,000 restricted shares of common stock. These restricted shares are subject only to a service condition, vesting ratably over three years so long as the employee remains with the Company.

Information related to restricted shares at December 31, 2010 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, 2010	251,937	$ 5.99		
Granted	50,000	11.26		
Vested	(172,313)	6.16		
Cancelled	(2,296)	8.80		
Outstanding at December 31, 2010	127,328	$ 7.78	1.1	$ 2,605,130

18. Equity Awards (Continued)

As of December 31, 2010 and 2009, there was approximately $0.5 million and $0.9 million, respectively, of unrecognized compensation cost related to unvested restricted shares that is expected to be recorded over a weighted-average period of 0.8 years and 0.6 years, respectively.

The Company recognized stock-based compensation expense of approximately $1.0 million, $0.4 million and $0.9 million for the years ended December 31, 2010, 2009 and 2008, respectively. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying statement of operations.

2002 Plan

In 2010, the Company granted 97,870 stock options to certain key employees, each of which may be used to purchase one share of the Company's common stock. These stock options have a ten year life, vest ratably over three years from date of grant, have an exercise price of $6.09 and had a weighted-average fair value at grant date of $2.60. The fair value of these options at the grant date was estimated using the Black-Scholes option pricing model using the following weighted-average assumptions: expected life of 6 years, risk-free interest rate of 2.7% and expected volatility of 40%.

In 2009, the Company granted 552,500 stock options to certain employees, each of which may be used to purchase one share of the Company's common stock. These stock options have a ten year life, vest ratably over three years from date of grant, have exercise prices ranging from $1.01 to $1.61 and had a weighted-average fair value at grant date of $0.43. The fair value of these options at the grant date was estimated using the Black-Scholes option pricing model using the following weighted-average assumptions: expected life of 6 years, risk-free interest rate of 2.22% and expected volatility of 40%.

Information related to stock options at December 31, 2010 is as follows:

	Number of Options	Weighted Average Option Price	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2010	1,285,344	$ 13.45		
Granted	97,870	6.09		
Exercised	(113,617)	1.03		
Cancelled	(70,845)	7.74		
Outstanding at December 31, 2010	1,198,752	$ 14.37	5.3	$ 8,398,880

As of December 31, 2010, 751,184 stock options were exercisable under the 2002 Plan. In addition, the fair value of options which vested during the years ended December 31, 2010 and 2009 was $0.1 million and $0.3 million, respectively. As of each period ended December 31, 2010 and 2009, there was approximately $0.1 million of unrecognized compensation cost related to stock options that is expected to be recorded over a weighted-average period of 0.9 years and 1.4 years respectively.

In 2010, the Company granted 78,090 restricted shares of common stock to certain employees. These restricted shares are subject only to a service condition, vesting ratably over three years so long as the employee remains with the Company.

18. Equity Awards (Continued)

In 2009, the Company offered certain employees the voluntary option to convert a portion of their performance based cash bonus into restricted stock awards. As a part of this offering, the Company granted 85,010 restricted shares of its common stock, which vest ratably over an approximate four month period from the date of grant, and are subject to a service condition that employee remains with the Company through the vesting period and performance conditions that are identical to the cash bonus criteria. For employees that elected this option, the Company made an additional grant to each employee totaling 45,030 restricted shares. This secondary grant vests ratably over an approximate sixteen month period and is subject to the same performance conditions as the restricted shares converted from the cash bonus and requires the employee to remain with the Company through the vesting period. The performance conditions assumed in these restricted stock grants were met as of December 31, 2009. As of the date of grant, the Company reclassified accrued liabilities of approximately $0.3 million related to cash compensation expense recognized prior to the date of grant to paid in capital, as the amount was to be paid in restricted shares of stock rather than in cash.

Information related to restricted shares at December 31, 2010 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, 2010	126,950	$ 5.20		
Granted	78,090	6.09		
Vested	(82,960)	5.20		
Cancelled	(190)	5.20		
Outstanding at December 31, 2010	121,890	$ 5.77	1.5	$ 2,493,870

As of December 31, 2010 and 2009, there was approximately $0.3 million and $0.5 million, respectively, of unrecognized compensation cost related to unvested restricted shares that is expected to be recorded over a weighted-average period of 1.4 years and 0.6 years, respectively.

The Company recognized stock-based compensation expense of approximately $1.2 million, $0.2 million and $0.1 million for the years ended December 31, 2010, 2009 and 2008, respectively. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying statement of operations.

19. 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.

Effective October 1, 2010, the Company realigned its reportable segments to be consistent with its current operating structure and strategic priorities. As a result of this realignment, the Company has increased the number of reportable segments from five to six. The Company's Packaging and Aerospace & Defense reportable segments remain unchanged. However, the Company's Arrow Engine operating segment, previously within the Energy reportable segment, has been moved to the Engineered Components reportable segment. In addition, the previous Cequent reportable segment has been split into

19. Segment Information (Continued)

two reportable segments, with the Company's Cequent Performance Products and Cequent Consumer Products operating segments comprising the new Cequent North America reportable segment, and the Company's Cequent Asia Pacific operating segment becoming a separate reportable segment. The change in reportable segments has been applied retroactively and comparative figures have been adjusted accordingly.

The Company considers its Engineered Components reportable segment to be an "all other" segment as allowed in the authoritative accounting literature, which is permissible so long as the operating segments within this reportable segment do not meet certain quantitative thresholds related to net sales, total assets and income as a percentage of the respective consolidated totals and so long as the net sales reported in the other reportable segments, on a gross basis, exceeds 75% of total Company net sales.

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—Steel and plastic closure caps, drum enclosures, rings and levers, and dispensing systems for industrial and consumer markets.

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

Aerospace & Defense—Highly engineered specialty fasteners and screws for the commercial and military aerospace industries and military munitions components for the defense industry.

Engineered Components—High-pressure and low-pressure cylinders for the transportation, storage and dispensing of compressed gases, natural gas engines, compressors, gas production equipment and chemical pumps engineered at well sites for the oil and gas industry, specialty fittings for the automotive industry, precision cutting instruments for the medical industry and specialty precision tools such as center drills, cutters, end mills and countersinks for the industrial metal-working market.

Cequent Asia Pacific & Cequent North America—Custom-engineered towing, trailering and electrical products including trailer couplers, winches, jacks, trailer brakes and brake control solutions, lighting accessories and roof racks for the recreational vehicle, agricultural/utility, marine, automotive and commercial trailer markets, functional vehicle accessories and cargo management solutions including vehicle hitches and receivers, sway controls, weight distribution and fifth-wheel hitches, hitch-mounted accessories, and other accessory components.

The Company's management uses Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") as a primary indicator of financial operating performance and as a measure of cash generating capability. Adjusted EBITDA is defined as net income (loss) before cumulative effect of accounting change and before interest, taxes, depreciation, amortization, debt extinguishment costs, non-cash asset and goodwill impairment charges and write-offs and non-cash losses on sale-leaseback of property and equipment. For purposes of this Note, the Company defines operating net assets as total assets less current liabilities.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Segment Information (Continued)

Segment activity is as follows:

	Year ended December 31, 2010	2009	2008
	(dollars in thousands)		
Net Sales			
Packaging	$ 171,170	$ 145,060	$ 161,330
Energy	129,100	111,520	132,760
Aerospace & Defense	73,930	74,420	95,300
Engineered Components	153,190	99,700	200,040
Cequent Asia Pacific	75,990	63,930	65,600
Cequent North America	339,270	309,020	358,790
Total	$ 942,650	$ 803,650	$ 1,013,820
Impairment Charges			
Packaging	$ —	$ —	$ 62,490
Energy	—	—	—
Aerospace & Defense	—	—	—
Engineered Components	—	—	19,180
Cequent Asia Pacific	—	—	14,950
Cequent North America	—	—	70,490
Total	$ —	$ —	$ 167,110
Operating Profit (Loss)			
Packaging	$ 48,710	$ 33,050	$ (31,200)
Energy	14,700	11,140	17,650
Aerospace & Defense	18,090	21,770	31,850
Engineered Components	17,400	4,600	9,950
Cequent Asia Pacific	12,050	7,990	(9,960)
Cequent North America	27,840	(3,160)	(65,470)
Corporate expenses	(24,710)	(25,480)	(22,160)
Total	$ 114,080	$ 49,910	$ (69,340)
Capital Expenditures			
Packaging	$ 5,200	$ 4,190	$ 5,890
Energy	3,660	1,270	3,060
Aerospace & Defense	1,850	1,550	5,720
Engineered Components	4,330	3,650	8,080
Cequent Asia Pacific	3,530	750	2,240
Cequent North America	3,100	2,530	2,770
Corporate	230	80	100
Total	$ 21,900	$ 14,020	$ 27,860

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Segment Information (Continued)

	Year ended December 31, 2010	2009	2008
	(dollars in thousands)		
Depreciation and Amortization			
Packaging	$ 12,640	$ 13,330	$ 13,780
Energy	1,960	1,860	1,840
Aerospace & Defense	2,330	2,260	1,960
Engineered Components	4,730	4,110	3,840
Cequent Asia Pacific	2,820	2,590	2,710
Cequent North America	13,110	17,140	15,700
Corporate	120	110	100
Total	$ 37,710	$ 41,400	$ 39,930
Operating Net Assets			
Packaging	$ 264,870	$ 259,890	$ 271,780
Energy	104,270	74,260	82,820
Aerospace & Defense	71,300	71,760	77,880
Engineered Components	77,240	66,010	80,540
Cequent Asia Pacific	32,570	18,030	22,940
Cequent North America	141,910	151,390	202,000
Corporate	17,570	5,410	(28,280)
Subtotal from continuing operations	709,730	646,750	709,680
Discontinued operations	—	3,180	30,690
Total operating net assets	709,730	649,930	740,370
Current liabilities	214,430	175,850	189,850
Consolidated assets	$ 924,160	$ 825,780	$ 930,220
Adjusted EBITDA			
Packaging	$ 60,530	$ 45,730	$ 45,030
Energy	16,640	13,120	19,390
Aerospace & Defense	20,420	24,030	33,810
Engineered Components	22,540	8,740	33,040
Cequent Asia Pacific	14,800	12,170	7,350
Cequent North America	40,580	13,110	20,960
Corporate income (expenses)	(24,820)	2,050	(20,280)
Subtotal from continuing operations	150,690	118,950	139,300
Discontinued operations	6,150	(15,360)	(2,940)
Total	$ 156,840	$ 103,590	$ 136,360

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Segment Information (Continued)

The following is a reconciliation of the Company's Adjusted EBITDA to net income (loss):

	Year ended December 31, 2010	2009	2008
	(dollars in thousands)		
Net income (loss)	$ 45,270	$ (220)	$ (136,190)
Income tax expense (benefit)[a]	21,450	(520)	(12,610)
Interest expense[b]	52,380	45,720	55,920
Debt extinguishment costs	—	11,400	140
Impairment of property and equipment[c]	—	2,340	500
Impairment of goodwill and indefinite-lived intangible assets[d]	—	930	184,530
Depreciation and amortization[e]	37,740	43,940	44,070
Adjusted EBITDA, total company	$ 156,840	$ 103,590	$ 136,360
Adjusted EBITDA, discontinued operations	6,150	(15,360)	(2,940)
Adjusted EBITDA, continuing operations	$ 150,690	$ 118,950	$ 139,300

(a) Includes income tax expense (benefit) of approximately $2.2 million, ($8.9 million) and ($13.1 million) recorded in 2010, 2009 and 2008, respectively, related to discontinued operations. See Note 5, "Discontinued Operations and Assets Held for Sale" to the financial statements attached hereto for further information.

(b) Includes interest expense related to discontinued operations in the amounts of $0.6 million, $0.7 million and $0.2 million in 2010, 2009 and 2008, respectively.

(c) Includes asset impairments related to discontinuing operations of approximately $2.3 million in 2009.

(d) Includes goodwill and indefinite-lived intangible asset impairment charges of $0.9 million and $15.5 million related to discontinued operations in 2009 and 2008, respectively.

(e) Includes depreciation and amortization related to discontinued operations in the amounts of $0.03 million, $3.5 million and $6.5 million in 2010, 2009 and 2008, respectively.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. Segment Information (Continued)

The following table presents the Company's revenues for each of the years ended December 31 and operating net assets at each year ended December 31, attributed to each subsidiary's continent of domicile. Other than Australia, there was no single non-U.S. country for which net sales and net assets were material to the combined net sales and net assets of the Company taken as a whole.

	As of December 31,					
	2010		2009		2008	
	Net Sales	Operating Net Assets	Net Sales	Operating Net Assets	Net Sales	Operating Net Assets
	(dollars in thousands)					
Non-U.S.						
Europe	$ 61,990	$ 68,470	$ 53,270	$ 64,240	$ 59,840	$ 60,770
Australia	75,730	27,320	63,500	24,380	65,740	19,540
Asia	3,740	26,450	3,200	23,000	2,260	19,120
South America	—	(30)	—	(40)	—	10
Other North America	24,150	29,650	22,460	18,870	41,830	14,510
Total non-U.S	165,610	151,860	142,430	130,450	169,670	113,950
U.S.						
Continuing operations	777,040	557,870	661,220	512,100	844,150	595,730
Discontinued operations[a]	—	—	—	3,180	—	30,690
Total U.S.	777,040	557,870	661,220	515,280	844,150	626,420
Total Company	$ 942,650	$ 709,730	$ 803,650	$ 645,730	$ 1,013,820	$ 740,370

(a) See Note 5, "Discontinued Operations and Assets Held for Sale."

The Company's export sales approximated $96.0 million, $76.1 million and $122.2 million in 2010, 2009 and 2008, respectively.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Income Taxes

The Company's income (loss) before income taxes and income tax expense for continuing operations, each by tax jurisdiction, consisted of the following;

	Year ended December 31, 2010	2009	2008
	(dollars in thousands)		
Income (loss) before income taxes:			
Domestic	$ 34,700	$ 2,820	$ (91,500)
Foreign	26,450	18,260	(32,100)
Total income (loss) before income taxes	$ 61,150	$ 21,080	$ (123,600)
Current income tax expense:			
Federal	$ 950	$ 310	$ 450
State and local	180	320	350
Foreign	8,800	5,320	6,120
Total current income tax expense	9,930	5,950	6,920
Deferred income tax expense (benefit):			
Federal	11,520	5,790	(3,670)
State and local	(1,280)	(3,710)	(290)
Foreign	(920)	320	(2,490)
Total deferred income tax expense (benefit)	9,320	2,400	(6,450)
Income tax expense	$ 19,250	$ 8,350	$ 470

The components of deferred taxes at December 31, 2010 and 2009 are as follows:

	2010	2009
	(dollars in thousands)	
Deferred tax assets:		
Accounts receivable	$ 2,010	$ 2,440
Inventories	8,020	7,200
Accrued liabilities and other long-term liabilities	28,470	28,250
Tax loss and credit carryforwards	20,850	31,430
Gross deferred tax asset	59,350	69,320
Valuation allowances	(3,360)	(6,120)
Net deferred tax asset	55,990	63,200
Deferred tax liabilities:		
Property and equipment	(22,210)	(14,640)
Goodwill and other intangible assets	(59,800)	(61,500)
Other, principally deferred income	(3,360)	(5,330)
Gross deferred tax liability	(85,370)	(81,470)
Net deferred tax liability	$ (29,380)	$ (18,270)

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Income Taxes (Continued)

The following is a reconciliation of income tax expense computed at the U.S. federal statutory rate to income tax expense allocated to income (loss) from continuing operations before income taxes (in thousands):

	2010	2009	2008
U.S. federal statutory rate	35%	35%	35%
Tax at U.S. federal statutory rate	$ 21,400	$ 7,380	$ (43,260)
State and local taxes, net of federal tax benefit	740	(2,200)	260
Differences in statutory foreign tax rates	(1,720)	(390)	(680)
Goodwill impairment and adjustments	—	1,120	43,920
Controlled foreign corporation income	110	180	2,290
Non-deductible expenses	290	260	350
Net valuation allowance	(1,300)	1,660	(2,870)
Other, net	(270)	340	460
Income tax expense	$ 19,250	$ 8,350	$ 470

As of December 31, 2010, the Company has unused U.S. federal net operating loss ("NOL") carryforwards of approximately $37.7 million. These NOL carryforwards expire between the years of 2025 and 2027. In addition, the Company has recorded a deferred tax asset of $4.0 million related to various state operating loss carryforwards. The majority of the state tax loss carryforwards expire between 2022 - 2027.

The Company has recorded valuation allowances of $3.4 million and $6.1 million as of December 31, 2010 and 2009, respectively, against certain deferred tax assets. The decrease during 2010 is primarily due to the release of valuation allowances related to state operating loss carryforwards. Of the total decrease, $1.2 million is due to the Company's judgment that, based on recent improved earnings trends, the unutilized net operating loss carryforward will be fully used in advance of the statutory expiration. Based on expected future taxable income due to the reversal of existing U.S. federal deferred tax liabilities, the Company believes it is more likely than not that all of the U.S. federal deferred tax assets will be realized.

In general, it is the practice and intention of the Company to reinvest the earnings of its non-U.S. subsidiaries in those operations. As of December 31, 2010, the Company has not made a provision for U.S. or additional foreign withholding taxes on approximately $135.0 million of undistributed earnings of foreign subsidiaries that are considered to be permanently reinvested. Generally, such amounts become subject to U.S. taxation upon remittance of dividends and under certain other circumstances. It is not practicable to estimate the amount of deferred tax liability related to investments in these foreign subsidiaries.

Unrecognized tax benefits

The Company has approximately $11.7 million and $6.5 million of unrecognized tax benefits ("UTB's") as of December 31, 2010 and 2009, respectively. If the unrecognized tax benefits were recognized, the impact to the Company's effective tax rate would be to reduce reported income tax expense for the years ended December 31, 2010 and 2009 approximately $9.7 million and $4.9 million, respectively.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. Income Taxes (Continued)

A reconciliation of the change in the UTB's and related accrued interest and penalties for the years ended December 31, 2010 and 2009 is as follows (in thousands):

	Unrecognized Tax Benefits	Accrued Interest and Penalties
Balance at December 31, 2008	$ 7,320	$ 940
Tax positions related to current year:		
Additions	—	80
Tax positions related to prior years:		
Additions	100	10
Reductions	(470)	—
Settlements	(180)	(40)
Lapses in the statutes of limitations	(320)	(130)
Balance at December 31, 2009	$ 6,450	$ 860
Tax positions related to current year:		
Additions	490	150
Tax positions related to prior years:		
Additions	5,670	1,630
Reductions	—	—
Settlements	(30)	(10)
Lapses in the statutes of limitations	(910)	(660)
Balance at December 31, 2010	$ 11,670	$ 1,970

The increase in UTB's and estimated liabilities for interest and penalties for tax positions related to prior years is primarily due to the Company's business acquisitions during 2010. In addition, the Company recorded an indemnification asset for a majority of the acquired UTB's and corresponding interest and penalties.

The Company is subject to U.S. federal, state and local, and certain non-U.S. income tax examinations for tax years 2002 through 2010. There are currently two foreign income tax examinations in process. The Company does not believe that the results of these examinations will have a significant impact on the Company's tax position or its effective tax rate.

Management monitors changes in tax statutes and regulations and the issuance of judicial decisions to determine the potential impact to unrecognized tax benefits and is not aware of, nor does it anticipate, any material subsequent events that could have a significant impact on the Company's financial position during the next twelve months.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Summary Quarterly Financial Data

	As of December 31, 2010			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(unaudited, dollars in thousands)			
Net sales	$ 220,060	$ 252,060	$ 247,880	$ 222,650
Gross profit	63,060	78,310	74,490	64,490
Income from continuing operations	5,750	15,220	12,760	8,170
Income (loss) from discontinued operations, net of income taxes	(320)	6,210	(40)	(2,480)
Net income	5,430	21,430	12,720	5,690
Earnings (loss) per share—basic:				
Continuing operations	$ 0.17	$ 0.45	$ 0.38	$ 0.24
Discontinued operations, net of income taxes	(0.01)	0.18	—	(0.07)
Net income per share	$ 0.16	$ 0.63	$ 0.38	$ 0.17
Weighted average shares—basic	33,569,677	33,794,647	33,827,939	33,852,165
Earnings (loss) per share—diluted:				
Continuing operations	$ 0.17	$ 0.44	$ 0.37	$ 0.23
Discontinued operations, net of income taxes	(0.01)	0.18	—	(0.07)
Net income per share	$ 0.16	$ 0.62	$ 0.37	$ 0.16
Weighted average shares—diluted	34,314,020	34,437,418	34,512,820	34,561,391

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. Summary Quarterly Financial Data (Continued)

	As of December 31, 2009			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(unaudited, dollars in thousands)			
Net sales	$ 201,720	$ 207,870	$ 202,970	$ 191,090
Gross profit	46,460	50,180	58,200	53,980
Income (loss) from continuing operations	4,620	9,830	7,150	(8,870)
Loss from discontinued operations, net of income taxes	(8,300)	(840)	(1,320)	(2,490)
Net income (loss)	(3,680)	8,990	5,830	(11,360)
Earnings (loss) per share—basic:				
Continuing operations	$ 0.14	$ 0.29	$ 0.21	$ (0.26)
Discontinued operations, net of income taxes	(0.25)	(0.02)	(0.04)	(0.08)
Net income (loss) per share	$ (0.11)	$ 0.27	$ 0.17	$ (0.34)
Weighted average shares—basic	33,459,502	33,485,317	33,496,634	33,516,104
Earnings (loss) per share—diluted:				
Continuing operations	$ 0.14	$ 0.29	$ 0.20	$ (0.26)
Discontinued operations, net of income taxes	(0.25)	(0.02)	(0.04)	(0.08)
Net income (loss) per share	$ (0.11)	$ 0.27	$ 0.16	$ (0.34)
Weighted average shares—diluted	33,487,526	33,656,242	34,007,846	33,516,104

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements

Under an indenture dated December 29, 2009, TriMas Corporation, the parent company ("Parent"), issued $9^3/4$% senior secured notes due 2017 in a total principal amount of $250.0 million (face value). The net proceeds of the offering were used, together with other available cash, to repurchase the Company's outstanding $9^7/8$% senior subordinated notes due 2012 pursuant to a cash tender offer. The outstanding Notes are guaranteed by substantially all of the Company's domestic subsidiaries ("Guarantor Subsidiaries"). All of the Guarantor Subsidiaries are 100% owned by the Parent and their guarantee is full, unconditional, joint and several. The Company's non-domestic subsidiaries and TSPC, Inc. have not guaranteed the Notes ("Non-Guarantor Subsidiaries"). The Guarantor Subsidiaries have also guaranteed amounts outstanding under the Company's Credit Facility.

The accompanying supplemental guarantor condensed, consolidating financial information is presented using the equity method of accounting for all periods presented. Under this method, investments in subsidiaries are recorded at cost and adjusted for the Company's share in the subsidiaries' cumulative results of operations, capital contributions and distributions and other changes in equity. Elimination entries relate primarily to the elimination of investments in subsidiaries and associated intercompany balances and transactions.

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Balance Sheet
(Dollars in thousands)

	December 31, 2010				
	Parent	Guarantor	Non-Guarantor	Eliminations	Consolidated Total
Assets					
Current assets:					
Cash and cash equivalents	$ —	$ 15,070	$ 31,300	$ —	$ 46,370
Trade receivables, net	—	95,780	21,270	—	117,050
Receivables, intercompany	—	—	480	(480)	—
Inventories	—	137,110	24,190	—	161,300
Deferred income taxes	13,210	19,740	1,550	—	34,500
Prepaid expenses and other current assets	10	6,180	1,360	—	7,550
Total current assets	13,220	273,880	80,150	(480)	366,770
Investments in subsidiaries	336,930	136,480	—	(473,410)	—
Property and equipment, net	—	118,030	49,480	—	167,510
Goodwill	—	159,620	46,270	—	205,890
Intangibles and other assets	8,670	171,820	6,440	(2,940)	183,990
Total assets	$ 358,820	$ 859,830	$ 182,340	$ (476,830)	$ 924,160
Liabilities and Shareholders' Equity					
Current liabilities:					
Current maturities, long-term debt	$ —	$ 17,730	$ —	$ —	$ 17,730
Accounts payable, trade	—	101,440	26,860	—	128,300
Accounts payable, intercompany	—	480	—	(480)	—
Accrued liabilities	1,080	57,120	10,200	—	68,400
Total current liabilities	1,080	176,770	37,060	(480)	214,430
Long-term debt	245,420	231,500	—	—	476,920
Deferred income taxes	—	62,810	4,010	(2,940)	63,880
Other long-term liabilities	—	51,820	4,790	—	56,610
Total liabilities	246,500	522,900	45,860	(3,420)	811,840
Total shareholders' equity	112,320	336,930	136,480	(473,410)	112,320
Total liabilities and shareholders' equity	$ 358,820	$ 859,830	$ 182,340	$ (476,830)	$ 924,160

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Balance Sheet
(Dollars in thousands)

	December 31, 2009				
	Parent	Guarantor	Non-Guarantor	Eliminations	Consolidated Total
Assets					
Current assets:					
Cash and cash equivalents	$ —	$ 300	$ 9,180	$ —	$ 9,480
Trade receivables, net	—	76,720	16,660	—	93,380
Receivables, intercompany	—	—	3,550	(3,550)	—
Inventories	—	117,850	23,990	—	141,840
Deferred income taxes	5,400	23,450	870	(5,400)	24,320
Prepaid expenses and other current assets	80	4,820	1,600	—	6,500
Assets of discontinued operations held for sale	—	4,250	—	—	4,250
Total current assets	5,480	227,390	55,850	(8,950)	279,770
Investments in subsidiaries	270,370	107,170	—	(377,540)	—
Property and equipment, net	—	115,380	46,840	—	162,220
Goodwill	—	148,220	48,110	—	196,330
Intangibles and other assets	31,240	175,190	5,720	(24,690)	187,460
Total assets	$ 307,090	$ 773,350	$ 156,520	$ (411,180)	$ 825,780
Liabilities and Shareholders' Equity					
Current liabilities:					
Current maturities, long-term debt	$ —	$ 3,670	$ 12,520	$ —	$ 16,190
Accounts payable, trade	—	73,980	18,860	—	92,840
Accounts payable, intercompany	—	3,550	—	(3,550)	—
Accrued liabilities	130	56,000	9,620	—	65,750
Liabilities of discontinued operations	—	1,070	—	—	1,070
Total current liabilities	130	138,270	41,000	(3,550)	175,850
Long-term debt	244,980	253,380	—	—	498,360
Deferred income taxes	—	66,920	5,760	(30,090)	42,590
Other long-term liabilities	—	44,410	2,590	—	47,000
Total liabilities	245,110	502,980	49,350	(33,640)	763,800
Total shareholders' equity	61,980	270,370	107,170	(377,540)	61,980
Total liabilities and shareholders' equity	$ 307,090	$ 773,350	$ 156,520	$ (411,180)	$ 825,780

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Operations
(Dollars in thousands)

	Year ended December 31, 2010				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Net sales	$ —	$ 788,260	$ 198,230	$ (43,840)	$ 942,650
Cost of sales	—	(558,730)	(147,410)	43,840	(662,300)
Gross profit	—	229,530	50,820	—	280,350
Selling, general and administrative expenses	—	(141,200)	(23,530)	—	(164,730)
Loss on dispositions of property and equipment	—	(1,300)	(240)	—	(1,540)
Operating income	—	87,030	27,050	—	114,080
Other income (expense), net:					
Interest expense	(25,710)	(24,090)	(2,030)	—	(51,830)
Gain on bargain purchase	—	410	—	—	410
Other, net	—	(3,830)	2,320	—	(1,510)
Income (loss) before income tax (expense) benefit and equity in net income of subsidiaries	(25,710)	59,520	27,340	—	61,150
Income tax (expense) benefit	9,000	(19,260)	(8,990)	—	(19,250)
Equity in net income of subsidiaries	61,980	18,350	—	(80,330)	—
Income from continuing operations	45,270	58,610	18,350	(80,330)	41,900
Income from discontinued operations	—	3,370	—	—	3,370
Net income	$ 45,270	$ 61,980	$ 18,350	$ (80,330)	$ 45,270

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Operations
(Dollars in thousands)

	Year ended December 31, 2009				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Net sales	—	$ 669,760	$ 167,770	$ (33,880)	$ 803,650
Cost of sales	—	(505,510)	(123,200)	33,880	(594,830)
Gross profit	—	164,250	44,570	—	208,820
Selling, general and administrative expenses	(1,250)	(127,100)	(21,850)	—	(150,200)
Estimated future unrecoverable lease obligations	—	(5,250)	—	—	(5,250)
Fees incurred under advisory services agreement	—	(2,890)	—	—	(2,890)
Gain (loss) on dispositions of property and equipment	—	(820)	250	—	(570)
Operating income (loss)	(1,250)	28,190	22,970	—	49,910
Other income (expense), net:					
Interest expense	(28,880)	(15,150)	(1,040)	—	(45,070)
Gain (loss) on extinguishment of debt	19,170	(1,180)	—	—	17,990
Other, net	—	1,030	(2,780)	—	(1,750)
Income (loss) before income tax (expense) benefit and equity in net income of subsidiaries	(10,960)	12,890	19,150	—	21,080
Income tax (expense) benefit	3,840	(6,160)	(6,030)	—	(8,350)
Equity in net income of subsidiaries	6,900	13,120	—	(20,020)	—
Income (loss) from continuing operations	(220)	19,850	13,120	(20,020)	12,730
Loss from discontinued operations	—	(12,950)	—	—	(12,950)
Net income (loss)	$ (220)	$ 6,900	$ 13,120	$ (20,020)	$ (220)

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Operations
(Dollars in thousands)

	Year ended December 31, 2008				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Net sales	$ —	$ 862,120	$ 198,110	$ (46,410)	$ 1,013,820
Cost of sales	—	(646,430)	(150,430)	46,410	(750,450)
Gross profit	—	215,690	47,680	—	263,370
Selling, general and administrative expenses	—	(141,800)	(23,460)	—	(165,260)
Gain (loss) on dispositions of property and equipment	—	(590)	250	—	(340)
Impairment of assets	—	(500)	—	—	(500)
Impairment of goodwill and indefinite lived intangible assets	—	(117,900)	(48,710)	—	(166,610)
Operating loss	—	(45,100)	(24,240)	—	(69,340)
Other income (expense), net:					
Interest expense	(34,990)	(19,090)	(1,660)	—	(55,740)
Gain on extinguishment of debt	3,740	—	—	—	3,740
Other, net	—	2,940	(5,200)	—	(2,260)
Loss before income tax (expense) benefit and equity in net loss of subsidiaries	(31,250)	(61,250)	(31,100)	—	(123,600)
Income tax (expense) benefit	10,940	(8,500)	(2,910)	—	(470)
Equity in net loss of subsidiaries	(115,880)	(34,010)	—	149,890	—
Loss from continuing operations	(136,190)	(103,760)	(34,010)	149,890	(124,070)
Loss from discontinued operations	—	(12,120)	—	—	(12,120)
Net loss	$ (136,190)	$ (115,880)	$ (34,010)	$ 149,890	$ (136,190)

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22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Cash Flows
(Dollars in thousands)

	For the Year Ended December 31, 2010				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Cash Flows from Operating Activities:					
Net cash provided by (used for) operating activities	$ (25,910)	$ 80,820	$ 40,050	$ —	$ 94,960
Cash Flows from Investing Activities:					
Capital expenditures	—	(14,880)	(7,020)	—	(21,900)
Acquisition of businesses, net of cash acquired	—	(30,040)	(720)	—	(30,760)
Net proceeds from disposition of businesses and other assets	—	14,720	90	—	14,810
Net cash used for investing activities	—	(30,200)	(7,650)	—	(37,850)
Cash Flows from Financing Activities:					
Repayments of borrowings on term loan facilities	—	(2,600)	(12,060)	—	(14,660)
Proceeds from borrowings on revolving credit facilities	—	472,700	3,610	—	476,310
Repayments of borrowings on revolving credit facilities	—	(477,900)	(4,460)	—	(482,360)
Shares surrendered	(240)	—	—	—	(240)
Proceeds from stock options	130	—	—	—	130
Excess tax benefit on stock options	—	600	—	—	600
Intercompany transfers (to) from subsidiaries	26,020	(28,650)	2,630	—	—
Net cash provided by (used for) financing activities	25,910	(35,850)	(10,280)	—	(20,220)
Cash and Cash Equivalents:					
Increase for the period	—	14,770	22,120	—	36,890
At beginning of period	—	300	9,180	—	9,480
At end of period	$ —	$ 15,070	$ 31,300	$ —	$ 46,370

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Cash Flows
(Dollars in thousands)

	For the Year Ended December 31, 2009				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Cash Flows from Operating Activities:					
Net cash provided by (used for) operating activities	$ (28,060)	$ 72,820	$ 38,750	$ —	$ 83,510
Cash Flows from Investing Activities:					
Capital expenditures	—	(11,120)	(2,940)	—	(14,060)
Net proceeds from disposition of businesses and other assets	—	22,470	720	—	23,190
Net cash provided by (used for) investing activities	—	11,350	(2,220)	—	9,130
Cash Flows from Financing Activities:					
Repayments of borrowings on senior credit facilities	—	(2,600)	(7,970)	—	(10,570)
Proceeds from borrowings on revolving credit facilities	—	798,120	4,700	—	802,820
Repayments of borrowings on revolving credit facilities	—	(801,500)	(5,680)	—	(807,180)
Retirement of senior subordinated notes	(300,390)	—	—	—	(300,390)
Proceeds on borrowings on senior secured notes	244,980	—	—	—	244,980
Debt refinance fees and expenses	(11,450)	(5,280)	—	—	(16,730)
Intercompany transfers (to) from subsidiaries	94,920	(72,950)	(21,970)	—	—
Net cash provided by (used for) financing activities	28,060	(84,210)	(30,920)	—	(87,070)
Cash and Cash Equivalents:					
Increase (decrease) for the period	—	(40)	5,610	—	5,570
At beginning of period	—	340	3,570	—	3,910
At end of period	$ —	$ 300	$ 9,180	$ —	$ 9,480

TRIMAS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22. Supplemental Guarantor Condensed Combining and Consolidating Financial Statements (Continued)

Supplemental Guarantor
Condensed Financial Statements
Consolidated Statement of Cash Flows
(Dollars in thousands)

	For the Year Ended December 31, 2008				
	Parent	Guarantor	Non-Guarantor	Eliminations	Total
Cash Flows from Operating Activities:					
Net cash provided by (used for) operating activities	$ (33,340)	$ 43,440	$ 21,070	$ —	$ 31,170
Cash Flows from Investing Activities:					
Capital expenditures	—	(22,990)	(6,180)	—	(29,170)
Acquisition of businesses, net of cash acquired	—	(3,790)	(2,860)	—	(6,650)
Net proceeds from disposition of businesses and other assets	—	490	1,950	—	2,440
Net cash used for investing activities	—	(26,290)	(7,090)	—	(33,380)
Cash Flows from Financing Activities:					
Repayments of borrowings on senior credit facilities	—	(2,600)	(2,470)	—	(5,070)
Proceeds from borrowings on term loan facilities	—	—	490	—	490
Proceeds from borrowings on revolving credit facilities	—	568,640	8,350	—	576,990
Repayments of borrowings on revolving credit facilities	—	(560,500)	(6,470)	—	(566,970)
Retirement of senior subordinated notes	(4,120)	—	—	—	(4,120)
Intercompany transfers (to) from subsidiaries	37,460	(22,900)	(14,560)	—	—
Net cash provided by (used for) financing activities	33,340	(17,360)	(14,660)	—	1,320
Cash and Cash Equivalents:					
Decrease for the period	—	(210)	(680)	—	(890)
At beginning of period	—	550	4,250	—	4,800
At end of period	$ —	$ 340	$ 3,570	$ —	$ 3,910

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures

As of December 31, 2010, an evaluation was carried out by management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934, (the "Exchange Act")) pursuant to Rule 13a-15 of the Exchange Act. Our 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 December 31, 2010, the Company's disclosure controls and procedures are effective to provide reasonable assurance that they would meet their objectives.

Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for the preparation and fair presentation of the consolidated financial statements included in this annual report. The consolidated financial statements have been prepared in conformity with United States generally accepted accounting principles and reflect management's judgments and estimates concerning events and transactions that are accounted for or disclosed.

Management is also responsible for establishing and maintaining effective internal control over financial reporting. The Company's internal control over financial reporting includes those policies and procedures that pertain to the Company's ability to record, process, summarize, and report reliable financial data. Management recognizes that there are inherent limitations in the effectiveness of any internal control and effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Additionally, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

In order to ensure that the Company's internal control over financial reporting is effective, management regularly assesses such controls and did so most recently for its financial reporting as of December 31, 2010. Management's assessment was based on criteria for effective internal control over financial reporting described in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management asserts that the Company has maintained effective internal control over financial reporting as of December 31, 2010.

KPMG LLP, an independent registered public accounting firm, who audited the Company's consolidated financial statements, has also audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2010, as stated in their report below.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
TriMas Corporation:

We have audited TriMas Corporation's internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). TriMas Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's

Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, TriMas Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of TriMas Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2010, and our report dated February 28, 2011 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Detroit, Michigan
February 28, 2011

Changes in disclosure controls and procedures

There have been no changes in the Company's internal control over financial reporting during the quarter ended December 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The Board of Directors currently consists of six members serving three-year staggered terms. The Board of Directors is divided into three classes, each class consisting of one-third of the Company's directors. Class II directors' terms will expire at the 2011 Annual Meeting.

Director Background and Qualifications. The following sets forth the business experience during at least the past five years of each Director.

In addition, the following includes a brief discussion of the specific experience, qualifications, attributes and skills that led to the conclusion that the Directors and nominees should serve on the Board at this time. The Nominating and Corporate Governance Committee considers the experience, mix of skills and other qualities of the existing Board to ensure appropriate Board composition. The Nominating and Corporate Governance Committee believes that Directors must have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. In addition, it seeks to ensure the Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to the Company's business.

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

Richard M. Gabrys. Mr. Gabrys joined the Board in August 2006. Mr. Gabrys has extensive knowledge and expertise in financial reporting for publicly-held companies and accounting matters. Mr. Gabrys retired from Deloitte & Touche LLP in 2004 after 42 years, where he served a variety of publicly-held companies, financial services institutions, public utilities and health care entities. He was Vice Chairman of Deloitte's United States Global Strategic Client Group and served as a member of its Global Strategic Client Council. From January 2006 through August 2007, Mr. Gabrys served as the Interim Dean of the School of Business Administration of Wayne State University. From December 2004 through January 2008, Mr. Gabrys served on the Board of Dana Corporation. He is a member of the Board of Directors of CMS Energy Company, Massey Energy Company and La-Z-Boy Inc., and is the President and Chief Executive Officer of Mears Investments, L.L.C., a private family investment company. Mr. Gabrys holds a B.S. in Accounting from King's College and completed the Executive Program at Stanford University.

In addition to his professional background and prior Company Board experience, the Board of Directors concluded that Mr. Gabrys should serve as a director based on his leadership while serving as a partner and senior manager of a global accounting and auditing firm, the breadth of his experience in auditing, finance and other areas of oversight while serving as a member of the Boards of Directors of other significant corporations, and his subject matter expertise in finance, accounting, and Sarbanes-Oxley compliance.

Eugene A. Miller. Mr. Miller was elected as a director in January 2005. Mr. Miller has extensive knowledge and expertise in management, executive compensation and governance matters related to publicly-held companies. Mr. Miller is the retired Chairman and Chief Executive Officer of Comerica Incorporated and Comerica Bank, in which positions he served from 1993 to 2002. Mr. Miller held various positions of increasing responsibility at Comerica Incorporated and Comerica Bank (formerly The Detroit Bank) and rose to become Chairman, Chief Executive Officer and President of Comerica Incorporated (June 1993 through June 1999). He is also a director of DTE Energy Company since 1989 and Handleman Company since 2002. Mr. Miller holds a B.B.A. from the Detroit Institute of Technology.

In addition to his professional background and prior Company Board experience, the Board of Directors concluded that Mr. Miller should serve as a director based on the leadership qualities he developed from his experiences while serving as Chairman and Chief Executive Officer of Comerica, the scope of his experiences in executive compensation, risk management and corporate governance while serving as a member of the board of directors of other significant corporations, and his subject matter expertise in the areas of finance, executive management, and professional standards.

Daniel P. Tredwell. Mr. Tredwell was elected as one of the Company's directors in June 2002. Mr. Tredwell has extensive knowledge and expertise in financial and banking matters. Mr. Tredwell is the Managing Member, and one of the co-founders of Heartland Industrial Partners, L.P. ("Heartland"). Mr. Tredwell is also the Managing Member of CoveView Advisors LLC, an independent financial advisory firm, and Cove View Capital LLC, a credit opportunities investment fund. He has more than two decades of private equity and investment banking experience. Mr. Tredwell served as a Managing Director at Chase Securities Inc. (a predecessor of J.P. Morgan Securities, Inc.) until 1999 and had been with Chase Securities since 1985. Mr. Tredwell is also a director of Springs Industries, Inc., and Springs Global Participações S.A. From November 2000 to January 2010, Mr. Tredwell served on the Board of Metaldyne Corporation, and its successor, Asahi Tec Corporation of Japan. Mr. Tredwell holds a B.A. in Economics from Miami University and an M.B.A. in Finance from the Wharton School.

In addition to his professional background and prior Company Board experience, the Board of Directors concluded that Mr. Tredwell should serve as a director based on his leadership qualities developed from his service as a Managing Director of Chase Securities and the Managing Member of Heartland, the scope of his knowledge of the Company's global operations, the breadth of his experience in auditing, risk management, and corporate oversight while serving as a member of the Boards of Directors of other global corporations (including service as the chair of audit and compensation committees), and his subject matter expertise in finance, acquisitions and divestitures, economics, asset management, and business development.

Samuel Valenti III. Mr. Valenti was elected as Chairman of the Company's Board of Directors in June 2002 and served as Executive Chairman of the Company's Board from November 2005 through November 2008. Mr. Valenti remains Chairman of the Company's Board. Mr. Valenti has extensive knowledge and expertise in management of diversified manufacturing businesses and financial matters. He was employed by Masco Corporation from 1968 through March 2008. From 1988 through March 2008, Mr. Valenti was President and a member of the board of Masco Capital Corporation, and was Vice President-Investments of Masco Corporation from May 1974 to October 1998. Until November 2005, Mr. Valenti also served as a special advisor to Heartland Industrial Partners, L.P., and until July 2006, Mr. Valenti served as a director of Metaldyne Corporation. Mr. Valenti is currently Chairman of Valenti Capital LLC. Mr. Valenti holds a B.A. and Masters in Economics from Western Michigan University. Mr. Valenti is the former Chairman of the Investment Advisory Committee of the $50 billion State of Michigan retirement system and serves on the Harvard Business School Advisory Council. He also serves on the Advisory Council at the University of Notre Dame and the Advisory Board at the University of Michigan Business School Zell-Lurie Institute. Mr. Valenti is a member of Business Leaders for Michigan and serves as Chairman of the Renaissance Venture Capital Fund.

In addition to his professional background and prior Company Board experience, the Board of Directors concluded that Mr. Valenti should serve as a director based on his leadership experience as the Chairman of the Company's Board since 2002 and as an executive at Masco for forty years, the breadth of his experiences in finance, corporate governance, and other areas of oversight while serving as a member of the Board of Directors of other corporations and his subject matter expertise in the areas of finance, economics, and asset management.

David M. Wathen. Mr. Wathen was appointed as the Company's President and Chief Executive Officer and as a member of the Board on January 13, 2009. Mr. Wathen has extensive knowledge and experience in operational and management issues relevant to diversified manufacturing environments. He is currently a director and member of the Audit Committee and Corporate Governance Committee of Franklin Electric Co., Inc. From 2003 until 2007, Mr. Wathen was President and Chief Executive Officer of Balfour Beatty, Inc. (U.S. Operations), an engineering, construction and building management services company. Prior to his Balfour Beatty appointment in 2003, he served as a Principal Member of Questor, a private equity firm from 2000 to 2002. From 1977 to 2000, Mr. Wathen held management positions with General Electric, Emerson Electric, Allied Signal and Eaton Corporation. Mr. Wathen holds a B.S.M.E. in Engineering and an M.B.A. from Purdue University and an M.S.B.A. in Business Administration from St. Francis University.

In addition to his professional background and prior Company Board experience, the Board of Directors concluded that Mr. Wathen should serve as a director based on his years of operational and management experience in diversified manufacturing environments, his experience as a public-company director, his executive leadership experience, including with respect to the Company, and his subject matter expertise in the areas of engineering, production, and business development.

Marshall A. Cohen. Mr. Cohen was elected as one of the Company's directors in January 2005. Mr. Cohen has extensive knowledge and experience in management, governance and legal matters involving publicly-held companies. He is counsel to Cassels Brock & Blackwell LLP, a law firm based in Toronto, Canada, which he joined in 1996. Prior to joining that firm, Mr. Cohen served as president and chief executive officer of the Molson Companies Limited from 1988 to 1996. Mr. Cohen is a director of Barrick Gold Corporation, Broadpoint Gleacher Securities Group, Inc. and TD Ameritrade. From 1993 to 2008, Mr. Cohen was a director of AIG, Inc. Mr. Cohen holds a B.A. from the University of Toronto, a law degree from Osgoode Hall Law School and a Masters Degree in Law from York University.

In addition to his professional background and prior Company Board experience, the Board or Directors concluded that Mr. Cohen should serve as a director based on the breadth of his experience as a public company director, particularly with regard to governance, compliance and other areas of oversight, his legal experience and his subject matter expertise in areas of government affairs, corporate governance and corporate responsibility.

The Board of Directors and Committees

Since June 2002, the Company has separated the roles of the Board Chairman and Chief Executive Officer. The Board believes that separating these roles offers distinct benefits to the Company, including curtailing the potential for conflict of interest and facilitating objective Board evaluation of the Company's management. Mr. Valenti has served as Board Chairman since 2002 and has been an independent director since November 2008.

The table below sets forth the meeting information for the four standing committees of the Board for 2010:

Name	Audit	Compensation	Governance & Nominating	Executive
David M. Wathen	—	—	—	Chairman
Marshall A. Cohen	X	X	Chairman	—
Richard M. Gabrys	Chairman	X	X	—
Eugene A. Miller	X	Chairman	X	—
Daniel P. Tredwell	—	—	—	X
Samuel Valenti III	X	X	X	X

The Company's Board of Directors currently consists of six directors, divided into three classes so that, each class will consist of one-third of the Company's directors. The members of each class serve for staggered, three year terms. Upon the expiration of the term of a class of directors, directors in that class will be elected for three year terms at the Annual Meeting in the year in which their term expires. The table below sets forth the class in which director serves:

Board of Directors	Class
Richard M. Gabrys	Class II(1)
Eugene A. Miller	Class II(1)
Daniel P. Tredwell	Class III(2)
Samuel Valenti III	Class III(2)
David M. Wathen	Class I(3)
Marshall A. Cohen	Class I(3)

(1) Term expires at 2011 annual stockholder meeting.

(2) Term expires at 2012 annual stockholder meeting.

(3) Term expires at 2013 annual stockholder meeting.

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

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

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

Each of the directors on the Audit Committee is financially literate. The Board of Directors has determined that each of Messrs. Miller and Gabrys qualifies as an "audit committee financial expert" within the meaning of SEC regulations and that each member on the Audit Committee has the accounting and related financial management expertise required by the NASDAQ listing standards and that each is "independent" from management in accordance with NASDAQ listing standards and the Company's Corporate Governance Guidelines.

Compensation Committee. The Compensation Committee is responsible for developing and maintaining the Company's compensation strategies and policies including, (1) reviewing and approving the Company's overall executive and director compensation philosophy and the executive and director compensation programs to support the Company's overall business strategy and objectives, (2) overseeing the management continuity and succession planning process (except as otherwise within the scope of the Corporate Governance and Nominating Committee) with respect to the Company's officers, and (3) preparing any report on executive compensation required by the applicable rules and regulations of the SEC and other regulatory bodies.

The Compensation Committee is responsible for monitoring and administering the Company's compensation and employee benefit plans and reviewing, among other things, base salary levels, incentive awards and bonus awards for officers and key executives, and such other matters that are specifically delegated to the Compensation Committee by applicable law or regulation, or by the Board of Directors from time to time.

See "Compensation Discussion and Analysis." The Compensation Committee's charter is available on the Company's website, *www.trimascorp.com*, in the Corporate Governance subsection of the Investors page.

Executive Committee. The Executive Committee has the authority to exercise many of the functions of the full Board of Directors between meetings of the Board, however it excludes those matters which Delaware law or NASDAQ or SEC rules require to be within the purview of the Company's independent directors or which is otherwise in conflict with such laws or rules.

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

In recommending candidates to the Board, the Corporate Governance and Nominating Committee reviews the experience, mix of skills and other qualities of a nominee to assure appropriate Board composition after taking into account the current Board members and the specific needs of the Company and the Board. The Board looks for individuals who have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. The Corporate Governance and

Nominating Committee does not have a formal policy with respect to diversity; however, the Board and the Governance and Nominating Committee believe that it is essential that the Board members represent diverse viewpoints. As required by the NASDAQ, SEC or such other applicable regulatory requirements, a majority of the Board will be comprised of independent directors.

The Corporate Governance and Nominating Committee generally relies on multiple sources for identifying and evaluating nominees, including referrals from the Company's current directors and management. The Corporate Governance and Nominating Committee does not solicit director nominations, but will consider recommendations by shareholders with respect to elections to be held at an Annual Meeting, so long as such recommendations are sent on a timely basis to the Corporate Secretary of the Company and are in accordance with the Company's by-laws. The Corporate Governance and Nominating Committee will evaluate nominees recommended by shareholders against the same criteria. The Company did not receive any nominations of directors by shareholders for the 2011 Annual Meeting.

The Corporate Governance and Nominating Committee is also responsible for recommending to the Board appropriate Corporate Governance Guidelines applicable to the Company and overseeing governance issues.

The Corporate Governance and Nominating Committee's charter is available on the Company's website, *www.trimascorp.com*, in the Corporate Governance subsection of the Investors page.

Compensation Committee Interlocks and Insider Participation. No member of the Compensation Committee is an employee of the Company. Messrs. Cohen, Gabrys, Miller and Valenti are the current members of the Company's Compensation Committee. See "Transactions with Related Persons" for a summary of related person transactions involving Heartland.

Terms of Office. The Board has not established term limits for the directors. The Corporate Governance Guidelines provide that a thoughtful evaluation of director performance is the appropriate method of balancing the Board's needs for continuity, insight, new perspectives, fresh ideas, and other factors.

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

BOARD OF DIRECTORS RISK MANAGEMENT FUNCTIONS

As part of its oversight function, the Board monitors how management operates the Company, in part via its committee structure. When granting authority to management, approving strategies and receiving management reports, the Board considers, among other things, the risks and vulnerabilities the Company faces. The Audit Committee considers risk issues associated with the Company's overall financial reporting, disclosure process and legal compliance, as well as reviewing policies on risk control assessment and accounting risk exposure. In addition to its regularly scheduled meetings, the Audit Committee meets with the Vice President, Corporate Audit, and the independent registered public accounting firm in executive sessions at least quarterly, and with the General Counsel and Chief Compliance Officer as determined from time to time by the Audit Committee. Each of the Compensation Committee and the Governance and Nominating Committee considers risk issues associated with the substantive matters addressed by the committee.

Corporate Governance

The Board of Directors has adopted Corporate Governance Guidelines, a copy of which can be found at the Company's website, *www.trimascorp.com*, in the Corporate Governance subsection of the Investors page. These guidelines address, among other things, director responsibilities, qualifications (including independence), compensation and access to management and advisors. The Corporate Governance and Nominating Committee is responsible for overseeing and reviewing these guidelines and recommending any changes to the Board.

Code of Ethics. The Board has adopted a Code of Ethics and Business Conduct that applies to directors and all employees, including the Company's principal executive officer, principal financial officer, and other persons performing similar executive management functions. The code of ethics is posted on the Company's website in the Corporate Governance section. All amendments to the Company's code of ethics, if any, will be also posted on the Company's internet website, along with all waivers, if any, of the code of ethics involving senior officers.

The Company has filed with the SEC, as exhibits to its Quarterly Reports on Form10-Q for the quarters ended March 31, June 30 and September 30, 2010, respectively, and its Annual Report on Form 10-K for the year ended December 31, 2010, Certifications Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002.

A copy of the Company's committee charters, Corporate Governance Guidelines and Code of Ethics and Business Conduct will be sent to any shareholder, without charge, upon written request sent to the Company's executive offices: TriMas Corporation, Attention: Vice President, General Counsel and Corporate Secretary, 39400 Woodward Avenue, Suite 130, Bloomfield Hills, Michigan 48304.

Communicating with the Board

Any shareholder or interested party who desires to communicate with the Board or any specific director, including the Chairman, non-management directors, or committee members, may write to: TriMas Corporation, Attention: Board of Directors, 39400 Woodward Avenue, Suite 130, Bloomfield Hills, Michigan 48304.

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

- forward the communication to the director or directors to whom it is addressed (matters addressed to the Chairman of the Audit Committee will be forwarded unopened directly to the Chairman);
- attempt to handle the inquiry directly where the communication does not appear to require direct attention by the Board or an individual member, e.g., the communication is a request for information about the Company or is a stock-related matter; or
- not forward the communication if it is primarily commercial in nature or if it relates to an improper or irrelevant topic.

To submit concerns regarding accounting matters, shareholders and other interested persons may also call the Company's toll free, confidential hotline number published at *www.trimascorp.com* in the Corporate Governance subsection of the Investors page, in the document entitled Code of Ethics and Business Conduct. Employees may express such concerns on a confidential and anonymous basis.

Communications made through the confidential hotline number are reviewed by the Audit Committee at each regularly scheduled meeting; other communications will be made available to directors at any time upon their request.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, officers and 10% shareholders (if any) to file reports of ownership and changes in ownership with respect to our securities with the SEC and to furnish copies of these reports to us. We reviewed the filed reports and written representations from our directors, executive officers and greater than 10% shareholders regarding the necessity of filing reports. With the exception of the late filing related to the deferral of 2010 Board compensation earned by Messrs. Gabrys and Miller, the Company believes that all of its officers, directors and greater than 10%

shareholders complied with all Section 16(a) applicable filing requirements for 2010 with respect to the Company.

Executive Officers

Officers of the Company serve at the pleasure of the Board.

Name	Age	Title
David M. Wathen	58	Director, President and Chief Executive Officer
A. Mark Zeffiro	44	Chief Financial Officer
Thomas M. Benson	55	President—Cequent Performance Products
Lynn A. Brooks	57	President—Packaging Systems
Joshua A. Sherbin	47	Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary
Robert J. Zalupski	51	Vice President Finance, Corporate Development and Treasurer

David M Wathen. Business experience provided under "Director and Director Nominees."

A. Mark Zeffiro. Mr. Zeffiro was appointed Chief Financial Officer of the Company in June 2008. Prior to joining the Company, Mr. Zeffiro held various financial management and business positions with General Electric Company ("GE") and Black and Decker Corporation ("Black & Decker"). From 2004, during Mr. Zeffiro's four-year tenure with Black & Decker, he was Vice President of Finance for the Global Consumer Product Group and Latin America. In addition, Mr. Zeffiro was directly responsible for and functioned as general manager of the factory store business unit, a $50 million business comprising 38 factory stores and 500 personnel. From 2003 to 2004 Mr. Zeffiro was Chief Financial Officer of First Quality Enterprises, a private company producing consumer products for the health care market globally, where he led all financial activities, including funding, banking and audit. From 1988 through 2002 he held a series of operational and financial leadership positions with GE, the most recent of which was Chief Financial Officer of their medical imaging manufacturing division.

Thomas M. Benson. Mr. Benson has been President of the Company's Cequent Performance Products, Inc. subsidiary since 2008. Prior to his appointment in 2005 as President of Cequent Towing Products, Inc. Mr. Benson held various management positions within the Cequent business, including President of Draw-Tite, Inc. Before joining the Company in 1984, Mr. Benson held the position of Manager Warranty Systems at Ford Motor Company from 1978 to 1984.

Lynn A. Brooks. Mr. Brooks has been President of the Packaging Systems business since July 1996. He joined Rieke Corporation, today part of the Packaging Systems business, in May 1978. Prior to his current position, his responsibilities at Rieke included Assistant Controller, Corporate Controller, and Vice President-General Manager. Before joining Rieke, he served with Ernst & Young in the Toledo, Ohio and Fort Wayne, Indiana offices.

Joshua A. Sherbin. Mr. Sherbin was appointed the Company's General Counsel and Corporate Secretary in March 2005, and Vice President and Chief Compliance Officer in May 2008, prior to which he was employed as the North American Corporate Counsel and Corporate Secretary for Valeo, a diversified Tier 1 international automotive supplier headquartered in Europe. Prior to joining Valeo in 1997, Mr. Sherbin was Senior Counsel, Assistant Corporate Secretary for Kelly Services, Inc., an employment staffing company, from 1995 to 1997. From 1988 until 1995, he was an associate with the law firm Butzel Long in its general business practice.

Robert J. Zalupski. Mr. Zalupski was appointed the Company's Vice President, Finance and Treasurer in January 2003. He joined the Company as Director of Finance and Treasury in July 2002, prior to which he worked in the Detroit office of Arthur Andersen. From August 1996 through November 2001, Mr. Zalupski was a partner in the audit and business advisory services practice of Arthur Andersen providing audit, business consulting, and risk management services to both public and privately held companies in the manufacturing, defense and automotive industries. Prior to August 1996, Mr. Zalupski held various positions of increasing responsibility within the audit practice of Arthur Andersen serving public and privately held clients in a variety of industries.

Item 11. Executive Compensation

Compensation Discussion and Analysis Overview

Introduction and Overview

This Compensation Discussion & Analysis ("CD&A") describes the executive compensation programs in place at the Company for 2010 and key elements of the program for 2011. Your understanding of our executive compensation program is important to the Company. The goal of this CD&A is to explain:

- Our compensation philosophy for executives of the Company including our Named Executive Officers;
- The respective roles of our Compensation Committee and management in the executive compensation process;
- The key components of our executive compensation program; and
- How the decisions we make in the compensation process align with our compensation philosophy.

2010 Business Conditions and Performance Results Achieved

The Compensation Committee and management evaluated and set 2010 executive compensation in the context of the Company's performance and plan, the current global economic outlook and the widespread concern over executive pay. During 2010, the management team continued to make significant progress on the Company's strategic initiatives.

- 2010 sales increased over 17% compared to 2009 as a result of improving demand, and more importantly, successful execution of our many growth initiatives.
- The management team continued to drive additional productivity initiatives, as well as launch a Global Sourcing Organization in 2010 to position the Company for future savings. These productivity initiatives, combined with the lower cost structure implemented in 2009, generated sustainable operating leverage and improved operating margins. 2010 operating profit margins improved over 320 basis points compared to 2009 levels.
- Increased levels of profitability translated to a significant increase in income from continuing operations and an increase in earnings per share of over 150% compared to the 2009 levels.
- Lowered operating working capital as a percentage of sales and reduced outstanding debt and related leverage ratio, resulting in record levels of cash and available liquidity.

Throughout the CD&A, TriMas' Named Executive Officers means:

(1) President and CEO—David M. Wathen;

(2) Chief Financial Officer (CFO)—A. Mark Zeffiro;

(3) President, Packaging Systems—Lynn A. Brooks (President, Packaging Systems);

(4) President, Cequent Performance Products—Thomas M. Benson (President, Cequent Performance Products); and

(5) Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary (General Counsel)—Joshua A. Sherbin.

Philosophy and Objectives and Overview of Key Program Elements

Our executive compensation philosophy is to employ programs that attract and retain key leaders, deliver pay that varies appropriately with the performance results achieved, and motivate executives to continuously strive to improve both our short-term and long-term financial and operating positions. Our goal is to align our executives' interests with those of our shareholders, and encourage our executives to make decisions that will increase shareholder value over the longer-term.

Our Compensation Committee works closely with the Company's leadership team to refine our compensation programs, to clearly articulate its objectives to our executives, and to emphasize our focus on performance-based compensation whereby executives are rewarded for results that create shareholder value.

The main elements of our compensation structure and how each supports our compensation philosophy are summarized below:

- Base Salary must be market competitive and recognize individual performance, skill, knowledge, and experience.

- Incentive compensation is intended to reward both short and long term corporate, business unit and individual performance, and align executive interests with shareholder interests.

  - Short term performance is measured by financial and operational metrics set by the Committee annually, and awards earned are paid in a combination of cash and restricted stock.

  - Long term performance is generally rewarded through equity awards granted under our equity plans, which directly link the executives' long-term income growth potential to the value of and growth in our stock price, thereby aligning executives' interests with those of our shareholders.

Compensation that is performance-based (as opposed to fixed) increases as an executive's responsibility increases. The Committee believes that the proportion of an officer's total compensation that is dependent on performance results achieved should increase commensurate with position level and accountability.

Role of the Compensation Committee

The Board designed governance process expressly delegates to the Compensation Committee the responsibility to determine and approve the President and CEO's compensation, as well as to make all decisions regarding compensation for the other NEOs.

The Compensation Committee is composed entirely of independent directors, none of whom derives a personal benefit from the compensation decisions the Compensation Committee makes. Although the Compensation Committee does have responsibility for Board compensation matters, all such decisions are subject to full Board approval.The Board and Committee recognize the importance of executive compensation decisions to the management and shareholders of the Company.

The role of the Committee is to oversee compensation and benefit plans and policies, review and approve equity grants and administer share-based plans, and review and approve annually all compensation decisions relating to the Company's directors and executive officers, including the President and Chief Executive Officer and the CFO and the other NEOs. The Committee's charter reflects such responsibilities and is available on the Company's website, www.trimascorp.com, in the Corporate Governance section of the Investors page. The Committee last reviewed and updated its charter on October 29, 2009.

Input from Management

Certain senior executives provide information used by the Compensation Committee in the compensation decision-making process. Specifically, our President and CEO provides input to the Committee regarding corporate and business unit performance goals and results. He also reviews with the Committee the performance of the executive officers who report directly to him, and makes recommendations to the Committee regarding their compensation. Our Chief Financial Officer also provides input and analysis regarding financial and operating results. Our Vice President, Human Resources regularly works with the Committee Chair to prepare materials for Committee discussions, and presents management's recommendations regarding program changes.

The Committee carefully considers management's input, but is not bound by their recommendations in making its final pay program decisions.

Independent Compensation Consultant

The Compensation Committee has retained an outside consulting firm to advise the Compensation Committee on various executive and director compensation matters. At the outset of 2010, the Committee retained Hewitt Associates to provide this assistance. This consulting relationship was transitioned as of October 1, 2010, when Hewitt spun-off a significant portion of its executive compensation practice into Meridian Compensation Partners, LLC ("Meridian"), a completely separate entity that is independent from Hewitt.

Hewitt, and now Meridian, reported directly to the Compensation Committee. Use of an outside consultant is an important component of the TriMas compensation setting process, as it enables the Compensation Committee to make informed decisions based on market data and best practices. Representatives from Meridian attend Compensation Committee meetings, meet with Compensation Committee members in executive session and consult with the members as required to provide input with regard to the CEO's compensation based on the Committee's assessment of his performance.

Meridian has no affiliations with any of the Named Executive Officers or members of the Board other than in its role as an outside consultant. Meridian does not provide any other services to the Company. All work performed by Meridian, whether with the Committee directly or with management at the direction of the Committee, requires pre-approval by the Chair of the Compensation Committee.

During 2010, Meridian's consulting related primarily to the Company's compensation analysis for the NEOs and Board, and strategy regarding long term equity compensation. During 2010, we paid Hewitt and Meridian approximately $60,034 and $35,699, respectively, for advising the Compensation Committee on executive and director compensation matters.

The Role of Compensation Benchmarking and Peer Group Assessment

The Committee believes that reviewing market benchmark pay data is an important element in ensuring that the overall compensation program remains competitive. However, the Committee does not rigidly rely only on market data in making pay decisions; it considers such other factors as overall Company performance, general business conditions and the goals of retaining and motivating leadership talent.

In 2009, the Committee reviewed and approved a benchmarking peer group that included companies in the same or similar Global Industry Classification Standard categories as TriMas, and that were roughly comparable to the Company in size (generally, their 2008 revenues ranged from one third of to three times TriMas' 2008 revenues). This group also included companies with which TriMas competes for customers, market share, or talent.

This Committee used the peer group in December 2009 to benchmark pay for the Company's top five executives. Data from this analysis was used to make pay decisions for 2010 and to support pay decisions made for 2011.

The Committee did delete one entity from the benchmarking peer group in 2010 (BWAY Holding Company)because it is no longer a publicly-traded company. The following 24 companies remain in the Committee's comparator group:

Actuant Corporation	Gardner Denver	Robbins & Meyers
Ametek, Inc.	GenCorp. Inc.	Roper Industries Inc.
Aptar	Graco, Inc.	Silgan Holdings
Carlisle Companies	Greif, Inc.	Stoneridge Inc.
Crane Co.	IDEX	Teleflex Inc.
Donaldson Company	Kaydon Corporation	Thor
Drew Industries	Kennametal	Transdigm Group
EnPro	Lufkin Industries	Winnebago Industries

The Compensation Committee plans to review the peer group periodically to ensure it remains suitable for benchmarking purposes. The Committee anticipates that changes in the group will occur from time to time based on the evolution of its own business strategy, the business mix of the peer companies, and the availability of comparative data.

In general, the Compensation Committee's objective is to set target compensation levels at market median with an opportunity to earn above market awards when shareholders have received above market returns. However, the Compensation Committee recognizes that it may occasionally need to set and pay target compensation above this range depending on the circumstances (for example, to address specific individual hiring or retention issues). In determining the compensation components for each NEO for 2010, the Compensation Committee generally focused on market values at the size adjusted median. It also subjectively considered other factors in its decision process including individual performance, Company performance, tenure and experience, and incremental cost. Specific positioning against the market is described in the following paragraphs in greater detail for each component of pay.

Compensation Components

The material elements of the Company's executive compensation program, and the purpose for each element, are as follows:

- Base salary—Deliver a competitive level of fixed cash compensation to compensate for the primary duties of the role
- Annual incentive—Earn additional cash and stock compensation based on the degree to which annual performance goals are met
- Long-term incentive—Provide additional compensation potential based on equity grants that increase in value as stock price increases, thereby aligning the interests of executives and shareholders
- Retirement and health/welfare benefits—Enable executives to provide for their own financial security in retirement, and provide a baseline measure of protection in cases of illness, disability or loss of life
- Perquisites—Provide a financial benefit allowance to compensate our executives for the extraordinary demands on their time

Each program element is further described in the following paragraphs.

Base Salary. Base salaries for the Company's Named Executive Officers are established based on the scope of their responsibilities and their prior relevant background, training, and experience, and take into account competitive market pay levels. The Committee believes that executive base salaries should generally be competitive with the size-adjusted median salaries for executives in comparable positions at the benchmark peer group. The Company believes that providing competitive salaries is key to its ability to successfully attract and retain talented executives.

Each year, the Committee considers whether to grant merit increases and/or market-based adjustments to TriMas' NEOs. In so doing, it considers several factors such as individual responsibilities, performance, experience, and alignment with market levels.

Based on continued operational improvement and individual performance, the Compensation Committee approved the following salary adjustments in 2010:

NEO	1/1/2010 Base Salary	Salary Rate effective 7/1/2010	% Increase in 2010	TRS vs. Market Median
President & CEO	$ 675,000	$ 691,875	2.5%	2.9%
CFO	$ 360,000	$ 400,000	11.1%	7.6%
President, Cequent Performance Products	$ 300,000	$ 307,500	2.5%	(9.8)%
President, Packaging Systems	$ 419,000	$ 430,500	3%	16.5%
General Counsel	$ 350,000	$ 370,000	5.7%	11.9%

Additional detail regarding the increase and resulting salary level for each executive is described below:

- President & CEO: General merit increase to reflect market movement.
- CFO: Increase to recognize general market movement and increased responsibility of position.
- President, Cequent Performance Products: General merit increase to reflect market movement.
- President, Packaging Systems: Merit increase in line with market movement, and includes a supplemental allowance of $33,000 paid in lieu of life insurance formerly provided. The $33,000 supplemental allowance is not included when comparing base salary to market median, nor is it included when calculating base salary increases.
- General Counsel: Increase to recognize general market movement and increased responsibility of position.

The Committee has also approved the following salary levels to become effective July 1, 2011:

NEO	Salary as of July 1, 2011
President and CEO	$ 700,000
CFO	$ 410,000
President, Cequent Performance Products	$ 316,800
President, Packaging Systems	$ 442,500
General Counsel	$ 381,100

The 2011 increases represent increases in line with merit assessments and general market movement for the respective positions.

2010 TriMas Incentive Compensation Plan

The goal of the TriMas Corporation Incentive Compensation Plan ("ICP") is to support our overall business objectives by aligning corporate, business unit and individual performance with the goals of shareholders and focusing attention on the key measures of success. The Plan is designed to accomplish this goal by providing the opportunity for additional cash or stock-based rewards when pre-established performance goals are achieved. The ICP also plays a key role in ensuring that our annual cash compensation opportunities remain competitive.

Target awards. Each of our NEOs has a target bonus opportunity for the plan year that is expressed as a percentage of base salary. Target awards for 2010 are shown in the following chart:

NEO	Target Bonus Amount	Target Award as Percent of Salary
President & CEO[(1)]	$ 761,000	110%
CFO	$ 280,000	70%
President, Cequent Performance Products	$ 155,000	50%
President, Packaging Systems	$ 279,000	70%
General Counsel	$ 185,000	50%

(1) Disclosure in the Company's proxy statement filed in 2010 referenced the President & CEO's target bonus amount as $742,500. As adjusted in the Company's third quarter Form 10-Q, the amount originally approved by the Compensation Committee is $761,000.

Based on the performance results achieved, actual awards generally can vary as a percent of target from a threshold of 0% to a maximum of 212.5% for participants at the Company-wide level, and from 0% to 200% for business unit participants.

Consistent with the ICP program design, all ICP participants, including the NEOs, whose target awards exceeded $20,000, receive 80% of the awards earned in cash and 20% of the award value in the form of a restricted stock award in March 2011. The restricted stock will vest on the first anniversary of the grant date. This program feature permits the ICP to reward shorter-term performance and encourages longer-term employee retention.

Performance measures. The ICP measures Company-wide performance indicators to determine bonuses earned by participants with corporate-wide responsibilities. Messrs. Wathen, Zeffiro and Sherbin can earn bonuses based on achieving Company-wide performance goals. Participants with business unit level responsibility are assessed on performance metrics that evaluate solely the performance of the participant's business unit. Messrs. Benson and Brooks can earn bonuses based on the performance results achieved by each of their respective business units.

Each year, the Compensation Committee approves the specific performance metrics for that year's program, and their relative weightings based on the importance of that measure to the Company for the year. The target level for each performance metric is the center of the plan and if attained will pay out at 100% of the metric. The threshold is the lowest level of payout below which no payment is made for that specific component. If performance under a metric is between the identified threshold and the maximum, the actual payout is determined based on the achievement of milestones within the matrix, with the distance between the milestones determined on a facts and circumstances basis depending on the business unit and respective metric.

Company-wide Performance Measures. The following Company-wide performance metrics were selected for the 2010 ICP for employees with Company-wide responsibility:

- **Sales/Profitability-35%.** This metric provides for rewards based on our performance in two areas: (1) the Company's consolidated recurring operating profit as a percent of net sales (operating margin), and (2) the level of net sales volume achieved. Recurring operating profit means earnings before interest, taxes and other income/expense, and excludes certain non-recurring charges (cash and non-cash) associated with business restructuring, cost savings projects and asset impairments. For purposes of this computation, net sales means net trade sales excluding all intercompany activity. This measure of profitability was selected because it is viewed as a leading indicator of our ability to effectively manage both our revenues and costs throughout the business cycle.

- **Return on Average Invested Capital-15%.** ROAIC measures how effectively the Company, on a consolidated basis, utilizes the capital (borrowed or owned) invested in our operations, and was included because of the importance of ensuring that we realize an appropriate return on such investment. ROAIC is calculated by dividing the after-tax sum of recurring operating profit (as defined above) and other income/expense by the most recent five quarter average net assets (total assets less cash minus current liabilities).

- **Earnings Per Share-25%.** Earnings Per Share ("EPS") is the diluted earnings per share, from continuing operations, as reported in the Company's reports on Form 10-Q and 10-K filed with the SEC, adjusted to exclude the after-tax impact of non-recurring charges (cash and non-cash) associated with items such as business restructuring, cost savings projects and asset impairments. EPS is widely viewed by our shareholders as a key measure of overall profitability.

- **Cash Flow-15%.** Cash flow is the sum of recurring operating profit (defined above), adjusted (i) up or down for other income/expense, (ii) up or down for changes in working capital, (iii) upward for depreciation and amortization, and (iv) downward for capital expenditures, cash interest and cash taxes. Managing our cash generation capabilities and use of cash is an important measure of our ongoing liquidity and stability.

- **Non-Financial Objectives-10%.** Each ICP participant also is assessed based on achievement of non-financial objectives relative to the participant's area of responsibility. The specific objectives that apply to each of the NEOs are listed in the following table:

Category	Specific Areas of Focus
Structured planning process	Implement and use QRF process Improve forecast accuracy
Great place to work	Upgrade communication plan and implement Improve employee engagement survey results Training goals
"Best cost" producer	Implement new sourcing initiative Grow "backroom" migration to low cost sources
Governance	Regulatory Compliance
Management team credibility	Deliver on key objectives Continuing confidence of Board Build confidence among investors

For 2010, the specific Company-wide performance goals were as follows:

Metric	Threshold	Target	Maximum	Weighting
Sales/Profitability	At $808.2 million in sales and 7.5% operating profit, the participant would receive 50% award of this metric	At $854.8 million in Sales and 9.5% operating profit, the participant would receive 100% award of this metric	At $900.8 million in Sales and 11.5% operating profit, the participant would receive 200% award of this metric	35%
Return on Average Invested Capital	At 5.6% of ROAIC, the participant would receive 60% award of this metric	At 7.5% of ROAIC, the participant would receive 100% award of this metric	At 9.5% of ROAIC, the participant would receive 200% award of this metric	15%
EPS	At $0.49 earnings per share, the participant would receive 50% award of this metric	At $0.61 earnings per share, the participant would receive 100% award of this metric	At $0.91 earnings per share, the participant would receive 250% award of this metric	25%
Cash Flow	At $15.23 million cash flow the participant would receive 70% award of this metric	At $30.0 million cash flow the participant would receive 100% award of this metric	At $43.50 million cash flow the participant would receive 200% award of this metric	15%
Non Financial Objectives	This metric is awarded based on the individual executive's achievement of individual goal and objectives.			10%

Business-unit performance measures. For 2010, ICP bonuses for the President, Packaging Systems and President, Cequent Performance Products were based on the following performance measures at the business unit level. This approach focuses business unit leaders on optimizing the performance of their respective business unit rather than on overall Company-wide performance.

- **Sales/Profitability—40%.** This measure provides for rewards based on the business unit's performance in two areas: (1) the business unit's recurring operating profit as a percent of net sales (operating margin) and (2) the level of net sales volume achieved. Recurring operating profit means earnings before interest, taxes, bonus expense and other income/expense, and excludes certain non-recurring charges (cash and non-cash) associated with business restructuring, cost savings projects and asset impairments. For purposes of this computation, net sales means net trade sales excluding all intercompany activity.

- **Cash Flow—15%.** Cash flow is the sum of recurring operating profit (defined above), adjusted (i) up or down for other income/ expense, (ii) up or down for changes in working capital, (iii) upward for depreciation and amortization, and (iv) downward for capital expenditures, cash, interest and cash taxes.

- **Productivity—15%.** This measure is based on the achieved gross total cost savings realized from approved business unit initiatives. Types of productivity projects include value added/value engineered, facility rationalization, vendor cost downs, outsourcing/insourcing, and moves to low cost countries. Productivity does not include volume-related improvements (e.g., the natural leverage of fixed costs attributable to higher levels of production).

- **Inventory Turnover—10%.** Inventory turnover is calculated by dividing the business unit's annual cost of sales by the arithmetic average of its month-end net inventory (e.g., the sum of month-end inventory balances during the fiscal year divided by 12). Inventory turns measure the speed at which we convert our inventory into sales and thus is an important supply chain metric.

- **% New Products/Markets Sales—10%.** The % New Products/Markets Sales metric measures the percent of business unit sales that come from new products or markets. This measure is calculated by dividing the net sales for specifically identified new products or new markets by total net sales for the business unit. Each of the new products or new market projects is agreed upon as part of the annual business planning process at the outset of the year. This is a key measure of our ability to innovate and grow by expanding into new markets and/or developing new products.

- **Non-Financial Objectives—10%.** The goals for this category fall under the same framework as identified earlier in this discussion for the Company-wide performance metrics.

For 2010, the specific performance goals for Packaging Systems were as follows:

Metric	Threshold	Target	Maximum	Weighting
Sales/Profitability	At $139.5 million in sales and 22.3% operating profit, the participant would receive 50% award of this metric	At $155.0 million in Sales and 24.3% operating profit, the participant would receive 100% award of this metric	At $186.0 million in Sales and 27.3% operating profit, the participant would receive 200% award of this metric	40%
Cash Flow	At $38.82 million cash flow the participant would receive 70% award of this metric	At $43.16 million cash flow the participant would receive 100% award of this metric	At $51.84 million cash flow the participant would receive 200% award of this metric	15%
Productivity	At $3.36 million in Productivity gains the participant would receive 60% award of this metric	At $4.19 million in Productivity gains the participant would receive 100% award of this metric	At $6.29 million in Productivity gains the participant would receive 200% award of this metric	15%
Inventory Turns	At 6.73 inventory turns the participant would receive 60% award of this metric	At 7.47 inventory turns the participant would receive 100% award of this metric	At 8.47 inventory turns the participant would receive 200% award of this metric	10%
%New Product/Market Sales	See note below.(1)			10%
Non Financial Objectives	This metric is awarded based on the individual executive's achievement of individual goal and objectives.			10%

(1) The Compensation Committee set the target for this metric at a level that requires Packaging Systems to successfully expand its product portfolio and geographic market base to contribute both to 2010 sales and profitability and provide a foundation for 2011 activity. Achievement at each milestone requires innovation and commercialization.

As Cequent Performance Products is an operating segment that is part of the broader Cequent North American reportable segment, we do not provide information regarding the threshold, target and maximum for its 2010 ICP metrics. The Compensation Committee designated targets that for each metric requires disciplined financial and operations management. On a year over year basis, the targets reflect the

Committee's expectation of improved growth and earnings over the prior year. The Cequent Performance Products targets are also designed to incent and require the business unit leadership to deliver new cost savings initiatives and contributions from new markets and products.

Award Determination and Payouts. In February of each year, the Compensation Committee determines the degree to which ICP goals for the prior year were achieved. For 2010, the results achieved for each Company-wide performance measure are indicated below, including results achieved for the non-financial objectives, and the resulting aggregate awards for each of the NEOs whose bonuses are based on Company-wide performance.

Metric	Weight	Result Achieved	Payout Earned as a Percent of Total Target Award
Sales/Profitability	35%	Sales: $942.6 million	
		Oper Margin: 12.1%	70%
ROAIC	15%	10.8%	30%
Earnings per share	25%	$1.21	62.5%
Cash flow	15%	$83.4 million	30%
Subtotal before Non-financial objectives			192.5%
Nonfinancial objectives	10%		
Total awards earned by each executive		Non-Financial Objectives	
President and CEO		20%	212.5%
Chief Financial Officer		20%	212.5%
General Counsel		17.5%	210%

Based on the performance of the Company in 2010 and the individual contributions of each of Messrs. Wathen, Zeffiro and Sherbin toward that performance, each received the following weighting for the non-financial objectives component.

Explanation of the 2010 Non-Financial Objectives Achieved—Company-Wide Performance

President & CEO—Mr. Wathen received 200% of the non-financial objective of his bonus for his role in leading the Company to a successful 2010 and continuing to improve the Company's strategic planning and execution. Under his leadership, the Company increased its 2010 sales by 17% compared to 2009, improved the strategic execution of its growth initiatives, and successfully implemented a Global Sourcing Organization and many productivity initiatives. Mr. Wathen's leadership and focus on strategic planning and execution significantly impacted shareholder value in 2010 as evidenced by the increase in earnings per share of over 150% compared to 2009 levels.

CFO—Mr. Zeffiro received 200% of the non-financial objective of his bonus for playing a significant role in the Company's overall success. He played a key leadership role in improving the closing and reporting process, improving our overall quarterly forecasting and simplifying the budget process. Mr. Zeffiro continued to develop and hire key team members to assist with the improvement of these processes. He also led the Company's Global Sourcing Organization initiative that facilitated the Company's low cost sourcing and productivity initiatives.

General Counsel—Mr. Sherbin received 175% of the non-financial objective of his bonus for playing a significant role in supporting the Company's initiatives. He played a key role in the Company's two acquisitions in 2010 and the disposition of a significant real estate asset. He strengthened and developed the legal team, supported strategic planning and provided pragmatic legal advice and counsel to the executive leadership and senior management regarding day-to-day initiatives.

Results for the NEOs whose bonuses are determined at the business unit level are detailed below:

		Packaging Systems		Cequent Performance Products	
Metric	Weight	Result	Payout as % of Target	Result	Payout as % of Target
Sales/Profitability	40%	Above Target	67%	Above Target	72%
Cash Flow	15%	Maximum	30%	Maximum	30%
Productivity	15%	Maximum	30%	Above Target	23%
Inventory Turns	10%	Above Target	12%	Below Target	8%
% New Products/Market Sales	10%	Maximum	20%	Above Target	15%
Nonfinancial objectives:	10%	Above Target	17.5%	Maximum	20%
Total			177%		168%

Explanation of the 2010 Non-Financial Objective Achieved—Messrs. Benson and Brooks

President, Cequent Performance Products—Mr. Benson received 200% of the non-financial objective of his bonus for his strong strategic leadership of the continued integration of the legacy towing, trailer, and electrical business. Under Mr. Benson's leadership and direction, Cequent Performance Products effectively leveraged its broad product portfolio to gain market share, drove top line growth, and implemented productivity improvements to create margin expansion. Mr. Benson also provided leadership in Cequent Performance Products' improved financial forecasting which facilitated financial visibility and strategic planning for the business.

President, Packaging Systems—Mr. Brooks received 175% of the non-financial objective of his bonus for his leadership of the Packaging Systems team. Under Mr. Brooks' direction, Packaging Systems identified and implemented top-line growth initiatives involving new products and new geographic markets. Mr. Brooks also maintained focus on the Packaging Systems' core business of industrial closures which experienced improvement year over year. In 2010, Packaging Systems effectively implemented the Company's quarterly rolling forecast (QRF) planning process and continued to produce employee engagement results in excess of manufacturing industry benchmarks.

The target and actual awards earned by our NEOs are listed in the following chart:

NEO	Target Award as Percent of Salary	Target Bonus Amounts	Actual ICP Award Earned	ICP Earned and to Be Paid in Cash	ICP Earned and to Be Paid in Restricted Stock in March 2011
President & CEO	110%	$ 761,000	$ 1,617,201	$ 1,293,761	$ 323,440
CFO	70%	$ 280,000	$ 595,028	$ 476,022	$ 119,006
President, Cequent Performance Products	50%	$ 155,000	$ 260,338	$ 208,270	$ 52,068
President, Packaging Systems	70%	$ 279,000	$ 492,770	$ 394,216	$ 98,554
General Counsel	50%	$ 185,000	$ 388,519	$ 310,815	$ 77,704

2011 TriMas Incentive Compensation Plan—Program Highlights.

For fiscal year 2011, the Committee approved several changes to the ICP at the Company-wide level:

- Eliminated ROAIC and Non-Financial Objectives as Company-wide measures.
- Increased the weightings as follows: Sales/Profitability from 35% to 40%, EPS from 25% to 30%, and Cash Flow from 15% to 30%.
- These changes reflect the Compensation Committee's view of earnings per share as an increasingly important indicator of Company growth in market value, cash flow as a critical tool to delever and create value through measurable financial objectives as more effectively aligning the short term incentive plan with financial metrics that are impactful and measurable over a 12 month period (as compared to non-financial objectives).

For fiscal year 2011, the Committee also approved several changes to the ICP at the Cequent Performance Products and Packaging Systems level:

- Eliminated Inventory Turnover and Non-Financial Objectives as performance measures.
- Increased weightings as follows: Cash Flow from 15% to 20%; Productivity from 15% to 20%; New Products/Markets sales from 10% to 20%.
- These changes reflect the Compensation Committee's view of cash flow as a critical tool to delever and create value, the import of productivity to improve the Company's cost structure, the importance of growth initiatives to expand the Company's revenue base, and the value of measurable financial objectives (as compared to non-financial objectives),

Key plan features that will remain constant for 2011 include target awards, the requirement that 20% of ICP bonuses earned for those whose target awards exceed $20,000, be paid in restricted stock, and performance measures at the business unit level. As a percent of salary, the NEOs' target awards for 2011 are as follows:

NEO	Target Bonus Amount	Target Bonus as a percentage of salary
President & CEO	$ 788,000	112.5%
CFO	$ 298,000	72.5%
President, Cequent Performance Products	$ 159,000	50%
President, Packaging	$ 287,000	70%
General Counsel	$ 191,000	50%

The 2011 increases for the President & CEO and CFO represent increases in line with merit assessment and additional allocation to performance based pay.

Long-term Incentive Program

Overview. The Company has two equity incentive plans, referred to as the 2002 Long Term Equity Incentive Plan and the 2006 Long Term Equity Incentive Plan (together, the "Equity Plans"). Each provides for grants to employees, directors and consultants of incentive and nonqualified stock options, stock appreciation rights, dividend equivalent rights, restricted stock, restricted stock units or performance-based awards. The Company historically has issued equity compensation under each of the Equity Plans.

Purpose. Our long-term equity program is designed to reward the achievement of long-term business objectives that benefit our shareholders through stock price increases, thereby aligning the interests of our executives with those of our shareholders. We make periodic grants to participants, after considering such factors as overall business climate, stock price performance, share availability, and retention considerations, to name a few.

Grants. In 2009, we made grants of stock options to our Company leadership group. In February 2010, grants were more limited, as our strategy to date is to make grants to all participants on a periodic basis rather than annually. The Committee approved restricted stock unit grants for the CFO and General Counsel with grant date values of $200,000 and $150,000, respectively. A key purpose of these grants was to better align the recipients' long term incentive compensation with the market. These grants also have a retention purpose, since they will not vest until the third anniversary of the grant and require that the recipient be employed by the Company as of the vesting date.

Pursuant to his offer letter dated January 12, 2009, and discussed in more detail later, Mr. Wathen has the opportunity to receive restricted stock units when specific performance hurdles are met. Specifically, he will be granted restricted stock units if the Company's closing stock price exceeds various price hurdles for any successive 75 trading day period within the first 36 months of employment. During 2010, the first two price hurdles of $5 and $10 were met, and he was granted 25,000 restricted stock units on each of March 24, 2010 and October 21, 2010. Vesting will occur in three equal increments on the first, second and third anniversaries of each grant date provided Mr. Wathen remains employed by the Company on those dates. The third stock price performance hurdle of $15 was achieved in 2011 and Mr. Wathen was granted a 25,000 restricted stock units on January 21, 2011.

In summary, the grants to NEOs in 2010 consisted of the following number of restricted stock units:

- President & CEO: 50,000
- Chief Financial Officer: 32,850
- General Counsel: 24,640

2010 Special Cash Awards. On February 26, 2010, the Compensation Committee granted special one-time cash awards to the President & CEO and Chief Financial Officer of $150,000 and $50,000, respectively, in recognition of their leadership and performance. The terms of the cash awards required each recipient to use the after-tax amount of his award to buy shares of Company stock.

2011 Special Awards of Restricted Stock.

On February 24, 2011, the Compensation Committee awarded restricted stock units to Messrs. Wathen, Zeffiro, and Sherbin, in recognition of their leadership and role within the Company. The award consists of three components each to be settled in shares of the Company's common stock. Upon the Company achieving at least $2.00 of cumulative earnings per share for any consecutive four financial quarters beginning April 1, 2011 through September 30, 2013, 50% of the restricted stock units will vest on the business day immediately following the release of earnings for the quarter in which the EPS performance measure is met (the "EPS Vesting Date") and the remaining 50% will vest in two equal parts on the first and second anniversary of the EPS Vesting Date. Upon the Company's stock price closing at or above $30 and $35 per share for 30 consecutive trading days with the last such trading day occurring on or prior to September 30, 2013, 50% of the restricted stock units will be granted and immediately vested on the close of the business day on which such trading threshold is satisfied and the remaining 50% will vest in two equal parts on the first and second anniversary of the date on which the respective trading threshold is met, and require that the recipient be employed by the Company as of each vesting date. The awards consisted of the following number of restricted stock units:

	$2.00 EPS Target	$30 Stock Price Target	$35 Stock Price Target
President & CEO	21,000	10,500	10,500
Chief Financial Officer	10,500	5,250	5,250
General Counsel	5,840	2,920	2,920

In connection with the approval by the Compensation Committee of the 2010 ICP payments, each NEO receives 80% of the payment in cash and 20% of the ICP award in restricted stock. The number of restricted stock units is based on the close of business stock price on March 1, 2011. As described earlier, these shares will vest on the first anniversary of the grant, provided the participant is employed by the Company at the time of vest. The value to be delivered to each NEO in restricted stock is as follow:

NEO	ICP Earned and to be Paid in Restricted Stock in March 2011
President & CEO	$ 323,440
CFO	$ 119,006
President, Cequent Performance Products	$ 52,068
President, Packaging Systems	$ 98,554
General Counsel	$ 77,704

Program Changes for 2011. The Committee and management are considering the design of an ongoing long-term incentive program that is expected to include annual grants of performance-based equity and stock options. The new program design is expected to be finalized and implemented beginning in 2012.

Benefits and Retirement Programs

Consistent with our overall philosophy, the NEOs are eligible to participate in benefit plans that are available to substantially all the Company's employees. These programs include participation in the Company's retirement program (comprised of a 401(k) savings component and a quarterly contribution component), and in our medical, dental, vision, group life and accidental death and dismemberment insurance programs.

The Company makes matching contributions for active participants in the 401(k) savings component equal to 25% of the participants' permitted contributions, up to a maximum of 5% of the participant's eligible compensation. In addition, for most employees the Company may contribute up to an additional 25% of matching contributions based on the Company's annual financial performance.

Under the terms of the quarterly contribution component, the Company contributes to the employee's plan account an amount determined as a percentage of the employee's base pay upon an employee's eligibility following one year of employment. The percentage is based on the employee's age and for salaried employees, ranges from 1.0% for employees under the age of 30 to 4.5% for employees age 50 and over. For 2010, Mr. Zeffiro received 3.0%, Mr. Sherbin received 4.0%, Mr. Benson received 4.5%, Mr. Wathen received 4.5% beginning February 2010 and Mr. Brooks received 7.0% due to a supplemental legacy benefit.

Executive Retirement Program

The Company's executive retirement program provides senior managers with retirement benefits in addition to those provided under the Company's qualified retirement plans. The Company offers these programs to enhance the competitiveness of total executive pay.

Under the Supplemental Executive Retirement Plan ("SERP"), the Company makes a contribution to each participant's account at the end of each quarter with the amount determined as a fixed percentage of the employee's eligible compensation. The percentage is based on the employee's age on the date of original participation in the plan (6.0% for Messrs. Brooks and Wathen, 4.0% for Messrs. Sherbin and Zeffiro, and Mr. Benson does not participate). Contributions vest 100% after five years of eligible employment. Immediate vesting in the Company's contributions occurs upon attainment of retirement age or death.

The Compensation Limit Restoration Plan ("CLRP") provides benefits to senior managers in the form of Company contributions which would have been payable under the quarterly contribution component of the Company's tax-qualified retirement plan, but for tax limits on the amount of pay that can be considered in a qualified plan. There are no employee contributions permitted under this plan. Company contributions under the CLRP vary as a percent of eligible compensation based on the employee's age.

Effective January 1, 2007, the qualified retirement plans vesting provisions were modified to accommodate requirements under the Pension Protection Act of 2006. The vesting schedule for the Plans changed from 100% vesting upon completion of five-years of service for all contributions, to 100% vesting upon completion of three years for contributions made after January 1, 2007. In 2010, the Committee harmonized the vesting schedule for the Compensation Limit Restoration Plan to the three-year period reflected in the qualified plan. For this reason, contributions made before 2010 vest 100% after five years of eligible employment. Contributions made in or after 2010 vest 100% after three years of eligible employment. Immediate vesting in the Company's contributions occurs upon attainment of retirement age or death.

In 2010, the Company implemented an elective deferral compensation feature to supplement the existing executive retirement program. For fiscal years beginning in 2011, an employee eligible to receive SERP contributions may elect to defer up to 25% of his or her base pay and up to 100% of his or her bonus. This plan is intended to encourage the continued employment and diligent service of plan participants.

TriMas Corporation Benefit Restoration Pension Plan

Mr. Brooks participates in the TriMas Corporation Benefit Restoration Plan ("Benefit Restoration Plan"), which is an unfunded non-qualified retirement plan. The Benefit Restoration Plan provides for benefits that were not able to be provided to certain executives in the Metaldyne Pension Plan (a plan adopted by the Company's predecessor) because of tax limits on compensation that may be considered in a qualified plan. The TriMas Corporation Benefit Restoration Plan was frozen as of December 31, 2002.

Under the frozen Benefit Restoration Plan, which consists of a pension and a profit sharing component, Mr. Brooks is eligible to receive a retirement benefit in addition to those provided under the Company's other plans. Upon termination on or after age 55, Mr. Brooks is entitled to receive a specified pension benefit annually, the age 65 present value of which is reflected in the "Executive Retirement Program" table.

Perquisites

Effective January 1, 2010, the Compensation Committee implemented a Flexible Cash Allowance Policy. Under this program certain executives receive a quarterly cash allowance in lieu of other Company provided perquisites. Eligibility and amounts of the cash allowance are reviewed annually by the Compensation Committee, and adjusted as it considers necessary.

For the fiscal year 2010, the NEOs received the following cash allowances:

- President and Chief Executive Officer; Chief Financial Officer; President, Packaging Systems; General Counsel—$55,000
- President, Cequent Performance Products—$25,000

The same cash allowance levels will remain in place in 2011 for participating executives, including the NEOs.

The Company continues to make executive physical examinations available to its officers. The Compensation Committee considers this practice to be a direct benefit to the Company.

Change in Control and Severance Based Compensation

Certain of the Company's NEOs are covered by the Company's Executive Severance/Change in Control Policy. The Policy requires the Company to make severance payments to a covered executive if his or her employment is terminated under certain circumstances, as described below under "Post-Employment Compensation."

Although a significant part of compensation for the Company's executives is performance-based and largely contingent upon achievement of aggressive financial goals, the Executive Severance/Change in Control Policy provides important protection to certain of the Company's executive officers. The Committee believes that offering this program is consistent with market practices, assures the Company can both attract and retain executive talent, and will assist with management stability and continuity in the face of a possible business combination.

Accounting and Tax Effects

The impact of accounting treatment is considered in developing and implementing the Company's compensation programs generally, including the accounting treatment as it applies to amounts awarded or paid to the Company's executives.

The impact of federal tax laws on the Company's compensation programs is also considered, including the deductibility of compensation paid to the NEOs, as regulated by Section 162(m) of the Code. Most of the Company's compensation programs are designed to qualify for deductibility under Section 162(m), but to preserve flexibility in administering compensation programs, not all amounts paid under all of the Company's compensation programs qualify for deductibility.

Likewise, the impact of Section 409A of the Code is taken into account, and the Company's executive plans and programs are, in general, designed to comply with the requirements of that section so as to avoid possible adverse tax consequences that may result from noncompliance with Section 409A.

Stock Ownership Guidelines for Executives

To further align the interests of executives with those of shareholders, the Compensation Committee adopted stock ownership guidelines for certain executives, including the NEOs. The guidelines are expressed as a multiple of base salary, as set forth below:

President and Chief Executive Officer	5x
CFO; General Counsel	3x
Other executives, as determined by the Compensation Committee (including the President, Packaging Systems and President, Cequent Performance Products)	2x

As executives have five years to meet these ownership guidelines from the time of adoption by the Compensation Committee, the Compensation Committee will not evaluate compliance until 2014. New executives designated as participants will have five years from the time they are named to a qualifying position to meet the ownership guidelines. Adherence to these guidelines will be measured each year on January 1, using the executive's base salary and the value of the executive's holdings and stock price on such day. Once an executive attains the required ownership level, the executive will not be considered to fall out of compliance solely due to subsequent stock price declines.

The following equity holdings count towards satisfaction of the guidelines:

- Shares owned (or beneficially owned) by the executive, including shares acquired upon exercise of stock options or acquired through any Company employee benefit plans;

- Time-vesting restricted stock or restricted stock units, whether vested or not; and
- Vested, in the money stock options.

Prior to attaining sufficient shares to satisfy the guidelines, executives must retain shares having a value equal to at least 50% of the after-tax gain recognized with respect to the exercise of stock options, sale of vested restricted stock or other disposition with respect to any equity awards granted under the Company's equity incentive plans.

The Compensation Committee has the discretion to consider non-compliance with the guidelines in determining whether or the extent to which future equity awards should be granted and may require all stock attained through Company grants be retained until the guidelines are satisfied.

Recoupment Policy

In 2009, the Compensation Committee implemented a recoupment policy subjecting incentive compensation and grants under the Company's equity plans to executive officers and business unit presidents to potential recoupment. The Board has the authority to trigger recoupment in the event of a material financial restatement or manipulation of a financial measure on which compensation is based where the employee's intentional misconduct contributed to the restatement or manipulation and, but for such misconduct, a lesser amount of compensation would have been paid. The Compensation Committee will reevaluate and, if necessary, revise the Company's recoupment policy to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act once the rules implementing the recoupment requirements have been finalized by the SEC.

Employment Arrangements

The terms of Mr. Wathen's employment with the Company are contained in a letter agreement dated January 12, 2009, a copy of which the Company timely filed with the SEC on a Current Report on Form 8-K. In addition to providing for base salary and bonus compensation as discussed elsewhere in this Proxy Statement, the letter agreement provided for the grant to Mr. Wathen of 200,000 stock options upon his initial date of employment with pro-rata vesting over three years, consideration for an additional equity grant in 2009, and a one-time bonus of $100,000 to be used by Mr. Wathen for the purchase on the open market, on an after tax basis, of Company common stock (which bonus was payable after Mr. Wathen confirmed his purchase of an additional $100,000 of Company stock during the first available open trading window).

The letter agreement also provides for the following restricted stock unit grants to Mr. Wathen if the Company's closing stock price exceeds the thresholds listed below for any successive 75 day trading period within the first 36 months of Mr. Wathen's employment:

Threshold	Number of Restricted Stock Units
$5.00	25,000
$10.00	25,000
$15.00	25,000
$20.00	25,000
$25.00	25,000

All units earned under this program vest in increments of one-third over the three year period following each grant and require that he be employed by the Company on each respective vesting date.

Annual and Long Term Compensation

The following table summarizes the annual and long-term compensation paid to the NEOs in 2010.

Name and Principal Position	Year	Salary ($)[1]	Stock Awards ($)[2][3][4]	Option Awards ($)[5]	Non-Equity Incentive Plan Compensation ($)[6][7][8]	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)[9]	All Other Compensation ($)	Total ($)
David M. Wathen,	2010	683,400	886,400	—	1,443,800	—	130,400	3,144,000
President (principal executive officer)	2009	656,800	138,400	106,500	775,000	—	110,400	1,787,100
A. Mark Zeffiro,	2010	380,000	319,100	—	526,000	—	87,700	1,312,800
Chief Financial Officer	2009	373,800	31,000	35,800	252,000	—	79,000	771,600
(principal financial officer)	2008	200,800	95,900	—	250,000	—	306,000	852,700
Thomas M. Benson,	2010	303,800	52,100	—	208,300	—	45,700	609,900
President, Cequent Performance Products	2009	311,500	31,800	14,900	260,700	—	25,600	644,500
Lynn A. Brooks,	2010	424,800	98,600	—	394,200	33,900	118,900	1,070,400
President, Packaging Systems	2009	400,800	56,400	28,800	420,300	14,800	150,900	1,072,000
	2008	380,500	33,700	—	190,000	16,300	150,200	770,700
Joshua A. Sherbin,	2010	360,000	227,800	—	310,800	—	89,800	988,400
General Counsel	2009	363,500	21,500	34,800	175,000		94,100	688,900
	2008	342,200	30,600	—	105,000	—	94,200	572,000

(1) During 2010 and 2008, there were 26 bi-weekly pay periods for Company employees paid on a bi-weekly basis, including the NEOs. There were 27 bi-weekly pay periods for such employees in 2009.

(2) All awards in this column relate to restricted stock granted under the 2002 Long Term Equity Incentive Plan and the 2006 Long Term Equity Incentive Plan and are calculated in accordance with Accounting Standards Codification ("ASC") Topic 718, "Stock Compensation." The award earned reflects the grants of restricted stock awards or units, as approved by the Compensation Committee, on April 2, 2008, June 2, 2008, December 4, 2009, February 26, 2010, March 24, 2010 and October 21, 2010. The award does not include performance units not earned. For 2010, also includes the full value of the 20% of Incentive Compensation Plan 2010 amounts earned required to be paid in restricted stock, with the number of shares to be determined based on the Company's closing stock price as of March 1, 2011. See "Grants of Plan-Based Awards."

(3) In connection with his joining the Company on January 13, 2009, Mr. Wathen was given the opportunity to earn restricted stock units in the event that the Company's closing stock price for any successive 75 trading day period within 36 months of his start date, exceeds five thresholds: $5.00; $10.00; $15.00; $20.00; and $25.00. For each threshold met, Mr. Wathen would earn 25,000 restricted stock units, up to a maximum of 125,000 should all five thresholds be met within the 36 month period. If earned, the restricted stock units would vest ratably over a three year period from the date of the grant. Mr. Wathen earned 50,000 restricted stock units during 2010, 25,000 on each of March 24, 2010 and October 21, 2010, respectively, as the Company's closing stock price met the requirements for the $5.00 and $10.00 thresholds as of those dates.

(4) On February 26, 2010, Messrs. Sherbin and Zeffiro were granted restricted stock units under the Company's 2006 Long Term Equity Incentive Plan valued at $200,100 and $150,100, respectively, based on the Company's common stock closing price on the grant date, to better align the recipients' long term incentive compensation with the market. The restricted stock units vest three years following the date of grant and will be settled in cash based on the closing price as of the vest date.

(5) All awards in this column relate to stock options granted under the 2002 Long Term Equity Incentive Plan and the 2006 Long Term Equity Incentive Plan. This amount represents the full grant date fair value as calculated in accordance with ASC Topic 718, "Stock Compensation."

(6) Incentive Compensation Plan payments are made in the year subsequent to which they were earned. Amounts earned under the 2010 Incentive Compensation Plan were approved by the Compensation Committee on February 24, 2011 and paid out shortly thereafter. For 2010, amount includes the cash-paid portion of the award. For 2009, amount includes both the cash-paid portion of the award and the amount the NEO elected to receive in restricted stock. For 2008, amounts awarded under the ICP were payable only in cash and are included herein.

(7) For Mr. Wathen, includes a one-time cash bonus of $100,000 in 2009 pursuant to his offer letter on January 12, 2009, which was to be used for the purchase on the open market, on an after-tax basis, of Company common stock. For Mr. Zeffiro, includes a one-time cash bonus of $100,000 in 2008 upon employment with the Company.

(8) For Messrs. Wathen and Zeffiro, 2010 includes a special one-time cash award of $150,000 and $50,000, respectively, granted by the Compensation Commitee on February 26, 2010 in recognition of their leadership and performance, which was to be used for the purchase on the open market, on an after-tax basis, of Company common stock.

(9) The benefits of the TriMas Benefit Restoration Plan were frozen as of December 31, 2002. Therefore, the above amounts represent only the change in actuarial present value of that frozen benefit.

Following is further detail on the NEOs' other compensation:

Name	Year	Perquisite Allowance ($)	Auto Allowance ($)	Club Membership ($)	Life and Disability Insurance Premiums ($)	Non-Business Owned and Leased Aircraft Useage ($)(1)	Tax Reimbursements ($)	Relocation Benefit ($)(2)	Company Contributions in Retirement and 401(k) Plans ($)(3)	Total ($)
David M. Wathen	2010	55,000	—	—	—	—	—	—	75,400	130,400
	2009	—	—	—	24,500	—	27,600	15,800	42,500	110,400
A. Mark Zeffiro	2010	55,000	—	—	—	—	—	—	32,700	87,700
	2009	—	15,000	8,300	8,000	—	22,300	—	25,400	79,000
	2008	—	8,800	47,500	4,000	6,800	119,300	113,200	6,400	306,000
Thomas M. Benson	2010	25,000	—	—	—	—	—	—	20,700	45,700
	2009	—	—	—	—	—	—	—	25,600	25,600
Lynn A. Brooks	2010	55,000	—	—	—	—	—	—	63,900	118,900
	2009	—	16,900	—	36,000	—	37,600	—	60,400	150,900
	2008	—	16,250	—	36,000	—	43,350	—	54,600	150,200
Joshua A. Sherbin	2010	55,000	—	—	—	—	—	—	34,800	89,800
	2009	—	15,000	11,900	8,500	—	25,100	—	33,600	94,100
	2008	—	12,500	15,000	8,500	—	29,800	—	28,400	94,200

(1) For Mr. Zeffiro, reflects the actual value attributable to the use of the Company's aircraft, inclusive of fuel, pilot time and all fees and expenses incurred.

(2) In connection with Mr. Wathen joining the Company in 2009, his responsibilities required the cancellation of non-refundable personal travel for which the Company reimbursed him.

(3) For Mr. Wathen, amounts comprised of $58,400 in 2010 and $39,400 in 2009 under the TriMas Executive Retirement Program and $17,000 in 2010 and $3,100 in 2009 under the TriMas Corporation Salaried Retirement Program; for Mr. Zeffiro, $19,300 in 2010, $14,400 in 2009 and $4,700 in 2008 under the TriMas Executive Retirement Program and $13,400 in 2010, $10,400 in 2009 and $1,700 in 2008 under the TriMas Corporation Salaried Retirement Program; for Mr. Benson, amounts comprised of $2,600 in 2010 and $3,900 in 2009 under the TriMas Executive Retirement Program and $18,100 in 2010 and $18,000 in 2009 under the TriMas Corporation Salaried Retirement Program; for Mr. Brooks, amounts comprised of $38,100 in 2010, $35,000 in 2009 and $32,100 in 2008 under the TriMas Executive Retirement Program and $25,800 in 2010, $25,400 in 2009 and $22,500 in 2008 under the TriMas Corporation Salaried Retirement Program; for Mr. Sherbin, amounts comprised of $19,000 in 2010, $18,200 in 2009 and $14,400 in 2008 under the TriMas Executive Retirement Program and $15,800 in 2010, $15,400 in 2009 and $14,000 in 2008 under the TriMas Corporation Salaried Retirement Program. See "—Compensation Components—Benefit and Retirement Programs."

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Grants of Plan-Based Awards

Name	Grant Type	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)	All Other Stock Awards: Number of Shares of Stock or Units (#)	Closing Price on Grant Date ($/share)	Grant Date Fair Value of Stock and Unit Awards ($)
David M. Wathen	Incentive Compensation Plan(1)		38,100	761,000	1,617,200			
	Restricted Stock Unit(2)	3/24/2010				25,000	6.95	173,800
	Restricted Stock Unit(2)	10/21/2010				25,000	15.57	389,300
	Restricted Stock Unit(2)	N/A				75,000	—	—
A. Mark Zeffiro	Incentive Compensation Plan(1)		14,000	280,000	595,000			
	Restricted Stock Unit(3)	2/26/2010				32,850	6.09	200,100
Thomas M. Benson	Incentive Compensation Plan(1)		7,800	155,000	310,000			
Lynn A. Brooks	Incentive Compensation Plan(1)		14,000	279,000	558,000			
Joshua A. Sherbin	Incentive Compensation Plan(1)		9,300	185,000	393,200			
	Restricted Stock Unit(3)	2/26/2010				24,640	6.09	150,100

(1) The amounts above in the Estimated Future Payouts under Non-Equity Incentive Plan Awards are based on awards pursuant to the Incentive Compensation Plan for each NEO as of December 31, 2010. While each NEO is required to receive 20% of their award in restricted stock, which vests on the first anniversary of the payment of the cash portion, the above figures include 100% of the threshold, target and maximum awards pursuant to the plan. Upon approval of the total ICP award by the Compensation Committee, 80% of the award value would be paid in cash while 20% would be awarded in restricted stock based on the Company's then current stock price. The threshold payout is based on the largest percentage payout of the smallest metric is the NEO's composite target bonus and the target award is a specified dollar figure for each NEO. The maximum estimated possible payout for each participant is equal to maximum attainment for each metric.

(2) In connection with his joining the Company on January 13, 2009, Mr. Wathen was given the opportunity to earn restricted stock units in the event that the Company's closing stock price for any successive 75 trading day period within 36 months of his start date, exceeds five thresholds: $5.00; $10.00; $15.00; $20.00; and $25.00. For each threshold met, Mr. Wathen would earn 25,000 restricted stock units, up to a maximum of 125,000 should all five thresholds be met within the 36 month period. If earned, the restricted stock units would vest ratably over a three year period from the date of the grant. Mr. Wathen earned 50,000 restricted stock units during 2010, 25,000 on each of March 24, 2010 and October 21, 2010, respectively, as the Company's closing stock price met the requirements for the $5.00 and $10.00 thresholds as of those dates.

(3) On February 26, 2010, Messrs. Zeffiro and Sherbin were granted 32,850 and 24,640, respectively, restricted stock units under the Company's 2006 Long Term Equity Incentive Plan based on the Company's common stock closing price on the grant date, to better align the recipients' long term incentive compensation with the market. The restricted stock units vest three years following the date of grant and will be settled in cash based on the closing price as of the vest date.

Outstanding Equity Awards

The following table summarizes the outstanding equity awards to the named executive officers as of December 31, 2010:

	Option Awards				Share Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable(1)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)(2)	Market Value of Shares or Units of Stock that have not Vested $(3)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested (#)(4)	Equity Incentive Plan Awards: Market Value or Payout of Shares, Units or Other Rights that have not Vested $(3)
David M. Wathen	66,666	133,334	1.38	1/12/2019	76,620	1,567,650	75,000	1,534,500
A. Mark Zeffiro	30,000	60,000	1.01	3/8/2019	42,810	875,890	—	—
Thomas M. Benson	26,664	6,666	23.00	9/30/2015	7,177	146,840	—	—
	5,000	25,000	1.01	3/8/2019	—	—	—	—
Lynn A. Brooks	193,068	—	20.00	6/5/2012	12,674	259,310	—	—
	24,166	48,334	1.01	3/8/2019	—	—	—	—
Joshua A. Sherbin	44,000	11,000	23.00	3/31/2015	30,447	622,950	—	—
	29,166	58,334	1.01	3/8/2019	—	—	—	—

(1) Stock options that have been granted under the 2006 and 2002 Long Term Equity Incentive Plans vest over a period of three to seven years.

(2) All awards in this column relate to restricted stock and performance unit grants awarded under the 2006 Long Term Equity Incentive Plan. All restricted stock granted in 2008 vests over the three-year period beginning on the date of the respective grant with one-third of the grant being vested on a pro-rata basis over each of the three years following the respective grant date. The performance units granted in 2009 vest over the period from grant date (December 4, 2009) to March 15, 2011. The restricted stock units granted on February 26, 2010 vest after three years from grant date. The restricted stock units granted on March 24, 2010 and October 21, 2010 vest ratably over the period from grant date.

(3) The market value is based on the stock price as of December 31, 2010 ($20.46) multiplied by the number of share or unit awards.

(4) In connection with his joining the Company on January 13, 2009, Mr. Wathen was given the opportunity to earn restricted stock units in the event that the Company's closing stock price for any successive 75 trading day period within 36 months of his start date, exceeds five thresholds: $5.00; $10.00; $15.00; $20.00; and $25.00. For each threshold met, Mr. Wathen would earn 25,000 restricted stock units, up to a maximum of 125,000 should all five thresholds be met within the 36 month period. If earned, the restricted stock units would vest ratably over a three year period from the date of the grant. Mr. Wathen earned 50,000 restricted stock units during 2010, 25,000 on each of March 24, 2010 and October 21, 2010, respectively, as the Company's closing stock price met the requirements for the $5.00 and $10.00 thresholds as of those dates.

Restricted Share Vesting in 2010

The following table sets forth information concerning the number of shares of restricted stock awarded in prior years to NEOs with restrictions that lapsed in 2010 and the value of such shares at the time the restrictions lapsed.

Name	Vesting Date	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)[1]
David M. Wathen	3/15/2010	79,840	562,070
A. Mark Zeffiro	3/15/2010	9,940	69,980
	6/2/2010	4,000	40,400
Thomas M. Benson	3/15/2010	10,170	71,600
	4/2/2010	1,067	7,450
	9/1/2010	1,334	18,690
Lynn A. Brooks	3/15/2010	18,060	127,140
	4/2/2010	1,833	12,790
	9/1/2010	2,834	39,700
Joshua A. Sherbin	3/15/2010	6,900	48,580
	4/2/2010	1,667	11,640
	9/1/2010	2,334	32,700

(1) Based on closing stock prices of $7.04 on March 15, 2010, $6.98 on April 1, 2010, $10.10 on June 2, 2010 and $14.01 on September 1, 2010.

Post-Employment Compensation

The Company maintains an Executive Severance/Change of Control Policy, or the Policy. The Policy applies to certain of the Company's executives. The Policy states that each executive shall devote his or her full business time to the performance of his or her duties and responsibilities for the Company. The Policy requires the Company to make severance payments to an executive if his or her employment is terminated under certain circumstances.

If the Company terminates the employment of the President and Chief Executive Officer for any reason other than for cause, disability, or death, or if the President and Chief Executive Officer terminates his or her employment for good reason, the Company will provide the President and Chief Executive Officer with two years' annual base salary, Incentive Compensation Plan bonus payments equal to one year's bonus at his or her target bonus level in effect on the date of termination (paid in equal installments over two years), any Incentive Compensation Plan bonus payment that has been declared for the President and Chief Executive Officer but not paid, his or her pro-rated Incentive Compensation Plan bonus for the year of termination through the date of termination based on his or her target bonus level, immediate vesting upon the termination date of any equity awards under the 2002 Long Term Equity Plan and a pro rata portion of equity awards under all subsequent plans through the termination date, executive level outplacement services for up to 12 months, and continued medical benefits for up to 24 months following the termination date. The President and Chief Executive Officer's termination based compensation is higher than that of other executive officers in the interest of keeping with the Company policy of compensating executive officers at levels that correspond with their levels of responsibility.

If the Company terminates the employment of any covered executive (excluding the President and Chief Executive Officer) for any reason other than cause, disability, or death, or if the executive terminates his or her employment for good reason, the Company will provide the executive with one year's annual base salary, Incentive Compensation Plan bonus payments equal to one year's bonus at his or her target bonus level in effect on the date of termination (paid in equal installments over one year), any Incentive Compensation Plan bonus payment that has been declared for the executive but not paid, his or her pro-rated Incentive Compensation Plan bonus for the year of termination through the date of termination based on his or her target bonus level, immediate vesting upon the termination date of any equity awards under the 2002 Long Term Equity Plan and a pro rata portion of equity awards under all subsequent plans through the termination date, executive level outplacement services for up to 12 months, and continued medical benefits for up to 12 months following the termination date.

In the case of any covered executive's voluntary termination or termination for cause, the Company pays the executive the accrued base salary through termination plus earned, but unused vacation compensation. All other benefits cease as of the termination date. If an executive's employment is terminated due to death, the Company pays the unpaid base salary as of the date of death, accrued but unpaid Incentive Compensation Plan compensation and vests in their entirety all of the executive's outstanding equity awards. Other than continued participation in the Company's medical benefit plan for the executive's dependents for up to 36 months, all other benefits cease as of the date of the executive's death. If an executive is terminated due to becoming disabled, the Company pays the executive earned but unpaid base salary and Incentive Compensation Plan payments and vests in their entirety all of the executive's outstanding equity awards. All other benefits cease as of the date of such termination in accordance with the terms of such benefit plans.

In the case of a qualifying termination of any covered executive's (including the President and Chief Executive Officer) employment within three years of a change of control, then, in place of any other severance payment, the Company will provide the executive with a payment equal to 36 months of his or her base salary rate in effect at the date of termination, an Incentive Compensation Plan bonus payment equal to three years' bonus at his or her target bonus level in effect at the date of termination, any Incentive Compensation Plan bonus payment that has been declared for the executive but not paid, his or her pro-rated Incentive Compensation Plan bonus for the year of termination through the date of termination based on his or her target bonus level, immediate vesting upon the termination date of all unvested equity awards, executive level outplacement services for up to 12 months, and continued medical benefits for up to 36 months following the termination date provided that the timing of the foregoing payments will be made in compliance with Code Section 409A.

For purposes of the policy, "Change of Control" is defined as follows:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the Company's properties or assets, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than Heartland or any of its affiliates;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company (except as required to conform with Section 409A of the Code);

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than Heartland or any of its affiliates, or an otherwise defined permitted group, becomes the beneficial owner, directly or indirectly, of more than 50% of the Company's common voting stock, measured by voting power rather than number of shares; or

(4) the first day on which a majority of the members of the Board of Directors are not Continuing Directors. A "Continuing Director" means any member of the Board who (a) has been a member of the Board of Directors throughout the immediately preceding twelve (12) months, or (b) was nominated for election, or elected to the Board of Directors with the approval of the Continuing Directors who were members of the Board at the time of such nomination or election, or designated as a Director under the Company's Shareholders Agreement.

Change of Control is defined in a manner consistent with the definition in the indenture governing the Company's $9^3/4$% senior subordinated notes due 2017, filed as an exhibit to the Report on Form 8-K filed with the SEC on January 15, 2010.

In addition, the Executive Severance/Change of Control Policy states that in return for these benefits, each executive covered under the Policy must refrain from competing against the Company for a period following termination that corresponds to the duration of any severance payments the executive would be entitled to receive or 24 months if no severance payments are payable.

The tables below summarize the executive benefits and payments due to the President and Chief Executive Officer and other NEOs upon termination, both in connection with a termination (i) for any reason other than cause, disability, or death, or if the executive terminates his or her employment for good reason ("Involuntary, not for cause") and (ii) in connection with a change of control. The tables assume that termination occurred on December 31, 2010.

	Termination involuntary, not for cause or Executive terminates for good reason $	Termination for cause $	Termination in connection with a change of control $	Death $[4]	Disability $[5]
David M. Wathen					
Cash payments[1]	2,144,800	—	4,358,600	691,900	691,900
Value of restricted stock[2]	631,000	631,000	1,567,600	1,567,600	1,567,600
Value of stock options[3]	2,491,000	2,491,000	3,816,000	3,816,000	3,816,000
Outplacement services	50,000	—	50,000	—	—
Medical benefits	33,400	—	50,000	50,000	—
Total	5,350,200	3,122,000	9,842,200	6,125,500	6,075,500
A. Mark Zeffiro					
Cash payments[1]	680,000	—	2,040,000	280,000	280,000
Value of restricted stock[2]	339,400	339,400	875,900	875,900	875,900
Value of stock options[3]	1,053,700	1,053,700	1,750,500	1,750,500	1,750,500
Outplacement services	30,000	—	30,000	—	—
Medical benefits	16,700	—	50,000	50,000	—
Total	2,119,800	1,393,100	4,746,400	2,956,400	2,906,400
Thomas M. Benson					
Cash payments[1]	—	—	—	—	—
Value of restricted stock[2]	121,500	121,500	146,800	146,800	146,800
Value of stock options[3]	351,200	351,200	583,500	583,500	583,500
Outplacement services	—	—	—	—	—
Medical benefits	—	—	—	—	—
Total	472,700	472,700	730,300	730,300	730,300
Lynn A. Brooks					
Cash payments[1]	709,500	—	2,128,500	279,000	279,000
Value of restricted stock[2]	214,700	214,700	259,300	259,300	259,300
Value of stock options[3]	937,600	937,600	1,498,900	1,498,900	1,498,900
Outplacement services	30,000	—	30,000	—	—
Medical benefits	16,700	—	50,000	50,000	—
Total	1,908,500	1,152,300	3,966,700	2,087,200	2,037,200
Joshua A. Sherbin					
Cash payments[1]	555,000	—	1,665,000	185,000	185,000
Value of restricted stock[2]	238,600	238,600	622,900	622,900	622,900
Value of stock options[3]	1,024,400	1,024,400	1,701,900	1,701,900	1,701,900
Outplacement services	30,000	—	30,000	—	—
Medical benefits	16,700	—	50,000	50,000	—
Total	1,864,700	1,263,000	4,069,800	2,559,800	2,509,800

(1) Comprised of base salary as of December 31, 2010 and Incentive Compensation Plan payments.

(2) Restricted stock valued at the market price of the Company's common stock of $20.46 at December 31, 2010. Messrs. Wathen, Zeffiro, Benson, Brooks and Sherbin had 30,840, 16,587, 5,940, 10,494 and 11,664 shares, respectively, that would have been vested upon termination as of December 31, 2010, and 76,620, 42,810, 7,177, 12,674 and 30,447 shares, respectively, that would have been vested upon a change of control.

(3) Stock options valued at the market price of the Company's common stock of $20.46 at December 31, 2010, less the respective exercise prices. Messrs. Wathen, Zeffiro, Benson, Brooks, and Sherbin had 130,556, 54,175, 44,722, 236,709 and 96,670 stock options, respectively, that were exercisable as of December 31, 2010, and 200,000, 90,000, 63,330, 265,568 and 142,500 stock options, respectively, that would be vested upon a change of control.

(4) With respect to death, the Policy provides that all obligations of the Company to make any further payments, except for accrued but unpaid salary and accrued but unpaid Incentive Compensation Plan awards, terminate as of the date of the Executive's death. Equity awards become 100% vested upon death. Executive's dependents are eligible to receive reimbursement for the employee portion of COBRA premiums for a period not to exceed thirty-six (36) months after the Executive's date of death.

(5) With respect to disability, the Policy provides that all obligations of the Company to make any further payments, except for accrued but unpaid salary and accrued but unpaid annual incentive compensation plan awards, terminate on the earlier of (a) six (6) months after the disability related termination or (b) the date Executive receives benefits under the Company's long term disability program. Equity awards become 100% vested upon the disability termination.

In addition, the Policy states that in return for these benefits, each executive covered under the Policy is required to refrain from competing against us for a period following termination that corresponds to the duration of any severance payments the executive would be entitled to receive or 24 months if no severance payments are payable.

This employment policy may be modified by the Compensation Committee at any time, provided that the prior written consent of the executive is required if the modification adversely impacts the executive. Further, the Compensation Committee may amend or terminate the Policy at any time upon 12 months' written notice to any adversely affected executive.

Retirement Benefits

The following table summarizes the Company's Benefit Restoration Plan actuarial present value for the participating NEO.

Name	Plan Name	Number of Years of Credited Service	Present Value of Accumulated Benefit(1)
Lynn A. Brooks	TriMas Benefit Restoration Plan	31	$ 183,800

(1) The Benefits of the TriMas Benefits Restoration Pension Plan were frozen as of December 31, 2002. Any changes in the present value of the accumulated benefits represent only changes in actuarial assumptions used in calculating the present value of those benefits.

Executive Retirement Program

The following table summarizes the activity in the nonqualified retirement plans for the Company's NEOs:

Name	Year	Executive Contributions in Last Fiscal Year ($)	Registrant Contributions in Last Fiscal Year ($)(1)	Aggregate Earnings in Last Fiscal Year ($)(2)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last Fiscal Year-End ($)
David M. Wathen	2010	—	49,800	7,500	—	88,300
	2009	—	28,500	2,500	—	31,000
A. Mark Zeffiro	2010	—	15,600	5,100	—	44,000
	2009	—	14,400	4,300	—	23,300
	2008	—	4,700	(100)	—	4,600
Thomas M. Benson	2010	—	8,200	1,000	—	17,600
	2009	—	3,900	1,000	—	8,400
Lynn A. Brooks	2010	—	36,500	35,000	—	302,300
	2009	—	33,000	47,500	—	230,800
	2008	—	32,100	(41,600)	—	150,300
Joshua A. Sherbin	2010	—	18,600	15,200	—	102,400
	2009	—	18,200	17,000	—	68,600
	2008	—	14,400	(21,400)	—	33,400

(1) Represents the Company's contributions to the TriMas Executive Retirement Program. These contributions are included in the column titled "All Other Compensation" in the summary executive compensation table and under "Company Contributions in Retirement and 401K Plans" in the supplemental table.

(2) In addition to earnings on the TriMas Executive Retirement Program, the amount for Mr. Brooks includes earnings attributable to his participation in the Benefit Restoration Plan. Any changes in the value of the accumulated benefits represent only changes in average performance of the Fidelity Freedom Funds.

Contributions to the Executive Retirement Program are invested in accordance with each NEO's directive based on the investment options in the Company's retirement program. Investment directives can be amended by the participant at any time.

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee of the Board of Directors of TriMas Corporation has reviewed and discussed with management this Compensation Discussion and Analysis. Based on this review and discussion, it has recommended to the Board of Directors that this Compensation Discussion and Analysis be included in this Annual Report on Form 10-K of TriMas Corporation filed for the fiscal year ended December 31, 2010.

Compensation Committee of the Board of Directors
Eugene A. Miller, Chairman
Richard M. Gabrys
Marshall A. Cohen
Samuel Valenti III

Director Compensation

The Compensation Committee is responsible for reviewing director compensation and making recommendations to the Board, as appropriate. The Compensation Committee and Board believe that directors should receive a mix of cash and equity over their tenure. The combination of cash and equity compensation is intended to provide incentives for directors to continue to serve on the Board of Directors and to attract new directors with outstanding qualifications. Directors who are not independent do not receive any compensation for serving on the Board or any committees thereof. Directors may make an annual election to defer receipt of Board compensation, provided the election is made prior to the fiscal year in which the deferral is effective.

Annual Cash Retainer and Meeting Fees. In 2010, each independent director received an annual retainer of $75,000, and a meeting fee of $1,000 for each Board or committee meeting attended. The Chairman of the Board received $200,000 in 2010 for his services in that capacity and did not receive attendance fees. The chairman of each of the Audit, Compensation and Corporate Governance and Nominating Committees received an additional annual retainer in the amounts of $15,000, $10,000 and $5,000, respectively.

Two of the four independent directors elected to defer receipt of Board compensation in 2010. For 2011, two of four independent directors elected to defer receipt of all or part of their Board compensation.

Equity Compensation. On March 9, 2009, the Board approved the issuance of options to purchase 24,000 shares of common stock to each independent Board member (other than the Chairman), with an exercise price equal to the closing price of the Company's stock on the grant date. The options vest in equal annual increments over the three years following the grant date and are subject to a ten (10) year exercise term, subject to earlier termination if the recipient dies, becomes disabled or is no longer a director.

Director Stock Ownership. We have established stock ownership guidelines for independent directors to more closely tie their interests to those of shareholders. Under these guidelines, directors are required to own, within five years after initial election to the Board (but not tolling prior to the Company's May 2007 initial public offering, and thus not applicable to any of the independent directors until May 2012) shares of Company stock having a value equal to three times their annual cash retainer. Common stock, time-based restricted stock and vested in the money options held by an independent director are counted toward fulfillment of this ownership requirement.

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

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

Director Compensation Table

Name	2010 Fees Earned or Paid in Cash ($)	2010 Stock Awards ($)	Total ($)
Samuel Valenti III	200,000	—	200,000
David M. Wathen[(1)]	—	—	—
Marshall A. Cohen	103,000	—	103,000
Richard M. Gabrys	112,000	—	112,000
Eugene A. Miller	108,000	—	108,000
Daniel P. Tredwell[(1)]	—	—	—

(1) Messrs. Tredwell and Wathen did not receive any compensation for their services as directors.

(2) Messrs. Cohen and Miller elected to defer 100% and 50%, respectively, of their 2010 fees earned as permitted under the 2006 Long Term Equity Incentive Plan.

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Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth information with respect to the beneficial ownership of the Company's common stock as of December 31, 2010 by:

- each person known by us to beneficially own more than 5% of the Company's common stock;
- each of the Company's Directors and Director nominees;
- each of the Named Executive Officers; and
- all of the Company's Directors and Named Executive Officers as a group.

The percentages of common stock beneficially owned are reported on the basis of regulations of the SEC governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a beneficial owner of a security if that person has or shares, (i) voting power, which includes the power to vote or to direct the voting of the security, (ii) investment power, which includes the power to dispose of or to direct the disposition of the security, or (iii) rights to acquire voting stock that are currently exercisable or will become exercisable within 60 days of December 31, 2010. Except as indicated in the footnotes to this table, each beneficial owner named in the table below has sole voting and sole investment power with respect to all shares beneficially owned. As of December 31, 2010, the Company had 33,065,856 shares outstanding and 1,048,006 shares that are deemed "beneficially owned" under the SEC rules described above.

	Shares Beneficially Owned	
Name and Beneficial Owner	**Number**	**Percentage**
Heartland Industrial Associates, L.L.C.(1)(2) 177 Broad Street, Stamford, CT 06901	11,904,972	33.9%
William Blair & Company, L.L.C. 222 West Adams Street, Chicago, IL 60606	3,587,207	10.2%
Masco Corporation(3) 21001 Van Born Road, Taylor, MI 48180	1,973,990	5.6%
First Manhattan Co. 437 Madison Avenue, New York, NY 10022	1,772,845	5.0%
Thomas M. Benson(4)(6)	38,841	—%
Lynn A. Brooks(4)(6)	260,006	—%
Marshall A. Cohen(4)(6)	10,000	—%
Richard M. Gabrys(4)(6)	11,000	—%
Eugene A. Miller(4)(6)	25,000	—%
Joshua A. Sherbin(4)(6)	99,928	—%
Daniel P. Tredwell(2)	11,904,972	33.9%
Samuel Valenti III(4)(5)(6)	350,000	1.0%
David M. Wathen(4)(6)	361,217	1.0%
A. Mark Zeffiro(4)(6)	81,862	—%
All named executive officers and directors as a group (10 persons)(2)(4)(6)	13,142,826	37.4%

(1) These shares of common stock are beneficially owned indirectly by Heartland Industrial Associates, L.L.C. as the general partner of each of the limited partnerships, which hold shares of common stock directly. These limited liability companies and limited partnership hold common stock as follows: 8,820,936 shares are held by TriMas Investment Fund I, L.L.C. ("TIF I"); 2,243,827 shares are held by Metaldyne Investment Fund I, L.L.C. ("MIF I"); 673,065 shares are held by HIP Side-by-Side Partners, L.P.; 134,192 shares are held by TriMas Investment Fund II, L.L.C.; and 32,952 shares are held by Metaldyne Investment Fund II, L.L.C. In addition, by reason of the Shareholders Agreement

summarized under "Transactions with Related Persons—Shareholders Agreement," Heartland Industrial Associates, L.L.C., and Heartland Industrial Partners, L.P., as the managing member of TIF I, MIF I, may be deemed to share beneficial ownership of shares of common stock held by other shareholders party to the Shareholders Agreement and may be considered to be a member of a "group," as such term is used under Section 13(d) under the Exchange Act.

(2) All shares are beneficially owned as disclosed in footnote (1). Mr. Tredwell is the Managing Member of Heartland Industrial Associates, L.L.C., but disclaims beneficial ownership of such shares. The business address for Mr. Tredwell is 177 Broad Street, Stamford, CT 06901.

(3) Of these shares, 280,701 are held directly by Masco Corporation and 1,693,289 shares are held by Masco Capital Corporation, which is a wholly-owned subsidiary of Masco Corporation.

(4) For Messrs. Benson, Brooks, Cohen, Gabrys, Miller, Sherbin, Valenti, Wathen, and Zeffiro, the number set forth in the table includes options to purchase 31,664, 217,234, 10,000, 9,000, 10,000, 73,166, 200,000, 133,333 and 30,000 shares, respectively, granted under the Company's 2002 and 2006 Long Term Equity Incentive Plans, that are currently exercisable or will be per the SEC's beneficial ownership rules ; and for Messrs. Benson, Brooks, Sherbin, Wathen and Zeffiro, the number set forth in the table includes 7,177, 12,674, 5,807, 26,620 and 9,960 restricted shares of common stock, respectively, awarded under the 2006 Long Term Equity Incentive Plan.

(5) Entities affiliated with Mr. Valenti are members of Heartland Additional Commitment Fund, LLC which is a limited partner of Heartland.

(6) Except for Messrs. Valenti and Wathen, each director, nominee director and named executive officer, owns less than one percent of the outstanding shares of the Company's common stock and securities authorized for issuance under equity compensation plans.

Item 13. Certain Relationships and Related Transactions and Director Independence

Policy for Review, Approval or Ratification of Transactions with Related Parties

Pursuant to its written charter, the Audit Committee is responsible for reviewing reports and disclosures of insider and affiliated party transactions and monitoring compliance with the Company's written Code of Ethics and Business Conduct, which requires employees to disclose in writing any outside activities, financial interests, relationships or other situations that do or may involve a conflict of interest or that present the appearance of impropriety.

Pursuant to the written charter of the Corporate Governance and Nominating Committee and the written Corporate Governance Guidelines, members of the Board of Directors must properly notify the President and Chief Executive Officer and the Chairman of the Corporate Governance and Nominating Committee if any actual or potential conflict of interest arises between the Company and such member. After notification, the Board of Directors will evaluate and resolve the matter in the best interest of the Company upon recommendation of the Corporate Governance and Nominating Committee.

It is also the Company's unwritten policy, which policy is not otherwise evidenced, that the Audit Committee review and approve all transactions (other than those that are de minimis in nature) in which the Company participates and in which any related person has or will have a direct or indirect material interest. In reviewing and approving such transactions, the Audit Committee obtains all information it believes to be relevant to a review and approval of the transaction. After consideration of the relevant information, the Audit Committee approves only those related person transactions that are determined not to be inconsistent with the best interests of the Company.

In addition, the Company's credit facility and the indenture governing the Company's senior subordinated notes contain covenants that restrict the Company's ability to engage in transactions that are at prices and on terms and conditions not less favorable to the Company than could be obtained at an arm's-length basis from unrelated parties. Such covenants influence the Company's policy for review, approval and ratification of transactions with related parties.

Heartland Industrial Partners

Initial Public Offering

On May 17, 2007, the Company completed an initial public offering which benefited all of the Company's pre-offering shareholders, and its officers and directors due principally to the creation of a public market for the Company's common stock. Upon the consummation of the offering, Heartland retained control of approximately 45.2% of the Company's voting stock and in accordance with the Shareholders Agreement discussed below, it continues to be able to elect a majority of the Company's Board of Directors and to effectively control the Company. Disclosure of Heartland's ownership is described under "Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters."

Shareholders Agreement

Heartland, Masco Capital Corporation, and other investors are parties to a shareholders agreement regarding their ownership of the Company's common stock (the "Shareholders Agreement"). The Shareholders Agreement provides that the parties will vote their shares of common stock in order to cause the election to the Board of Directors of such number of Directors as shall constitute a majority of the Board of Directors as designated by Heartland. There are no arrangements or understandings between any of the Company's directors on the one hand and Heartland on the other hand pursuant to which a director was selected. The Shareholders Agreement also provides Heartland and the other parties to it with certain registration rights under the Securities Act of 1933, as amended.

Advisory Services Agreement

The Company and Heartland are party to an advisory services agreement, pursuant to which Heartland is reimbursed for certain of its expenses and may continue to earn a fee not to exceed 1.0% of the transaction value for services provided in connection with certain future financings, acquisitions and divestitures by the Company, in each case subject to the approval by the disinterested members of the Company's Board of Directors. Heartland did not charge the Company any fees related to transaction services in 2010. During 2009, the independent directors approved fees of approximately $2.9 million for services rendered in connection with the Company's debt refinancing activities and $0.1 million for reimbursement of normal-course operating expenses.

Management Rights Agreement

The Company has entered into an agreement with Heartland granting certain rights to consult with management and receive information about the Company and to consult with the Company on significant matters so long as Heartland continues to own any of the Company's securities. Heartland has the right to attend Board meetings as an observer if they no longer have the right to designate one or more members of the Board. Heartland must maintain the confidentiality of any material non-public information it receives in connection with the foregoing rights. Heartland will not be paid any fees or receive any compensation or expense reimbursement pursuant to this agreement.

Relationships with Heartland

The managing general partner of Heartland is Heartland Industrial Associates, L.L.C. One of the Company's directors, Mr. Tredwell, is the managing member of Heartland Industrial Partners, L.L.C. Mr. Valenti, the Company's Chairman, is a former advisor to Heartland and is affiliated with entities that are members of a limited liability company that owns a limited partnership interest in Heartland.

Heartland has informed the Company that its limited partners include many financial institutions, private and government employee pension funds and corporations. The Company may, in the ordinary course of business, have on a normal, customary and arm's length basis, relationships with certain of Heartland's limited partners, including banking, insurance and other relations.

Director Independence

The Company's Board has determined, after considering all of the relevant facts and circumstances, that Messrs. Cohen, Gabrys, Miller and Valenti are "independent" from management in accordance with the NASDAQ listing standards and the Company's Corporate Governance Guidelines. To be considered independent, the Board must determine that a director does not have any direct or indirect material relationships with the Company and must meet the criteria for independence set forth in the Company's Corporate Governance Guidelines.

Item 14. Principal Accountant Fees and Services

Fees Paid to Independent Auditor

The following table presents fees billed by KPMG for professional audit services rendered related to the audits of the Company's annual financial statements for the years ended December 31, 2010, 2009 and 2008, and fees for other services rendered by KPMG during those periods.

	2010 ($)	2009 ($)	2008 ($)
Audit Fees	1,614,500	1,857,000	2,424,300
Audit-related Fees	304,100	234,000	—
Tax Fees	20,200	—	66,900
All Other Fees	—	—	—
Total	1,938,800	2,091,000	2,491,200

Audit and Audit-Related Fees

Integrated audit fees billed for services rendered in connection with the audit of the Company's annual financial statements and the effectiveness of the Company's financial controls over financial reporting were $1,614,500, $1,857,000, and $2,424,300 for 2010, 2009 and 2008, respectively. In 2010, audit-related fees of $304,100 were incurred primarily related to comfort letter procedures performed in connection with the Company's registration statement fillings. In 2009, audit-related fees of $234,000 were incurred primarily related to the Company's debt refinancing activities.

Tax Fees

Except for the amounts disclosed above, there were no tax fees billed by KPMG during 2010, 2009 and 2008, as the Company has retained another firm to provide tax advice.

The Audit Committee has determined that the rendering of all non-audit services by KPMG is compatible with maintaining such auditor independence.

We have been advised by KPMG that neither the firm, nor any member of the firm, has any financial interest, direct or indirect, in any capacity in the Company or its subsidiaries.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee is responsible for appointing, setting compensation and overseeing the work of the independent registered public accounting firm. The Audit Committee has established a policy regarding pre-approval of all audit and non-audit services provided by the independent registered public accounting firm.

On an ongoing basis, management communicates specific projects and categories of service for which the advance approval of the Audit Committee is requested. The Audit Committee reviews these requests and advises management if the committee approves the engagement of the independent registered public accounting firm. No services are undertaken which are not pre-approved. On a periodic basis, management reports to the Audit Committee regarding the actual spending for such projects and services compared to the approved amounts. All of the services provided by our independent auditor in 2010, 2009 and 2008, including services related to audit, audit-related fees, tax fees and all other fees described above, were approved by the Audit Committee under its pre-approval policies.

The Audit Committee's policies permit the Company's independent accountants, KPMG, to provide audit-related services, tax services and non-audit services to the Company, subject to the following conditions:

(1) KPMG will not be engaged to provide any services that may compromise its independence under applicable laws and regulations, including rules and regulations of the Securities and Exchange Commission and the Public Company Accounting Oversight Board;

(2) KPMG and the Company will enter into engagement letters authorizing the specific audit-related tax or non-audit services and setting forth the cost of such services;

(3) The Company is authorized, without additional Audit Committee approval, to engage KPMG to provide (a) audit-related and tax services, including due diligence and tax planning related to acquisitions where KPMG does not audit the target company, to the extent that the cost of such engagement does not exceed $250,000, (b) due diligence and tax planning related to acquisitions where KPMG audits the target company, to the extent the cost of such engagement does not exceed $20,000, and (c) services not otherwise covered by (a) or (b) above to the extent the cost of such engagements does not exceed $150,000; provided, however, that the aggregate amount of all such engagements under (a), (b) and (c) may not exceed $350,000 in any calendar quarter; and

(4) The Chairman of the Audit Committee will be promptly notified of each engagement, and the Audit Committee will be updated quarterly on all engagements, including fees.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Listing of Documents

(1) Financial Statements

The Company's Financial Statements included in Item 8 hereof, as required at December 31, 2010 and December 31, 2009, and for the periods ended December 31, 2010, December 31, 2009 and December 31, 2008, consist of the following:

Balance Sheet
Statement of Operations
Statement of Cash Flows
Statement of Shareholders' Equity
Notes to Financial Statements

(2) Financial Statement Schedules

Financial Statement Schedule of the Company appended hereto, as required for the periods ended December 31, 2010, December 31, 2009 and December 31, 2008, consists of the following:

Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable, not required, or the information is otherwise included in the financial statements or the notes thereto.

(3) Exhibits

See Exhibit Table at the end of this Report.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) 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)

BY: /s/ DAVID M. WATHEN

Name: David M. Wathen
Title: *President and Chief Executive Officer*

DATE: February 28, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ DAVID M. WATHEN David M. Wathen	President and Chief Executive Officer (Principal Executive Officer) and Director	February 28, 2011
/s/ A. MARK ZEFFIRO A. Mark Zeffiro	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 28, 2011
/s/ SAMUEL VALENTI III Samuel Valenti III	Chairman of the Board of Directors	February 28, 2011
/s/ MARSHALL A. COHEN Marshall A. Cohen	Director	February 28, 2011
/s/ RICHARD M. GABRYS Richard M. Gabrys	Director	February 28, 2011
/s/ EUGENE A. MILLER Eugene A. Miller	Director	February 28, 2011
/s/ DANIEL P. TREDWELL Daniel P. Tredwell	Director	February 28, 2011

SCHEDULE II
PURSUANT TO ITEM 15(a)(2)
OF FORM 10-K VALUATION AND QUALIFYING ACCOUNTS FOR THE YEARS ENDED
December 31, 2010, 2009 AND 2008

DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS: CHARGED TO COSTS AND EXPENSES	ADDITIONS: CHARGED (CREDITED) TO OTHER ACCOUNTS(A)	DEDUCTIONS(B)	BALANCE AT END OF PERIOD
Allowance for doubtful accounts deducted from accounts receivable in the balance sheet					
Year Ended December 31, 2010	$ 5,690,000	$ 800,000	$ (230,000)	$ 1,640,000	$ 4,620,000
Year Ended December 31, 2009	$ 5,670,000	$ 1,830,000	$ —	$ 1,810,000	$ 5,690,000
Year Ended December 31, 2008	$ 5,170,000	$ 1,440,000	$ (60,000)	$ 880,000	$ 5,670,000

(A) Allowance of companies acquired, and other adjustments, net.

(B) Deductions, representing uncollectible accounts written-off, less recoveries of amounts written-off in prior years.

Item 15. Exhibits.

Exhibits Index:

3.1(l)	Fourth Amended and Restated Certificate of Incorporation of TriMas Corporation.
3.2(ai)	Second Amended and Restated By-laws of TriMas Corporation.
4.1(a)	Indenture relating to the $9^{7}/8$% senior subordinated notes, dated as of June 6, 2002, by and among TriMas Corporation, each of the Guarantors named therein and The Bank of New York as Trustee, (including Form of Note as Exhibit).
4.2(c)	Supplemental Indenture dated as of March 4, 2003.
4.3(d)	Second Supplemental Indenture dated as of May 9, 2003.
4.4(e)	Third Supplemental Indenture dated as of August 6, 2003.
4.5(p)	Fourth Supplemental Indenture dated as of February 28, 2008.
4.6(ad)	Fifth Supplemental Indenture dated as of January 26, 2009.
4.7(ac)	Sixth Supplemental Indenture, dated as of December 29, 2009.
4.8(ac)	Indenture relating to the $9^{3}/4$% senior secured notes dated as of December 29, 2009, among TriMas Corporation, the Guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.
10.1(a)	Stock Purchase Agreement dated as of May 17, 2002 by and among Heartland Industrial Partners, L.P., TriMas Corporation and Metaldyne Company LLC.
10.2(a)	Amended and Restated Shareholders Agreement, dated as of July 19, 2002 by and among TriMas Corporation and Metaldyne Corporation.
10.3(j)	Amendment No. 1 to Amended and Restated Shareholders Agreement dated as of August 31, 2006.
10.4(i)	Credit Agreement dated as of June 6, 2002, as amended and restated as of August 2, 2006 among TriMas Corporation, TriMas Company LLC, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, and Comerica Bank, as Syndication Agent.
10.5(ab)	Credit Agreement dated as of June 6, 2002, as amended and restated as of August 2, 2006, as further amended and restated as of December 16, 2009, among TriMas Corporation, TriMas Company LLC, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, Comerica Bank, as Syndication Agent and J.P. Morgan Securities Inc., as Lead Arranger and Bookrunner.
10.6(ac)	Credit Agreement dated as of June 6, 2002, as amended and restated as of August 2, 2006, as further amended and restated as of December 16, 2009, as further amended and restated as of January 13, 2010, among TriMas Corporation, TriMas Company LLC, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, Comerica Bank, as Syndication Agent, and J.P. Morgan Securities Inc., as Lead Arranger and Bookrunner.
10.7(a)	Receivables Purchase Agreement, dated as of June 6, 2002, by and among TriMas Corporation, the Sellers party thereto and TSPC, Inc., as Purchaser.
10.8(w)	Amendment No. 1 as of February 13, 2009 to Receivables Purchase Agreement.
10.9(a)	Receivables Transfer Agreement, dated as of June 6, 2002, by and among TSPC, Inc., as Transferor, TriMas Corporation, individually, as Collection Agent, TriMas Company LLC, individually as Guarantor, the CP Conduit Purchasers, Committed Purchasers and Funding Agents party thereto, and JPMorgan Chase Bank as Administrative Agent.
10.10(k)	Amendment dated as of June 3, 2005, to Receivables Transfer Agreement.
10.11(h)	Amendment dated as of July 5, 2005, to Receivables Transfer Agreement.
10.12(n)	Amendment dated as of December 31, 2007, to Receivables Transfer Agreement.
10.13(o)	Amendment dated as of February 22, 2008, to Receivables Transfer Agreement.

10.14(w)	Amendment dated as of February 13, 2009, to Receivables Transfer Agreement.
10.15(p)	TriMas Receivables Facility Amended and Restated Fee Letter dated February 22, 2008.
10.16(w)	TriMas Receivables Facility Amended and Restated Fee Letter dated February 13, 2009.
10.17(ac)	Amended and Restated Receivables Purchase Agreement, dated as of December 29, 2009, among TriMas Corporation, the Sellers named therein and TSPC, Inc. as Purchaser.
10.18(ac)	Receivables Transfer Agreement, dated as of December 29, 2009, among TSPC, Inc., as Transferor, TriMas Corporation, as Collection Agent, TriMas Company LLC, as Guarantor, the persons party thereto from time to time as Purchasers and Wachovia Bank, National Association, as Administrative Agent.
10.19(a)	Lease Assignment and Assumption Agreement, dated as of June 21, 2002, by and among Heartland Industrial Group, L.L.C., TriMas Company LLC and the Guarantors named therein.
10.20(a)	TriMas Corporation 2002 Long Term Equity Incentive Plan.
10.21(t)	First Amendment to the TriMas Corporation 2002 Long Term Equity Incentive Plan.
10.22(t)	Second Amendment to the TriMas Corporation 2002 Long Term Equity Incentive Plan.
10.23(t)	Third Amendment to the TriMas Corporation 2002 Long Term Equity Incentive Plan.
10.24(t)	Fourth Amendment to the TriMas Corporation 2002 Long Term Equity Incentive Plan.
10.25(d)	Asset Purchase Agreement among TriMas Corporation, Metaldyne Corporation and Metaldyne Company LLC dated May 9, 2003, (including Exhibit A—Form of Sublease Agreement).
10.26(f)	2003 Form of Stock Option Agreement.
10.27(s)	2008 Annual Value Creation Program.
10.28(t)	409A Amendment to TriMas Corporation Annual Value Creation Plan effective September 10, 2008.
10.29(g)	Form of Indemnification Agreement.
10.30(j)	Amendment No. 1 to Stock Purchase Agreement, dated as of August 31, 2006 by and among Heartland Industrial Partners, L.P., TriMas Corporation and Metaldyne Corporation.
10.31(s)	Amendment No. 2 to Stock Purchase Agreement, dated as of November 27, 2006 by and among Heartland Industrial Partners, L.P., TriMas Corporation and Metaldyne Corporation.
10.32(j)	Advisory Agreement, dated June 6, 2002 between Heartland Industrial Partners, L.P. and TriMas Corporation.
10.33(k)	First Amendment to Advisory Agreement, dated as of November 1, 2006 between Heartland Industrial Group, L.L.C. and TriMas Corporation.
10.34(k)	Second Amendment to Advisory Agreement, dated as of November 1, 2006 between Heartland Industrial Group, L.L.C. and TriMas Corporation.
10.35(k)	Management Rights Agreement.
10.36(aa)	Executive Severance/Change of Control Policy.
10.37(ag)	TriMas Corporation 2006 Long Term Equity Incentive Plan Composite Plan Document.
10.38(q)	Separation Agreement dated April 10, 2008.
10.39(r)	Letter Agreement dated April 28, 2008.
10.40(s)	Letter Agreement dated July 1, 2008.
10.41(z)	ISDA 2002 Master Agreement between JPMorgan Chase Bank, N. A. and TriMas Company LLC dated as of January 29, 2009.

10.42(t)	Interest Rate Swap Transaction letter Agreement between JPMorgan Chase Bank, N.A. and TriMas Company, LLC effective as of April 29, 2008.
10.43(ad)	Interest Rate Swap Transaction letter Agreement between JPMorgan Chase Bank, N.A. and TriMas Company, LLC effective as of January 28, 2009.
10.44(ad)	Interest Rate Swap Transaction letter Agreement between JPMorgan Chase Bank, N.A. and TriMas Company, LLC effective as of October 28, 2009.
10.45(w)	Asset Purchase Agreement between Lamtec Corporation, Compac Corporation and TriMas Company LLC dated as of December 8, 2008.
10.46(u)	Offer Letter from TriMas Corporation to David M. Wathen dated as of January 12, 2009.
10.47(v)	Separation Agreement dated as of January 13, 2009.
10.48(y)	Separation Agreement dated as of March 5, 2009.
10.49(x)	TriMas Corporation Long Term Equity Incentive Plan Non-Qualified Stock Option Agreement.
10.50(y)	2009 TriMas Incentive Compensation Plan.
10.51(af)	2010 TriMas Incentive Compensation Plan.
10.52(aa)	Flexible Cash Allowance Policy.
10.53(ad)	TriMas Corporation 2006 Long Term Equity Incentive Plan Restricted Stock Agreement—2009 Additional Grant.
10.54(ad)	TriMas Corporation 2006 Long Term Equity Incentive Plan Restricted Stock Agreement—2009 162(m) Conversion Grant.
10.55(ad)	TriMas Corporation 2002 Long Term Equity Incentive Plan Restricted Stock Agreement—2009 Conversion and Additional Grants.
10.56(ae)	TriMas Corporation 2002 Long Term Equity Incentive Plan Non-Qualified Stock Option Agreement.
10.57(ae)	TriMas Corporation 2002 Long Term Equity Incentive Plan Restricted Share Award Agreement.
10.58(ae)	TriMas Corporation 2006 Long Term Equity Incentive Plan Restricted Stock Unit Agreement.
10.59(ah)	Asset Purchase Agreement among TW Cylinders LLC, Taylor-Wharton International LLC and Norris Cylinder Company dated as of April 30, 2010.
10.60	TriMas Corporation 2002 Long Term Equity Incentive Plan Restricted Share Award Agreement—2011 Grant
10.61	TriMas Corporation 2006 Long Term Equity Incentive Plan Restricted Stock Agreement—2011 Award
10.62	TriMas Corporation 2006 Long Term Equity Incentive Plan Restricted Stock Unit Agreement—2011 Award
12.1	Computation of Ratio of Earnings to Fixed Charges.
21.1	TriMas Corporation Subsidiary List.
23.1	Consent of Independent Registered Public Accounting Firm.
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.

(a) Incorporated by reference to the Exhibits filed with our Registration Statement on Form S-4, filed on October 4, 2002 (File No. 333-100351).

(b) Incorporated by reference to the Exhibits filed with Amendment No. 2 to our Registration Statement on Form S-4, filed on January 28, 2003 (File No. 333-100351).

(c) Incorporated by reference to the Exhibits filed with our Annual Report on Form 10-K filed March 31, 2003 (File No. 333-100351).

(d) Incorporated by reference to the Exhibits filed with our Registration Statement on Form S-4, filed June 9, 2003 (File No. 333-105950).

(e) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on August 14, 2003 (File No. 333-100351).

(f) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on November 12, 2003 (File No. 333-100351).

(g) Incorporated by reference to the Exhibits filed with Amendment No. 3 to our Registration Statement on Form S-1/A, filed on June 29, 2004 (File No. 333-113917).

(h) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on July 6, 2005 (File No. 333-100351).

(i) Incorporated by reference to the Exhibits[(1)] filed with our Report on Form 8-K filed on August 3, 2006 (File No. 333-100351).[(1)] Schedules and Exhibits to the filing are included in this Annual Report on Form 10-K.

(j) Incorporated by reference to the Exhibits filed with Amendment No. 1 to our Registration Statement on Form S-1, filed on September 19, 2006 (File No. 333-136263).

(k) Incorporated by reference to the Exhibits filed with Amendment No. 3 to our Registration Statement on Form S-1, filed on January 18, 2007 (File No. 333-136263).

(l) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q, filed on August 3, 2007 (File No. 333-100351).

(m) Incorporated by reference to the Exhibits filed with the Registration Statement on Form S-8, filed on August 31, 2007 (File No. 333-145815).

(n) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on January 4, 2008 (File No. 001-10716).

(o) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on February 26, 2008 (File No. 001-10716).

(p) Incorporated by reference to the Exhibits filed with our Annual Report on Form 10-K filed on March 13, 2008 (File No. 001-10716).

(q) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on April 10, 2008 (File No. 001-10716).

(r) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on June 2, 2008 (File No. 001-10716).

(s) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on August 7, 2008 (File No. 001-10716).

(t) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on November 10, 2008 (File No. 001-10716).

(u) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on January 14, 2009 (File No. 001-10716).

(v) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on February 5, 2009 (File No. 001-10716).

(w) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on February 17, 2009 (File No. 001-10716).

(x) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on March 6, 2009 (File No. 001-10716).

(y) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on March 10, 2009 (File No. 001-10716).

(z) Incorporated by reference to the Exhibits filed with our Annual Report on Form 10-K filed on March 10, 2009 (File No. 001-10716).

(aa) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on December 10, 2009 (File No. 001-10716).

(ab) Incorporated by reference to the Exhibits[2] filed with our Report on Form 8-K filed on December 17, 2009 (File No. 001-10716).[2] Schedule 2.01 and Exhibit L included in this Annual Report on Form 10-K.

(ac) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on January 15, 2010 (File No. 001-10716).

(ad) Incorporated by reference to the Exhibits filed with our Annual Report on Form 10-K filed on March 4, 2010 (File No. 001-10716).

(ae) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on March 4, 2010 (File No. 001-10716).

(af) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on March 15, 2010 (File No. 001-10716).

(ag) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on March 26, 2010 (File No. 001-10716).

(ah) Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on April 30, 2010 (File No. 001-10716).

(ai) Incorporated by reference to the Exhibits filed with our Report on Form 8-K filed on February 18, 2011 (File No. 001-10716).

Exhibit 10.4(i)[1]

Schedules and Exhibits to Credit Agreement dated as of June 6, 2002, as amended and restated August 2, 2006.

Schedule 1.01(a)
MORTGAGED PROPERTY

Mortgagor	Address
Rieke Corporation	500 West 7th Street Auburn, Indiana
Lake Erie Screw Corporation, n/k/a Lake Erie Products Corporation	13001 Athens Avenue Lakewood, Ohio
Norris Cylinder Company	1535 FM 1845 S. P.O. Box 7486 Longview, Texas

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Schedule 2.01

COMMITMENTS

Revolving Commitments

LENDER		COMMITMENT
JPMorgan Chase Bank, N.A.	$	25,000,000.00
Comerica Bank	$	25,000,000.00
General Electric Capital Corporation	$	12,500,000.00
Bank of America, N.A.	$	10,000,000.00
Credit Suisse, Cayman Islands Branch	$	7,500,000.00
Goldman Sachs & Co.	$	5,000,000.00
Merrill Lynch Capital Corporation	$	5,000,000.00
TOTAL	**$**	**90,000,000.00**

Tranche B-1 Loans

LENDER		COMMITMENT
JPMorgan Chase Bank, N.A.	$	60,000,000.00
TOTAL	**$**	**60,000,000.00**

Tranche B Term Loans

LENDER		COMMITMENT
JPMorgan Chase Bank, N.A.	$	217,374,549.92
Waterville Funding LLC	$	6,906,250.00
Natexis Banques Populaires	$	5,687,500.00
Gallatin CLO II 2005-1 Ltd.	$	5,078,675.07
Loan Funding V, LLC	$	3,680,692.40
Gallatin Funding I Ltd.	$	3,612,503.06
First Dominion Fund III	$	2,285,966.13
GE Commercial Loan Holding LLC	$	2,280,762.36
Dryden V - Leveraged Loan CDO 2003	$	2,280,112.95
Grayston CLO II 2004-1 Ltd.	$	2,217,708.68
Dryden VII-Leveraged Loan CDO 2004	$	2,154,526.39
Dryden XI-Leveraged Loan CDO 2006	$	1,925,177.37
Dryden IV Leveraged Loan CDO 2003	$	1,740,740.89
Landmark II CDO Limited	$	1,142,217.49
Laguna Funding LLC	$	872,363.19
KZH Soleil-2 LLC	$	760,254.10
TOTAL	**$**	**260,000,000.00**

Schedule 3.05
REAL PROPERTY

SUBSIDIARY	ADDRESS	CITY, STATE, ZIP
Arrow Engine Company	2301 E. Independence Street	Tulsa, OK 74110
	1124 North Lewis (South End)	Tulsa, OK 74110
Cequent Consumer Products, Inc.	27070 Miles Road	Solon, OH 44139
	3310 William Richardson Ct.	South Bend, IN 46628
Cequent Electrical Products, Inc.	101 Spires Parkway	Tekonsha, MI 49092
	3801 W. Military Highway (McAllen Warehouse)	McAllen, TX 78503
	351 Pokagon Trail	Angola, IN 46703
Cequent Towing Products, Inc.	2602 College Avenue	Goshen , IN 46526
	7300 Sand Street Building #20	Fort Worth, TX 76118
	555 South Promenade Avenue Suite 102	Corona, CA 92879
	105-2 LM Gaines Blvd.	Starke, FL 32091
	295 Burlington Business Cntr 511 Elbow Lane	Burlington, NJ 08016
	2400 70th Avenue East Suite B-104	Fife, WA 98424
	47774 Anchor Court West	Plymouth, MI 48170
	3709 East Randol Mill Road	Arlington, TX 76011
	1405 S. 10th Street	Goshen, IN 46526
	2600 College Avenue	Goshen , IN 46528
Cequent Trailer Products, Inc.	1050 Indianhead Drive P.O. Box 8	Mosinee, WI 54455
	650 Alderson	Schofield, WI 54476
	8460 Gran Vista Drive	El Paso, TX 79907
Compac Corporation	Lot 9 Block 44	Hackettstown, NJ
	103 Bilby Road	Hackettstown, NJ 07840
	150 Fieldcrest Ave	Edison , NJ 08837
Fittings Products Co., LLC	12955 Inkster Rd.	Livonia, MI 48150
	36975 Schoolcraft	Livonia , MI 48150
The HammerBlow Company, LLC	5006 Camp Philips Road Apt. 3	Schofield, WI 54476
	920-1000 N. 1st Street	

SUBSIDIARY	ADDRESS	CITY, STATE, ZIP
Hidden Hitch Acquisition Company	1400 Cavalier Blvd. Suite H	Chesapeake, VA 23323
	5725 North Frontage Rd /5725 New Tampa Hwy Uts 1-3	Lakeland, FL 33815
	25215 Dequindre Drive	Madison Heights, MI 48070
	3227C S. Military Highway	
	4545 Mint Way	Dallas, TX 75236
	21146 Trolley Industrial Dr.	Taylor, MI 48180
Keo Cutters, Inc.	25040 Easy Street	Warren , MI 48090
	25125 Easy Street	Warren , MI 48090
Lake Erie Products Corporation	13001 Athens Avenue	Lakewood, OH 44107
	3595 W. State Road 28	Frankfort, IN 46041
	3281 West City Road O N/S	Frankfort, IN 46041
	321 Foster Venue	Wood Dale, IL 60191
Lamons Gasket Company	189 Arthur Road	Martinez, CA 94553
	20009 S. Rancho Way	Rancho Domingues, CA 90220
	13959 River Road	Lulling, LA 70070
	7300 Airport Road Hobby Business Park	Houston, TX 77601
	102 Queens Drive	King of Prussia, PA 19406
	1060 Fannin Street	Beaumont, TX 77701
	603 Jaco Street	Clute, TX 77531
	109 Dennis Rd.	Westlake , LA 70699
	11720, 11730, 11740 Airline Hwy	Baton Rouge, LA 70817
	523 Slack Street	Charleston, WV 25301
	1231 Route 6	Joliet , IL 60436
	2005 Division	Bellingham, WA 98032
Monogram Aerospace Fasteners, Inc.	3423 Garfield Avenue	Commerce, CA 90040
	3510 Garfield Avenue	Commerce, CA 90040
NI Industries, Inc.	5300 Claus Road P.O. Box 856	Riverbank, CA 95367
	2825 E. 54th Street	Vernon, CA 90058
	5008 S. Boyle	Vernon, CA 90058
	5215 S. Boyle	Vernon, CA 90058
	332 Cass Avenue	Mt. Clemens, MI 48043

	1120 Miller-Pickering Rd, Conemaugh Twp 5631 Bickett Street	Davisville, MI 48043 Los Angeles, CA 90058
Norris Cylinder Company	1535 FM 1845 S.	Longview , TX 75603

SUBSIDIARY	ADDRESS	CITY, STATE, MI
Reska Spline Products Inc.	25225 Easy Street P.O. Box 964	Warren , MI 48089
Richards Micro-Tool Inc.	250 Cherry Street (formerly 250 Nicks Road)	Plymouth, MA 02360
Rieke Corporation	500 W. 7th Street 2855 East Bellefontaine Rd.	Auburn, IN 46706 Hamilton, IN 46742
Trimas Corporation	5900 Commonwealth Industries 36975 Schoolcraft Road 39400 Woodward Avenue, Suite 130	Detroit , MI 48208 Livonia, MI 48150 Bloomfield Hills, MI 48304
Trimas Fasteners	3281 W. Country Road O N/S	Frankfort, IN 46041

INTERNATIONAL SUBSIDIARY	ADDRESS	CITY, COUNTRY
Cequent Electrical/ Tekonsha Towing Systems	Carretera Reberena Km 10.5 (Reynosa Mexico) Paque Industrial	Maquilpac, Mexico
B.D.C. Industries	Avenida Enrique Pinnonceli and Avenida Auronautica Cuidad Calle 3a 7040 Colonial El Granjero	Juarez Chihuahua, Mexico Juarez, Mexico
Canadian Gasket and Supply Co.	505 Central Avenue P.O. Box 548 Ontario, Canada (Exact-A- Supply Limited) 835 Upper Canada Dr.	Ontario, Canada L2A5Y1 Sarnia, Ontario
Englass Group Limited	44 Scudamore Rd.	Leicester, England LE3 1 UG
Gruppo Tov SR. I	*Via Lecco 11* *Via Strecciola 3* *Via Piedimonte 50/58* *Via Piedimonte 42* *Via Rio Torto* *Via Strecciola 9* *Via Strecciola*	*Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868* *Valdmadrera, Italy 23868*
Cequent Trailer Products S.A. de C.V.	Avenida Enrique Pinoncelli and Avenida Aeronautice Cuidad Calle 3a 7040 Colonial el Granjero	Juarez Chihuahua, Mexico Juarez, Mexico
Heinrich Stolz Germany	*In der Au 13*	*Neunkirchen, Germany*
Hidden Hitch International	131 Spinnaker Way	Concord , Ontario, Canada

Cequent Towing Products of Canada/ Hidden Hitch of Canada	3 Crescent Road	Huntsville, Ontario, Canada
Cequent Towing Products of Canada/ Reese Products of Canada	*2351 Winston Park Dr*	*Oakville, Ontario, Canada*
Rieke Corporation	*16 Ayer Rajah Crescent 4-02 Tempco Technominium*	*Singapore*
Rieke Leasing Co.	268 Rutherford Rd. South Unit 4	Brampton, Ontario, Canada l6w 3N3
Rieke de Mexico	Saturno 22 Nueva Ind. Vallejo	Mexico City, Mexico
Trimas Corporation PTY LTD.	Unit 1/391 Park Road (Roof Rack Industries) (Hayman Reese) 20-5- Waterview Close Dandenong South (Hayman Reese) Units 1-3/51 Mandoon Road, Girraween (QTB Automotive) 135 Ingleston Road Wakerley (Roof Rack Industries) 1 Averill Street Rhodes (Roof Rack Industries) 475 Nepean Hwy Brighton	Regents Park, Australia Victoria, Australia New S. Whales, Australia 2145 Queensland, Australia 4154 New South Wales, Australia 2138 Victoria, Australia 3186
Trimas Fasteners	China Operations Unit 12 12F Pos Plata 1600 Century Ave	Podung, China

Schedule 3.06
DISCLOSED MATTERS

None.

Schedule 3.12
SUBSIDIARIES

TriMas Corporation
Listing of Subsidiaries As of July 1, 2006
Unless otherwise noted, all subsidiaries are 100 % directly or indirectly owned by Parent Borrower

Corporate Name	Subsidiary Loan Party
Arrow Engine Company (Delaware corporation)	Yes
Canadian Gasket & Supply, Inc. (Ontario corporation)	No
Cequent Consumer Products, Inc. (Ohio corporation)	Yes
Cequent Electrical Products de Mexico, S. de R.L. de C.V. (Mexico corporation)	No
Cequent Electrical Products, Inc. (Michigan corporation)	Yes
Cequent Towing Products of Canada, Ltd. (Ontario corporation)	No
Cequent Towing Products, Inc. (Delaware corporation)	Yes
Cequent Trailer Products, Inc. (Delaware corporation)	Yes
Cequent Trailer Products, S.A. de C.V. (Mexico)	No
Commonwealth Disposition, LLC (Delaware limited liability company)	Yes
Compac Corporation (Delaware corporation)	Yes
Englass Group Limited (U.K.)	No
Fittings Products Co., LLC (Delaware limited liability company)	Yes
HammerBlow LLC (Delaware limited liability company)	Yes
Heinrich Stolz GmbH (Germany)	No
Hidden Hitch Acquisition Company (Delaware corporation)	Yes
Hitch'N Post, Inc. (Delaware corporation)	Yes
K.S. Disposition, Inc. (Michigan corporation)	Yes
Keo Cutters, Inc. (Michigan corporation)	Yes
Lake Erie Products Corporation (Ohio corporation)	Yes
Lamons Gasket Company (Delaware corporation)	Yes
Monogram Aerospace Fasteners, Inc. (Delaware corporation)	Yes
NI Foreign Military Sales Corp. (Delaware corporation)	Yes
NI Industries, Inc. (Delaware corporation)	Yes
Norris Cylinder Company (Delaware corporation)	Yes
Reska Spline Products, Inc. (Michigan corporation)	Yes
Richards Micro-Tool, Inc. (Delaware corporation)	Yes
Rieke Canada Limited (Ontario corporation)	No
Rieke Corporation (Indiana corporation)	Yes
Rieke Corporation (S) Pte. Ltd. (Singapore)	No
Rieke de Mexico, Inc. S.A. de C.V. (Mexico corporation)	No
Rieke Italia S.R.L. (Italy corporation)	No

Schedule 3.12
SUBSIDIARIES

TriMas Corporation
Listing of Subsidiaries As of July 1, 2006
Unless otherwise noted, all subsidiaries are 100 % directly or indirectly owned by Parent Borrower

Rieke Leasing Co., Incorporated (Delaware corporation)	Yes
Rieke of Mexico, Inc. (Delaware corporation)	Yes
Rieke Packaging Systems (Hangzhou) Co., Ltd. (China)	No
Rieke Packaging Systems Australia Pty. Ltd. (Australia)	No
Rieke Packaging Systems Brasil Ltda. (Brazil)	No
Rieke Packaging Systems Iberica, S.L. (Spain)	No
Rieke Packaging Systems Limited (U.K.)	No
Rola Roof Rack Pty. Ltd. (Australia)	No
Roof Rack Industries Pty. Ltd. (Australia)	No
The HammerBlow Company LLC (Wisconsin limited liability company)	Yes
Top Emballage S.A.S. (France)	No
TriMas Company LLC (Delaware limited liability company)	No
TriMas Corporation Limited (U.K.)	No
TriMas Corporation Pty. Ltd. (Australia)	No

TriMas Fasteners, Inc. (Delaware corporation)	Yes
TriMas Holdings Australia Pty. Ltd. (Australia)	No
TriMas Industries Pty. Ltd. (Australia)	No
TriMas Services Corp. (Delaware corporation)	Yes
TriMotive Asia Pacific Limited (Thailand)	No
TSPC, Inc. (Nevada corporation)	No

Schedule 3.13
INSURANCE

As of July 14th, 2006

COVERAGE	POLICY TERM	CARRIER	BEST RATING	POLICY NO.	MAXIMUM RETENTION	MAXIMUM LIMITS	ANNUALIZED PREMIUM
Property / Boller	12/15/05-06	Allianz Global Risk	A g XV	CLP3006779	$250 Real/Personal	$175 MM Property	$644,484
Earthquake-California	12/15/05-06	Pacific Insurance Co.	A g XV	ZG0032850	per underlying policy	$5M x/o $5M	$140,000
Earthquake-California	12/15/05-06	Mt. Hawley Insurance Co	A+ g X	MQE0101223	per underlying policy	$10M x/o $10M	$32,000
		Traders & Pacific Insurance Co	A-r XV	CPN10000059000			$48,000
Earthquake-California	12/15/05-06	Great American Assurance Co	A r XIV	CPP5849760	per underlying policy	$15M x/o $20M	$32,000
		Greenwich Insurance Co	A+ p XV	ACG4349760			$8,000
Directors & Officers	6/6/05-10/06/06	American Home Assurance	A+p XV	4920445	$500,000	$25MM	$266,800
	6/6/05-10/06/06	Federal (Chubb)	A++g XV	81696391	NA	$15MM	$136,068
	6/6/05-10/06/06	Axis Surplus	A g XV	RNN50577700	NA	$10MM	$72,365
Employment Practices Liab	6/6/05-10/06/06	American Home Assurance	A+p XV	4920442	$5MM	$25MM	$261,014
Fiduciary Liability	6/6/05-10/06/06	Federal (Chubb)	A++g XV	81696694	$250,000	$10MM	$36,685
Travel Accident	7/01/05-08	AIG	A+p X	GTP0009100782	N/A	$200,000	$4,435
Foreign Liability	6/30/06-07	XL Insurance	A+ g XV	US00006813LI05A	$10K	$1MM/$2MM	$138,509
Products Liability	6/30/06-07	ACE American Insurance Co	A+p XV	HD021737215	$1M	6M/2M/2M	$491,256
General Liability	6/30/06-07	ACE American Insurance Co	A+p XV	HDOG21737203	$1MM per occ.	5M/2M/2M	$20,023
Automobile Liability	6/30/06-07	ACE American Insurance Co	A+p XV	ISAH07942898	$250,000 per accident	$2MM CSL	$96,099
WC / EL-Deductible States	6/30/06-07	ACE American Insurance Co	A+p XV	WLRC44343459	$500,000 per occ.	Statutory / $1MM EL	$389,295
WC/ EL Retro States	6/30/06-07	ACE American Insurance Co	A+p XV	SCFC44343241	$500,000 per occ.	Statutory / $1MM EL	Included
WC/ EL-SIR	6/30/06-07	ACE American Insurance Co	A+p XV	WCUC44343185	$500,000 per occ.	Statutory / $1MM EL	$39,380
Umbrella Liability	6/30/06-07	ACE American Insurance Co	A+p XV	XOOG23714784	25MM/ $ 100K SIR	$25MM per occ / agg	$615,300
Excess Liability	6/30/06-07	American Guarantee & Liab.	Ag XV	ACE-9305161-04	x $25MM	$25MM per occ / agg	$272,599
Excess Liability	6/30/06-07	AWAC (Bermuda)	Au XIV	CD03671/003	x $50MM	$50MM per occ / agg	$279,000
Excess Liability	6/30/06-07	Chubb Atlantic	A++g XV	(D6) 3310-12-89	x $100MM	$50MM per occ / agg	$157,500
Total Umbrella/Excess						**$150MM TOTAL LIABIL**	

Schedule 3.13
INSURANCE

COVERAGE	POLICY TERM	CARRIER	BEST RATING	POLICY NO.	MAXIMUM RETENTION	MAXIMUM LIMITS	ANNUALIZED PREMIUM
Marine Cargo	8/01/05-06	ACE	A+p XV	497932	Nil	$4MM vessel/air	$21,530

Aircraft Products Liab	7/1/06-07	AIG Aviation Inc.	A+p XV	AP 1857523-01	NA	$200MM per occ / agg	$157,579
Aircraft Hull & Liability	7/1/06-07	AIG Aviation Inc.	A+p XV	GM1857522-01	NA	S100MM Liab per occ	$74,755
Crime	7/1/05-10/06/06	Federal (Chubb)	A++g XV	8169-7670	$250,000	$10MM	$48,901
Special Crime	7/1/05-10/06/06	Federal (Chubb)	A++g XV	8169-7670	NA	$10MM	$12,500
Underground Storage Tank-Eskay Screw	7/1/06-07	ACE	A+p XV	G21825311003	$10,000	$1MM/$1MM	$2,358
Total Premium							**$4,498,436**

* This summary is only intended as an overview, the actual policies supercede all information above.

Schedule 3.17(d)
MORTGAGE FILING OFFICES

Mortgagor	Mortgaged Property	Mortgage Filing Office
Rieke Corporation	500 West 7th Street Auburn, Indiana	DeKalb County, Indiana
Lake Erie Screw Corporation, n/k/a Lake Erie Products Corporation	13001 Athens Avenue Lakewood, Ohio	Cuyahoga County, Ohio
Norris Cylinder Company	1535 FM 1845 S. P.O. Box 7486 Longview, Texas	Gregg County, Texas

Schedule 6.01(a)(iii)
EXISTING INDEBTEDNESS

Company	Bank	Amount
Rieke de Mexico, SA de CV	Banco Nacional de Mexico S.A., Mexico	5.0 million Pesos
Rieke Italia	Deutsche Bank, S.P.A., Milan Italy	$6.0 million
TriMas Corporation Ltd	Lloyds TSB Bank plc, Leicester England	£ 3.9 million
TriMas Corporation Pty Ltd	National Australia Bank Ltd, Australia	$20.0 million

Note: Schedule lists all foreign based debt and lines of credit currently in place

Schedule 6.02
EXISTING LIENS

Liens on the non-U.S. assets of the following entities to secure Existing Indebtedness listed on Schedule 6.01:

1. Rieke de Mexico, SA de CV in favor of Banco Nacional de Mexcio S.A., Mexico.

2. Rieke Italia in favor of Deutsche Bank, S.P.A., Milan, Italy.

3. TriMas Corporation Ltd in favor of Lloyds TSB Bank plc, Leicester, England.

4. TriMas Corporation Pty Ltd in favor of National Australia Bank Ltd, Australia.

Schedule 6.04
EXISTING INVESTMENTS

A. Qualified Foreign Investments

Cash and cash investments in foreign subsidiaries

Checking accounts, “sweep” like accounts and time deposits are maintained at local banks. Deposits are in various currencies including the local currency of the entity.

Bank	Entity
Commerzbank AG, Siegen Germany	Rieke Germany
Dresdner Bank AG, Siegen Germany	Rieke Germany
Volksbank Sud-Siegerland eG, Neunkirchen Germany	Rieke Germany
Deutsche Bank, Siegen Germany	Rieke Germany
Banca Populare di Lecco, Lecco Italy	Rieke Germany
Commerzbank Barcelona, Barcelona Spain	Rieke Germany
Deutsche Bank, Valmadrera LC Italy	Rieke Italia Srl
Cariplo Banca Intesa, Lecco Italy	Rieke Italia Srl
Banca Popolare Bergamo, Lecco Italy	Rieke Italia Srl
Banca Nazionale del Lavoro, Lecco Italy	Rieke Italia Srl
Credito Valtellinies E, Lecco Italy	Rieke Italia Srl
Banca Popolare Sondrio, Valmadrera Italy	Rieke Italia Srl
Royal Bank of Canada, Brampton Ontario	Rieke Canada
National Australia Bank, Australia	TriMas Corporation Pty
Lloyds Bank, Leicester England	TriMas Corporation Ltd
CRCA D’lle de France, Paris France	Top Emballage S.A.S.
Banco Nacionale de Mexico, SA.	Rieke de Mexico SA de CV
Royal Bank of Canada, Fort Erie Ontario	Canadian Gasket & Supply, Inc.
Canadian Imperial Bank of Commerce (CIBC), Toronto	Cequent Towing Products Canada Ltd
Toronto Dominion Bank, Rexdale Ontario	Towing Canada (formerly HiddenHitch)
California Commerce Bank, United States	Rieke de Mexico, SA de CV
Comerica Bank, Detroit, MI United States	TriMas Holdings Australia Pty Ltd
Bank of Overseas Chinese, Taiwan	Taiwan Asian Sourcing Office
Bank of China, Shanghai China	Shanghai Asian Sourcing Office
Standard Charter Bank, Singapore	Rieke Corporation (S) Pte Ltd
Bank of Communications, Hangzhou China	Rieke Packaging Systems (Hangzhou) Co Ltd

B. Existing Investments

1. Partnership interest in NI West, Inc.’s oil and gas wells in Oklahoma.
2. Taiwan Asian Sourcing Office
3. Shanghai Asian Sourcing Office
4. TriMas Holdings Australia Pty., Ltd intercompany swap agreement with Rieke Corporation.

Schedule 6.05
ASSET SALES

1. NI Industries, Inc. — Sale of Vernon, California properties
2. Lamons Gasket Company — Sale of Baton Rouge, Louisiana facility
3. Lake Erie Products, Inc. — Sale of business, facilities and related assets

Other asset sales otherwise permitted hereunder.

Schedule 6.09
EXISTING AFFILIATE TRANSACTIONS

None.

Schedule 6.10
EXISTING RESTRICTIONS

None.

EXHIBIT A

FORM OF

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among TriMas Corporation, a Delaware corporation, TriMas Company LLC, a Delaware limited liability company, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMorgan Chase Bank, as administrative agent, collateral agent, swingline lender and issuing bank and the other agent banks party thereto. Terms defined in the Credit Agreement and not defined herein are used herein with the same meanings.

The Assignor named on the reverse hereof hereby sells and assigns, without recourse, to the Assignee named on the reverse hereof, and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Assignment Date (as defined below), the interests set forth on the reverse hereof (the "Assigned Interest") in the Assignor's rights and obligations under the Credit Agreement, including, without limitation, the interests set forth on the reverse hereof in the Commitments of the Assignor on the Assignment Date and the Loans owing to the Assignor that are outstanding on the Assignment Date, together with the participations in Letters of Credit, LC Disbursements and Swingline Loans held by the Assignor on the Assignment Date, but excluding accrued interest and fees to and excluding the Assignment Date. The Assignee hereby acknowledges receipt of a copy of the Credit Agreement. From and after the Assignment Date (i) the Assignee shall be a party to and be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent of the Assigned Interest, relinquish its rights and be released from its obligations under the Credit Agreement (and, in the case that this Assignment and Acceptance covers all or the remaining portion of the Assignor's rights and obligations under the Credit Agreement, the Assignor shall cease to be a party to the Credit Agreement but shall be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 10.03 thereof).

This Assignment and Acceptance is being delivered to the Administrative Agent together with (i) if the Assignee is a Foreign Lender, any documentation required to be delivered by the Assignee pursuant to Section 2.17(e) of the Credit Agreement, duly completed and executed by the Assignee, and (ii) if the Assignee is not already a Lender under the Credit Agreement, an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Assignee. The [Assignee/Assignor] shall pay the fee payable to the Administrative Agent pursuant to Section 10.04(b) of the Credit Agreement.

This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

Date of Assignment:

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

Effective Date of Assignment
("Assignment Date"):

Facility	**Principal Amount Assigned**	**Percentage Assigned of Applicable Loans/ Commitments thereunder (set forth, to at least 8 decimals, as a percentage of the facility and the aggregate Commitments of all Lenders thereunder)**
Term Loans:	$	%
Tranche A:		
Tranche B:		
Term Loan Commitments		
Tranche A:		
Tranche B:		
Revolving Loans:		
Revolving Credit Commitments:		
LC Disbursements:		
Letters of Credit:		
Swingline Loans:		

The terms set forth above and on the reverse side hereof are hereby agreed to:

, as Assignor

by

Name:
Title:

, as Assignee

by

Name:
Title:

The undersigned hereby consent to the
within assignment: (1)

TriMas Company LLC, as Borrower,

by

Name:
Title:

JPMorgan Chase Bank, as Administrative Agent,

by

Name:
Title:

JPMorgan Chase Bank, as Issuing Bank,

by

Name:
Title:

JPMorgan Chase Bank, as Swingline Lender,

by

Name:
Title:

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(1) Consents to be included to the extent required by Section 10.04(b) of the Credit Agreement.

EXHIBIT B

JPMorgan Chase Bank, as Administrative
Agent, and as Collateral Agent and each of the Lenders party to the
Credit Agreement referred to below

Re: TriMas Credit Agreement

Ladies and Gentlemen:

We have acted as special counsel to TriMas Company LLC, a Delaware corporation (the "Borrower"), and TriMas Corporation ("TriMas"), a Delaware corporation, (the "Parent Guarantor"), in connection with the execution and delivery by the Borrower, the Parent Guarantor and the Subsidiary Term Borrowers of that certain Credit Agreement dated as of June 6, 2002 (the "Credit Agreement"), among TriMas, the Borrower, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers from time to time party thereto, the Lenders party thereto, JPMorgan Chase Bank as Administrative Agent and Collateral Agent, CSFB Cayman Islands Branch as Syndication Agent, Comerica Bank as Documentation Agent, Wachovia Bank, National Association as Documentation Agent and J.P. Morgan Securities Inc. and Credit Suisse First Boston a s Arrangers. We have also acted as special counsel to the Borrower and to those certain subsidiaries of the Borrower which are listed on Schedule I annexed hereto (each, a "Subsidiary Guarantor" and, together with the Parent Guarantor, the "Guarantors" and, together with the Borrower, the "Loan Parties") and who are party to the Security Agreement, the Pledge Agreement, the Guarantee Agreement and the Indemnity, Subrogation and Contribution Agreement (collectively, the "Opinion Security Documents"), in connection with the execution and delivery by the Borrower and each of the Opinion Security Documents.

This opinion is furnished to you at the request of the Borrower pursuant to Section 4.01(b) of the Credit Agreement. Unless otherwise defined herein, capitalized terms used herein shall

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have the meanings ascribed to them in the Credit Agreement but shall only refer to any agreement, document or instrument as in effect on the date hereof.

In connection with the opinions expressed herein, we have examined such documents, records and matters of law as we have deemed necessary for the purposes of this opinion. We have examined, among other documents, the following documents being executed and delivered on the date hereof: the Credit Agreement and the Opinion Security Documents (together, the "Transaction Documents").

We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate or limited liability company records, certificates of public officials and officers of each of the subsidiaries listed on Schedule II annexed hereto that is organized under the laws of New York or Delaware (each a "Specified Guarantor"; and collectively with Borrower and the Parent Guarantor, the "Specified Companies") and other instruments as we have deemed necessary or appropriate to enable us to render this opinion. As to questions of fact relating to the Borrower and the Guarantors material to this opinion, we have relied upon certificates of public officials and statements, representations and certificates of officers and other representatives of the Borrower and the Guarantors without independent investigation into the matters covered thereby.

In rendering this opinion, we have assumed without independent investigation and with your permission (a) the due authorization, execution and delivery of the Transaction Documents by each party thereto other than the Specified Companies, (b) the authenticity of all documents submitted to us as originals, (c) the conformity to the original documents of all documents submitted to us as copies, (d) the genuineness of all signatures on all documents submitted to us, (e) the truthfulness and correctness of all matters and statements contained in the Transaction Documents and that there are no written or oral terms or conditions agreed to among the parties thereto, which could vary the truth, completeness, correctness, validity or effect of any of the statements made in, or the provisions of, the Transaction Documents, (f) the legal capacity of all natural pers ons, (g) the legality, validity and enforceability of the Transaction Documents against each of the parties thereto (other than the Specified Companies), (h) that the Collateral (as defined in the Security Agreement) exists and that the Loan Parties have rights in such Collateral, (i) that the stock certificates representing the shares of stock identified on Schedule II to the Pledge Agreement (the "Pledged Stock") and stock powers in respect of the Pledged Stock endorsed in blank have been delivered to the Administrative Agent, (j) that there is a certificated instrument in registered form representing the Pledged Debt Securities (as defined in the Pledge Agreement) and that such instrument and note powers in respect thereof endorsed in blank have been delivered to the Administrative Agent in the State of New York, will continue to be held by the Administrative Agent in the State of New York and (k) that the Administrative Agent and each Lender acquired its interest in the Pledged Stock and the Pledged Debt Securities without any notice of any adverse liens, claims or encumbrances and (1) that the Pledged Stock constitute "Securities" under Article 8 of the UCC (as hereinafter defined).

We express no opinion as to the laws of any jurisdiction except the laws of the State of New York, the General Corporation Law of the State of Delaware and the laws of the United States of

America (the "Applicable Laws"), and we do not express any opinion with respect to the laws of any other state or jurisdiction. This opinion does not cover any laws, statutes, governmental rules or regulations or decisions which in our experience are not generally applicable to transactions of the kind covered by the Transaction Documents or covered by opinions typically delivered in connection with transactions of the kind covered by the Transaction Documents.

Based on the foregoing and subject to the qualifications set forth below, we are of the opinion that:

1. Each of the Specified Companies (a) is validly existing and in good standing under the laws of its state of organization and (b) has the requisite corporate or organizational power to execute, deliver and perform its respective obligations under the Transaction Documents to which it is a party and to create such liens and security interests in favor of the Collateral Agent as are to be created by the terms of the Transaction Documents to which it is a party.

2. The Transaction Documents to which any Specified Company is a party have been duly authorized by each such Specified Company. The Transaction Documents to which any Loan Party is a party have been duly executed and delivered by each such Loan Party and constitute, the legal, valid and binding obligations of each Loan Party that is a party thereto enforceable against it in accordance with their respective terms.

3. Except for (i) the registrations and filings required by the Credit Agreement in respect of any Collateral for the obligations under the Credit Agreement, (ii) filings required in connection with effecting the Asset Dropdown following the Transactions and (iii) such consents, approvals, registrations and filings as have been made or obtained prior to the date hereof and remain in full force and effect or as would not, individually or in the aggregate, have a Material Adverse Effect, the Transactions (a) do not require any consent or approval of, registration or fil ing with, or any other action by, any Governmental Authority under the Applicable Laws and are in full force and effect and (b) will not violate any Applicable Law or the certificate of incorporation, by-laws or other organizational documents of any of the Specified Companies or any order known to us of any Governmental Authority applicable to or binding upon any of the Specified Companies.

4. None of the Loan Parties is (a) an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940 or (b) a "holding company" as defined in, or subject to regulation under, the Public Utility Holding Company Act of 1935.

5. The making of the Loans to the Borrower and the Subsidiary Term Borrowers and the application of the proceeds thereof by the Borrower and the Subsidiary Term Borrowers pursuant to the terms of the Credit Agreement will not violate Regulation U or X of the Board of Governors of the Federal Reserve System.

6. None of the Collateral Agent or the other Lenders is required (a) to be qualified to do business, file any designation for service of process or file any reports or pay any taxes in the State of

New York, or (b) to comply with any statutory or regulatory requirement applicable only to financial institutions chartered or qualified or required to be chartered or qualified to do business in the State of New York by reason of the execution and delivery or filing or recording, as applicable, of any of the Transaction Documents, or by reason of the participation in any of the transactions under or contemplated by the Transaction Documents, including, without limitation, the extension of any credit contemplated thereby, the making and receipt of payments pursuant thereto and the exercise of any remedy thereunder. If it were determined that such qualification and filing were required, the validity of the Transaction Documents would not be affected thereby, but (a) if the Collateral Agent were not qualified it would be precluded from enforcing its rights as Collateral Agent on behalf of the Lenders in the courts of the State of New York until such time as it is admitted to transact business in the State of New York or (b) assuming the Lenders would institute remedies without the Collateral Agent, they would be precluded from enforcing their rights in the courts of the State of New York until such time as they were admitted to transact business in the State of New York. However, the lack of qualification would not result in any waiver of rights or remedies pending such qualification.

7. The Security Agreement is in proper form under the applicable laws of the State of New York to (i) be enforceable against the grantors named therein in accordance with its terms and (ii) create a valid security interest in favor of the Collateral Agent in that portion of the Collateral

purported to be governed thereby which is covered by Article 9 of the Uniform Commercial Code as in effect in the State of New York (the "UCC").

8. The Collateral Agent has the power without naming all the Lenders in any applicable legal proceeding to exercise remedies under the Opinion Security Documents for the realization of the Collateral in its own name, as Administrative Agent.

9. Except as set forth in this paragraph 12, we express no opinion as to the enforceability of the choice of law provisions of any Transaction Document. You have asked for our opinion as to whether a court of competent jurisdiction of the State of New York would, in connection with the interpretation or enforcement of the Transaction Documents, apply the conflict-of-laws rules of the State of New York so as to find the internal laws of the State of New York applicable thereto, notwithstanding that certain of the Transaction Documents were executed and delivered outside the St ate of New York and/or relate to collateral or a Loan Party located or organized outside the State of New York. Section 5-1401 of the New York General Obligations Law provides, in effect, that the parties to certain contracts involving more than $250,000 may elect to have such contracts governed by New York law whether or not such contracts bear a reasonable relation to the State of New York. Accordingly, based solely upon a review of such Section, we are of the opinion (subject to the matters specified herein and the provisions of the sentence immediately following this sentence) that a court of competent jurisdiction of the State of New York should apply the internal laws of the State of New York to the construction or enforcement of the Transaction Documents. We express no opinion with respect to the law which may be applied to determine matters relating to the perfection of security interests in any Collateral or the enforceability of remedies relating to Collateral.

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10. None of the provisions of the Transaction Documents will violate any law, statute or regulation of the State of New York relating to usury and the use of counterpart copies of any of the Transaction Documents does not affect the enforceability of any of the Transaction Documents.

11. The Pledge Agreement is in proper form under the applicable laws of the State of New York to create in favor of the Collateral Agent, for its benefit and for the benefit of the Secured Parties, a valid security interest in the right, title and interest of the Pledgors (as such term is defined in the Pledge Agreement) in the Pledged Stock issued by an issuer incorporated in the United States of America ("Domestic Pledged Stock") and the Pledged Debt Securities.

12. Upon the Administrative Agent's taking possession in the State of New York of the certificates representing the Domestic Pledged Stock and the Pledged Debt Securities, accompanied by duly executed blank stock or note powers and for so long as the Collateral Agent maintains continued possession of the same in the State of New York, the Collateral Agent, for its benefit and for the benefit of the Secured Parties, will have a perfected security interest in such Pledgor's right, title and interest in the Domestic Pledged Stock and the Pledged Debt Securities. We note that the Pledged Debt Securities do not constitute &# 147;negotiable instruments" within the meaning of the UCC.

13. Upon the Administrative Agent's filing of the Security Agreement in the United States Patent and Trademark Office and the filing of the financing statements contemplated by Section 3.02(b) of the Security Agreement, the Administrative Agent, for its benefit and for the benefit of the Secured Parties, will have, insofar as United States Federal Law applies, a perfected security interest in each applicable Loan Party's right, title and interest in the federally registered Patents and Trademarks listed in Schedules IV and V, respectively to the Security Agreement.

Our opinions set forth above are subject to the following qualifications:

I. The enforceability of the Transaction Documents may be limited by (i) bankruptcy, insolvency, reorganization, fraudulent conveyance and transfer acts, moratorium or other laws affecting creditor's rights generally; (ii) judicial discretion and general principles of equity (regardless of whether considered in a proceeding in equity or at law) including, without limitation, principles that (a) include a requirement that a creditor act with reasonableness and in good faith and deal fairly with its debtors, (b) limit a creditor's right to accelerate maturity of a debt upon the occurrence of a de fault deemed immaterial, or (c) might render certain waivers unenforceable, and we wish to advise you that the remedy of specific performance or injunctive relief (whether considered in a proceeding in equity or at law) is subject to the exercise of judicial discretion; and (iii) federal and state securities laws or the public policies underlying such laws.

II. Certain provisions of the Opinion Security Documents may be unenforceable in whole or in part under the laws of the State of New York, but the inclusion of such provisions does not affect the validity thereof, taken as a whole, and the Opinion Security Documents contain adequate provisions for the practical realization of the rights and benefits intended to be provided thereby. Without limiting the foregoing, New York courts or Federal courts applying New

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York law may deny or limit the enforceability of clauses or provisions that purport to: (i) give the right of specific performance and injunctive and other forms of equitable relief, (ii) limit or expand the rights of set-off, (iii) authorize a secured party to take discretionary independent action for the account of or as an agent or attorney-in-fact for a debtor, (iv) give a secured party cumulative or duplicative remedies, to the extent such cumulative or duplicative remedies purport to or would have the effect of compensating such secured party in amounts in excess of the actual loss suffered by such secured party, (v) require that provisions thereof be waived only in writing, to the extent that an oral agreement or an implied agreement by trade practices or course of conduct has been created modifying any provisions of such documents or (vi) limit jurisdiction of any cour ts or establish any exclusive venue or evidentiary standards.

III. We express no opinion as to the applicability of Section 548 of the United States Bankruptcy Code or of any provisions of any state fraudulent conveyance statute or law to the transactions contemplated by the Transaction Documents.

IV. We express no opinion as to the validity, binding effect or enforceability of any provision of any Transaction Document that purports to waive, release or vary any right of, or any duties owing to, a party to the extent limited by Sections 1-102(3), 9-601, 9-602 or 9-603 of the UCC or other provisions of applicable law.

V. We express no opinion as to the right of any Agent or any Lender to collect any payment to the extent that such payment constitutes a penalty, forfeiture or late charge.

VI. We express no opinion as to (a) the existence of or the right, title or interest of the Loan Party in, to or under the Collateral and (b) the priority of any security interest purported to be created in the Collateral.

VII. We express no opinion with respect to the (a) validity, attachment, creation or perfection of any security interest purported to be created in the Collateral, except (i) to the extent specifically set forth herein and (ii) to the extent that Articles 8 or 9 of the UCC is applicable thereto and (b) the validity, creation or perfection of any security interest in the Collateral to the extent the same is expressly excluded from or not otherwise governed by the provisions of Article 9 of the UCC pursuant to Section 9-109, 9-204 or 9-311 of the UCC.

VIII. With respect to the opinions provided in paragraph 12 above, in the case of the issuance of additional shares in respect of the Pledged Stock or additional debt required to be pledged under the Transaction Documents, the security interests of the Collateral Agent therein will be perfected only if certificates representing such additional shares or instruments representing such additional debt are delivered to the Collateral Agent in the State of New York and Collateral Agent holds and continues to hold such certificates and instruments in the State of New York, together with undated stock or note powers with respect thereto, duly endorsed in blank.

IX. We call to your attention the fact that the perfection of the security interests in the Collateral, the Pledged Stock or Pledged Debt Securities may be limited by Section 552 of the Federal Bankruptcy Code, which limits the extent to which property acquired by a debtor after the commencement of a case under the Federal Bankruptcy Code may be subject to a security interest arising from a security agreement entered into by the debtor before the commencement of such case.

X. We call your attention to the fact that the security interest of the Collateral Agent in goods which are an accession to, or commingled or processed with other goods is limited by Section 9-335 or 9-336 of the UCC.

XI. We express no opinion with respect to any Collateral which is subject to a certificate of title or a document of title.

XII. We express no opinion with respect to any items which are subject to a statute, regulation or treaty of the United States of America which provides for a national or international certificate of title for the perfection of a security interest therein or which specifies a place of filing different from the place specified in the UCC for filing to perfect such security interest.

XIII. We express no opinion with respect to any Collateral, the Pledged Stock or Pledged Debt Securities consisting of claims against any government or governmental agency (including, without limitation, the United States of America or any state thereof or any agency or department of the United States of America or any state thereof).

XIV. In the case of any chattel paper, account or general intangible which is itself secured by other property, we express no opinion with respect to any Loan Party's rights in and to such underlying collateral,

XV. We call to your attention that the perfection and the effect of perfection and non-perfection of the security interests in favor of the Collateral Agent for the benefit of the Secured Parties in the Collateral may be governed by laws other than the UCC to the extent the Collateral is or becomes located in a jurisdiction other than New York.

XVI. We call to your attention that Section 324 of the Delaware General Corporation Law provides that the shares of stock of any person in a Delaware corporation may be attached and sold for a debt or in response to other demands and, therefore, it is possible for there to be an attachment of securities under Section 324 that takes precedence over the pledge of securities if the securities are not registered on the books of the issuer in the name of the Administrative Agent for the benefit of the Secured Parties.

XVII. We express no opinion as to the validity of any security interests to the extent such security interests may be affected by (A) Section 552 of the United States Bankruptcy Code, under which a bankruptcy court has discretion as to the extent to which post-petition proceeds

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may be subject to a lien arising from a security agreement entered into by the debtor before the commencement of the case, or (B) Section 547(b) of the United States Bankruptcy Code, relating to the power to avoid a preference, or. (C) any other provisions of the United States Bankruptcy Code.

XVIII. We call to your attention that the Perfection of any Security interest in "Proceeds" is subject to the limitations set forth in Section 9-315 of the UCC.

XIX. We call to your attention that the Perfection of a Security interest in "documents", "instruments" and "Securities" are subject to the liabilities set forth in Sections 8-302, 9-312 and 9-331 of the UCC.

This opinion is furnished by us, special counsel to the Loan Parties, to you in connection with the transactions contemplated by the Credit Agreement and is solely for your benefit as a party to such transactions. This opinion may not be used or relied upon by any other person. Our opinions herein are limited to matters expressly set forth in this opinion letter, and no opinion is to be implied or may be inferred beyond the matters expressly so stated. We disclaim any obligation to update this opinion for events occurring after the date hereof.

Very truly yours,

EXHIBIT C

FOREIGN SUBSIDIARY BORROWING AGREEMENT dated as of [ ], 20[ ], among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"),

[ ] a [ ] corporation (the "New Foreign Subsidiary Borrower") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as administrative agent (in such capacity, the "Administrative Agent") for the Lenders (as defined herein).

Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among 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"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

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 Bank has agreed to issue Letters of Credit for the account of certain of the Borrowers. The Borrowers and the New Foreign Subsidiary Borrower desire that the New Foreign Subsidiary Borrower become a 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 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 Holdings, the Parent Borrower, the New Foreign Subsidiary Borrower and the Administrative Agent, 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.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

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 ________________________
Name
Title:

TRIMAS COMPANY LLC,

By ________________________
Name:
Title:

JPMORGAN CHASE BANK, as Administrative Agent,

By ________________________
Name:
Title:

EXHIBIT D

GUARANTEE AGREEMENT dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION., a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Parent Borrower listed on Schedule I hereto (each such subsidiary and each Subsidiary Term Borrower individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"); the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively as the "Guarantors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (the "Collateral Agent") fo r the Secured Parties (as defined in the Credit Agreement).

Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers (as defined in the Credit Agreement) party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Lenders have agreed to make Loans to the Parent Borrower, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (the Foreign Subsidiary Borrowers, the Subsidiary Term Borrowers and the Parent Borrower are referred to collectively herein as the "Borrowers"), and the Issuing Bank has agreed to issue Letters of Credit for the account of certain of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Guarantors acknowledges that it will derive substantial benefit from the making of the Loans by the Lenders, and the issuance of the Letters of Credit by the Issuing Bank. The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are conditioned on, among other things, the execution and delivery by the Guarantors of a Guarantee Agreement in the for m hereof. As consideration therefor and in order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit, the Guarantors are willing to execute this Agreement.

Accordingly, the parties hereto agree as follows:

SECTION 1. Guarantee. Each Guarantor unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, (a) the due and punctual payment by any Borrower of (i) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by any Borrower under the Credit Agreement in respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon and obligations to provide cash collateral and (iii) all other mon etary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of any Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of any Borrower and each Loan Party under or pursuant to the Credit Agreement and the other Loan Documents, (c) the due and punctual payment and performance of all obligations of any Borrower under each Hedging Agreement entered into with any counterparty that was a Lender or Lender Affiliate at the time such Hedging Agreement was entered into and (d) the due and punctual payment and performance of all obligations in respect of overdrafts and related liabilities owed to any Lender, any Lender Affiliate, the Administrative Agent or the Collateral Agent arising from treasury, depositary and cash management services or in connection with any automated clearinghouse transfer of funds (all the monetary and other obligations described in the preceding clauses (a) through (d) being collectively called the "Obligations"). Each Guarantor further agrees that the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any Obligation.

SECTION 2. Obligations Not Waived. To the fullest extent permitted by applicable law, each Guarantor waives presentment to, demand of payment from and protest to any Borrower of any of the Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment. To the fullest extent permitted by applicable law, the obligations of each Guarantor hereunder shall not be affected by (a) the failure of the Collateral Agent or any other Secured Party to assert any claim or demand or to enforce or exercise any right or remedy against any Borrower or any other Guarantor under the provisions of the Credit Agreement, any other Loan Document or otherwise, (b) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, this Agreement, any other Loan Document, any Guarantee or any other agreement, including with respect to any other Guarantor under this Agreement, or (c) the failure to perfect any security interest in, or the release of, any of the security held by or on behalf of the Collateral Agent or any other Secured Party.

SECTION 3. Security. Each of the Guarantors authorizes the Collateral Agent (on behalf of itself and the other Secured Parties) to (a) take and hold security for the payment of this Guarantee and the Obligations and exchange, enforce, waive and release any such security, (b) apply such security and direct the order or manner of sale thereof as it in its sole discretion may determine and (c) release or substitute any one or more endorsees, other guarantors or other obligors.

SECTION 4. Guarantee of Payment. Each Guarantor further agrees that its guarantee constitutes a guarantee of payment when due and not of collection, and waives any right to require that any resort be had by the Collateral Agent or any other Secured Party to any of the security held for payment of the Obligations or to any balance of any deposit account or credit on the books of the Collateral Agent or any other Secured Party in favor of the Borrowers or any other person.

SECTION 5. No Discharge or Diminishment of Guarantee. The obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of the Obligations), including any claim of waiver, release, surrender, alteration or compromise of any of the Obligations, and shall not be subject to any defense (other than a defense of payment) or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by the failure of the Collateral Agent or any other Secured Party to assert any

claim or demand or to enforce any remedy under the Credit Agreement, any other Loan Document or any other agreement, by any waiver or modification of any provision of any thereof, by any default, failure or delay, wilful or otherwise, in the performance of the Obligations, or by any other act or omission that may or might in any manner or to any extent vary the risk of any Guarantor or that would otherwise operate as a discharge of each Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all the Obligations).

SECTION 6. Defenses of the Borrowers Waived. To the fullest extent permitted by applicable law, each of the Guarantors waives any defense based on or arising out of any defense of any Borrower or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower, other than the final and indefeasible payment in full in cash of the Obligations. The Collateral Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the Obligations, make any other accommodation with any Borrower or any other guarantor or exercise any other right or remedy available to them against any Borrower or any other guara ntor, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Obligations have been fully, finally and indefeasibly paid in cash. Pursuant to applicable law, each of the Guarantors waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Borrower or any other Guarantor or guarantor, as the case may be, or any security.

SECTION 7. Agreement to Pay; Subordination. In furtherance of the foregoing and not in limitation of any other right that the Collateral Agent or any other Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of any Borrower or any other Loan Party to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Collateral Agent or such other Secured Party as designated thereby in cash the amount of such unpaid Obligations. Upon payment by any Guarantor of any sums to the Collateral Agent or any Secured Party as provided above, all rights of such Guarantor against any Borrower arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations. In addition, any indebtedness of any Borrower now or hereafter held by any Guarantor is hereby subordinated in right of payment to the prior payment in full in cash of the Obligations. If any amount shall erroneously be paid to any Guarantor on account of (i) such subrogation, contribution, reimbursement, indemnity or similar right or (ii) any such indebtedness of any Borrower, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Collateral Agent to be credited against the payment of the Obligations, whether matured or unmatured, in accordance with the terms of the Loan Documents.

SECTION 8. Information. Each of the Guarantors assumes all responsibility for being and keeping itself informed of each Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Collateral Agent or the other Secured Parties will have any duty to advise any of the Guarantors of information known to it or any of them regarding such circumstances or risks.

SECTION 9. Representations and Warranties. Each of the Guarantors represents and warrants as to itself that all representations and warranties relating to it contained in the Credit Agreement are true and correct.

SECTION 10. Termination. The Guarantees made hereunder (a) shall terminate when all the Obligations have been paid in full in cash and the Lenders have no further commitment to lend under the Credit Agreement, the LC Exposure has been reduced to zero and the Issuing Bank has no further obligation to issue Letters of Credit under the Credit Agreement and (b) shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Secured Party or any Guarantor upon the bankruptcy or reorganization of any Borrower, any Guarantor or otherwise. In connection with the foregoing, the Collateral Agent shall execute and deliver to such Guarantor or Guarantor's designee, at such Guarantor's expense, any documents or instruments which such Guarant or shall reasonably request from time to time to evidence such termination and release.

SECTION 11. Binding Effect; Several Agreement; Assignments; Release. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants, promises and agreements by or on behalf of the Guarantors that are contained in this Agreement shall bind and inure to the benefit of each party hereto and their respective successors and assigns. This Agreement shall become effective as to any Guarantor when a counterpart hereof (or a Supplement referred to in Section 20) executed on behalf of such Guarantor shall have been delivered to the Collateral Agent, and a counterpart hereof (or a Supplement referred to in Section 20) shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Guarantor and the Collateral Agent and th eir respective successors and assigns, and shall inure to the benefit of such Guarantor, the Collateral Agent and the other Secured Parties, and their respective successors and assigns, except that no Guarantor shall have the right to assign its rights or obligations hereunder or any interest herein (and any such attempted assignment shall be void). If all of the capital stock of a Subsidiary Guarantor is sold, transferred or otherwise disposed of pursuant to a transaction permitted by Section 6.05 of the Credit Agreement, such Subsidiary Guarantor shall be released from its obligations under this Agreement without further action. This Agreement shall be construed as a separate agreement with respect to each Guarantor and may be amended, modified, supplemented, waived or released with respect to any Guarantor without the approval of any other Guarantor and without affecting the obligations of any other Guarantor hereunder.

SECTION 12. Waivers; Amendment. (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the other Secured Parties under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be e ffective only in the specific instance and for the purpose for which given. No notice or demand on any Guarantor in any case shall entitle such Guarantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into between the Guarantors with respect to which such waiver, amendment or modification relates and the Collateral Agent, with the prior written consent of the Required Lenders (except as otherwise provided in the Credit Agreement).

SECTION 13. Governing Law. This agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 14. Notices. All communications and notices hereunder shall be in writing and given as provided in Section 10.01 of the Credit Agreement. All communications and notices hereunder to each Guarantor shall be given to it in care of the Parent Borrower at the Parent Borrower's address set forth in Section 10.01 of the Credit Agreement.

SECTION 15. Survival of Agreement; Severability. (a) All covenants, agreements, representations and warranties made by the Guarantors herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Collateral Agent and the other Secured Parties and shall survive the making by the Lenders of the Loans and the issuance of the Letters of Credit by the Issuing Bank regardless of any investigation made by the Secured Parties or on their behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any other fee or amount payable under this Agreement or any other Loan Document is outstanding and unpaid or the LC Exposure does not equal zero and as long as the Commitments ha ve not been terminated.

(b) In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 16. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract (subject to Section 11), and shall become effective as provided in Section 11. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of this Agreement.

SECTION 17. Rules of Interpretation. The rules of interpretation specified in Section 1.03 of the Credit Agreement shall be applicable to this Agreement. It is also understood and agreed that to the extent a Guarantor hereunder is also a Borrower the provisions herein shall be construed in a manner so that such provisions apply to the other Borrowers and not to such Guarantor in its capacity as a Borrower.

SECTION 18. Jurisdiction; Consent to Service of Process. (a) Each Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in ot her jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent or any other Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Guarantor or its properties in the courts of any jurisdiction.

(b) Each Guarantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the

laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 14. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 19. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement or the other Loan Documents. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and the other Loan Documents, as applicable, by, among other things, the mutual waivers and certifications in this Section 19.

SECTION 20. Additional Guarantors. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not such a Subsidiary Loan Party on the date of the Credit Agreement is required to enter into this Agreement as a Guarantor upon becoming a Subsidiary Loan Party. Upon execution and delivery after the date hereof by the Collateral Agent and such a Subsidiary of an instrument ("Supplement") in the form of Annex 1, such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any Supplement adding an additional Guarantor as a party to this Agreement shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and eff ect notwithstanding the addition of any new Guarantor as a party to this Agreement.

SECTION 21. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Secured Party is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other Indebtedness at any time owing by such Secured Party to or for the credit or the account of any Guarantor against any or all the obligations of such Guarantor now or hereafter existing under this Agreement and the other Loan Documents held by such Secured Party, irrespective of whether or not such Secured Party shall have made any demand under this Agreement or any other Loan Document and although such obligations may be unmatured. The rights of each Secured Party under this Section 21 are in addition to other rights and remedies (including other rights of setoff) which such Secured Party may have.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

TRIMAS CORPORATION,

by ______________________________

Name:
Title:

TRIMAS COMPANY LLC,

by ____________________________
Name:
Title:

EACH OF THE SUBSIDIARIES LISTED ON SCHEDULE I HERETO,

by ____________________________
Name:
Title:

JPMORGAN CHASE BANK,
as Collateral Agent,

by ____________________________
Name:
Title:

SCHEDULE I TO THE
GUARANTEE AGREEMENT

Guarantor	Address

ANNEX 1 TO THE
GUARANTEE AGREEMENT

SUPPLEMENT NO. [ ] dated as of [ ] , to the Guarantee Agreement (the "Guarantee Agreement") dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Parent Borrower listed on Schedule I thereto (each such subsidiary and each Subsidiary Term Borrower individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"); the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively as t he "Guarantors"), and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (the "Collateral Agent") for the Secured Parties (as defined in the Credit Agreement).

A. Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers (as defined in the Credit Agreement) party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders, Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Guarantee Agreement and the Credit Agreement.

C. The Guarantors have entered into the Guarantee Agreement in order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not a Subsidiary Loan Party on the date of the Credit Agreement is required to enter into the Guarantee Agreement as a Guarantor upon becoming a Subsidiary Loan Party. Section 20 of the Guarantee Agreement provides that additional Subsidiaries of Holdings may become Guarantors under the Guarantee Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary of Holdings (the "New Guarantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Guarantee Agreement in order to indu ce the Lenders to make additional Loans and the Issuing Bank to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Collateral Agent and the New Guarantor agree as follows:

SECTION 1. In accordance with Section 20 of the Guarantee Agreement, the New Guarantor by its signature below becomes a Guarantor under the Guarantee Agreement with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby (a) agrees to all the terms and provisions of the Guarantee Agreement applicable to it as a Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct on and as of the date hereof. Each reference to a Guarantor in the Guarantee Agreement shall be deemed to include the New Guarantor. The Guarantee Agreement is hereby incorporated herein by reference.

SECTION 2. The New Guarantor represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Guarantor and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the Guarantee Agreement shall remain in full force and effect.

SECTION 5. This supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Guarantee Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision hereof in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 14 of the Guarantee Agreement. All communications and notices hereunder to the New Guarantor shall be given to it in care of the Parent Borrower at the Parent Borrower's address set forth in Section 10.01 of the Credit Agreement.

SECTION 8. The New Guarantor agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the fees, disbursements and other charges of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Guarantor and the Collateral Agent have duly executed this Supplement to the Guarantee Agreement as of the day and year first above written.

[Name of New Guarantor],

by ______________________________
Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by ______________________________
Name:
Title:

EXHIBIT E

INCREMENTAL TERM LOAN ACTIVATION NOTICE

To: JPMorgan Chase Bank,
as Administrative Agent under the Credit Agreement referred to below

Reference is hereby made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among TriMas Company LLC (the "Parent Borrower"), TriMas Corporation, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMorgan Chase Bank, as administrative agent for the Lenders, Collateral Agent, swingline lender and issuing bank and the other banks party thereto . Terms defined in the Credit Agreement and not defined herein are used herein as defined in the Credit Agreement.

This notice is the Incremental Term Loan Activation Notice referred to in the Credit Agreement, and the Parent Borrower and each of the Lenders signatory hereto (the "Incremental Lenders") hereby notify you that:

1. The Incremental Term Loan Amount of each Incremental Lender is set forth opposite such Incremental Lender's name on the signature pages hereto under the caption "Incremental Term Loan Amount".

2. The Incremental Term Loan Effective Date is   .

3. The Incremental Maturity Date is   .

Each of the Incremental Lenders and the Parent Borrower hereby agrees that (a) the amortization schedule relating to this Incremental Term Loan is set forth in Annex A attached hereto and (b) the Applicable Rate for this Incremental Term Loan shall be .

TRIMAS COMPANY LLC

By ______________________________
Name:
Title:

Incremental Term Loan Amount

$

[NAME OF INCREMENTAL LENDER]

By ______________________________
Name:
Title:

CONSENTED TO:

JPMORGAN CHASE BANK,
as Administrative Agent

By ______________________________
Name:
Title:

ANNEX A

Amortization Schedule

Date	Amount
	$
	$
	$
	$
	$
	$
Incremental Term Loan Maturity Date	$

EXHIBIT F

INDEMNITY, SUBROGATION and CONTRIBUTION AGREEMENT dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Parent Borrower listed on Schedule I hereto (each such subsidiary and each Subsidiary Term Borrower individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively as the "Guarantors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (in such capacity, th e "Collateral Agent") for the Secured Parties (as defined in the Credit Agreement).

Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers (as defined in the Credit Agreement) party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee Agreement"), among the Pa rent Borrower, Holdings, the Subsidiary Term Borrowers party thereto, the Subsidiary Guarantors and the Collateral Agent. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Lenders have agreed to make Loans to the Parent Borrower, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (the Foreign Subsidiary Borrowers, the Subsidiary Term Borrowers and the Parent Borrower are referred to collectively herein as the "Borrowers"), and the Issuing Bank has agreed to issue Letters of Credit for the account of certain of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Borrowers, Holdings and the Subsidiary Guarantors has agreed to guarantee, among other things, all the obligations of the Borrowers under the Credit Agreement (upon the terms specified in the Guarantee Agreement). Certain Guarantors have granted Liens on and security interests in certain of their assets to secure such guarantees. The obligations of the Lenders to make Loans and o f the Issuing Bank to issue Letters of Credit are conditioned on, among other things, the execution and delivery by the Borrower and the Guarantors of an agreement in the form hereof.

Accordingly, the parties hereto agree as follows:

SECTION 1. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable law (but subject to Section 3), each Borrower agrees that (a) in the event a payment shall be made by any Guarantor under, and to the extent required by, the Guarantee Agreement, such Borrower shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the person to whom such payment shall have been made to the extent of such payment and (b) in the event any assets of any Guarantor shall be sold pursuant to any Security Document to satisfy a claim of any Secured Party, such Borrower shall indemnify such Guarantor in an amount equal to the greater of the book value or the fair market value of the assets so sold.

SECTION 2. Contribution and Subrogation. Each Guarantor (a "Contributing Guarantor") agrees (subject to Section 3) that, in the event a payment shall be made by any other Guarantor under, and to the extent required by, the Guarantee Agreement or assets of any other Guarantor shall be sold pursuant to any Security Document to satisfy a claim of any Secured Party and such other Guarantor (the "Claiming Guarantor") shall not have been fully indemnified by the applicable Borrower as provided in Section 1, the Contributing Guarantor shall indemnify the Claiming Guarantor in an amount equal to the amount of such payment or the greater of the book value or the fair market value of such assets, as the case may be, in each case multiplied by a fraction of which the numerator shall be the net worth of the Contributing Guarantor on the date h ereof (or, in the case of any Guarantor becoming a party hereto pursuant to Section 12, the date of the Supplement hereto executed and delivered by such Guarantor) and the denominator shall be the aggregate net worth of all the Guarantors on the date hereof (or, in the case of any Guarantor becoming a party hereto pursuant to Section 12, the date of the Supplement hereto executed and delivered by such Guarantor). Any Contributing Guarantor making any payment to a Claiming Guarantor pursuant to this Section 2 shall be subrogated to the rights of such Claiming Guarantor under Section 1 to the extent of such payment.

SECTION 3. Subordination. Notwithstanding any provision of this Agreement to the contrary, all rights of the Guarantors under Sections 1 and 2 and all other rights of indemnity, contribution or subrogation under applicable law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the Obligations. No failure on the part of any Borrower or any Guarantor to make the payments required by Sections 1 and 2 (or any other payments required under applicable law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor with respect to its obligations hereunder, and each Guarantor shall remain liable for the full amount of the obligations of such Guarantor hereunder.

SECTION 4. Termination. This Agreement shall survive and be in full force and effect so long as any Obligation is outstanding and has not been indefeasibly paid in full in cash, and so long as the LC Exposure has not been reduced to zero or any of the Commitments under the Credit Agreement have not been terminated, and shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Secured Party or any Guarantor upon the bankruptcy or reorganization of the Borrower, any Guarantor or otherwise. In connection with the foregoing, the Collateral Agent shall execute and deliver to such Guarantor or Guarantor's designee, at such Guarantor's expense, any documents or instruments which such Guarantor shall reasonably request from time to time to evide nce such termination and release.

SECTION 5. Governing Law. This agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 6. No Waiver; Amendment. (a) No failure on the part of the Collateral Agent or any Guarantor to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy by the Collateral Agent or any Guarantor preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law. None of the Collateral Agent and the Guarantors shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such parties.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into between the Borrower, the Guarantors and the Collateral Agent, with the prior written consent of the Required Lenders (except as otherwise provided in the Credit Agreement).

SECTION 7. Notices. All communications and notices hereunder shall be in writing and given as provided in the Guarantee Agreement and addressed as specified therein.

SECTION 8. Binding Agreement; Assignments. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants, promises and agreements by or on behalf of the parties that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns. Neither the Borrowers nor any Guarantor may assign or transfer any of its rights or obligations hereunder (and any such attempted assignment or transfer shall be void) without the prior written consent of the Required Lenders. Notwithstanding the foregoing, at the time any Guarantor is released from its obligations under the Guarantee Agreement in accordance with such Guarantee Agreement and the Credit Agreement, such Guarantor will cease to have any rights or obligations under this Agreement.

SECTION 9. Survival of Agreement; Severability. (a) All covenants and agreements made by the Borrowers and each Guarantor herein and in the certificates or other instruments prepared or delivered in connection with this Agreement or the other Loan Documents shall be considered to have been relied upon by the Collateral Agent, the other Secured Parties and each Guarantor and shall survive the making by the Lenders of the Loans and the issuance of the Letters of Credit by the Issuing Bank, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loans or any other fee or amount payable under the Credit Agreement or this Agreement or under any of the other Loan Documents is outstanding and unpaid or the LC Exposure does not equal zero and as long as the Commitments have not been terminated.

(b) In case any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 10. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement

shall be effective with respect to any Guarantor when a counterpart bearing the signature of such Guarantor shall have been delivered to the Collateral Agent. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 11. Rules of Interpretation. The rules of interpretation specified in Section 1.03 of the Credit Agreement shall be applicable to this Agreement. It is also understood and agreed that to the extent a Guarantor hereunder is also a Borrower the provisions herein shall be construed in a manner so that such provisions apply to the other Borrowers and not to such Guarantor in its capacity as a Borrower.

SECTION 12. Additional Guarantors. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not such a Subsidiary Loan Party on the date of the Credit Agreement is required to enter into the Guarantee Agreement as a Guarantor upon becoming such a Subsidiary Loan Party. Upon execution and delivery after the date hereof, by the Collateral Agent and such a Subsidiary of an instrument ("Supplement") in the form of Annex 1 hereto such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor hereunder. The execution and delivery of any Supplement adding an additional Guarantor as a party to this Agreement shall not require the consent of any Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Agreement.

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

TRIMAS CORPORATION,

by ____________________
Name:
Title:

TRIMAS COMPANY LLC,

by ____________________
Name:
Title:

EACH OF THE SUBSIDIARIES LISTED ON SCHEDULE 1 HERETO, AS A GUARANTOR,

by ____________________
Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by ____________________
Name:
Title:

SCHEDULE I

TO THE INDEMNITY SUBROGATION
AND CONTRIBUTION AGREEMENT

Guarantors

Name	**Address**

ANNEX 1 TO
THE INDEMNITY, SUBROGATION AND
CONTRIBUTION AGREEMENT

SUPPLEMENT NO. [ ] dated as of [ ], to the Indemnity, Subrogation and Contribution Agreement dated as of June 6, 2002 (the "Indemnity, Subrogation and Contribution Agreement"), among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Borrower listed on Schedule I thereto (each such subsidiary and each Subsidiary Term Borrower individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantor s"; the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively as the "Guarantors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (the "Collateral Agent") for the Secured Parties (as defined in the Credit Agreement).

A. Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers (as defined in the Credit Agreement) party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee Agreement") among the Parent Borrower, Holdings, the Subsidiary Term Borrowers party thereto, the Subsidiary Guarantors and the Collateral Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Indemnity, Subrogation and Contribution Agreement and the Credit Agreement.

C. Holdings, the Parent Borrower, the Subsidiary Term Borrowers and the other Guarantors have entered into the Indemnity, Subrogation and Contribution Agreement in order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not such a Subsidiary Loan Party on the date of the Credit Agreement is required to enter into the Guarantee Agreement as a Guarantor upon becoming a Subsidiary Loan Party. Section 12 of the Indemnity, Subrogation and Contribution Agreement provides that additional Subsidiaries may become Guarantors under the Indemnity, Subrogation and Contribution Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Guarantor") is execut ing this Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Indemnity, Subrogation and Contribution Agreement in order to induce the Lenders to make additional Loans and the Issuing Bank to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Collateral Agent and the New Guarantor agree as follows:

SECTION 1. In accordance with Section 12 of the Indemnity, Subrogation and Contribution Agreement, the New Guarantor by its signature below becomes a Guarantor under the Indemnity, Subrogation and Contribution Agreement with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby agrees to all the terms and provisions of the Indemnity, Subrogation and Contribution Agreement applicable to it as a Guarantor thereunder. Each reference to a Guarantor in the Indemnity, Subrogation and Contribution Agreement shall be deemed to include the New Guarantor. The Indemnity, Subrogation and Contribution Agreement is hereby incorporated herein by reference.

SECTION 2. The New Guarantor represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Guarantor and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the Indemnity, Subrogation and Contribution Agreement shall remain in full force and effect.

SECTION 5. This Supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, neither party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Indemnity, Subrogation and Contribution Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 7 of the Indemnity, Subrogation and Contribution Agreement.

SECTION 8. The New Guarantor agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Guarantor and the Collateral Agent have duly executed this Supplement to the Indemnity, Subrogation and Contribution Agreement as of the day and year first above written.

[Name of New Guarantor],

by ______________________________
Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by ______________________________
Name:
Title:

SCHEDULE I
TO SUPPLEMENT NO. [ ] TO THE INDEMNITY
SUBROGATION AND CONTRIBUTION AGREEMENT

Guarantors

Name	**Address**

EXHIBIT G

[Form of Mortgage]
MORTGAGE

From

TRIMAS COMPANY LLC,
a Delaware limited liability company

To

JPMORGAN CHASE BANK

Dated: June 6, 2002
Premises: [ ]

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Particular Provisions

THIS MORTGAGE dated as of June 6, 2002 (this “*Mortgage*”), by [ ] LLC, [ ], having an office at [ ] (the “*Mortgagor*”), to JPMORGAN CHASE BANK, a New York banking corporation, having an office at 270 Park Avenue, New York, New York 10017 (the “*Mortgagee*”) as Collateral Agent for the benefit of the Secured Parties (as such terms are defined below);

WITNESSETH THAT:

Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), among TriMas Corporation, a Delaware corporation (“Holdings”), Mortgagor, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the *“Lenders”)*, JPMorgan Chase Bank, as

Administrative Agent for the lenders, Collateral Agent, Swingline Lender and Issuing Bank, and the other agent banks party thereto. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Lenders have agreed to make Loans to the Mortgagor, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (the Foreign Subsidiary Borrowers, the Subsidiary Term Borrowers and the Mortgagor are referred to collectively herein as the "Borrowers") and the Issuing Bank has agreed to issue Letters of Credit for the account of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. The Mortgagor unconditionally promised to pay (a) to the Lenders the then unpaid principal amount of the Revolving Loans on the Revolving Maturity Date and (b) to the Lenders the then unpaid principal amount of the Term Loans as provided in Section 2.10 of the Credit Agreement.

[Mortgagor is a wholly owned Subsidiary of one of the Borrowers and will derive substantial benefit from the making of the Loans by the Lenders and the issuance of the Letters of Credit by the Issuing Bank.] In order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit, the Mortgagor has agreed to guarantee, among other things, the due and punctual payment and performance of all of the obligations of the Borrowers under the Credit Agreement pursuant to the terms of the Guarantee Agreement.

The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Mortgagor of this Mortgage in the form hereof to secure (a) the due and punctual payment by any Borrower of (i) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by any Borrower under the Credit Agreement in respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon and obligations to provide cash collateral and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of any Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of any Borrower and each Loan Party under or pursuant to the Credit Agreement and the other Loan Documents, (c) the due and punctual payment and performance of all obligations of any Borrower under each Hedging Agreement entered into with any counterparty that was a Lender or Lender Affiliate at the time such Hedging Agreement was entered into and (d) the due and punctual payment and performance of all obligations in respect of overdrafts a nd related liabilities owed to the Administrative Agent or the Collateral Agent arising from treasury, depositary and cash management services or in connection with any automated clearinghouse transfer of funds (all the monetary and other obligations described in the preceding clauses (a) through (d) being collectively called the "<u>Obligations</u>").

As used in this Mortgage, the term "Secured Parties" shall mean (a) the Lenders, (b) the Administrative Agent, (c) the Collateral Agent, (d) the Issuing Bank, (e) each counterparty to a Hedging Agreement entered into with any Borrower if such counterparty was a Lender or Lender Affiliate at the time the Hedging Agreement was entered into, (f) the beneficiaries of each indemnification obligation undertaken by

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any Borrower or Subsidiary Loan Party under any Loan Document, (g) the Administrative Agent or the Collateral Agent in respect of obligations owed to the Administrative Agent or the Collateral Agent arising from treasury, depository and cash management services or in connection with any automated clearinghouse transfer of funds and (h) the successors and assigns of each of the foregoing.

Pursuant to the requirements of the Credit Agreement, the Mortgagor is entering into this Mortgage to create a lien on and a security interest in the Mortgaged Property (as defined herein) to secure the performance and payment by the Mortgagor of the Obligations. The Credit Agreement also requires the granting by other Loan Parties of mortgages, deeds of trust and deeds to secure debt (the "*Other Mortgages*") that create liens on and security interests in certain Mortgaged Properties other than the Mortgaged Property to secure the performance of the Obligations.

Granting Clauses

NOW, THEREFORE, IN CONSIDERATION OF the foregoing and in order to secure the due and punctual payment and performance of the Obligations for the benefit of the Secured Parties, Mortgagor hereby grants, conveys, mortgages, assigns and pledges to the Mortgagee, a security interest in, all the following described property (the "*Mortgaged Property*") whether now owned or held or hereafter acquired; <u>provided</u>, that (i) the maximum principal debt or obligation which is, or under any contingency may be secured at the date of execution hereof or any time thereafter by this Mortgage is $[   ] (the "Secured Amount"), (ii) this Mortgage shall also secure amounts other than the principal debt or obligation to the extent permitted by the Tax Law without payment of additional recording tax and (iii) so long as the aggregate amount of the Obligations exceeds the Secured Amount, any payments and repayments of the Obligations shall not be deemed to be applied against, or to reduce, the Secured Amount:

(1) the land more particularly described on Exhibit A hereto (the "*Land*"), together with all rights appurtenant thereto, including the easements over certain other adjoining land granted by any easement agreements, covenant or restrictive agreements and all air rights, mineral rights, water rights, oil and gas rights and development rights, if any, relating thereto, and also together with all of the other easements, rights,

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privileges, interests, hereditaments and appurtenances thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim or demand whatsoever of Mortgagor therein and in the streets and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired (the "*Premises*");

(2) all buildings, improvements, structures, paving, parking areas, walkways and landscaping now or hereafter erected or located upon the Land, and all fixtures of every kind and type affixed to the Premises or attached to or forming part of any structures, buildings or improvements and replacements thereof now or hereafter erected or located upon the Land (the "*Improvements*");

(3) all apparatus, movable appliances, building materials, equipment, fittings, furnishings, furniture, machinery and other articles of tangible personal property of every kind and nature, and replacements thereof, now or at any time hereafter placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Improvements or the Premises, including all of Mortgagor's books and records relating thereto and including all pumps, tanks, goods, machinery, tools, equipment, lifts (including fire sprinklers and alarm systems, fire prevention or control systems, cleaning rigs, air conditioning, heating, boilers, refrigerating, electronic monitoring, water, loading, unloading, lighting, power, sanitation, waste removal, entertainment, communications, computers, recreational, window or structural, maintenance, truck or car repair and all other equipment of every kind), restaurant, bar and all other indoor or outdoor furniture (including tables, chairs, booths, serving stands, planters, desks, sofas, racks, shelves, lockers and cabinets), bar equipment, glasses, cutlery, uniforms, linens, memorabilia and other decorative items, furnishings, appliances, supplies, inventory, rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, venetian blinds, partitions, chandeliers and other lighting fixtures, freezers, refrigerators, walk-in coolers, signs (indoor and outdoor), computer systems, cash registers and inventory control systems, and all other apparatus, equipment, furniture, furnishings, and articles used in connection with the use or operation of the Improvements or the

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Premises, it being understood that the enumeration of any specific articles of property shall in no way result in or be held to exclude any items of property not specifically mentioned (the property referred to in this subparagraph (3), the "*Personal Property*");

(4) all general intangibles owned by Mortgagor and relating to design, development, operation, management and use of the Premises or the Improvements, all certificates of occupancy, zoning variances, building, use or other permits, approvals, authorizations and consents obtained from and all materials prepared for filing or filed with any governmental agency in connection with the development, use, operation or management of the Premises and Improvements, all construction, service, engineering, consulting, leasing, architectural and other similar contracts concerning the design, construction, management, operation, occupancy and/or use of the Premises and Improvements, all architectural drawings, plans, specifications, soil tests, feasibility studies, appraisals, environmental studies, engineering reports and similar materials relating to any portion of or all of the Premises and Impr ovements, and all payment and performance bonds or warranties or guarantees relating to the Premises or the Improvements, all to the extent assignable (the "*Permits, Plans and Warranties*");

(5) all now or hereafter existing leases or licenses (under which Mortgagor is landlord or licensor) and subleases (under which Mortgagor is sublandlord), concession, management, mineral or other agreements of a similar kind that permit the use or occupancy of the Premises or the Improvements for any purpose in return for any payment, or the extraction or taking of any gas, oil, water or other minerals from the Premises in return for payment of any fee, rent or royalty (collectively, "*Leases*"), and all agreements or contracts for the sale or other disposition of all or any part of the Premises or the Improvements, now or hereafter entered into by Mortgagor, together with all charges, fees, income, issues, profits, receipts, rents, revenues or royalties payable thereunder ("*Rents*");

(6) all real estate tax refunds and all proceeds of the conversion, voluntary or involuntary, of any of the Mortgaged Property into cash or liquidated claims ("*Proceeds*"), including Proceeds of insurance maintained

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by the Mortgagor and condemnation awards, any awards that may become due by reason of the taking by eminent domain or any transfer in lieu thereof of the whole or any part of the Premises or Improvements or any rights appurtenant thereto, and any awards for change of grade of streets, together with any and all moneys now or hereafter on deposit for the payment of real estate taxes, assessments or common area charges levied against the Mortgaged Property, unearned premiums on policies of fire and other insurance maintained by the Mortgagor covering any interest in the Mortgaged Property or required by the Credit Agreement; and

(7) all extensions, improvements, betterments, renewals, substitutes and replacements of and all additions and appurtenances to, the Land, the Premises, the Improvements, the Personal Property, the Permits, Plans and Warranties and the Leases, hereinafter acquired by or released to the Mortgagor or constructed, assembled or placed by the Mortgagor on the Land, the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further mortgage, deed of trust, conveyance, assignment or other act by the Mortgagor, all of which shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by the Mortgagor and specifically described herein.

TO HAVE AND TO HOLD the Mortgaged Property unto the Mortgagee, its successors and assigns, for the ratable benefit of the Secured Parties, forever, subject only to the Permitted Encumbrances (as defined in the Credit Agreement) and to satisfaction and cancelation as provided in Section 3.04.

ARTICLE I

Representations, Warranties and Covenants of Mortgagor

Mortgagor agrees, covenants, represents and/or warrants as follows:

SECTION 1.01. *Title.* (a) Mortgagor has good and marketable title to:

(i) an indefeasible fee estate in the Land and Improvements; and

(ii) all of the Personal Property;

in the case of (i) and (ii) above subject only to the Permitted Encumbrances and Liens permitted by Section 6.02 of the Credit Agreement (collectively, "Permitted Collateral Liens").

(c) There are no Leases affecting the Land or the Improvements except for (i) Leases which (x) in the aggregate do not affect more than 5% of the total area of the Land or 5% of the gross building area of the Improvements and (y) are subordinate to the lien of this Mortgage or (ii) Leases which are described on Schedule A to this Mortgage and, in either case, do not interfere in any material respect with the business of the Mortgagor and its Affiliates as presently conducted at the Mortgaged Property.

(d) Mortgagor is not obligated under, and the Mortgaged Property is not bound by or subject to, any right, of first refusal, option or other contractual right to sell, assign or otherwise dispose of any Mortgaged Property or any interest therein.

(e) The granting of this Mortgage is within Mortgagor's corporate powers and has been duly authorized by all necessary corporate, and, if required, stockholder action. This Mortgage has been duly executed and delivered by Mortgagor and constitutes a legal, valid and binding obligation of Mortgagor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(f) This Mortgage, when duly recorded in the appropriate public records and when financing statements are duly filed in the appropriate public records, will create a valid, perfected and enforceable lien upon and security interest in all the Mortgaged Property. As of the date hereof, there are no defenses or offsets to this Mortgage that will be asserted by Mortgagor or its Affiliates (or any third party defense or offset now known to Mortgagor or its Affiliates) or to any of the Obligations secured hereby for so long as any portion of the Obligations is outstanding. Mortgagor will forever

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warrant and defend its title to the Mortgaged Property, the rights of Mortgagee therein under this Mortgage and the validity and priority of the lien of this Mortgage thereon against the claims of all persons and parties except those having rights under Permitted Collateral Liens to the extent of those rights.

SECTION 1.02. *Credit Agreement; Certain Amounts.* (a) This Mortgage is given pursuant to the Credit Agreement. Each and every term and provision of the Credit Agreement (excluding the governing law provisions thereof), including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties thereto shall be considered as if a part of this Mortgage. Mortgagor expressly covenants and agrees to pay when due, and to timely perform, and to cause the other Loan Parties to pay when due, and to timely perform, the Obligations in accordance with the terms of the Loan Documents.

(b) To the extent the representations and covenants contained in this Mortgage are more stringent or expansive than comparable representations and covenants contained in the Credit Agreement, the representations and covenants contained herein shall be construed to supplement the representations and covenants in the Credit Agreement without creating a conflict or inconsistency therewith, and Mortgagor shall be bound by the more stringent or expansive representations and covenants hereunder.

(c) If Mortgagee exercises any of its rights or remedies under this Mortgage, or if any actions or proceedings (including any bankruptcy, insolvency or reorganization proceedings) are commenced in which Mortgagee is made a party and is obliged to defend or uphold or enforce this Mortgage or the rights of Mortgagee hereunder or the terms of any Lease, or if a condemnation proceeding is instituted affecting the Mortgaged Property, Mortgagor will pay all reasonable sums, including reasonable attorneys' fees and disbursements, incurred by Mortgagee related to the exercise of any remedy or right of Mortgagee pursuant hereto and the reasonable expenses of any such action or proceeding together with all statutory or other costs, disbursements and allowances, interest thereon from the date of demand for payment thereof at the lesser of (i) the Prime Rate plus 2% and (ii) the M aximum Rate (the "*Default Interest Rate*"), and such sums and the interest thereon shall, to the extent permissible by law, be a lien on the Mortgaged Property prior to any right, title to, interest

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in or claim upon the Mortgaged Property attaching or accruing subsequent to the recording of this Mortgage and shall be secured by this Mortgage to the extent permitted by law. Any payment of amounts due under this Mortgage not made on or before the due date for such payments shall accrue interest daily without notice from the due date until paid at the Default Interest Rate, and such interest at the Default Interest Rate shall be immediately due upon demand by Mortgagee.

SECTION 1.03. *Payment of Taxes, Liens and Charges.* (a) Except as may be permitted by the Credit Agreement, Mortgagor will pay and discharge from time to time prior to the time when the same shall become delinquent, and before any interest or penalty accrues thereon or attaches thereto, all taxes of every kind and nature, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents, all vault charges, and all other public charges, and all service charges, common area charges, private maintenance charges, utility charges and all other private charges, whether created or evidenced by recorded or unrecorded documents or of a like or different nature, imposed upon or assessed against the Mortgaged Property or any part thereof or upon the Rents from the Mortgaged Property or arising in respect of the occupancy, use or possession thereof.

(b) In the event of the passage of any state, Federal, municipal or other governmental law, order, rule or regulation subsequent to the date hereof (i) deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or in any manner changing or modifying the laws now in force governing the taxation of this Mortgage or debts secured by mortgages or deeds of trust (other than laws governing income, franchise and similar taxes generally) or the manner of collecting taxes thereon and (ii) imposing a tax to be paid by Mortgagee, either directly or indirectly, on this Mortgage or any of the Loan Documents, or requiring an amount of taxes to be withheld or deducted therefrom, Mortgagor will promptly notify Mortgagee of such event. In such event Mortgagor shall (i) agree to enter into such further instruments as may be reasonabl y necessary or desirable to obligate Mortgagor to make any applicable additional payments and (ii) Mortgagor shall make such additional payments.

(c) At any time that an Event of Default shall occur hereunder and be continuing, or if required by any law

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applicable to Mortgagor or to Mortgagee, Mortgagee shall have the right to direct Mortgagor to make an initial deposit on account of real estate taxes and assessments, insurance premiums and common area charges, levied against or payable in respect of the Mortgaged Property in advance and thereafter on a quarterly basis, each such deposit to be equal to one-quarter of any such annual charges estimated in a reasonable manner by Mortgagee in order to accumulate with Mortgagee sufficient funds to pay such taxes, assessments, insurance premiums and charges.

SECTION 1.04. *Payment of Closing Costs.* Mortgagor shall pay all costs in connection with, relating to or arising out of the preparation, execution and recording of this Mortgage, including title company premiums and charges, inspection costs, survey costs, recording fees and taxes, reasonable attorneys', engineers', appraisers' and consultants' fees and disbursements and all other similar reasonable expenses of every kind.

SECTION 1.05. *Plans, Alterations and Waste; Repairs.* (a) To the extent the same exist on the date hereof or are obtained in connection with future permitted alterations, Mortgagor shall maintain a complete set of final plans, specifications, blueprints and drawings for the Mortgaged Property either at the Mortgaged Property or in a particular office at the headquarters of Mortgagor to which Mortgagee shall have access upon reasonable advance notice and at reasonable times.

(b) Mortgagor shall not:

(i) demolish or remove all or any material portion of the Improvements which would diminish in any material respect the utility of Mortgaged Property in the conduct of the business of the Mortgagor or its Affiliates as conducted thereon on the date hereof;

(ii) erect any additions to the Improvements or any other structures on the Premises which would interfere in any material respect with the use and operation of the Improvements as conducted on the date hereof;

(iii) commit any waste on the Mortgaged Property or make any alterations to the Mortgaged Property which would diminish in any material respect the utility of Mortgaged Property in the conduct of the business of the Mortgagor or its Affiliates as conducted thereon on the date hereof; or

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(iv) change the use of the Mortgaged Property or take any other action with respect to the Mortgaged Property if it would materially increase the risk of fire or any other hazard or violate the terms of any insurance policy required by Section 1.06 hereof;

without the consent of the Mortgagee in each instance which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Mortgagor will keep and maintain the Improvements and the Personal Property in good repair, working order and condition, reasonable wear and tear excepted, and will schedule and perform preventive maintenance thereon in accordance with the current and prior practice of the Mortgagor.

SECTION 1.06. *Insurance.* Mortgagor will keep or cause to be kept the Improvements and Personal Property insured against such risks, and in the manner, described in Schedule 3.13 to the Credit Agreement and shall purchase such additional insurance as may be required from time to time pursuant to Section 5.07 of the Credit Agreement.

SECTION 1.07. *Casualty Condemnation/Eminent Domain.* Mortgagor, in accordance with Section 5.08 of the Credit Agreement, shall give Mortgagee prompt written notice of any casualty or other damage to the Mortgaged Property that exceeds $1,000,000 or any proceeding for the taking of the Mortgaged Property or any portion thereof or interest therein under power of eminent domain or by condemnation or any similar proceeding. Any Net Proceeds received by or on behalf of the Mortgagor in respect of any casualty, damage or taking (regardless of whether notice is required pursuant to the preceding sentence) shall constitute trust funds held by the Mortgagor for the benefit of the Secured Parties to be applied to restoration of the Mortgaged Property or, if a Prepayment Event shall occur with respect to any such Net Proceeds, to be appli ed in accordance with Section 2.11 of the Credit Agreement.

SECTION 1.08. *Assignment of Leases and Rents.* (a) Mortgagor hereby irrevocably and absolutely grants, transfers and assigns all of its right title and interest in all Leases, together with any and all extensions and renewals thereof for purposes of securing and discharging the performance by Mortgagor of the Obligations. Mortgagor has not assigned or executed any assignment of, and will not

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assign or execute any assignment of, any other Lease or their respective Rents to anyone other than Mortgagee.

(b) Without Mortgagee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, Mortgagor will not enter into, modify, amend, terminate or consent to the cancelation or surrender of any Lease if (i) such Lease, as entered into, modified or amended will not be subordinate to the lien of this Mortgage or (ii) such alteration could reasonably be expected to interfere in any material respect with the business of the Mortgagor.

(c) Subject to Section 1.08(d), Mortgagor has assigned and transferred to Mortgagee all of Mortgagor's right, title and interest in and to the Rents now or hereafter arising from each Lease heretofore or hereafter made or agreed to by Mortgagor, it being intended that this assignment establish, subject to Section 1.08(d), an absolute transfer and assignment of all Rents and all Leases to Mortgagee and not merely to grant a security interest therein. Subject to Section 1.08(d), Mortgagee may in Mortgagor's name and stead (with or without first taking possession of any of the Mortgaged Property personally or by receiver as provided herein) operate the Mortgaged Property and rent, lease or let all or any portion of any of the Mortgaged Property to any party or parties at such rental and upon such terms as Mortgagee shall, in its sole discretion, determine, and may collect and have the benefit of all of said Rents arising from or accruing at any time thereafter or that may thereafter become due under any Lease.

(d) So long as an Event of Default shall not have occurred and be continuing, Mortgagee will not exercise any of its rights under Section 1.08(c), and Mortgagor shall receive and collect the Rents accruing under any Lease; but after the happening and during the continuance of any Event of Default, Mortgagee may, at its option, receive and collect all Rents and enter upon the Premises and Improvements through its officers, agents, employees or attorneys for such purpose and for the operation and maintenance thereof. Mortgagor hereby irrevocably authorizes and directs each tenant, if any, and each successor, if any, to the interest of any tenant under any Lease, respectively, to rely upon any notice of a claimed Event of Default sent by Mortgagee to any such tenant or any of such tenant's successors in interest, and thereafter to pay Rents to Mortgagee without any oblig ation or right to inquire as to whether an Event of Default actually exists and even if some notice to the contrary is received from the Mortgagor, who shall have no right or claim against any such tenant or successor in interest for any such Rents so paid to Mortgagee. Each tenant or any of such tenant's successors in interest from whom Mortgagee or any officer, agent, attorney or employee of Mortgagee shall have collected any Rents, shall be authorized to pay Rents to Mortgagor only after such tenant or any of their successors in interest shall have received written notice from Mortgagee that the Event of Default is no longer continuing, unless and until a further notice of an Event of Default is given by Mortgagee to such tenant or any of its successors in interest.

(e) Mortgagee will not become a mortgagee in possession so long as it does not enter or take actual possession of the Mortgaged Property. In addition, Mortgagee shall not be responsible or liable for performing any of the obligations of the landlord under any Lease, for any waste by any tenant, or others, for any dangerous or defective conditions of any of the Mortgaged Property, for negligence in the management, upkeep, repair or control of any of the Mortgaged Property or any other act or omission by any other person.

(f) Mortgagor shall furnish to Mortgagee, within 30 days after a request by Mortgagee to do so, a written statement containing the names of all tenants, subtenants and concessionaires of the Premises or Improvements, the terms of any Lease, the space occupied and the rentals or license fees payable thereunder.

SECTION 1.09. *Restrictions on Transfers and Encumbrances.* Except as permitted by the Credit Agreement, Mortgagor shall not directly or indirectly sell, convey, alienate, assign, lease, sublease, license, mortgage, pledge, encumber or otherwise transfer, create, consent to or suffer the creation of any lien, charges or any form of encumbrance upon any interest in or any part of the Mortgaged Property, or be divested of its title to the Mortgaged Property or any interest therein in any manner or way, whether voluntarily or involuntarily (other than resulting from a condemnation), or engage in any common, cooperative, joint, time-sharing or other congregate ownership of all or part thereof; provided, that Mortgagor may in the ordinary course of business within reasonable commercial standards, enter into easement or covenant agreement s that relate to and/or benefit the operation of the Mortgaged Property and that do not materially or adversely affect the use and operation of the same without the consent of or notice to the Mortgagee.

SECTION 1.10. *Security Agreement.* This Mortgage is both a mortgage of real property and a grant of a security interest in personal property, and shall constitute and serve as a "Security Agreement" within the meaning of the uniform commercial code as adopted in the state wherein the Premises are located ("UCC"). Mortgagor has hereby granted unto Mortgagee a security interest in and to all the Mortgaged Property described in this Mortgage that is not real property, and simultaneously with the recording of this Mortgage, Mortgagee has filed or will file UCC financing statements, and will file continuation statements prior to the lapse thereof, at the appropriate offices in the state in which the Premises are located to perfect the security interest granted by this Mortgage in all the Mortgaged Property that is not real property. Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to execute any document and to file the same in the appropriate offices (to the extent it may lawfully do so), and to perform each and every act and thing reasonably requisite and necessary to be done to perfect the security interest contemplated by the preceding sentence (i) upon the occurrence and during the continuance of an Event of Default or (ii) after Mortgagor is given reasonable notice of and opportunity and fails or refuses to do the same. Mortgagee shall have all rights with respect to the part of the Mortgaged Property that is the subject of a security interest afforded by the UCC in addition to, but not in limitation of, the other rights afforded Mortgagee hereunder and under the Security Agreement.

SECTION 1.11. *Filing and Recording.* Mortgagor will cause this Mortgage, any other security instrument creating a security interest in or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the security interest of Mortgagee in, the Mortgaged Property. Mortgagor will pay all filing, registration and recording fees, all Federal, state, county and municipal recording, documentary or intangible taxes and other taxes, duties, imposts, assessments and charges, and all reasonable expenses incidental to or arising out of or in connection with the execution, delivery and recording of this Mortgage, any mor tgage supplemental hereto, any security instrument with respect to the Personal Property or any instrument of further assurance.

SECTION 1.12. *Further Assurances.* Upon demand by Mortgagee, Mortgagor will, at the cost of Mortgagor and without expense to Mortgagee, do, execute, acknowledge and deliver all such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time reasonably require for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage, and on demand, Mortgagor will also execute and deliver and hereby appoints Mortgage e as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to execute and file to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments reasonably requested by Mortgagee to evidence more effectively the lien hereof upon the Personal Property and to perform each and every act and thing requisite and necessary to be done to accomplish the same.

SECTION 1.13. *Additions to Mortgaged Property.* All right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by or released to Mortgagor or constructed, assembled or placed by Mortgagor upon the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance, assignment or other act by Mortgagor, shall become subject to the lien and security interest of this Mortgage as fully and completely and with the same effect as though now owned by Mortgagor and specifically described in the gra nt of the Mortgaged Property above, but at any and all times Mortgagor will execute and deliver to Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Mortgage.

SECTION 1.14. *No Claims Against Mortgagee.* Nothing contained in this Mortgage shall constitute any consent or request by Mortgagee, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof, nor as giving Mortgagor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Mortgagee in respect thereof.

SECTION 1.15. *Fixture Filing.* Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined in the UCC) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said UCC upon such portions of the Mortgaged Property that are or become fixtures.

ARTICLE II

Defaults and Remedies

SECTION 2.01. *Events of Default.* Any Event of Default under the Credit Agreement (as such term is defined therein) shall constitute an Event of Default under this Mortgage.

SECTION 2.02. *Demand for Payment.* If an Event of Default shall occur and be continuing, then, upon written demand of Mortgagee, Mortgagor will pay to Mortgagee all amounts due hereunder and under the Credit Agreement and such further amount as shall be sufficient to cover the costs and expenses of collection, including attorneys' fees, disbursements and expenses incurred by Mortgagee, and Mortgagee shall be entitled and empowered to institute an action or proceedings at law or in equity for the collection of the sums so due and unpaid, to prosecute any such action or proceedings to judgment or final decree, to enforce any such judgment or final decree against Mortgagor and to collect, in any manner provided by law, all moneys adjudged or decreed to be payable.

SECTION 2.03. *Rights To Take Possession, Operate and Apply Revenues.* (a) If an Event of Default shall occur and be continuing, Mortgagor shall, upon demand of Mortgagee, forthwith surrender to Mortgagee actual possession of the

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Mortgaged Property and, if and to the extent not prohibited by applicable law, Mortgagee itself, or by such officers or agents as it may appoint, may then enter and take possession of all the Mortgaged Property without the appointment of a receiver or an application therefor, exclude Mortgagor and its agents and employees wholly therefrom, and have access to the books, papers and accounts of Mortgagor.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Mortgagee, Mortgagee may to the extent not prohibited by applicable law, obtain a judgment or decree conferring upon Mortgagee the right to immediate possession or requiring Mortgagor to deliver immediate possession of the Mortgaged Property to Mortgagee, to the entry of which judgment or decree Mortgagor hereby specifically consents. Mortgagor will pay to Mortgagee, upon demand, all reasonable expenses of obtaining such judgment or decree, including reasonable compensation to Mortgagee's attorneys and agents with interest thereon at the Default Interest Rate; and all such expenses and compensation shall, until paid, be secured by this Mortgage.

(c) Upon every such entry or taking of possession, Mortgagee may, to the extent not prohibited by applicable law, hold, store, use, operate, manage and control the Mortgaged Property, conduct the business thereof and, from time to time, (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon, (ii) purchase or otherwise acquire additional fixtures, personalty and other property, (iii) insure or keep the Mortgaged Property insured, (iv) manage and operate the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in their own name or otherwise with respect to the same, or (v) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Mortgagee, all as may from time to time be directed or determined by Mortgagee to be in its best interest, and Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to perform any of the foregoing acts. Mortgagee may collect and receive all the Rents, issues, profits and revenues from the Mortgaged Property, including those past due as well as those accruing thereafter, and, after deducting (i) all expenses of taking, holding, managing and operating the Mortgaged Property

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(including compensation for the services of all persons employed for such purposes), (ii) the costs of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions, (iii) the costs of insurance, (iv) such taxes, assessments and other similar charges as Mortgagee may at its option pay, (v) other proper charges upon the Mortgaged Property or any part thereof and (vi) the compensation, expenses and disbursements of the attorneys and agents of Mortgagee, Mortgagee shall apply the remainder of the moneys and proceeds so received first to the payment of the Mortgagee for the satisfaction of the Obligations, and second, if there is any surplus, to Mortgagor, subject to the entitlement of others thereto under applicable law.

(d) Whenever, before any sale of the Mortgaged Property under Section 2.06, all Obligations that are then due shall have been paid and all Events of Default fully cured, Mortgagee will surrender possession of the Mortgaged Property back to Mortgagor, its successors or assigns. The same right of taking possession shall, however, arise again if any subsequent Event of Default shall occur and be continuing.

SECTION 2.04. *Right To Cure Mortgagor's Failure to Perform.* Should Mortgagor fail in the payment, performance or observance of any term, covenant or condition required by this Mortgage or the Credit Agreement (with respect to the Mortgaged Property), upon Notice to Mortgagor, Mortgagee may pay, perform or observe the same, and all payments made or costs or expenses incurred by Mortgagee in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Mortgagor to Mortgagee with interest thereon at the Default Interest Rate. Mortgagee shall be the judge using reasonable discretion of the necessity for any such actions and of the amounts to be paid. Upon Notice to the Mortgagor, Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or the Improvements o r any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without having any obligation to so perform or observe and without thereby becoming liable to Mortgagor, to any person in possession holding under Mortgagor or to any other person.

SECTION 2.05. *Right to a Receiver.* If an Event of Default shall occur and be continuing, Mortgagee, upon application to a court of competent jurisdiction, shall be entitled as a matter of right to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the Rents. The receiver shall have all of the rights and powers permitted under the laws of the state wherein the Mortgaged Property is located. Mortgagor shall pay to Mortgagee upon demand all reasonable expenses, including receiver's fees, reasonable attorney's fees and disbursements, costs and agent's compensation incurred pursuant to the provisions of this Section 2.05; and all such expenses shall be secured by this Mortgage and shall be, without demand, immediately repaid by Mortgagor to Mortgagee with interest thereon at the Default Interest Rate.

SECTION 2.06. *Foreclosure and Sale.* (a) If an Event of Default shall occur and be continuing, Mortgagee may elect to sell the Mortgaged Property or any part of the Mortgaged Property by exercise of the power of foreclosure or of sale granted to Mortgagee by applicable law or this Mortgage. In such case, Mortgagee may commence a civil action to foreclose this Mortgage, or it may proceed and sell the Mortgaged Property to satisfy any Obligation. Mortgagee or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property, may sell all or such parts of the Mortgaged Property as may be chosen by Mortgagee at the time and place of sale fixed by it in a notice of sale, either as a whole or in separate lots, parcels or items as Mortgagee shall deem expedient, and in such order as it may determine, at publ ic auction to the highest bidder. Mortgagee or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property may postpone any foreclosure or other sale of all or any portion of the Mortgaged Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale. Without further notice, Mortgagee or an officer appointed to sell the Mortgaged Property may make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale. Any person, including Mortgagor or Mortgagee or any designee or affiliate thereof, may purchase at such sale.

(b) The Mortgaged Property may be sold subject to unpaid taxes and Permitted Encumbrances, and, after deducting all costs, fees and expenses of Mortgagee (including costs of evidence of title in connection with the sale), Mortgagee or an officer that makes any sale shall apply the proceeds of sale in the manner set forth in Section 2.08.

(c) Any foreclosure or other sale of less than the whole of the Mortgaged Property or any defective or irregular sale

made hereunder shall not exhaust the power of foreclosure or of sale provided for herein; and subsequent sales may be made hereunder until the Obligations have been satisfied, or the entirety of the Mortgaged Property has been sold.

(d) If an Event of Default shall occur and be continuing, Mortgagee may instead of, or in addition to, exercising the rights described in Section 2.06(a) above and either with or without entry or taking possession as herein permitted, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to specifically enforce payment of some or all of the Obligations, or the performance of any term, covenant, condition or agreement of this Mortgage or any other Loan Document or any other right, or (ii) to pursue any other remedy available to Mortgagee, all as Mortgagee shall determine most effectual for such purposes.

SECTION 2.07. *Other Remedies.* (a) In case an Event of Default shall occur and be continuing, Mortgagee may also exercise, to the extent not prohibited by law, any or all of the remedies available to a secured party under the UCC.

(b) In connection with a sale of the Mortgaged Property or any Personal Property and the application of the proceeds of sale as provided in Section 2.08, Mortgagee shall be entitled to enforce payment of and to receive up to the principal amount of the Obligations, plus all other charges, payments and costs due under this Mortgage, and to recover a deficiency judgment for any portion of the aggregate principal amount of the Obligations remaining unpaid, with interest.

SECTION 2.08. *Application of Sale Proceeds and Rents.* After any foreclosure sale of all or any of the Mortgaged Property, Mortgagee shall receive and apply the proceeds of the sale together with any Rents that may have been collected and any other sums that then may be held by Mortgagee under this Mortgage as follows:

FIRST, to the payment of the costs and expenses of such sale, including compensation to Mortgagee's attorneys and agents, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee under this Mortgage, together with interest at the Default Interest Rate on all advances made by Mortgagee, including all taxes or assessments (except any taxes, assessments or other charges subject to which the

Mortgaged Property shall have been sold) and the cost of removing any Permitted Collateral Lien (except any Permitted Lien subject to which the Mortgaged Property was sold);

SECOND, to the Mortgagee for the distribution to the Secured Parties for the satisfaction of the Obligations owed to the Secured Parties; and

THIRD, to the Mortgagor, its successors or assigns, or as a court of competent jurisdiction may otherwise direct.

The Mortgagee shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Mortgage. Upon any sale of the Mortgaged Property by the Mortgagee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Mortgagee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgaged Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Mortgagee or such officer or be answerable in any way for the misapplication thereof.

SECTION 2.09. *Mortgagor as Tenant Holding Over.* If Mortgagor remains in possession of any of the Mortgaged Property after any foreclosure sale by Mortgagee, at Mortgagee's election Mortgagor shall be deemed a tenant holding over and shall forthwith surrender possession to the purchaser or purchasers at such sale or be summarily dispossessed or evicted according to provisions of law applicable to tenants holding over.

SECTION 2.10. *Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws.* Mortgagor waives, to the extent not prohibited by law, (i) the benefit of all laws now existing or that hereafter may be enacted (x) providing for any appraisement or valuation of any portion of the Mortgaged Property and/or (y) in any way extending the time for the enforcement or the collection of amounts due under any of the Obligations or creating or extending a period of redemption from any sale made in collecting said debt or any other amounts due Mortgagee, (ii) any right to at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any homestead exemption, stay, statute of limitations, extension or

redemption, or sale of the Mortgaged Property as separate tracts, units or estates or as a single parcel in the event of foreclosure or notice of deficiency, and (iii) all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of or each of the Obligations and marshaling in the event of foreclosure of this Mortgage.

SECTION 2.11. *Discontinuance of Proceedings.* In case Mortgagee shall proceed to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall be discontinued or abandoned for any reason, or shall be determined adversely to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Mortgagee shall continue as if no such proceeding had been taken.

SECTION 2.12. *Suits To Protect the Mortgaged Property.* Mortgagee shall have power (a) to institute and maintain suits and proceedings to prevent any impairment of the Mortgaged Property by any acts that may be unlawful or in violation of this Mortgage, (b) to preserve or protect its interest in the Mortgaged Property and in the Rents arising therefrom and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of or compliance with such enactment, rule or order would impair the security or be prejudicial to the interest of Mortgagee hereunder.

SECTION 2.13. *Filing Proofs of Claim.* In case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, Mortgagee shall, to the extent permitted by law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Mortgagee allowed in such proceedings for the Obligations secured by this Mortgage at the date of the institution of such proceedings and for any interest accrued, late charges and additional interest or other amounts due or that may become due and payable hereunder after such date.

SECTION 2.14. *Possession by Mortgagee.* Notwithstanding the appointment of any receiver, liquidator or trustee of Mortgagor, any of its property or the Mortgaged Property, Mortgagee shall be entitled, to the extent not prohibited by law, to remain in possession and control of all parts of the

Mortgaged Property now or hereafter granted under this Mortgage to Mortgagee in accordance with the terms hereof and applicable law.

SECTION 2.15. *Waiver.* (a) No delay or failure by Mortgagee to exercise any right, power or remedy accruing upon any breach or Event of Default shall exhaust or impair any such right, power or remedy or be construed to be a waiver of any such breach or Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time and as often as may be deemed expedient by Mortgagee. No consent or waiver by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of the Obligations shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or of any other Obligations by Mortgagor hereunder. No failure on the part of Mortgagee to complain of any act or fa ilure to act or to declare an Event of Default, irrespective of how long such failure continues, shall constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies consequent on any future Event of Default by Mortgagor.

(b) Even if Mortgagee (i) grants some forbearance or an extension of time for the payment of any sums secured hereby, (ii) takes other or additional security for the payment of any sums secured hereby, (iii) waives or does not exercise some right granted herein or under the Loan Documents, (iv) releases a part of the Mortgaged Property from this Mortgage, (v) agrees to change some of the terms, covenants, conditions or agreements of any of the Loan Documents, (vi) consents to the filing of a map, plat or replat affecting the Premises, (vii) consents to the granting of an easement or other right affecting the Premises or (viii) makes or consents to an agreement subordinating Mortgagee’s lien on the Mortgaged Property hereunder; no such act or omission shall preclude Mortgagee from exercising any other right, power or privilege herein grante d or intended to be granted in the event of any breach or Event of Default then made or of any subsequent default; nor, except as otherwise expressly provided in an instrument executed by Mortgagee, shall this Mortgage be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or part of the Mortgaged Property, to the extent such sale or transfer is permitted by the Credit Agreement, Mortgagee is hereby authorized and empowered to deal with any vendee or transferee with reference to the Mortgaged Property secured hereby, or

with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.

SECTION 2.16. *Remedies Cumulative.* No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, and each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

ARTICLE III

Miscellaneous

SECTION 3.01. *Partial Invalidity.* In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Mortgagee, not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

SECTION 3.02. *Notices.* All notices and communications hereunder shall be in writing and given to Mortgagor in accordance with the terms of the Credit Agreement at the address set forth on the first page of this Mortgage and to the Mortgagee as provided in the Credit Agreement.

SECTION 3.03. *Successors and Assigns.* All of the grants, covenants, terms, provisions and conditions herein shall run with the Premises and the Improvements and shall apply to, bind and inure to, the benefit of the permitted successors and assigns of Mortgagor and the successors and assigns of Mortgagee.

SECTION 3.04. *Satisfaction and Cancelation.* (a) The conveyance to Mortgagee of the Mortgaged Property as security created and consummated by this Mortgage shall be null and void when all the Obligations have been indefeasibly paid in full in accordance with the terms of the Loan Documents and the Lenders have no further commitment to make Loans under the Credit Agreement, no Letters of Credit are outstanding and the

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Issuing Bank has no further obligation to issue Letters of Credit under the Credit Agreement.

(b) Upon a sale or financing by Mortgagor of all or any portion of the Mortgaged Property that is permitted by the Credit Agreement and the application of the Net Proceeds of such sale or financing in accordance with the Credit Agreement, the lien of this Mortgage shall be released from the applicable portion of the Mortgaged Property. Mortgagor shall give the Mortgagee reasonable written notice of any sale or financing of the Mortgaged Property prior to the closing of such sale or financing.

(c) In connection with any termination or release pursuant to paragraph (a), the Mortgage shall be marked "satisfied" by the Mortgagee, and this Mortgage shall be canceled of record at the request and at the expense of the Mortgagor. Mortgagee shall execute any documents reasonably requested by Mortgagor to accomplish the foregoing or to accomplish any release contemplated by this Section 3.04 and Mortgagor will pay all costs and expenses, including reasonable attorneys' fees, disbursements and other charges, incurred by Mortgagee in connection with the preparation and execution of such documents.

SECTION 3.05. *Definitions.* As used in this Mortgage, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (a) "*including*" shall mean "including but not limited to"; (b) "*provisions*" shall mean "provisions, terms, covenants and/or conditions"; (c) "*lien*" shall mean "lien, charge, encumbrance, security interest, mortgage or deed of trust"; (d) "*obligation*" shall mean "obligation, duty, covenant and/or condition"; and (e) "any of the Mortgaged Property" shall mean "the Mortgaged Property or any part thereof or interest therein". Any act that Mortgagee is permitted to perform hereunder may be performed at a ny time and from time to time by Mortgagee or any person or entity designated by Mortgagee. Any act that is prohibited to Mortgagor hereunder is also prohibited to all lessees of any of the Mortgaged Property. Each appointment of Mortgagee as attorney-in-fact for Mortgagor under the Mortgage is irrevocable, with power of substitution and coupled with an interest. Subject to the applicable provisions hereof, Mortgagee has the right to refuse to grant its consent, approval or acceptance or to indicate its satisfaction, in its sole discretion, whenever such consent, approval, acceptance or satisfaction is required hereunder.

SECTION 3.06. *Multisite Real Estate Transaction.* Mortgagor acknowledges that this Mortgage is one of a number of Other Mortgages and Security Documents that secure the Obligations. Mortgagor agrees that the lien of this Mortgage shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by the Mortgagee of any security for or guarantees of any of the Obligations hereby secured, or by any failure, neglect or omission on the part of Mortgagee to realize upon or protect any Obligation or indebtedness hereby secured or any collateral security therefor including the Other Mortgages and other Security Documents. The lien hereof shall not in any m anner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Obligations secured or of any of the collateral security therefor, including the Other Mortgages and other Security Documents or of any guarantee thereof, and Mortgagee may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Mortgages and other Security Documents without first exercising or enforcing any of its rights and remedies hereunder. Such exercise of Mortgagee's rights and remedies under any or all of the Other Mortgages and other Security Documents shall not in any manner impair the indebtedness hereby secured or the lien of this Mortgage and any exercise of the rights or remedies of Mortgagee hereunder shall not impair the lien of any of the Other Mortgages and other Security Documents or any of Mortgagee's rights and remedies thereunder. Mortgagor specifically consents and agrees that Mortgagee may exercise its rights and remedies hereunder and under the Other Mortgages and other Security Documents separately or concurrently and in any order that it may deem appropriate and waives any rights of subrogation.

ARTICLE IV

Particular Provisions

This Mortgage is subject to the following provisions relating to the particular laws of the state wherein the Premises are located:

SECTION 4.01. *Applicable Law; Certain Particular Provisions.* This Mortgage shall be governed by and construed in accordance with the internal law of the State of New York; provided, that the provisions of this Mortgage relating to the creation, perfection and enforcement of the lien and security interest created by this Mortgage in respect of the Mortgaged Property and the exercise of each remedy provided hereby, including the power of foreclosure or power of sale procedures set forth in this Mortgage, shall be governed by and construed in accordance with the internal law of the state where the Mortgaged Property is located, and Mortgagor and Mortgagee agree to submit to jurisdiction and the laying of venue for any suit on this Mortgage in such state. The terms and provisions set forth in Appendix A attached hereto are hereby incorporated by reference as though fully set forth herein. In the event of any conflict between the terms and provisions contained in the body of this Mortgage and the terms and provisions set forth in Appendix A, the terms and provisions set forth in Appendix A shall govern and control.

IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered to Mortgagee by Mortgagor on the date of the acknowledgment attached hereto.

[ ], a
[ ],

by: ______________________________
Name:
Title:

Signed and Acknowledged
in the presence of:

(1) ______________________________
Witness Signature

____
Witness Printed Name

(2) ______________________________
Witness Signature

____
Witness Printed Name

This Document Was Prepared By
And After Recording Return To:

DeWitt Sullivan
Cravath, Swaine & Moore
825 Eighth Avenue
New York, NY 10019

STATE OF)
)
COUNTY OF)

The foregoing instrument was acknowledged before me on , by , the , of , a corporation, on behalf of the corporation.

____
Notary Public, County
My commission expires .

Exhibit A
to Mortgage

Description of the Land

Schedule A
to Mortgage

Description of Leases

[None]

Appendix A
to Mortgage

Local Law Provisions

[This assume the property is located in Michigan,
as in the prior transaction.]

[This Appendix is incorporated into and shall be deemed to amend the Mortgage made by the Mortgagor with respect to the Mortgaged Property located in the State of Michigan to the Mortgagee. The provisions of this Appendix, where in conflict with the provisions of the Mortgage, shall control.

1. In the introductory granting clause, after the word “mortgages”, in the fourth line, the word “warrants”, is hereby added.

2. In granting clause (1), after the words “development rights”, in the seventh line the phrase “the right to make all divisions under section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967” is hereby added.

3. Section 1.05 (d) is hereby added to the Mortgage as follows:

(d) Mortgagor’s failure to pay taxes and/or assessments assessed against the Mortgaged Property, or any installment thereof, or any insurance premium upon policies covering the Mortgaged Property or any part thereof, shall constitute waste (although the meaning of the term “waste” shall not necessarily be limited to such nonpayment), as provided by Act No. 236 of the Public Acts of Michigan of 1961, as amended, and shall entitle Mortgagee to all remedies provided for therein. Mortgagor further agrees to and does hereby consent to the appointment of a receiver under such statute, should Mortgagee elect to seek such relief thereunder.

4. Section 1.08 (g) is hereby added to the Mortgage as follows:

(g) Without limiting any other provision of this Mortgage which evidences the intent of the Mortgagor to irrevocably and absolutely presently assign its rights in all Leases to the Mortgagee, subject to the provisions of this Mortgage, as additional security for the payment of the Obligations, and the performance of all of

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Mortgagor’s obligations hereunder or secured hereby, and under any other document executed simultaneously or in connection herewith, Mortgagor does hereby sell, assign, transfer and set over unto Mortgagee, pursuant to Act 210 of the Public Acts of Michigan of 1953, as amended, all the rents, profits and income under all leases or occupancy agreements or arrangements, however evidenced or denominated, upon or affecting the Mortgaged Property (including any extensions, amendments or renewals thereof), whether such rents, profits and income are due or are to become due, including all such leases in existence or coming into existence during the period this Mortgage is in effect. This assignment shall run with the land and be good and valid as against Mortgagor and those claiming by, under or through Mortgagor, from the date of recording of this Mortgage. This assignment shall continue to be operative during the foreclosure or any other proceedings taken to enforce this Mortgage. In the event of a foreclosure sale which results in a deficiency, this assignment shall stand as security during the redemption period for the payment of such deficiency. This assignment is given as collateral security only and does not and shall not be construed as obligating Mortgagee to perform any of the covenants or undertakings required to be performed by Mortgagor in any leases.

Mortgagee and its duly authorized agents shall be entitled to enter the Mortgaged Property for the purpose of delivering any and all such notices and other communications to the tenants and occupiers thereof as shall be necessary or desirable in Mortgagee’s discretion to exercise its rights hereunder, and Mortgagee and its agents shall have absolutely no liability to Mortgagor arising therefrom. Mortgagee shall not, however, be obligated to give any tenant or occupier of the Mortgaged Property any notice by personal delivery and Mortgagee may, in its sole discretion, deliver all such notices and communications by ordinary first-class U.S. mail, postage prepaid, or otherwise.

In the event that Mortgagor obstructs Mortgagee in its efforts to collect the rents and income from the Mortgaged Property, or after requested by Mortgagee, unreasonably refuses, fails or neglects to assist Mortgagee in collecting such rent and income, Mortgagee shall be entitled to the appointment of a receiver of the

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Mortgaged Property and of the income, rents and profits therefrom, with such powers as the court making such appointment may confer.

5. Section 2.06(e) is hereby added to the Mortgage as follows:

(e) Mortgagor hereby grants power to Mortgagee, in the event of the occurrence of an Event of Default hereunder, to grant, bargain, sell, release and convey the Mortgaged Property at public auction or vendue, and upon such sale to execute and deliver to the purchaser(s) instruments of conveyance pursuant to the terms hereof and to the applicable laws. Mortgagor acknowledges that the foregoing sentence confers a power of sale upon Mortgagee, and that upon default this Mortgage may be foreclosed by advertisement as described below and in the applicable Michigan statutes. Mortgagor understands that upon default, Mortgagee is hereby authorized and empowered to sell the Mortgaged Property, or cause the same to be sold and to convey the same to the purchaser in any lawful manner, including but not limited to that provided by Chapter&nbs p;32 of the Revised Judicature Act of Michigan, entitled “Foreclosure of Mortgages by Advertisement”, which permits Mortgagee to sell the Mortgaged Property without affording Mortgagor a hearing, or giving him actual personal notice. The only notice required under such Chapter 32 is to publish notice in a local newspaper and to post a copy of the notice on the Mortgaged Property.

6. Section 4.02 is hereby added to the Mortgage as follows:

4.02 <u>Future Advances.</u> [This is a future advance mortgage.]

PLEDGE AGREEMENT dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Parent Borrower listed on Schedule I hereto (each such subsidiary and each Subsidiary Term Borrower individually a "Subsidiary Pledgor" and, collectively, the "Subsidiary Pledgors"; the Parent Borrower, Holdings and the Subsidiary Pledgors are referred to collectively herein as the "Pledgors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (in such capacity, the "Collateral Agent 8;) for the Secured Parties (as defined in the Credit Agreement referred to below).

Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders, Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers party thereto, the other Subsid iary Pledgors party thereto and the Collateral Agent.

The Lenders have agreed to make Loans to the Parent Borrower, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (the Foreign Subsidiary Borrowers, the Subsidiary Term Borrowers and the Parent Borrower are referred to collectively herein as the "Borrowers"), and the Issuing Bank has agreed to issue Letters of Credit for the account of certain of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Borrowers, Holdings and the Subsidiary Pledgors has agreed to guarantee, among other things, all the obligations of the Borrowers under the Credit Agreement (upon the terms specified in the Guarantee Agreement). The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Pledg ors of a Pledge Agreement in the form hereof to secure (a) the due and punctual payment by any Borrower of (i) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by any Borrower under the Credit Agreement in respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon and obligations to provide cash collateral and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of any Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of any Borrower and each Loan Party under or pursuant to the Credit

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Agreement and the other Loan Documents, (c) the due and punctual payment and performance of all obligations of any Borrower under each Hedging Agreement entered into with any counterparty that was a Lender or Lender Affiliate at the time such Hedging Agreement was entered into and (d) the due and punctual payment and performance of all obligations in respect of overdrafts and related liabilities owed to any Lender, any Lender Affiliate, the Administrative Agent or the Collateral Agent arising from treasury, depositary and cash management services or in connection with any automated clearinghouse transfer of funds (all the monetary and other obligations described in the preceding clauses (a) through (d) being collectively called the "Obligations"). Capitalized terms used herein and not defined herein shall have meanings assigned to such terms in the Credit Agreemen t.

Accordingly, the Pledgors and the Collateral Agent, on behalf of itself and each Secured Party (and each of their respective successors or assigns), hereby agree as follows:

SECTION 1. Pledge. As security for the payment and performance, as the case may be, in full of the Obligations, each Pledgor hereby transfers, grants, bargains, sells, conveys, hypothecates, pledges, sets over and delivers unto the Collateral Agent, its successors and assigns, and hereby grants to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest in all of such Pledgor's right, title and interest in, to and under (a) the shares of capital stock or equity interest owned by it and listed on Schedule II hereto and any shares of capital stock of the Parent Borrower or any Subsidiary obtained in the future by such Pledgor and the certificates representing all such shares (the "Pledged Stock"); provided that the Pledged Stock under this Agreement shall not include (i)&nbs p;more than 65% of the issued and outstanding shares of stock or equity interest of any Foreign Subsidiary or (ii) to the extent that applicable law requires that a Subsidiary of the Pledgor issue directors' qualifying shares, such qualifying shares; (b)(i) the debt securities listed opposite the name of such Pledgor on Schedule II hereto, (ii) any debt securities in the future issued to such Pledgor and (iii) the promissory notes and any other instruments evidencing such debt securities (the "Pledged Debt Securities"); (c) all other property that may be delivered to and held by the Collateral Agent pursuant to the terms hereof; (d) subject to Section 5, all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed, in respect of, in exchange for or upon the conversion of the securities referred to in clauses (a) and (b) above; (e) sub ject to Section 5, all rights and privileges of the Pledgor with respect to the securities and other property referred to in clauses (a), (b), (c) and (d) above; and (f) all proceeds of any of the foregoing (the items referred to in clauses (a) through (f) above being collectively referred to as the "Collateral"). Upon delivery to the Collateral Agent, (a) any stock certificates, notes or other securities now or hereafter included in the Collateral (the "Pledged Securities") shall be accompanied by stock powers duly executed in blank or other instruments of transfer satisfactory to the Collateral Agent and by such other instruments and documents as the Collateral Agent may reasonably request and (b) all other property comprising part of the Collateral shall be accompanied by proper instruments of assignment duly executed by the applicable Pledgor and such other instruments or documents as the Collateral Agent ma y reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the securities theretofore and then being pledged hereunder, which schedule shall be attached hereto as Schedule II and made a part hereof. Each schedule so delivered shall supersede any prior schedules so delivered. The security interest granted herein shall also secure all future advances and re-advances that may be made by the Secured Parties to, or for the benefit of, the Borrowers or any Pledgor.

TO HAVE AND TO HOLD the Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, its

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successors and assigns, for the ratable benefit of the Secured Parties, forever; subject, however, to the terms, covenants and conditions hereinafter set forth.

SECTION 2. Delivery of the Collateral. (a) Each Pledgor agrees promptly to deliver or cause to be delivered to the Collateral Agent any and all Pledged Securities, and any and all certificates or other instruments or documents representing the Collateral.

(b) Each Pledgor will cause any Indebtedness for borrowed money in an aggregate principal amount that exceeds $500,000 owed to such Pledgor by any person to be evidenced by a duly executed promissory note that is pledged and delivered to the Collateral Agent pursuant to the terms thereof.

SECTION 3. Representations, Warranties and Covenants. Each Pledgor hereby represents, warrants and covenants, as to itself and the Collateral pledged by it hereunder, to and with the Collateral Agent that:

(a) the Pledged Stock represents that percentage as set forth on Schedule II of the issued and outstanding shares of each class of the capital stock and equity interests of the issuer with respect thereto;

(b) except for the security interest granted hereunder, such Pledgor (i) is and will at all times continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule II, (ii) holds the same free and clear of all Liens, (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in or other Lien on, the Collateral, other than pursuant hereto, and (iv) subject to Section 5, will cause any and all Collateral, whether for value paid by the Pledgor or otherwise, to be forthwith deposited with the Collateral Agent and pledged or assigned hereunder;

(c) the Pledgor (i) has the power and authority to pledge the Collateral in the manner hereby done or contemplated and (ii) will defend its title or interest thereto or therein against any and all Liens (other than the Lien created by this Agreement), however arising, of all persons whomsoever;

(d) no consent of any other person (including stockholders or creditors of any Pledgor) and no consent or approval of any Governmental Authority or any securities exchange was or is necessary to the validity of the pledge (other than the pledge in respect of Pledged Stock consisting of outstanding shares of stock or equity interests of any Foreign Subsidiary) effected hereby;

(e) by virtue of the execution and delivery by the Pledgors of this Agreement, when the Pledged Securities (other than Pledged Stock consisting of outstanding shares of stock or equity interests of any Foreign Subsidiary) , certificates or other documents representing or evidencing the Collateral are delivered to the Collateral Agent in accordance with this Agreement, the Collateral Agent will obtain a valid and perfected first lien upon and security interest in such Pledged Securities as security for the payment and performance of the Obligations;

(f) the pledge effected hereby is effective to vest in the Collateral Agent, on behalf of the Secured Parties, the rights of the Collateral Agent in the Collateral as set forth herein;

(g) all of the Pledged Stock has been duly authorized and validly issued and is fully paid and nonassessable;

(h) all information set forth herein relating to the Pledged Stock is accurate and complete in all material respects as of the date hereof; and

(i) the pledge of the Pledged Stock pursuant to this Agreement does not violate Regulation T, U or X of the Federal Reserve Board or any successor thereto as of the date hereof.

SECTION 4. Registration in Nominee Name; Denominations. The Collateral Agent, on behalf of the Secured Parties, shall have the right (in its reasonable discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the Pledgors, endorsed or assigned in blank or in favor of the Collateral Agent. Each Pledgor will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of such Pledgor. The Collateral Agent shall at all times have the right to exchange the certificates representing Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement.

SECTION 5. Voting Rights; Dividends and Interest, etc. (a) Unless and until an Event of Default shall have occurred and be continuing:

(i) Each Pledgor shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of Pledged Securities or any part thereof for any purpose not prohibited by the terms of this Agreement, the Credit Agreement and the other Loan Documents. Pledgor agrees that it shall not exercise any such right for any purpose prohibited by the terms of, or if the result thereof could materially and adversely affect the rights inuring to a holder of the Pledged Securities or the rights and remedies of any of the Secured Parties under, this Agreement or the Credit Agreement or any other Loan Document or the ability of the Secured Parties to exercise the same;

(ii) The Collateral Agent shall execute and deliver to each Pledgor, or cause to be executed and delivered to each Pledgor, all such proxies, powers of attorney and other instruments as such Pledgor may reasonably request for the purpose of enabling such Pledgor to exercise the voting and/or consensual rights and powers it is entitled to exercise pursuant to subparagraph (i) above and to receive the cash dividends it is entitled to receive pursuant to subparagraph (iii) below; and

(iii) Each Pledgor shall be entitled to receive and retain any and all cash dividends, interest and principal paid on the Pledged Securities to the extent and only to the extent that such cash dividends, interest and principal are permitted by, and otherwise paid in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws. All noncash dividends, interest and principal, and all dividends, interest and principal paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid-in surplus, and all other distributions (other than distributions referred to in the preceding sentence) made on or in respect of the Pledged Securities, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding capital stock of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Collateral, and, if received by any Pledgor, shall not be commingled by such Pledgor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Collateral Agent and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, all rights of any Pledgor to dividends, interest or principal that such Pledgor is authorized to receive pursuant to paragraph (a)(iii) above shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest or principal. All dividends, interest or principal received by the Pledgor contrary to the provisions of this Section 5 shall be held in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall be forthwith delivered to the Collateral Agent upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Collateral Agen t pursuant to the provisions of this paragraph (b) shall be retained by the Collateral Agent in an account to be established by the Collateral Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 7. After all Events of Default have been cured or waived, the Collateral Agent shall, within five Business Days after all such Events of Default have been cured or waived, repay to each Pledgor all cash dividends, interest or principal (without interest), that such Pledgor would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) above and which remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, all rights of any Pledgor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section 5, and the obligations of the Collateral Agent under paragraph (a)(ii) of this Section 5, shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers during the continuance of such Event of Default, provided that, unless otherwise directed by the Required Lenders, the Collateral Agent shall have the right from time to time following and during the continuance of an Event of Default to permit the Pledgors to exercise such rights. After all Events of Default have been cured or waived, all rights vested in the Collateral Agent pursuant to this clause (c) shall cease and such Pledgor will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise pursuant to the terms of paragraph (a)(i) of this Section 5.

SECTION 6. Remedies upon Default. Upon the occurrence and during the continuance of an Event of Default, subject to applicable regulatory and legal requirements, the Collateral Agent may sell the Collateral, or any part thereof, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereo f the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Pledgor, and, to the extent permitted by applicable law, the Pledgors hereby waive all rights of redemption, stay, valuation

and appraisal any Pledgor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give a Pledgor 10 days' prior written notice (which each Pledgor agrees is reasonable notice within the meaning of Section 9-611 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of such Pledgor's Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid in full by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liabili ty in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by applicable law, private) sale made pursuant to this Section 6, any Secured Party may bid for or purchase, free from any right of redemption, stay or appraisal on the part of any Pledgor (all said rights being also hereby waived and released), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to it from such Pledgor as a credit against the purchase price, and it may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to such Pledgor therefor. For purposes hereof, (a) a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof, (b) the Collateral Agent shall be free to carry out such sale pursuant to such agreement and (c) such Pledgor shall not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose upon the Collateral and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 6 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-611 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions.

SECTION 7. Application of Proceeds of Sale. The proceeds of any sale of Collateral pursuant to Section 6, as well as any Collateral consisting of cash, shall be applied by the Collateral Agent as follows:

FIRST, to the payment of all reasonable costs and expenses incurred by the Administrative Agent or the Collateral Agent in connection with such sale or otherwise in connection with this Agreement, any other Loan Document or any of the Obligations, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Loan Document on behalf of any Pledgor and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution); and

THIRD, to the Pledgors, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

The Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

SECTION 8. Reimbursement of Collateral Agent. (a) Each Pledgor agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees, other charges and disbursements of its counsel and of any experts or agents, that the Collateral Agent may incur in connection with (i) the administration of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of the Collateral Agent hereunder or (iv) the failure by such Pledgor to perform or observe any of the provisions hereof.

(b) Without limitation of its indemnification obligations under the other Loan Documents, each Pledgor agrees to indemnify the Collateral Agent and the Indemnitees (as defined in Section 10.03(b) of the Credit Agreement) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, other charges and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (i) the execution or delivery of this Agreement or any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of the Transactions and the other transactions contemplated thereby or (ii) any claim, litigation, investigation or proceedin g relating to any of the foregoing, whether or not any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnitee or any of its Affiliates.

(c) Any amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section 8 shall remain operative and in full force and effect regardless of the termination of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Obligations,

the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document or any investigation made by or on behalf of the Collateral Agent or any other Secured Party. All amounts due under this Section 8 shall be payable on written demand therefor and shall bear interest at the rate specified in Section 2.06 of the Credit Agreement.

SECTION 9. Collateral Agent Appointed Attorney-in-Fact. Each Pledgor hereby appoints the Collateral Agent the attorney-in-fact of such Pledgor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Collateral Agent may reasonably deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Collateral Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Collateral Agent’s name or in the name of such Pledgor, to ask for, demand, sue for, collect, receive and give acquittance for any and all moneys due or to become due under and by virtue of any Collateral, to endorse checks, drafts, ord ers and other instruments for the payment of money payable to such Pledgor representing any interest or dividend or other distribution payable in respect of the Collateral or any part thereof or on account thereof and to give full discharge for the same, to settle, compromise, prosecute or defend any action, claim or proceeding with respect thereto, and to sell, assign, endorse, pledge, transfer and to make any agreement respecting, or otherwise deal with, the same; provided, however, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Collateral Agent and the other Secured Parties shall be accountable only for amoun ts actually received as a result of the exercise of the powers granted to them herein, and neither they nor their officers, directors, employees or agents shall be responsible to any Pledgor for any act or failure to act hereunder, except for their own gross negligence or wilful misconduct.

SECTION 10. Waivers; Amendment. (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the other Secured Parties under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or consent to any departure by any Pledgor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall b e effective only in the specific instance and for the purpose for which given. No notice or demand on any Pledgor in any case shall entitle such Pledgor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into between the Collateral Agent and the Pledgor or Pledgors with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 10.02 of the Credit Agreement.

SECTION 11. Securities Act, etc. In view of the position of the Pledgors in relation to the Pledged Securities, or because of other current or future circumstances, a question may arise under the Securities Act of 1933, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time

in effect being called the "Federal Securities Laws") with respect to any disposition of the Pledged Securities permitted hereunder. Each Pledgor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Collateral Agent if the Collateral Agent were to attempt to dispose of all or any part of the Pledged Securities, and might also limit the extent to which or the manner in which any subsequent transferee of any Pledged Securities could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Collateral Agent in any attempt to dispose of all or part of the Pledged Securities under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. Each Pledgor recognizes that in light of such restrictions and limitations the Collateral Agent may, wi th respect to any sale of the Pledged Securities, limit the purchasers to those who will agree, among other things, to acquire such Pledged Securities for their own account, for investment, and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that in light of such restrictions and limitations, the Collateral Agent, in its sole and absolute discretion, (a) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Securities or part thereof shall have been filed under the Federal Securities Laws and (b) may approach and negotiate with a single potential purchaser to effect such sale. Each Pledgor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Collateral Agent shall incur no responsibility or liability for selling all or any part of the Pledged Securities at a price that the Collateral Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section 11 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Collateral Agent sells.

SECTION 12. Registration, etc. Each Pledgor agrees that, upon the occurrence and during the continuance of an Event of Default hereunder, if for any reason the Collateral Agent desires to sell any of the Pledged Securities at a public sale, it will, at any time and from time to time, upon the written request of the Collateral Agent, use its reasonable efforts to take or to cause the issuer of such Pledged Securities to take such action and prepare, distribute and/or file such documents, as are reasonably required or advisable to permit the public sale of such Pledged Securities. Each Pledgor further agrees to indemnify, defend and hold harmless the Collateral Agent, each other Secured Party, any underwriter and their respective officers, directors, affiliates and controlling persons from and against all loss, liability, expenses, costs of counsel (including, w ithout limitation, reasonable fees and expenses to the Collateral Agent of legal counsel), and claims (including the costs of investigation) that they may incur insofar as such loss, liability, expense or claim arises out of or is based upon any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Pledgor or the issuer of such Pledged Securities by the Collateral Agent or any other Secured Party expressly for use therein. Each Pledgor further agrees, upon such written request referred to above, to use reasonable efforts to qualify, file or register, or cause the issuer of such Pledged Securit ies to qualify, file or register, any of the Pledged Securities under the Blue Sky or other securities laws of such states as may be requested by the Collateral Agent and keep effective, or cause to be kept effective, all such qualifications, filings or registrations. Each Pledgor will bear all costs and expenses of carrying out its obligations under this Section 12. Each Pledgor acknowledges that there is no adequate remedy

at law for failure by it to comply with the provisions of this Section 12 and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements contained in this Section 12 may be specifically enforced.

SECTION 13. Security Interest Absolute. All rights of the Collateral Agent hereunder, the grant of a security interest in the Collateral and all obligations of each Pledgor hereunder, shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument relating to any of the foregoing, (c) any exchange, release or nonperfection of any other collateral, or any release or amendment or waiver of o r consent to or departure from any guaranty, for all or any of the Obligations or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Pledgor in respect of the Obligations or in respect of this Agreement (other than the indefeasible payment in full of all the Obligations).

SECTION 14. Termination or Release. (a) This Agreement and the security interests granted hereby shall terminate when all the Obligations have been paid in full and the Lenders have no further commitment to lend under the Credit Agreement, the LC Exposure has been reduced to zero and the Issuing Bank has no further obligation to issue Letters of Credit under the Credit Agreement.

(b) Upon any sale or other transfer by any Pledgor of any Collateral that is permitted under the Credit Agreement to any person that is not a Pledgor, or, upon the effectiveness of any written consent to the release of the security interest granted hereby in any Collateral pursuant to Section 10.02(b) of the Credit Agreement, the security interest in such Collateral shall be automatically released.

(c) In connection with any termination or release pursuant to paragraph (a) or (b), the Collateral Agent shall (i) promptly deliver to Pledgor all Collateral pledged to the Collateral Agent herein and (ii) execute and deliver to any Pledgor, at such Pledgor's expense, all documents that such Pledgor shall reasonably request from time to time to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 14 shall be without recourse to or warranty by the Collateral Agent.

SECTION 15. Notices. All communications and notices hereunder shall be in writing and given as provided in Section 10.01 of the Credit Agreement. All communications and notices hereunder to any Subsidiary Pledgor shall be given to it in care of the Parent Borrower at the Parent Borrower's address set forth in Section 10.01 of the Credit Agreement.

SECTION 16. Further Assurances. Each Pledgor agrees to do such further acts and things, and to execute and deliver such additional conveyances, assignments, agreements and instruments, as the Collateral Agent may at any time reasonably request in connection with the administration and enforcement of this Agreement or with respect to the Collateral or any part thereof or in order better to assure and confirm unto the Collateral Agent its rights and remedies hereunder.

SECTION 17. Binding Effect; Several Agreement; Assignments. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the

successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Pledgor that are contained in this Agreement shall bind and inure to the benefit of its successors and assigns. This Agreement shall become effective as to any Pledgor when a counterpart hereof executed on behalf of such Pledgor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Pledgor and the Collateral Agent and their respective successors and assigns, and shall inure to the benefit of such Pledgor, the Collateral Agent and the other Secured Parties, and their respective successors and assigns, except that no Pledgor shall have the right to assign its rights hereunder or any interest herein or in the Collateral (and any such attempted assignment shall be void), except as expre ssly contemplated by this Agreement or the other Loan Documents. If all of the capital stock of a Pledgor is sold, transferred or otherwise disposed of to a person that is not an Affiliate of the Parent Borrower pursuant to a transaction permitted by Section 6.05 of the Credit Agreement, such Pledgor shall be released from its obligations under this Agreement without further action. This Agreement shall be construed as a separate agreement with respect to each Pledgor and may be amended, modified, supplemented, waived or released with respect to any Pledgor without the approval of any other Pledgor and without affecting the obligations of any other Pledgor hereunder

SECTION 18. Survival of Agreement; Severability. (a) All covenants, agreements, representations and warranties made by each Pledgor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Collateral Agent and the other Secured Parties and shall survive the making by the Lenders of the Loans and the issuance of the Letters of Credit by the Issuing Bank, regardless of any investigation made by the Secured Parties or on their behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any other fee or amount payable under this Agreement or any other Loan Document is outstanding and unpaid or the LC Exposure does not equal zero and as long as the Commit ments and the LC Commitments have not been terminated.

(b) In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 19. Governing Law. This agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute a single contract (subject to Section 17), and shall become effective as provided in Section 17. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of, this Agreement.

SECTION 21. Rules of Interpretation. The rules of interpretation specified in Section 1.03 of the Credit Agreement shall be applicable to this Agreement. Section headings

used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting this Agreement.

SECTION 22. Jurisdiction; Consent to Service of Process. (a) Each Pledgor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that, to the extent permitted by applicable law, all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent or any other Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Pledgor or its properties in the courts of any jurisdiction.

(b) Each Pledgor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 15. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 23. Waiver Of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this agreement. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this section.

SECTION 24. Additional Pledgors. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not a Subsidiary Loan Party on the date of the Credit Agreement is required to enter in this Agreement as a Subsidiary Pledgor upon becoming a Subsidiary Loan

Party if such Subsidiary owns or possesses property of a type that would be considered Collateral hereunder. Upon execution and delivery by the Collateral Agent and a Subsidiary of an instrument in the form of Annex 1, such Subsidiary shall become a Subsidiary Pledgor hereunder with the same force and effect as if originally named as a Subsidiary Pledgor herein. The execution and delivery of such instrument shall not require the consent of any Pledgor hereunder. The rights and obligations of each Pledgor hereunder shall remain in full force and effect notwi thstanding the addition of any new Subsidiary Pledgor as a party to this Agreement.

SECTION 25. Execution of Financing Statements. Pursuant to Section 9-509 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions, each Pledgor authorizes the Collateral Agent to file financing statements with respect to the Collateral owned by it without the signature of such Pledgor in such form and in such filing offices as the Collateral Agent reasonably determines appropriate to perfect the security interests of the Collateral Agent under this Agreement. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

TRIMAS CORPORATION.,

by

Name:
Title:

TRIMAS COMPANY LLC,

by

Name:
Title:

THE SUBSIDIARY PLEDGORS LISTED ON SCHEDULE I HERETO,

by

Name:
Title:

JPMORGAN CHASE BANK,
as Collateral Agent,

by

Name:
Title:

Schedule I to the
Pledge Agreement

SUBSIDIARY PLEDGORS

Name	**Address**

Schedule II to the
Pledge Agreement

CAPITAL STOCK

Issuer	Number of Certificate	Registered Owner	Number and Class of Shares	Percentage of Shares

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

Annex 1 to the
Pledge Agreement

SUPPLEMENT NO. [ ] dated as of [ ] , to the PLEDGE AGREEMENT dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION., a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers") and each of the other subsidiaries of the Parent Borrower listed on Schedule I thereto (each such Subsidiary and each Subsidiary Term Borrower individually a "Subsidiary Pledgor" and, collectively, the "Subsidiary Pledgors"; the Parent Borrower, Holdings and the Subsidiary Pledgors are referred to collectively herein as the "Pledgors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined in the Credit Agreement referred to below).

A. Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders, Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers party thereto, the other S ubsidiary Pledgors party thereto and the Collateral Agent.

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

C. The Pledgors have entered into the Pledge Agreement in order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit. Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary Loan Party that was not in existence or not a Subsidiary Loan Party on the date of the Credit Agreement is required to enter into the Pledge Agreement as a Subsidiary Pledgor upon becoming a Subsidiary Loan Party if such Subsidiary owns or possesses property of a type that would be considered Collateral under the Pledge Agreement. Section 24 of the Pledge Agreement provides that such Subsidiaries may become Subsidiary Pledgors under the Pledge Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Pledgor") is executing this Supplement in accordance with the requireme nts of the Credit Agreement to become a Subsidiary Pledgor under the Pledge Agreement in order to induce the Lenders to make additional Loans and the Issuing Bank to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Collateral Agent and the New Pledgor agree as follows:

SECTION 1. In accordance with Section 24 of the Pledge Agreement, the New Pledgor by its signature below becomes a Pledgor under the Pledge Agreement with the same force and effect as if originally named therein as a Pledgor and the New Pledgor hereby agrees (a) to all the

terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder and (b) represents and warrants that the representations and warranties made by it as a Pledgor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Pledgor, as security for the payment and performance in full of the Obligations (as defined in the Pledge Agreement), does hereby create and grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Pledgor's right, title and interest in and to the Collateral (as defined in the Pledge Agreement) of the New Pledgor. Each reference to a "Subsidiary Pledgor" or a "Pledgor" in the Pledge Agreement shall be deemed to include the New Pledgor. The Pledge Agreement is hereb y incorporated herein by reference.

SECTION 2. The New Pledgor represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Pledgor and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The New Pledgor hereby represents and warrants that set forth on Schedule I attached hereto is a true and correct schedule of all its Pledged Securities.

SECTION 5. Except as expressly supplemented hereby, the Pledge Agreement shall remain in full force and effect.

SECTION 6. This supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, neither party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Pledge Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 15 of the Pledge Agreement. All communications and notices hereunder to the New Pledgor shall be given to it in care of the Parent Borrower at the Parent Borrower's address set forth in Section 10.01 of the Credit Agreement.

SECTION 9. The New Pledgor agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Pledgor and the Collateral Agent have duly executed this Supplement to the Pledge Agreement as of the day and year first above written.

[Name of New Pledgor],

by

Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by

Name:
Title:

Schedule I to
Supplement No.
to the Pledge Agreement

Pledged Securities of the New Pledgor

CAPITAL STOCK

Issuer	Number of Certificate	Registered Owner	Number and Class of Shares	Percentage of Shares

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

EXHIBIT I

[FORM OF SECURITY AGREEMENT]

SECURITY AGREEMENT dated as of June 6, 2002, among TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Parent Borrower listed on Schedule I hereto (each such subsidiary and each Subsidiary Term Borrower individually a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively herein as the "Grantors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein).

Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee Agreement"), among the Parent Borrower, Holdings, the Subsidia ry Term Borrowers party thereto, the other Subsidiary Guarantors and the Collateral Agent.

The Lenders have agreed to make Loans to the Parent Borrower, the Subsidiary Term Borrowers and the Foreign Subsidiary Borrowers (the Foreign Subsidiary Borrowers, the Subsidiary Term Borrowers and the Parent Borrower are referred to collectively herein as the "Borrowers"), and the Issuing Bank has agreed to issue Letters of Credit for the account of certain of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Borrowers, Holdings and the Subsidiary Guarantors has agreed to guarantee, among other things, all the obligations of the Borrowers under the Credit Agreement (upon the terms specified in the Guarantee Agreement). The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Gr antors of an agreement in the form hereof to secure (a) the due and punctual payment by any Borrower of (i) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by any Borrower under the Credit Agreement in

respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon and obligations to provide cash collateral and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of any Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of any Borrower and each Loan Party under or pursuant to the Credit Agreement and the other Loan Documents, (c) the due and punctual payment and performance of all obligations of any Borr ower under each Hedging Agreement entered into with any counterparty that was a Lender or Lender Affiliate at the time such Hedging Agreement was entered into and (d) the due and punctual payment and performance of all obligations in respect of overdrafts and related liabilities owed to any Lender, any Lender Affiliate, the Administrative Agent or the Collateral Agent arising from treasury, depositary and cash management services or in connection with any automated clearinghouse transfer of funds (all the monetary and other obligations described in the preceding clauses (a) through (d) being collectively called the "Obligations").

Accordingly, the Grantors and the Collateral Agent, on behalf of itself and each Secured Party (and each of their respective successors or assigns), hereby agree as follows:

ARTICLE I

Definitions

Section 1.01. Definition of Terms Used Herein. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Credit Agreement and all references to the Uniform Commercial Code shall mean the Uniform Commercial Code in effect in the State of New York as of the date hereof.

Section 1.02. Definition of Certain Terms Used Herein. As used herein, the following terms shall have the following meanings:

"Account Debtor" shall mean any person who is or who may become obligated to any Grantor under, with respect to or on account of an Account.

"Accounts" shall mean any and all right, title and interest of any Grantor to payment for goods and services sold or leased, including any such right evidenced by chattel paper, whether due or to become due, whether or not it has been earned by performance, and whether now or hereafter acquired or arising in the future, including accounts receivable from Affiliates of the Grantors.

"Accounts Receivable" shall mean all Accounts and all right, title and interest in any returned goods, together with all rights, titles, securities and guarantees with respect thereto, including any rights to stoppage in transit, replevin, reclamation and resales, and all related security interests, liens and pledges, whether voluntary or involuntary, in each case whether now existing or owned or hereafter arising or acquired.

"Collateral" shall mean all (a) Accounts Receivable, (b) Documents, (c) Equipment, (d) General Intangibles, (e) Inventory, (f) cash and cash accounts, (g) Investment Property and (h) Proceeds, provided that the term "Collateral" shall not include Excluded Assets.

"Commodity Account" shall mean an account maintained by a Commodity Intermediary in which a Commodity Contract is carried out for a Commodity Customer.

"Commodity Contract" shall mean a commodity futures contract, an option on a commodity futures contract, a commodity option or any other contract that, in each case, is (a) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to the federal commodities laws or (b) traded on a foreign commodity board of trade, exchange or market, and is carried on the books of a Commodity Intermediary for a Commodity Customer.

"Commodity Customer" shall mean a person for whom a Commodity Intermediary carries a Commodity Contract on its books.

"Commodity Intermediary" shall mean (a) a person who is registered as a futures commission merchant under the federal commodities laws or (b) a person who in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities laws.

"Copyright License" shall mean any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by any Grantor or that such Grantor otherwise has the right to license, or granting any right to such Grantor under any Copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"Copyrights" shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether as author, assignee, transferee or otherwise and (b) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, including those listed on Schedule II.

"Credit Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Documents" shall mean all instruments, files, records, ledger sheets and documents covering or relating to any of the Collateral.

"Entitlement Holder" shall mean a person identified in the records of a Securities Intermediary as the person having a Security Entitlement against the Securities Intermediary. If a person acquires a Security Entitlement by virtue of Section 8-501(b)(2) or (3) of the Uniform Commercial Code, such person is the Entitlement Holder.

"Equipment" shall mean all equipment, furniture and furnishings, and all tangible personal property similar to any of the foregoing, including tools, parts and supplies of every kind and description, and all improvements, accessions or appurtenances thereto, that are now or hereafter owned by any Grantor. The term Equipment shall include Fixtures.

"Excluded Assets" shall mean (a) any asset, including, without limitation, Accounts Receivable and proceeds of Inventory, of any kind, to the extent that (i) such asset is sold (or intended to be sold) to the Receivables Subsidiary pursuant to the Permitted Receivables Financing and (ii) such sale or intended sale is permitted by Section 6.05(c) or (e) of the Credit Agreement, (b) any asset acquired, constructed or improved pursuant to a capital lease or purchase money indebtedness permitted by Section 6.01(a)(ix) of the Credit Agreement and (c) Excluded Contracts.

"Excluded Contract" shall mean any contract or agreement to which a Grantor is a party or any governmental permit held by a Grantor to the extent that (a) the terms of such contract, agreement or permit prohibit or restrict the creation, incurrence or existence of the Security Interest therein or the assignment thereof without the consent of any party thereto other than such Grantor and (b) such prohibition or restriction is permitted under Section 6.10 of the Credit Agreement, provided that the term "Excluded Contract" shall not include any rights for any amounts due or to become due pursuant to any Excluded Contract; provided, further, that such Grantor shall use commercially reasonable efforts to obtain all consents or waivers necessary to permit the grant of the Security Interest in such Excluded Contract.

"Financial Asset" shall mean (a) a Security, (b) an obligation of a person or a share, participation or other interest in a person or in property or an enterprise of a person that is, or is of a type, dealt with in or traded on financial markets, or that is recognized in any area in which it is issued or dealt in as a medium for investment or (c) any property that is held by a Securities Intermediary for another person in a Securities Account if the Securities Intermediary has expressly agreed with the other person that the property is to be treated as a Financial Asset under Article 8 of the Uniform Commercial Code. As the context requires, the term Financial Asset shall mean either the interest itself or the means by which a person's claim to it is evidenced, including a certificated or uncertificated Security, a certificate representing a Security or a Security E ntitlement.

"Fixtures" shall mean all items of Equipment, whether now owned or hereafter acquired, of any Grantor that become so related to particular real estate that an interest in them arises under any real estate law applicable thereto.

"General Intangibles" shall mean all choses in action and causes of action and all other assignable intangible personal property of any Grantor of every kind and nature (other than Accounts Receivable) now owned or hereafter acquired by any Grantor, including all rights and interests in partnerships, limited partnerships, limited liability companies and other unincorporated entities, corporate or other business records, indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, Hedging Agreements and other agreements), Intellectual Property, goodwill, registrations, franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor to secure payment by an Account Debtor of any of the Accounts Receivable, including all goodwill, going concern value (other than any of the foregoing which relates to any Excluded Assets).

"Intellectual Property" shall mean all intellectual and similar property of any Grantor of every kind and nature now owned or hereafter acqu ired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

“Inventory” shall mean all goods of any Grantor, whether now owned or hereafter acquired, held for sale or lease, or furnished or to be furnished by any Grantor under contracts of service, or consumed in any Grantor’s business, including raw materials, intermediates, work in process, packaging materials, finished goods, semi-finished inventory, scrap inventory, manufacturing supplies and spare parts, and all such goods that have been returned to or repossessed by or on behalf of any Grantor.

“Investment Property” shall mean all Securities (whether certificated or uncertificated), Security Entitlements, Securities Accounts, Commodity Contracts and Commodity Accounts of any Grantor, whether now owned or hereafter acquired by any Grantor.

“License” shall mean any Patent License, Trademark License, Copyright License or other license or sublicense to which any Grantor is a party, including those listed on Schedule III (other than those license agreements in existence on the date hereof and listed on Schedule III and those license agreements entered into after the date hereof, which by their terms prohibit assignment or a grant of a security interest by such Grantor as licensee thereunder).

“Obligations” shall have the meaning assigned to such term in the preliminary statement of this Agreement.

“Patent License” shall mean any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a Patent, now or hereafter owned by any Grantor or that any Grantor otherwise has the

right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement.

“Patents” shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in any other country, including those listed on Schedule IV and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

“Perfection Certificate” shall mean a certificate substantially in the form of Annex 1 hereto, completed and supplemented with the schedules and attachments contemplated thereby, and duly executed by a Financial Officer of Holdings and the Parent Borrower respectively.

“Proceeds” shall mean any consideration received from the sale, exchange, license, lease or other disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property that constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement of any Patent now or hereafter owned by any Grantor, or licensed under a Patent License, (ii) past, present or future infringement or dilution of any Trademark now or hereafter owned by any Grantor or licensed under a Trademark License or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, (iii) past, present or future breach of any License and (iv) past, present or future infringement of any Copyright now or hereafter owned by any Grantor or licensed under a Copyright License and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

“Secured Parties” shall mean (a) the Lenders, (b) the Administrative Agent, (c) the Collateral Agent, (d) the Issuing Bank, (e) each counterparty to a Hedging Agreement entered into with any Borrower if such counterparty was a Lender or a Lender Affiliate at the time the Hedging Agreement was entered into, (f) the beneficiaries of each indemnification obligation undertaken by any Grantor under any Loan Document, (g) the Administrative Agent or the Collateral Agent in respect of obligations owed to the Administrative Agent or the Collateral Agent arising from treasury, depository and cash management services or in connection with any automated clearinghouse transfer of funds and (h) the successors and assigns of each of the foregoing.

“Securities” shall mean any obligations of an issuer or any shares, participations or other interests in an issuer or in property or an enterprise of an issuer that (a) are represented by a certificate representing a security in bearer or registered form, or the transfer of which may be registered upon books maintained for that purpose by or on behalf of the issuer, (b) are one of a class or series or by its terms is divisible into a class or series of shares, participations, interests or obligations and (c)(i) are, or are of a type, dealt with or traded on securities exchanges or securities markets or (ii) are a medium for investment and by their terms expressly provide that they are a security governed by Article 8 of the Uniform Commercial Code.

“Securities Account” shall mean an account to which a Financial Asset is or may be credited in accordance with an agreement under which the person maintaining the account undertakes to treat the person for whom the account is maintained as entitled to exercise rights that comprise the Financial Asset.

“Security Entitlements” shall mean the rights and property interests of an Entitlement Holder with respect to a Financial Asset.

“Security Interest” shall have the meaning assigned to such term in Section 2.01.

“Securities Intermediary” shall mean (a) a clearing corporation or (b) a person, including a bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity.

“Trademark License” shall mean any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned by any Grantor or that any Grantor otherwise has the right to license, or granting to any Grantor any right to use any Trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement.

"Trademarks" shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office, any State of the United States or any similar offices in any other country or any political subdivision thereof, and all extensions or renewals thereof, including those listed on Schedule V, (b) all goodwill associated therewith or symbolized thereby and (c) all other a ssets, rights and interests that uniquely reflect or embody such goodwill.

Section 1.03. Rules of Interpretation. The rules of interpretation specified in Section 1.03 of the Credit Agreement shall be applicable to this Agreement.

ARTICLE II

Security Interest

Section 2.01. Security Interest. As security for the payment or performance, as the case may be, in full of the Obligations, each Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under the Collateral (the "Security Interest"). Without the foregoing, the Collateral Agent is hereby authorized to file one or more financing statements (including fixture filings), continuation statements, filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any s imilar office in any other country) or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party.

Section 2.02. No Assumption of Liability. The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

ARTICLE III

Representations and Warranties

The Grantors jointly and severally represent and warrant to the Collateral Agent and the Secured Parties that:

Section 3.01. Title and Authority. Each Grantor has good and valid rights in and title to the Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Collateral Agent the Security Interest in such Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other person other than any consent or approval that has been obtained.

Section 3.02. Filings. (a) The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein is correct and complete. Fully executed (to the extent required by applicable law) Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations containing a description of the Collateral have been delivered to the Collateral Agent for filing in each governmental, municipal or other office specified in Schedule 6 to the Perfection Certificate, which are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office in order to perfect

the Security Interest in Collateral consisting of United States Patents, Trademarks and Copyrights) that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the benefit of the Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements. The foregoing shall apply to cash and cash accounts only to the extent that such cash or cash account may be perfected by filing.

(b) Each Grantor represents and warrants that fully executed security agreements in the form hereof and containing a description of all Collateral consisting of Intellectual Property with respect to United States Patents and United States registered Trademarks (and Trademarks for which United States registration applications are pending) and United States registered Copyrights have been delivered to the Collateral Agent for recording by the United States Patent and Trademark Office and the United States Copyright Office pursuant to 35 U.S.C. § 261, 15 U.S.C. § 1060 or 17 U.S.C. § 205 and the regulations thereunder, as applicable, and otherwise as may be required pursuant to the laws of any other necessary jurisdiction, to protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the benefit of th e Secured Parties) in respect of all Collateral consisting of Patents, Trademarks and Copyrights in which a security interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, or in any other necessary jurisdiction, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary (other than the financing statements referred to above in Section 3.02(a) and such actions as are necessary to perfect the Security Interest with respect to any Collateral consisting of Patents, Trademarks and Copyrights (or registration or application for registration thereof) acquired or developed after the date hereof).

Section 3.03. Validity of Security Interest. The Security Interest constitutes (a) a legal and valid security interest in all the Collateral securing the payment and performance of the Obligations, (b) subject to the filings described in Section 3.02 above, a perfected security interest in all Collateral in which a security interest may be perfected by filing, recording or registering a financing statement or analogous document in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the Uniform Commercial Code or other applicable law in such jurisdictions and (c) a security interest that shall be perfected in all Collateral in which a security interest may be perfected upon the receipt and recording of this Agreement with the United States Patent and Trademark Office and the United States Copyright Office, as applicabl e. The Security Interest is and shall be prior to any other Lien on any of the Collateral, other than Liens expressly permitted to be prior to the Security Interest pursuant to Section 6.02 of the Credit Agreement. The foregoing shall apply to cash and cash accounts only to the extent that such cash or cash accounts may be perfected by filing.

Section 3.04. Absence of Other Liens. The Collateral is owned by the Grantors free and clear of any Lien, except for Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement. The Grantor has not filed or consented to the filing of (a) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Collateral, (b) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office or (c) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement.

ARTICLE IV

Covenants

Section 4.01. Change of Name; Location of Collateral; Records; Place of Business. (a) Each Grantor agrees promptly to notify the Collateral Agent in writing of any change (i) in its corporate name, (ii) in the location of its chief executive office, its principal place of business, any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which Collateral owned by it is located (including the establishment of any such new office or facility), (iii) in its identity or corporate structure or (iv) in its Federal Taxpayer Identification Number. Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Collateral. Each Grantor agrees promptly to notify the Collateral Agent if any material portion of the Collateral owned or held by such Grantor is damaged or destroyed.

(a) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged, but in any event to include complete accounting records indicating all payments and proceeds received with respect to any part of the Collateral, and, at such time or times as the Collateral Agent may reasonably request, promptly to prepare and deliver to the Collateral Agent a duly certified schedule or schedules in form and detail satisfactory to the Collateral Agent showing the identity, amount and location of any and all Collateral.

Section 4.02. Periodic Certification. Each year, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to Section 5.01 of the Credit Agreement, Holdings and the Parent Borrower shall deliver to the Collateral Agent a certificate executed by a Financial Officer of Holdings and the Parent Borrower respectively (a) setting forth the information required pursuant to

Section 2 of the Perfection Certificate or confirming that there has been no change in such information since the date of such certificate or the date of the most recent certificate delivered pursuant to this Section 4.02 and (b) certifying that all Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations, including all refilings, rerecordings and reregistrations, containing a description of the Collateral have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified pursuant to clause (a) above to the extent necessary to protect and perfect the Security Interest for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period). Each c ertificate delivered pursuant to this Section 4.02 shall identify in the format of Schedule II, III, IV or V, as applicable, all Intellectual Property of any Grantor in existence on the date thereof and not then listed on such Schedules or previously so identified to the Collateral Agent.

Section 4.03. Protection of Security. Each Grantor shall, at its own cost and expense, take any and all actions necessary to defend title to the Collateral against all persons and to defend the Security Interest of the Collateral Agent in the Collateral and the priority thereof against any Lien not expressly permitted pursuant to Section 6.02 of the Credit Agreement.

Section 4.04. Further Assurances. Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements (including fixture filings) or other documents in connection herewith or therewith. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged and delivere d to the Collateral Agent, duly endorsed in a manner satisfactory to the Collateral Agent.

Without limiting the generality of the foregoing, each Grantor hereby authorizes the Collateral Agent, with prompt notice thereof to the Grantors, to supplement this Agreement by supplementing Schedule II, III, IV or V hereto or adding additional schedules hereto to specifically identify any asset or item that the Collateral Agent reasonably believes constitute Copyrights, Licenses, Patents or Trademarks; provided, however, that any Grantor shall have the right, exercisable within 10 days after it has been notified by the Collateral Agent of the specific identification of such Collateral, to advise the Collateral Agent in writing of any inaccuracy of the representations and warranties made by such Grantor hereunder with respect to such Collateral. Each Grantor agrees that it will use reasonable efforts to take such action as shall be necessary in order that all re presentations and warranties hereunder shall be true and correct with respect to such Collateral within 30 days after the date it has been notified by the Collateral Agent of the specific identification of such Collateral.

Section 4.05. Inspection and Verification. In accordance with Section 5.09 of the Credit Agreement, the Collateral Agent and such persons as the Collateral Agent may reasonably designate shall have the right, at the Grantors' own cost and expense, to inspect the Collateral, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Collateral is located, to discuss the Grantors' affairs with the officers of the Grantors and their independent accountants and to verify under reasonable procedures, the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral, including, in the case of Accounts or Collateral in the possession of any third person, by contacting Account Debtors or the third person possessing such Collateral for the purpose of making such a verification (except with respect to Excluded Assets). The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any Secured Party (it being understood that any such information shall be deemed to be "Information" subject to the provisions of Section 10.12 of the Credit Agreement).

Section 4.06. Taxes; Encumbrances. At its option, the Collateral Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral and not permitted pursuant to Section 6.02 of the Credit Agreement, and may pay for the maintenance and preservation of the Collateral to the extent any Grantor fails to do so as required by the Credit Agreement or this Agreement, and each Grantor jointly and severally agrees to reimburse the Collateral Agent on demand for any payment made or any reasonable expense incurred by the Collateral Agent pursuant to the foregoing authorization; provided, however, that nothing in this Section 4.06 shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Collateral Agent or any Secured Par ty to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

Section 4.07. Assignment of Security Interest. If at any time any Grantor shall take a security interest in any property of an Account Debtor or any other person to secure payment and performance of an Account (except with respect to Excluded Assets), such Grantor shall promptly assign such security interest to the Collateral Agent. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security interest against creditors of and transferees from the Account Debtor or other person granting the security interest.

Section 4.08. Continuing Obligations of the Grantors. Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the Collateral Agent and the Secured Parties from and against any and all liability for such performance.

Section 4.09. Use and Disposition of Collateral. None of the Grantors shall make or permit to be made an assignment for security, pledge or hypothecation of

the Collateral or shall grant any other Lien in respect of the Collateral, except as expressly permitted by Section 6.02 of the Credit Agreement. None of the Grantors shall make or permit to be made any transfer of the Collateral and each Grantor shall remain at all times in possession of the Collateral owned by it, except that (a) Inventory may be sold in the ordinary course of business and (b) unless and until the Collateral Agent shall notify the Grantors that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any Collateral (which notice may be given by telephone if promptly confirmed in writing), the Grantors may use and dispose of the Collateral in any lawful manner not prohibited by this Agreement, the Credit Agreement or any other Loan Document.< /p>

Section 4.10. Limitation on Modification of Accounts. Except with respect to Excluded Assets, none of the Grantors will, without the Collateral Agent's prior written consent, grant any extension of the time of payment of any of the Accounts Receivable, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof or allow any credit or discount whatsoever thereon, other than extensions, credits, discounts, compromises or settlements granted or made in the ordinary course of business and consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged.

Section 4.11. Insurance. The Grantors, at their own expense, shall maintain or cause to be maintained insurance covering physical loss or damage to the Inventory and Equipment in accordance with Section 5.07 of the Credit Agreement. Each Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that any Grantor at any time o r times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Collateral Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Collateral Agent deems advisable. All sums disbursed by the Collateral Agent in connection with this Section 4.11, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by the Grantors to the Collateral Agent and shall be additional Obligations secured hereby.

Section 4.12. Legend. Except with respect to Excluded Assets, each Grantor shall legend, in form and manner satisfactory to the Collateral Agent, its Accounts Receivable and its books, records and documents evidencing or pertaining thereto with an appropriate reference to the fact that such Accounts Receivable have been

assigned to the Collateral Agent for the benefit of the Secured Parties and that the Collateral Agent has a security interest therein.

Section 4.13. Covenants Regarding Patent, Trademark and Copyright Collateral. (a) Each Grantor agrees that it will not, nor will it permit any of its licensees to, do any act, or omit to do any act, whereby any Patent that is material to the conduct of such Grantor's business may become invalidated or dedicated to the public, and agrees that it shall continue to mark any products covered by a Patent with the relevant patent number as necessary and sufficient to establish and preserve its maximum rights under applicable patent laws.

(a) Each Grantor (either itself or through its licensees or its sublicensees) will, for each Trademark material to the conduct of such Grantor's business, (i) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, (ii) maintain the quality of products and services offered under such Trademark, (iii) display such Trademark with notice of Federal or foreign registration to the extent necessary and sufficient to establish and preserve its maximum rights under applicable law and (iv) not knowingly use or knowingly permit the use of such Trademark in violation of any third party rights.

(b) Each Grantor (either itself or through licensees) will, for each work covered by a material Copyright, continue to publish, reproduce, display, adopt and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its maximum rights under applicable copyright laws.

(c) Each Grantor shall notify the Collateral Agent immediately if it knows or has reason to know that any Patent, Trademark or Copyright material to the conduct of its business may become abandoned, lost or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, United States Copyright Office or any court or similar office of any country) regarding such Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(d) In no event shall any Grantor, either itself or through any agent, employee, licensee or designee, file an application for any Patent, Trademark or Copyright (or for the registration of any Trademark or Copyright) with the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other country or any political subdivision thereof, unless it promptly informs the Collateral Agent, and, upon request of the Collateral Agent, executes and delivers any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's security interest in such Patent, Trademark or Copyright, and each Grantor hereby appoints the Collateral Agent as its attorney-in-fact to execute and file such writings for the foregoing purposes, all ac ts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable.

(e) Each Grantor will take all necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other country or any political subdivision thereof, to maintain and pursue each material application relating to the Patents, Trademarks and/or Copyrights (and to obtain the relevant grant or registration) and to maintain each issued Patent and each registration of the Trademarks and Copyrights that is material to the conduct of any Grantor's business, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent with good business judgment, to initiate opposition, interference and cancelation proceedings against third part ies.

(f) In the event that any Grantor has reason to believe that any Collateral consisting of a Patent, Trademark or Copyright material to the conduct of any Grantor's business has been or is about to be infringed, misappropriated or diluted by a third party, such Grantor promptly shall notify the Collateral Agent and shall, if consistent with good business judgment, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and take such other actions as are appropriate under the circumstances to protect such Collateral.

(g) Upon and during the continuance of an Event of Default, each Grantor shall use its best efforts to obtain all requisite consents or approvals by the licensor of each Copyright License, Patent License or Trademark License to effect the assignment of all of such Grantor's right, title and interest thereunder to the Collateral Agent or its designee.

ARTICLE V

Remedies

Section 5.01. <u>Remedies upon Default.</u> Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral to the Collateral Agent on demand, and it is agreed that the Collateral Agent shall have the right to take any of or all the following actions at the same or different times: (a) with respect to any Collateral consisting of Intellectual Property, on demand, to cause the Security Interest to become an assignment, transfer and conveyance of any of or all such Collateral by the applicable Grantors to the Collateral Agent, or to license or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any such Collateral throughout the world on such terms and conditions and in such manner as the Collateral Agent shall determine (other than in violation of any then - -existing licensing arrangements to the extent that waivers cannot be obtained), and (b) with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral and without liability for trespass to enter any premises where the Collateral may be located for the purpose of taking possession of or removing the Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, each Grantor agrees that the Collateral Agent

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shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal that such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the Grantors 10 days' written notice (which each Grantor agrees is reasonable notice within the meaning of Section 9-611 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice (if any) of such sa le. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability i n case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Section, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor. For purposes hereof, a written

agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Collateral Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

Section 5.02. Application of Proceeds. The Collateral Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash, as follows:

FIRST, to the payment of all reasonable costs and expenses incurred by the Administrative Agent or the Collateral Agent (in its capacity as such hereunder or under any other Loan Document) in connection with such collection or sale or otherwise in connection with this Agreement or any of the Obligations, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Loan Document on behalf of any Grantor and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution); and

THIRD, to the Grantors, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

The Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

Section 5.03. Grant of License to Use Intellectual Property. For the purpose of enabling the Collateral Agent to exercise rights and remedies under this Article at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Collateral Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sub-license any of the Collateral consisting of Intellectual

Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Collateral Agent shall be exercised, at the option of the Collateral Agent, upon the occurrence and during the continuation of an Event of Default; provided that any license, sub-license or other transaction entered into by the Collateral Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

ARTICLE VI

Miscellaneous

Section 6.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 10.01 of the Credit Agreement. All communications and notices hereunder to any Subsidiary Guarantor shall be given to it in care of the Parent Borrower at the Parent Borrower's address set forth in Section 10.01 of the Credit Agreement.

Section 6.02. Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interest and all obligations of the Grantors hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, se curing or guaranteeing all or any of the Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Obligations or this Agreement.

Section 6.03. Survival of Agreement. All covenants, agreements, representations and warranties made by any Grantor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the Secured Parties and shall survive the making by the Lenders of the Loans, and the execution and delivery to the Lenders of any notes evidencing such Loans, regardless of any investigation made by the Lenders or on their behalf, and shall continue in full force and effect until this Agreement shall terminate.

Section 6.04. Binding Effect; Several Agreement. This Agreement shall become effective as to any Grantor when a counterpart hereof executed on behalf of such Grantor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Grantor and the Collateral Agent and their respective successors and assigns,

and shall inure to the benefit of such Grantor, the Collateral Agent and the other Secured Parties and their respective successors and assigns, except that no Grantor shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Grantor and may be amended, modified, supplemented, waived or released with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.

Section 6.05. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Grantor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

Section 6.06. Collateral Agent's Fees and Expenses; Indemnification. (a) Each Grantor jointly and severally agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees, disbursements and other charges of its counsel and of any experts or agents, which the Collateral Agent may incur in connection with (i) the administration of this Agreement (including the customary fees and charges of the Collateral Agent for any monitoring or audits conducted by it or on its behalf with respect to the Accounts Receivable or Inventory), (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the rights of the Collateral Agent hereunder or (iv) the failure of any Grantor to p erform or observe any of the provisions hereof.

(a) Without limitation of its indemnification obligations under the other Loan Documents, each Grantor jointly and severally agrees to indemnify the Collateral Agent and the other Indemnitees against, and hold each of them harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable fees, disbursements and other charges of counsel, incurred by or asserted against any of them arising out of, in any way connected with, or as a result of, the execution, delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating hereto or to the Collateral, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or any of its Affiliates.

(b) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section 6.06 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan

Document, or any investigation made by or on behalf of the Collateral Agent or any Lender. All amounts due under this Section 6.06 shall be payable on written demand therefor.

Section 6.07. Governing Law. This agreement shall be construed in accordance with and governed by the laws of the State of New York.

Section 6.08. Waivers; Amendment. (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the Collateral Agent, the Issuing Bank, the Administrative Agent and the Lenders under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or any other Loan Document or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitte d by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Grantor in any case shall entitle such Grantor or any other Grantor to any other or further notice or demand in similar or other circumstances.

(a) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Collateral Agent and the Grantor or Grantors with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 10.02 of the Credit Agreement.

Section 6.09. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement or any of the other loan documents. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and the other loan documents, as applicable, by, among other things, the mutual waivers and certifications in this Section 6.09.

Section 6.10. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 6.11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract (subject to Section 6.04), and shall become effective as provided in Section 6.04. Delivery of an executed signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

Section 6.12. Headings. Article and Section headings used herein are for the purpose of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 6.13. Jurisdiction; Consent to Service of Process. (a) Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other j urisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent, the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Grantor or its properties in the courts of any jurisdiction.

(a) Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(b) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 6.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 6.14. Termination. (a) This Agreement and the Security Interest shall terminate when all the Obligations have been indefeasibly paid in full, the Lenders have no further commitment to lend, the LC Exposure has been reduced to zero and the Issuing Bank has no further commitment to issue Letters of Credit under the Credit Agreement, at which time the Collateral Agent shall execute and deliver to the Grantors or the Grantors' designee, at the Grantors' expense, all Uniform Commercial Code termination statements and similar documents which the Grantors shall reasonably

request from time to time to evidence such termination. Any execution and delivery of termination statements or documents pursuant to this Section 6.14(a) shall be without recourse to or warranty by the Collateral Agent.

(a) A Subsidiary Guarantor shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Subsidiary Guarantor shall be automatically released in the event that all the capital stock of such Subsidiary Guarantor shall be sold, transferred or otherwise disposed of to a person that is not an Affiliate of the Parent Borrower in accordance with the terms of the Credit Agreement; provided that the Required Lenders (or, if required by the terms of the Credit Agreement, such greater percentage of the Lenders specified in the Credit Agreement) shall have consented to such sale, transfer or other disposition (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise. The Security Interest in any Collateral that is sold, transferred or otherwise disposed of in accordance with this Agreeme nt, the Credit Agreement and the other Loan Documents (including pursuant to a waiver or amendment of the terms thereof) shall automatically terminate and be released, and such Collateral shall be sold free and clear of the Lien and Security Interest created hereby. In connection with any of the foregoing, the Collateral Agent shall execute and deliver to the Grantors or the Grantors' designee, at the Grantors' expense, all Uniform Commercial Code termination statements and similar documents that the Grantors shall reasonably request from time to time to evidence such termination. Any execution and delivery of termination statements or documents pursuant to this Section 6.14(b) shall be without recourse to or warranty by the Collateral Agent.

Section 6.15. Additional Grantors. Upon execution and delivery by the Collateral Agent and a Subsidiary of an instrument in the form of Annex 2 hereto, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of any such instrument shall not require the consent of any Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

TRIMAS CORPORATION,

by

____

Name:
Title:

TRIMAS COMPANY LLC,

by

Name:
Title:

EACH OF THE SUBSIDIARY GUARANTORS LISTED ON SCHEDULE I HERETO,

by

Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by

Name:
Title:

SCHEDULE I

SUBSIDIARY GUARANTORS

SCHEDULE II

COPYRIGHTS

None.

SCHEDULE III

LICENSES

Please see attached.

SCHEDULE IV

PATENTS

Please see attached.

SCHEDULE V

TRADEMARKS

Please see attached.

Annex 2 to the

PERFECTION CERTIFICATE

Reference is made to the Credit Agreement dated as of June 6, 2002 (as amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Holdings, the Parent Borrower, the Subsidiary Term Borrowers party thereto, the Foreign Subsidiary Borrowers party thereto, lenders from time to time party thereto (the "Lenders"), JPMorgan Chase Bank, as Administrative Agent and Collateral Agent, Credit Suisse First Boston, as Syndication Agent, Comerica Bank, as Documentation Agent, National City Bank, as Documentation Agent and Wachovia Bank, as Documentation Agent. Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreement or the Security Agreement referred to therein, as applicable.

The undersigned, a Financial Officer of Holdings and the Parent Borrower, respectively, hereby certify to the Collateral Agent and each other Secured Party as follows:

1. Names. (a) The exact corporate name of each Grantor, as such name appears in its respective certificate of incorporation, is as follows:

(a) Set forth below is each other corporate name each Grantor has had in the past five years, together with the date of the relevant change:

(b) Except as set forth in Schedule 1 hereto, no Grantor has changed its identity or corporate structure in any way within the past five years. Changes in identity or corporate structure would include mergers, consolidations and acquisitions, as well as any change in the form, nature or jurisdiction of corporate organization. If any such change has occurred, include in Schedule 1 the information required by Sections 1 and 2 of this certificate as to each acquiree or constituent party to a merger or consolidation.

(c) The following is a list of all other names (including trade names or similar appellations) used by each Grantor or any of its divisions or other business units in connection with the conduct of its business or the ownership of its properties at any time during the past five years:

(d) Set forth below is the organizational number of each Grantor that is a registered organization:

(e) Set forth below is the Federal Taxpayer Identification Number of each Grantor:

2. Current Locations. (a) The chief executive office of each Grantor is located at the address set forth opposite its name below:

Grantor	Mailing Address	County	State

(f) Set forth below opposite the name of each Grantor are all locations where such Grantor maintains any books or records relating to any Accounts Receivable (with each location at which chattel paper, if any, is kept being indicated by an "*"):

Grantor	Mailing Address	County	State

(g) The jurisdiction of formation of each Grantor that is a registered organization is set forth opposite its name below:

Grantor	Jurisdiction

(h) Set forth below opposite the name of each Grantor are all the locations where such Grantor maintains any Equipment or other Collateral not identified above:

Grantor	Mailing Address	County	State

(i) Set forth below opposite the name of each Grantor are all the places of business of such Grantor not identified in paragraph (a), (b), (c) or (d) above:

Grantor	Mailing Address	County	State

(j) Set forth below opposite the name of each Grantor are the names and addresses of all Persons other than such Grantor that have possession of any of the Collateral of such Grantor:

Grantor	Name/Mailing Address	County	State

3. Unusual Transactions. All Accounts have been originated by the Grantors and all Inventory has been acquired by the Grantors in the ordinary course of business.

4. File Search Reports. File search reports have been obtained from each Uniform Commercial Code filing office identified with respect to such Grantor in Section 2 hereof, and such search reports reflect no liens against any of the Collateral other than those permitted under the Credit Agreement.

5. UCC Filings. Duly [authenticated][signed] financing statements on Form UCC- 1 in substantially the form of Schedule 5 hereto have been prepared for filing in the Uniform Commercial Code filing office in each jurisdiction identified with respect to such Grantor in Section 2 hereof.

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6. Schedule of Filings. Attached hereto as Schedule 6 is a schedule setting forth, with respect to the filings described in Section 5 above, each filing and the filing office in which such filing is to be made.

7. Stock Ownership and other Equity Interests. Attached hereto as Schedule 7 is a true and correct list of all the issued and outstanding stock, partnership interests, limited liability company membership interests or other equity interest of Holdings, the Parent Borrower and each Subsidiary and the record and beneficial owners of such stock, partnership interests, membership interests or other equity interests. Also set forth on Schedule 7 is each equity investment of Holdings, the Parent Borrower or any Subsidiary that represents 50% or less of the equity of the entity in which such investment was made.

8. Debt Instruments. Attached hereto as Schedule 8 is a true and correct list of all instruments, including any promissory notes, and other evidence of indebtedness held by Holdings, the Parent Borrower and each Subsidiary that are required to be pledged under the Pledge Agreement, including all intercompany notes between Holdings and each Subsidiary of Holdings and each Subsidiary of Holdings and each other such Subsidiary.

9. Advances. Attached hereto as Schedule 9 is (a) a true and correct list of all advances made by Holdings to any Subsidiary of Holdings or made by any Subsidiary of Holdings to Holdings or to any other Subsidiary of Holdings (other than those identified on Schedule 8), which advances will be on and after the date hereof evidenced by one or more intercompany notes pledged to the Collateral Agent under the Pledge Agreement and (b) a true and correct list of all unpaid intercompany transfers of goods sold and delivered by or to Holdings or any Subsidiary of Holdings.

10. Mortgage Filings. Attached hereto as Schedule 10 is a schedule setting forth, with respect to each Mortgaged Property, (a) the exact name of the Person that owns such property as such name appears in its certificate of incorporation or other organizational document, (b) if different from the name identified pursuant to clause (a), the exact name of the current record owner of such property reflected in the records of the filing office for such property identified pursuant to the following clause and (c) the filing office in which a Mortgage with respect to such property must be filed or recorded in order for the Collateral Agent to obtain a perfected security interest t herein.

11. Intellectual Property. Attached hereto as Schedule 11(A) in proper form for filing with the United States Patent and Trademark Office is a schedule setting forth all of each Grantor’s Patents, Patent Licenses, Trademarks and Trademark Licenses, including the name of the registered owner, the registration number and the expiration date of each Patent, Patent License, Trademark and Trademark License owned by any Grantor. Attached hereto as Schedule 11(B) in proper form for filing with the United States Copyright Office is a schedule setting forth all of each Grantor’s Copyrights and Copyright Licenses, including the name of the registered owner, the registration number and the expiration date of each Copyright or Copyright License owned by any Grantor.

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12. Commercial Tort Claims. Attached hereto as Schedule 12 is a true and correct list of commercial tort claims in excess of $[50,000] held by any Grantor, including a brief description thereof.

IN WITNESS WHEREOF, the undersigned have duly executed this certificate on this 6th day of June, 2002.

TRIMAS COMPANY LLC,

by

Name:
Title: Financial Officer

TRIMAS CORPORATION,

by

Name:
Title: Financial Officer

SUPPLEMENT NO. [ ] dated as of [ ], to the Security Agreement dated as of June 6, 2002, among, TRIMAS COMPANY LLC, a Delaware limited liability company (the "Parent Borrower"), TRIMAS CORPORATION, a Delaware corporation ("Holdings"), each Subsidiary Term Borrower party to the Credit Agreement referred to below (the "Subsidiary Term Borrowers"), each of the other subsidiaries of the Borrower listed on Schedule I thereto (each such subsidiary and each Subsidiary Term Borrower individually a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors"; the Subsidiary Guarantors, Holdings and the Parent Borrower are referred to collectively herein as the "Grantors") and JPMORGAN CHASE BANK, a New York banking corporation ("JPMCB"), as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein).

A. Reference is made to (a) the Credit Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Parent Borrower, Holdings, the Subsidiary Term Borrowers, the Foreign Subsidiary Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), JPMCB, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), Collateral Agent, swingline lender and issuing bank (in such capacity, the "Issuing Bank") and the other agent banks party thereto and (b) the Guarantee Agreement dated as of June 6, 2002 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Subsidiary Guarantee Agreement"), among the Parent Bo rrower, Holdings, the Subsidiary Term Borrowers party thereto, the other Subsidiary Guarantors and the Collateral Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement and the Credit Agreement.

C. The Grantors have entered into the Security Agreement in order to induce the Lenders to make Loans and the Issuing Bank to issue Letters of Credit. Section 6.15 of the Security Agreement provides that additional Subsidiaries of Holdings may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement in order to induce the Lenders to make additional Loans and the Issuing Bank to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Collateral Agent and the New Grantor agree as follows:

SECTION 1. In accordance with Section 6.15 of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby (a) agrees to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Grantor, as security for the payment and performance in full of the Obligations (as defined in the Security Agreement), does hereby create and grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The New Grantor hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule of the location of any and all Collateral of the New Grantor and (b) set forth under its signature hereto, is the true and correct location of the chief executive office of the New Grantor.

SECTION 5. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 6. This supplement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Security Agreement shall not in any way be affected or impaired thereby (it being

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understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 6.01 of the Security Agreement. All communications and notices hereunder to the New Grantor shall be given to it in care of the Parent Borrower at the Parent Borrower's address as set forth in Section 10.01 of the Credit Agreement.

SECTION 9. The New Grantor agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Grantor and the Collateral Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

[Name of New Grantor],

by

Name:
Title:

JPMORGAN CHASE BANK, as Collateral Agent,

by

Name:
Title:

SCHEDULE I
to Supplement No. to the
Security Agreement

LOCATION OF COLLATERAL

Description	**Location**

EXHIBIT J

FORM OF SUBORDINATION AND OTHER PROVISIONS

Defined Terms

"Company" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor and, for purposes of any provision contained herein and required by the TIA, each other obligor on the indenture securities.

"Credit Agreement" means the credit agreement dated as of June 6, 2002, as amended, restated, supplemented, waived, replaced (whether or not upon termination), restructured, refinanced or otherwise modified from time to time, among the Company, the Parent, the subsidiary term borrowers party thereto, the foreign subsidiary borrowers party thereto, the lenders from time to time party thereto, JPMorgan Chase Bank as administrative agent, issuing bank and collateral agent for the lenders and the other agent banks party thereto (except to the extent that any such amendment, restatement, supplement, waiver, replacement, restructuring or refinancing or other modification thereto would be prohibited by the terms of this Indenture, unless otherwise agreed to by the Holders of at least a majority in aggregate principal amount of Securities at the time outstanding).

"Designated Senior Indebtedness" of the Company means the Bank Indebtedness.

"Exchange Act" means the Securities Exchange Act of 1934.

"Holder" means the Person in whose name a Security is registered on the Registrar's books.

"Incur" means issue, assume, Guarantee, incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning. The accretion of principal of a non-interest bearing or other discount security shall be deemed the Incurrence of Indebtedness.

"Indenture" means this Indenture as amended or supplemented from time to time.

"Parent" means TriMas Corporation, a Delaware corporation, until a successor replaces it and, thereafter, means the successor.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Securities" means the Securities issued under this Indenture.

"Senior Indebtedness" of the Company or any Subsidiary Guarantor means the principal of, premium (if any) and accrued and unpaid interest on (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization of the Company or any

Subsidiary Guarantor, regardless of whether or not a claim for post-filing interest is allowed in such proceedings) and fees and other amounts owing in respect of, Bank Indebtedness and all other Indebtedness of the Company or any Subsidiary Guarantor, whether outstanding on the Closing Date or thereafter Incurred, unless in the instrument creating or evidencing the same or pursuant to which the same is outstanding it is provided that such obligations are subordinated in right of payment to the Securities or such Subsidiary Guarantor's Subsidiary Guarantee; provided, however, that Senior Indebtedness shall not include (a) any obligation of the Company to any Subsidiary of the Company or of such Subsidiary Guarantor to the Company or any other Subsidiary of the Company, (b) any liability for Federal, state, local or other taxes owed or owing by the Company or such Subsidiary Guaranto r, (c) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including Guarantees thereof or instruments evidencing such liabilities), (d) any Indebtedness or obligation of the Company or such Subsidiary Guarantor (and any accrued and unpaid interest in respect thereof) that by its terms is subordinate or junior in any respect to any other Indebtedness or obligation of the Company or such Subsidiary Guarantor, including any Senior Subordinated Indebtedness and any Subordinated Obligations, (e) any obligations with respect to any Capital Stock or (f) any Indebtedness Incurred in violation of this Indenture.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. §§ 77aaa-77bbbb) as in effect on the Closing Date.

"Trustee" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor.

"Voting Stock" of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

Subordination

SECTION 10.01. Agreement To Subordinate. The Company agrees, and each Holder by accepting a Security agrees, that the Indebtedness evidenced by the Securities is subordinated in right of payment, to the extent and in the manner provided in this Article 10, to the prior payment in full of all Senior Indebtedness of the Company and that the subordination is for the benefit of and enforceable by the holders of such Senior Indebtedness. The Securities shall in all respects rank pari passu with all other Senior Subordinated Indebtedness of the Company and only Indebtedness of the Company that is Senior Indebtedness of the Company shall rank senior to the Securities in accordance with the provisions set forth herein. For purposes of this Article 10, the Indebtedness evidenced by the Securities shall be deemed to include any liquidated damages payabl e pursuant to the provisions set forth in the Securities and the Registration Agreement. All provisions of this Article 10 shall be subject to Section 10.12.

SECTION 10.02. Liquidation, Dissolution, Bankruptcy. Upon any payment or distribution of the assets of the Company to creditors upon a total or partial liquidation or a total or partial dissolution of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property:

(a) holders of Senior Indebtedness of the Company shall be entitled to receive payment in full of such Senior Indebtedness before Holders shall be entitled to receive any payment of principal of or interest on the Securities; and

(b) until the Senior Indebtedness of the Company is paid in full, any payment or distribution to which Holders would be entitled but for this Article 10 shall be made to holders of such Senior Indebtedness as their interests may appear, except that Holders may receive shares of stock and any debt securities that are subordinated to such Senior Indebtedness to at least the same extent as the Securities.

SECTION 10.03. Default on Senior Indebtedness. The Company may not pay the principal of, premium (if any) or interest on the Securities or make any deposit pursuant to Section 8.01 and may not otherwise repurchase, redeem or otherwise retire any Securities (collectively, "pay the Securities") if (a) any Designated Senior Indebtedness of the Company is not paid when due or (b) any other default on such Designated Senior Indebtedness occurs and the maturity of such Designated Senior Indebtedness is accelerated in accordance with its terms unless, in either case, (i) the default has been cured or waived and any such acceleration has been rescinded or (ii) such Designated Senior Indebtedness has been paid in full; provided, however, that the Company may pay the Securities without regard to the foregoing if the Company and the Trustee r eceive written notice approving such payment from the Representative of such Designated Senior Indebtedness with respect to which either of the events set forth in clause (a) or (b) of this sentence has occurred and is continuing. During the continuance of any default (other than a default described in clause (a) or (b) of the preceding sentence) with respect to any Designated Senior Indebtedness of the Company pursuant to which the maturity thereof may be accelerated immediately without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods, the Company may not pay the Securities for a period (a "Payment Blockage Period") commencing upon the receipt by the Trustee (with a copy to the Company) of written notice (a "Blockage Notice") of such default from the Representative of such Designated Senior Indebtedness specifying an election to effect a Payment Blockage Period and ending 179 days thereaft er (or earlier if such Payment Blockage Period is terminated (a) by written notice to the Trustee and the Company from the Person or Persons who gave such Blockage Notice, (b) by repayment in full of such Designated Senior Indebtedness or (c) because the default giving rise to such Blockage Notice is no longer continuing). Notwithstanding the provisions described in the immediately preceding sentence (but subject to the provisions contained in the first sentence of this Section), unless the holders of such Designated Senior Indebtedness or the Representative of such holders shall have accelerated the maturity of such Designated Senior Indebtedness, the Company may resume payments on the Securities after the end of such Payment Blockage Period, including any missed payments. Not more than one Blockage Notice may be given in any consecutive 360-day period, irrespective of the number of defaults with respect to Designated Senior Indebtedness during such period; provided, how ever, that if any Blockage Notice within such 360-day period is given by or on behalf of any holders of Designated Senior Indebtedness other than the Bank Indebtedness, the Representative of the Bank Indebtedness may give another Blockage Notice within such period; provided further, however, that in no event may the total number of days during which any Payment Blockage Period or Periods is in effect exceed 179 consecutive days in the aggregate during any 360 consecutive day period. For purposes of this Section, no default or event of default that existed or was continuing on the date of the commencement of any Payment Blockage Period with respect to the Designated Senior Indebtedness initiating such Payment Blockage Period shall be, or be made, the basis of the commencement of a subsequent Payment Blockage Period by the Representative of such Designated Senior Indebtedness, whether or not within a period of 360 consecutive days, unless such default or event of default shall have been cured or waived for a period of not less than 90 consecutive days.

SECTION 10.04. Acceleration of Payment of Securities. If payment of the Securities is accelerated because of an Event of Default, the Company or the Trustee (provided, that the Trustee shall have received written notice from the Company, on which notice the Trustee shall be entitled to conclusively rely) shall promptly notify the holders of the Designated Senior Indebtedness of the Company (or their Representative) of the acceleration. If any Designated Senior Indebtedness of the Company is outstanding, the Company may not pay the Securities until five Business Days after such holders or the Representative of such Designated Senior Indebtedness receive notice of such acceleration and, thereafter, may pay the Securities only if this Article 10 otherwise permits payment at that time.

SECTION 10.05. When Distribution Must Be Paid Over. If a distribution is made to Holders that because of this Article 10 should not have been made to them, the Holders who receive the distribution shall hold it in trust for holders of Senior Indebtedness of the Company and pay it over to them as their interests may appear.

SECTION 10.06. Subrogation. After all Senior Indebtedness of the Company is paid in full and until the Securities are paid in full, Holders shall be subrogated to the rights of holders of such Senior Indebtedness to receive distributions applicable to Senior Indebtedness. A distribution made under this Article 10 to holders of such Senior Indebtedness which otherwise would have been made to Holders is not, as between the Company and Holders, a payment by the Company on such Senior Indebtedness.

SECTION 10.07. Relative Rights. This Article 10 defines the relative rights of Holders and holders of Senior Indebtedness of the Company. Nothing in this Indenture shall:

(a) impair, as between the Company and Holders, the obligation of the Company, which is absolute and unconditional, to pay principal of and interest and liquidated damages, if any, on the Securities in accordance with their terms; or

(b) prevent the Trustee or any Holder from exercising its available remedies upon a Default, subject to the rights of holders of Senior Indebtedness of the Company to receive distributions otherwise payable to Holders.

SECTION 10.08. Subordination May Not Be Impaired by Company. No right of any holder of Senior Indebtedness of the Company to enforce the subordination of the Indebtedness evidenced by the Securities shall be impaired by any act or failure to act by the Company or by its failure to comply with this Indenture.

SECTION 10.09. Rights of Trustee and Paying Agent. Notwithstanding Section 10.03, the Trustee or Paying Agent may continue to make payments on the Securities and shall not be charged with knowledge of the existence of facts that would prohibit the making of any such payments unless, not less than two Business Days prior to the date of such payment, a Trust Officer of the Trustee receives notice satisfactory to it that payments may not be made under this Article 10. The Company, the Registrar, the Paying Agent, a Representative or a holder of Senior Indebtedness of the Company may give the notice; provided, however, that, if an issue of Senior Indebtedness of the Company has a Representative, only the Representative may give the notice.

The Trustee in its individual or any other capacity may hold Senior Indebtedness of the Company with the same rights it would have if it were not Trustee. The Registrar and the Paying Agent may do the same with like rights. The Trustee shall be entitled to all the rights set forth in this Article 10 with respect to any Senior Indebtedness of the Company which may at any time be held by it, to the same extent as any other holder of such Senior Indebtedness; and nothing in Article 7 shall deprive the Trustee of any of its rights as such holder. Nothing in this Article 10 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 7.07 or any other Section of this Indenture.

SECTION 10.10. Distribution or Notice to Representative. Whenever a distribution is to be made or a notice given to holders of Senior Indebtedness of the Company, the distribution may be made and the notice given to their Representative (if any).

SECTION 10.11. Article 10 Not To Prevent Events of Default or Limit Right To Accelerate. The failure to make a payment pursuant to the Securities by reason of any provision in this Article 10 shall not be construed as preventing the occurrence of a Default. Nothing in this Article 10 shall have any effect on the right of the Holders or the Trustee to accelerate the maturity of the Securities.

SECTION 10.12. Trust Monies Not Subordinated. Notwithstanding anything contained herein to the contrary, payments from money or the proceeds of U.S. Government Obligations held in trust under Article 8 by the Trustee for the payment of principal of and interest and liquidated damages, if any, on the Securities shall not be subordinated to the prior payment of any Senior Indebtedness of the Company or subject to the restrictions set forth in this Article 10, and none of the Holders shall be obligated to pay over any such amount to the Company or any holder of Senior Indebtedness of the Company or any other creditor of the Company.

SECTION 10.13. Trustee Entitled To Rely. Upon any payment or distribution pursuant to this Article 10, the Trustee and the Holders shall be entitled to rely (a) upon any order or decree of a court of competent jurisdiction in which any proceedings of the nature referred to in Section 10.02 are pending, (b) upon a certificate of the liquidating trustee or agent or other Person making such payment or distribution to the Trustee or to the Holders or (c) upon the Representatives for the holders of Senior Indebtedness of the Company for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of such Senior Indebtedness and other Indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article 10. 0; In the event that the Trustee determines, in good faith, that evidence is required with respect to the right of any Person as a holder of Senior Indebtedness of the Company to participate in any payment or distribution pursuant to this Article 10, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of such Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and other facts pertinent to the rights of such Person under this Article 10, and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment. The provisions of Sections 7.01 and 7.02 shall be applicable to all actions or omissions of actions by the Trustee pursuant to this Article 10.

SECTION 10.14. Trustee To Effectuate Subordination. Each Holder by accepting a Security authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination between the Holders and

the holders of Senior Indebtedness of the Company as provided in this Article 10 and appoints the Trustee as attorney-in-fact for any and all such purposes.

SECTION 10.15. Trustee Not Fiduciary for Holders of Senior Indebtedness. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness of the Company and shall not be liable to any such holders if it shall mistakenly pay over or distribute to Holders or the Company or any other Person, money or assets to which any holders of Senior Indebtedness of the Company shall be entitled by virtue of this Article 10 or otherwise.

SECTION 10.16. Reliance by Holders of Senior Indebtedness on Subordination Provisions. Each Holder by accepting a Security acknowledges and agrees that the foregoing subordination provisions are, and are intended to be, an inducement and a consideration to each holder of any Senior Indebtedness of the Company, whether such Senior Indebtedness was created or acquired before or after the issuance of the Securities, to acquire and continue to hold, or to continue to hold, such Senior Indebtedness and such holder of such Senior Indebtedness shall be deemed conclusively to have relied on such subordination provisions in acquiring and continuing to hold, or in continuing to hold, such Senior Indebtedness.

Indebtedness Covenant

The Indenture shall permit Indebtedness under the Credit Agreement.

EXHIBIT K

MANDATORY COSTS RATE

1. **Definitions**

In this Exhibit:

"Act" means the Bank of England Act of 1998.

The terms **"Eligible Liabilities"** and **"Special Deposits"** have the meanings ascribed to them under or pursuant to the Act or by the Bank of England (as may be appropriate), on the day of the application of the formula.

"Fee Base" has the meaning ascribed to it for the purposes of, and shall be calculated in accordance with, the Fees Regulations.

"Fees Regulations" means, as appropriate, either:

(a) the Banking Supervision (Fees) Regulations 1998; or

(b) such regulations as form time to time may be in force, relating to the payment of fees for banking supervision in respect of periods subsequent to January 1, 2000.

"FSA" means the Financial Services Authority.

Any reference to a provision of any statute, directive, order or regulation herein is a reference to that provision as amended or re-enacted from time to time.

2. Calculation of the Mandatory Costs Rate

The Mandatory Costs Rate is an addition to the interest rate on each Eurocurrency Loan or any other sum on which interest is to be calculated to compensate the Lenders for the cost attributable to a Eurocurrency Loan or such sum resulting from the imposition from time to time under or pursuant to the Act and/or by the Bank of England and/or the FSA (or other United Kingdom governmental authorities or agencies) of a requirement to place non-interest bearing or Special Deposits (whether interest bearing or not) with the Bank of England and/or pay fees to the FSA calculated by reference to the liabilities used to fund the relevant Eurocurrency Loan or such sum.

The **"Mandatory Costs Rate"** will be the rate determined by the Administrative Agent to be equal to the rate (rounded upward, if necessary, to the next higher 1/100 of 1%) resulting from the application of the following formula:

For Sterling:

$$\frac{XL + S(L-D) + F \times 0.01}{100-(X+S)}$$

For other Foreign Currencies:

$$\frac{F \times 0.01}{300}$$

where on the day of application of the formula

X is the percentage of Eligible Liabilities (in excess of any stated minimum) by reference to which the Administrative Agent is required under or pursuant to the Act to maintain cash ratio deposits with the Bank of England;

L is the rate of interest (exclusive of EuroCurrency Margin and Mandatory Costs Rate) payable on that day on the related Eurocurrency Loan or unpaid sum pursuant to the Credit Agreement;

F is the rate of charge payable by the Administrative Agent to the FSA pursuant to the Fees Regulations and expressed in pounds per £1 million of the Fees Base of such Reference Lender;

S is the level of interest-bearing Special Deposits, expressed as a percentage of Eligible Liabilities, which the Administrative Agent is required to maintain by the Bank of England (or other United Kingdom governmental authorities or agencies); and

D is the percentage rate per annum payable by the Bank of England to the Administrative Agent on Special Deposits.

(X, L, S and D are to be expressed in the formula as numbers and not as percentages. A negative result obtained form subtracting D from L shall be counted as zero.)

The Mandatory Costs Rate attributable to a Eurocurrency Loan or other sum for any period shall be calculated at or about 11:00 A.M. (London time) on the first day of such period for the duration of such period.

The determination of Mandatory Costs Rate by the Administrative Agent in relation to any period shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

3. Change of Requirements

If there is any change in circumstance (including the imposition of alternative or additional requirements) which in the reasonable opinion of the Administrative Agent renders or will render the above formula (or any element thereof, or any defined term used therein) inappropriate or inapplicable, the Administrative Agent shall (with the written consent of the Company, which shall not be unreasonably withheld) be entitled to vary the same. Any such variation shall, in the absence of manifest error, be conclusive and binding on all parties and shall apply from the date specified in such notice.

Exhibit 10.5(ab)[(2)]

Schedules and Exhibits to Credit Agreement dated as of June 6, 2002, as amended and restated August 2, 2006, as further amended and restated as of December 16, 2009.

Schedule 2.01

REVOLVING COMMITMENTS

Class A Revolving Commitments

LENDER		COMMITMENT		FOREIGN CURRENCY COMMITMENT SUB-LIMIT
JPMorgan Chase Bank, N.A.	$	20,000,000.00	$	2,857,142.86
Comerica Bank	$	17,500,000.00	$	2,500,000.00
General Electric Capital Corporation	$	5,000,000.00	$	714,285.71
Bank of America, N.A.	$	10,000,000.00	$	1,428,571.43
Credit Suisse AG, Cayman Islands Branch	$	12,500,000.00	$	1,785,714.29
Merrill Lynch Capital Corporation	$	5,000,000.00	$	714,285.71
TOTAL	**$**	**70,000,000.00**	**$**	**10,000,000.00**

Class B Revolving Commitments

LENDER		COMMITMENT		FOREIGN CURRENCY COMMITMENT SUB-LIMIT
Natixis	$	3,000,000.00	$	0.00
The Foothill Group, Inc.	$	5,000,000.00	$	0.00
TOTAL	**$**	**8,000,000.00**	**$**	**0.00**

Exhibit L

DESCRIPTION OF INTERCREDITOR AGREEMENT

Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Credit Agreement to which this Exhibit is attached.

In connection with the issuance by Holdings or the Parent Borrower (the "Issuer") of Permitted Subordinated Notes Refinancing Indebtedness which will be secured by the Collateral on a second lien basis to the Obligations (such Collateral referred to herein as the "Shared Collateral"), JPMCB, as Administrative Agent and Collateral Agent, and the holders of the Permitted Subordinated Notes Refinancing Indebtedness or a trustee or agent acting on behalf of such holders (the "Second Lien Holder") will enter into an Intercreditor Agreement on terms consistent with the following:

(a) At any time prior to the payment in full of the Obligations, the Collateral Agent will determine the time and method by which the security interests in the Shared Collateral will be enforced. The Second Lien Holder will not be permitted to enforce its security interest even if an event of default has occurred and the Permitted Subordinated Notes Refinancing Indebtedness has been accelerated except (i) in any insolvency or liquidation proceeding, as necessary to file a proof of claim or statement of interest with respect to such Permitted Subordinated Notes Refinancing Indebtedness or (ii) as necessary to take any action in order to create, prove, perfect, preserve or protect (but not enforce) its rights in, and the pe rfection and priority of its Lien on, the Shared Collateral securing the Permitted Subordinated Notes Refinancing Indebtedness.

(b) Prior to the payment in full of the Obligations, (i) the Secured Parties and the Collateral Agent shall have the exclusive right to make determinations regarding the release of Shared Collateral without the consent of the holders of the Permitted Subordinated Notes Refinancing Indebtedness or the Second Lien Holder (collectively, the "Second Lien Secured Parties"), (ii) the Intercreditor Agreement may be amended, without the consent of the Second Lien Secured Parties, to add additional secured creditors holding any additional second lien Indebtedness permitted by the Credit Agreement and the agreement governing the Permitted Subordinated Notes Refinancing Indebtedness (the "Second Lien Agreement ") and (iii) the Collateral Agent (with the requisite consent of the Lenders) may change, waive, modify or vary the Security Documents without the consent of the Second Lien Secured Parties; provided that any such change, waiver or modification does not materially adversely affect the rights of the Second Lien Secured Parties and not the other secured creditors in a like or similar manner. Any provider of additional extensions of credit shall be entitled to rely on the determination of officers of the Issuer that such modifications do not expressly violate the provisions of the Credit Agreement or the Second Lien Agreement if such determination is set forth in an officer's certificate signed by an officer of the Issuer and meeting the requirements set forth in the Second Lien Agreement delivered to such provider; provided, however, that such determination will not affect whether or not the Issuer has complied with its undertakings in the Second Lien Agreement, any re lated second lien security documents or the Intercreditor Agreement.

(c) If the Issuer or any guarantor of the Permitted Subordinated Notes Refinancing Indebtedness (each, a "Second Lien Guarantor") is subject to any insolvency or liquidation proceeding, the Second Lien Secured Parties will agree that:

(i) if the Collateral Agent shall desire to permit the use of cash collateral or to permit the Issuer or any Second Lien Guarantor to obtain financing under Section 363 or Section 364 of Title 11 of the United States Code or any similar provision in any bankruptcy law ("DIP Financing"), then the Second Lien Secured Parties agree not to object to such use of cash collateral or DIP Financing and will not request adequate protection or any other relief in connection therewith (except to the extent permitted by the clause (v) below) and, to the extent the Liens securing the Obligations are subordinated or pari passu with such DIP Financing, will subordinate its Liens in the Shared Collateral to such DI P Financing (and all obligations relating thereto) on the same basis as they are subordinated to the Obligations;

(ii) they will not object to, and will not otherwise contest any motion for relief from the automatic stay or from any injunction against foreclosure or enforcement in respect of the Obligations made by the Collateral Agent or any Secured Party;

(iii) they will not object to, and will not otherwise contest any order relating to a sale of assets of the Issuer or any Second Lien Guarantor for which the Collateral Agent has consented that provides, to the extent the sale is to be free and clear of Liens, that the Liens securing the Obligations and the Permitted Subordinated Notes Refinancing Indebtedness will attach to the proceeds of the sale on the same basis of priority as the existing Liens in accordance with the Intercreditor Agreement;

(iv) until the payment in full of the Obligations, none of them will seek relief from the automatic stay or any other stay in any insolvency or liquidation proceeding in respect of the Shared Collateral, without the prior written consent of the Collateral Agent and the requisite Lenders under the Credit Agreement;

(v) none of them shall contest (or support any other Person contesting) (A) any request by the Collateral Agent or the Lenders for adequate protection or (B) any objection by the Collateral Agent or the Lenders to any motion, relief, action or proceeding based on the Collateral Agent's or the Lenders' claiming a lack of adequate protection. Notwithstanding the foregoing, in any insolvency or liquidation proceeding, (x) if the Lenders (or any subset thereof) are granted adequate protection in the form of additional collateral in connection with any DIP Financing or use of cash collateral under Section 363 or Section 364 of Title 11 of the United States Bankruptcy Code or any similar law, then the Second Lien Holder (1) may seek or request adequate protection in the form of a replacement Lien on such additional collateral, which Lien is subordinated to the Liens securing the Obligations and such DIP Financing (and all obligations relating thereto) on the same basis as the other Liens securing the Permitted Subordinated Notes Refinancing Indebtedness are so subordinated to the Liens securing Obligations under the Intercreditor Agreement and (2) agrees that it will not seek or request, and will not accept, adequate protection in

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any other form, and (y) in the event the Second Lien Holder seeks or requests adequate protection and such adequate protection is granted in the form of additional collateral, then the Second Lien Secured Parties agree that the Secured Parties shall also be granted a senior Lien on such additional collateral as security for the applicable Obligations and any such DIP Financing and that any Lien on such additional collateral securing the Permitted Subordinated Notes Refinancing Indebtedness shall be subordinated to the Liens on such collateral securing the Obligations and any such DIP Financing (and all obligations relating thereto) and any other Liens granted to the Secured Parties as adequate protection on the same basis as the other Liens securing the Permitted Subordinated Notes Refinancing Indebtedness are so subordinated to such Liens securing Obligations under the Intercreditor Agreement; and

(vi) until the payment in full of the Obligations, the Second Lien Holder, on behalf of itself and each other Second Lien Secured Party, (A) will not assert or enforce any claim under Section 506(c) of the United States Bankruptcy Code senior to or on a parity with the Liens securing the Obligations for costs or expenses of preserving or disposing of any collateral, and (B) will waive any claim it may have arising out of the election by any Secured Party of the application of Section 1111(b)(2) of the United States Bankruptcy Code.

Exhibit 10.60

2011 Award
Restricted Shares

TRIMAS CORPORATION

2002 LONG TERM EQUITY INCENTIVE PLAN

RESTRICTED SHARE AWARD AGREEMENT

TriMas Corporation ("Corporation"), as permitted by the TriMas Corporation 2002 Long Term Equity Incentive Plan ("Plan"), hereby grants to the Grantee listed below ("Grantee"), a Restricted Share Award for the number of shares of the Corporation's Common Stock set forth below ("Restricted Shares"), subject to the terms and conditions of the Plan and this Restricted Share Award Agreement ("Agreement").

Unless otherwise defined in this Agreement or in the Glossary 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.

I. <u>NOTICE OF RESTRICTED SHARE AWARD</u>

Grantee:	
Date of Agreement:	March 1, 2011
Grant Date:	March 1, 2011
Number of Restricted Shares in Award:	Shares
Date Restriction Period Ends	March 1, 2012

II. <u>AGREEMENT</u>

A. <u>Grant of Restricted Shares.</u> The Corporation hereby grants to the Grantee the number of Restricted Shares set forth above. The Restricted Shares granted under this Agreement are payable only in shares of Common Stock of the Corporation. Each Restricted Share is equal to the Fair Market Value of one share of Common Stock on the vesting date. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Shares in this Award are subject to the terms, definitions and provisions of the Plan, which are incorporated herein by reference.

1. <u>Restrictions on Transfer</u>. The Restricted Shares are restricted from transfer until the restrictions lapse. Subject to the Grantee's termination of services, as described in Section 4, below, 100% of the Restricted Shares vest, and all restrictions on those Restricted Shares lapse, on the first anniversary of the Grant Date. Upon vesting and the lapse of the restrictions, the associated Restricted Shares become freely transferable if the Grantee is still a Service Provider on that date. The Restricted Shares subject to this Award will be forfeited if the Grantee

terminates his or her services with the Corporation or a Subsidiary prior to vesting and the lapse of restrictions, except as designated otherwise in this Agreement.

2. <u>Rights as Stockholder</u>. Except for the potential forfeitability of the Restricted Shares before the lapse of restrictions set forth in Section 1 above, the Grantee has all rights of a stockholder (including voting and dividend rights) commencing on the date of the Corporation's book entry evidencing the grant of Restricted Shares.

3. <u>Adjustments</u>. In the event of any stock dividend, reclassification, subdivision or combination, or similar transaction affecting the Restricted Shares covered by this Award, the rights of the Grantee will be adjusted as provided in Section 4 of the Plan.

4. <u>Termination of Services</u>. The Restricted Shares subject to this Award will be forfeited if the Grantee voluntarily terminates his or her services with the Corporation or a Subsidiary, or if the Grantee's services are terminated for cause before the Restricted Shares vest and the restrictions lapse. Notwithstanding the foregoing, the restrictions on transfer immediately lapse upon the occurrence of the following: (a) the Grantee's termination of services due to death or Disability, or (b) the Grantee's "Qualifying Termination" (as defined in Appendix A, attached hereto) within three years following a Change in Control. However, if the Grantee's services are involuntarily terminated by the Corporation or a Subsidiary without "Cause," or if the Grantee's services are terminated for "Good Reason" (as defined in Appendix A), the restrictions on transfer set forth in Section II.A(1) of this Agreement with regard to all Restricted Shares then outstanding will lapse in an amount equal to the number of Restricted Shares that would have lapsed as of the next occurring anniversary of the Grant Date, adjusted pro rata in accordance with the date on which the Grantee terminates services. Further, the Corporation retains the right to accelerate or waive restrictions on Restricted Shares granted under this Agreement. Upon the lapse of the transfer restrictions, the Restricted Shares are fully transferable.

B. <u>Other Terms and Conditions</u>.

1. <u>Non-Transferability of Award</u>. Except as described below, this Award and the Restricted Shares subject to the Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by laws of descent or distribution. Notwithstanding the foregoing, with the consent of the Administrator, the Grantee may assign or transfer the Award and its underlying Restricted Shares to a Permitted Assignee, provided the Permitted Assignee is bound by and subject to all terms and conditions of the Plan and this Agreement, and the Permitted Assignee executes an a greement satisfactory to the Corporation evidencing these obligations. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of the Grantee.

2. <u>Other Restrictions on Share Issuance</u>. Anything to the contrary notwithstanding, the Corporation's obligation to deliver Shares under this Award is subject to its compliance with federal and state laws, rules and regulations applying to the authorization, issuance or sale of securities as the

Corporation deems necessary or advisable. The Corporation is not required to deliver Shares under this Agreement unless and until it receives satisfactory proof that the issuance or transfer of the Shares does not violate any of the provisions of the

Securities Act of 1933 or the Securities Exchange Act of 1934, the rules and regulations of the Securities Exchange Commission promulgated thereunder, or the provisions of any state law governing the sale of securities or any stock exchange on which the Shares may be listed, and that there has been compliance with the provisions of these acts, rules, regulations and state laws.

3. **Withholding.** Grantee authorizes the Corporation to withhold from the Grantee's compensation or agrees to tender sufficient funds to satisfy any applicable income and employment tax withholding obligations in connection with vesting of and the lapse of restrictions on Restricted Shares under the Award.

4. **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 thereof, will be settled exclusively and, consistent with the procedures specified in this Section, irrespective of its magnitude, the amount in controversy, or the nature of the relief sought.

(a) **Negotiation**. In the event of any dispute, controversy, claim, question or disagreement arising from or relating to this Agreement or the breach thereof, the 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 the Grantee and the Corporation do not reach a solution within a period of 30 days, then, upon written notice by the Grantee to the Corporation or the Corporation to the 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 is responsibl e 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 on 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 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.

5. **Code Section 409A.** Without limiting the generality of any other provision of this Agreement, Sections 7(m) and 7(n) of the Plan pertaining to Code Section 409A are hereby explicitly incorporated herein.

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

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

(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: ____________________ By: ____________________
Name: ____________________
Title: ____________________

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED SHARE AWARD AGREEMENT, NOR IN THE CORPORATION'S 2002 LONG TERM EQUITY INCENTIVE PLAN, WHICH IS INCORPORATED HEREIN BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY, NOR DOES IT INTERFERE 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.

Grantee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions of the Plan. Grantee hereby accepts this Restricted Share Award subject to all of the terms and provisions of this Agreement. Grantee has reviewed the Plan and this Restricted Share Award Agreement in their entirety. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Award.

Dated: ____________________ By: ____________________
Name: ____________________
Title: ____________________

APPENDIX A
TO
RESTRICTED SHARE AWARD AGREEMENT

GLOSSARY

For purposes of this Agreement, the following terms shall be defined as follows:

"Good Reason" means:

- A material and permanent diminution in the Grantee's duties or responsibilities;
- A material reduction in the aggregate value of base salary and bonus opportunity or material reduction in the aggregate value of other benefits provided to the Grantee by the Corporation; or
- A permanent reassignment of the Grantee to another primary office, or relocation of the Corporation's office of more than 35 miles from current office location.

The Grantee must notify the Corporation of the Grantee's intention to invoke termination for Good Reason within 120 days after the Grantee has knowledge of the event and provide the Corporation 15 days' opportunity for cure, or the event will not constitute Good Reason. The Grantee may not invoke termination for Good Reason if cause exists at the time of the Grantee's termination.

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

- Death;
- Disability;
- Cause; or
- A termination of Services by the Grantee without Good Reason, (as defined above).

Exhibit 10.61

2011 Award
Restricted Stock

TRIMAS CORPORATION

2006 LONG TERM EQUITY INCENTIVE PLAN

RESTRICTED STOCK AGREEMENT

TriMas Corporation ("Corporation"), as permitted by the TriMas Corporation 2006 Long Term Equity Incentive Plan ("Plan"), hereby grants to the Grantee listed below ("Grantee"), a Restricted Stock Award for the number of shares of the Corporation's Common Stock set forth below ("Restricted Stock"), subject to the terms and conditions of the Plan and this Restricted Stock Agreement ("Agreement").

Unless otherwise defined herein or in the Glossary set forth in Appendix A hereto, 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.

I. <u>NOTICE OF RESTRICTED STOCK AWARD</u>

Grantee:	
Date of Agreement:	March 1, 2011
Grant Date:	March 1, 2011
Number of Restricted Stock in Award:	
Date Restriction Period Ends:	March 1, 2012

II. <u>AGREEMENT</u>

A. <u>Grant of Restricted Stock.</u> The Corporation hereby grants to the Grantee the number of Restricted Stock set forth above. The Restricted Stock granted under this Agreement are payable only in shares of Common Stock of the Corporation. Each Restricted Stock is equal to the Fair Market Value of one share of Common Stock on the vesting date described below. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Stock in this Award are subject to the terms, definitions and provisions of the Plan, which are incorporated herein by reference.

1. <u>Vesting</u>. The Restricted Stock will vest on the first anniversary of the Grant Date, subject to Grantee's continued status as a Service Provider through such date. Any unvested Restricted Stock subject to the Award will be forfeited if the Grantee terminates the Grantee's services with the Corporation or a Subsidiary before the end of the Restriction Period, except as designated otherwise in this Agreement.

2. <u>Rights as Stockholder</u>. Except for the potential forfeitability of the Restricted Stock before the lapse of restrictions set forth in Section 1 above, the Grantee has all rights of a stockholder (including voting and dividend rights) commencing on the date of the Corporation's book entry evidencing the grant of Restricted Stock.

3. <u>Adjustments</u>. In the event of any stock dividend, reclassification, subdivision or combination, or similar transaction affecting the Restricted Stock covered by this Award, the rights of the Grantee will be adjusted as provided in Article X of the Plan.

4. <u>Termination of Services</u>. Any unvested Restricted Stock subject to the Award will be forfeited if the Grantee voluntarily terminates the Grantee's services with the Corporation or a Subsidiary, or terminates due to "Cause" before the end of the Restriction Period. Notwithstanding the foregoing, the Restriction Period will immediately end upon the occurrence of the following: (a) the Grantee's termination of services due to death or Disability, or (b) the Grantee's "Qualifying Termination" (as defined in Appendix A, attached hereto) wit hin three years following a Change in Control. However, if the Grantee's services are involuntarily terminated by the Corporation or a Subsidiary without "Cause," or if the Grantee's services are terminated for "Good Reason" (as defined in Appendix A), the Restriction Period will end on the date of the termination for the number of shares of Restricted Stock pro-rated based on the period between the Grant Date and the end of the Restriction Period during which Grantee was a Service Provider. Further, the Corporation retains the right to accelerate or waive the Restriction Period on the Restricted Stock granted by this Award.

B. <u>Other Terms and Conditions</u>.

1. <u>Non-Transferability of Award</u>. Except as described below, this Award and the Restricted Stock subject to the Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by laws of descent or distribution. Notwithstanding the foregoing, with the consent of the Administrator, the Grantee may assign or transfer the Award and its underlying Restricted Stock to a Permitted Assignee, if the Permitted Assignee is bound by and subject to all terms and conditions of the Plan and this Agreement, and the Permitted Assignee executes an agreemen t satisfactory to the Corporation evidencing these obligations. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of the Grantee.

2. <u>Withholding</u>. Grantee authorizes the Corporation to withhold from the shares of Common Stock to be delivered as payment the amount needed to satisfy any applicable 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 under the Award.

3. <u>Dispute Resolution</u>. 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, irrespective of its magnitude, the amount in controversy, or the nature of the relief sought.

(a) **Negotiation**. In the event of any dispute, controversy, claim, question or disagreement arising from or relating to this Agreement or the breach of this Agreement, the 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 the Grantee and the Corporation do not reach a solution within a period of 30 days, then, upon written notice by the Grantee to the Corporation or the Corporation to the 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 respo nsible 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 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, Section 11.9 of the Plan pertaining to Code Section 409A is hereby explicitly incorporated herein.

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

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

(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: ______________________

By: ______________________
Name: ______________________
Title: ______________________

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK AGREEMENT, NOR IN THE CORPORATION'S 2006 LONG TERM EQUITY INCENTIVE PLAN, WHICH IS INCORPORATED HEREIN BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY, 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.

Grantee acknowledges receipt of a copy of the Plan and represents that the Grantee is familiar with the terms and provisions of the Plan. Grantee hereby accepts this Restricted Stock Award subject to all of the terms and provisions hereof. Grantee has reviewed the Plan and this Restricted Stock Agreement in their entirety. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Award.

Dated:	______________________	By:	______________________
		Name:	______________________
		Title:	______________________

APPENDIX A
TO
RESTRICTED STOCK AGREEMENT

GLOSSARY

For purposes of this Agreement, the following terms shall be defined as follows:

"Good Reason" means:

- A material and permanent diminution in the Grantee's duties or responsibilities;

- A material reduction in the aggregate value of base salary and bonus opportunity or material reduction in the aggregate value of other benefits provided to the Grantee by the Corporation; or

- A permanent reassignment of the Grantee to another primary office, or relocation of the Corporation's office of more than 35 miles from current office location.

The Grantee must notify the Corporation of the Grantee's intention to invoke termination for Good Reason within 120 days after the Grantee has knowledge of such event and provide the Corporation 15 days' opportunity for cure, or such event shall not constitute Good Reason. The Grantee may not invoke termination for Good Reason if Cause exists at the time of such termination.

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

- Death;

- Disability;

- Cause (as defined above); or

- A termination of Services by the Grantee without Good Reason, (as defined above).

Exhibit 10.62

2011 Award

TRIMAS CORPORATION

2006 LONG TERM EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

TriMas Corporation ("Corporation"), as permitted by the TriMas Corporation 2006 Long Term Equity Incentive Plan ("Plan"), hereby grants to the Grantee listed below ("Grantee"), a Restricted Stock Unit Award ("Award") for the number of shares of the Corporation's Common Stock set forth below ("Restricted Stock Units"), subject to the terms and conditions of the Plan and this Restricted Stock Unit Agreement ("Agreement").

Unless otherwise defined herein or in the Glossary set forth in Appendix A hereto, 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.

I. NOTICE OF RESTRICTED STOCK UNIT AWARD

Grantee:	
Date of Agreement:	February 24, 2011
Grant Date:	February 24, 2011
Number of Restricted Stock Units in Award:	
Date Restriction Period Ends ("Restricted Period"):	September 30, 2013(1)

II. AGREEMENT

A. Grant of Restricted Stock Units. The Corporation hereby grants to the Grantee the number of Restricted Stock Units set forth above. The Restricted Stock Units granted under this Agreement are payable only in shares of Common Stock of the Corporation. Each Restricted Stock Unit is equal to the Fair Market Value of one share of Common Stock on the vesting dates described below. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Stock Units in this Award are subject to the terms, definitions and provisions of the Plan, which are incorporated herein by reference.

1. **Vesting**. The Restricted Stock Units vest as follows:

(a) Upon the Corporation achieving at least $2.00 of cumulative earnings per share for any consecutive four financial quarters from April 1, 2011 through September 30, 2013 (the "EPS Performance Measure"), [ ] Restricted Stock Units shall vest on the close of the

(1) Award is subject to graduated vesting as described in Section II.A.(1).

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business day immediately following the release of earnings for the quarter in which the EPS Performance Measure is met (the "EPS Vesting Date") and [ ] Restricted Stock Units shall vest on the first anniversary of the EPS Vesting Date and [ ] Restricted Stock Units shall vest on the second anniversary date of the EPS Vesting Date.

(b) Upon the Corporation's stock price closing at or above $30.00 per share for 30 consecutive trading days provided such 30th trading day is prior to September 30, 2013, [ ] Restricted Stock Units shall vest on the close of the business day on which such trading threshold is satisfied, [ ] Restricted Stock Units shall vest on the first anniversary of the satisfaction of such threshold and [ ] Restricted Stock Units shall vest on the second anniversary of the satisfaction of such threshold.

(c) Upon the Corporation's stock price closing at or above $35.00 per share for 30 consecutive trading days provided such 30th trading day is prior to September 30, 2013, [ ] Restricted Stock Units shall vest on the close of the business day on which such trading threshold is satisfied, [ ] Restricted Stock Units shall vest on the first anniversary of the satisfaction of such threshold and [ ] Restricted Stock Units shall vest on the second anniversary of the satisfaction of such threshold.

All vesting dates shall be subject to the Grantee's continued status as a Service Provider through each such date. If the Grantee is still a Service Provider on the date listed, the Corporation will pay to the Grantee the value of the vested Restricted Stock Units in shares of Common Stock of the Corporation as soon as practicable after such dates, but not later than March 15th of the calendar year following the calendar year in which the designated number of Restricted Stock Units vest. Any unvested Restricted Stock Units subject to the Award will be forfeited if the Grantee terminates the Grantee's services with the Corporation or a Subsidiary before the end of the Restriction Period, except as designated otherwise in this Agreement.

2. **Rights as Stockholder**. The 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 this Section II.A.(2).

(a) The Grantee is entitled to receive Dividend Equivalents on Restricted Stock Units with respect to the payment of cash dividends on Common Stock having a record date before the vesting date(s) of the Restricted Stock Units subject to the Award. The Dividend Equivalents will be paid by crediting the Grantee with additional whole Restricted Stock Units as of the date of payment of the cash dividends on Common Stock. The number of additional Restricted Stock Units (rounded to the nearest whole number) to be credited will be determined by dividing (1) the amount of cash dividends paid on that date with respect to the number of Restricted Stock Units previously credited to the Grantee, by (2) the Fair Market Valu e per share of Common Stock on that date. The additional Restricted Stock Units are subject to the same terms and conditions as the Restricted Stock Units covered by this Award, including vesting only at the end of the applicable vesting date and payment solely in shares of Common Stock.

3. **Adjustments.** In the event of any stock dividend, reclassification, subdivision or combination, or similar transaction affecting the Restricted Stock Units covered by this Award, the rights of the Grantee will be adjusted as provided in Article X of the Plan.

4. **Termination of Services**. Any unvested Restricted Stock Units subject to the Award will be forfeited if the Grantee voluntarily terminates the Grantee's services with the Corporation or a Subsidiary, or terminates due to "Cause" before the end of the Restriction Period. Notwithstanding the foregoing, the Restriction Period will immediately end upon the occurrence of the following: (a) the Grantee's termination of services due to death or Disability, or (b) the Grantee's "Qualifying Termination" (as defined in Appendix A, attached heret o) within three years following a Change in Control. However, if the Grantee's services are involuntarily terminated by the Corporation or a Subsidiary without "Cause," or if the Grantee's services are terminated for "Good Reason" (as defined in Appendix A), the Restriction Period will end on the date of the termination for the number of Restricted Stock Units pro-rated based on the period between the Grant Date and the end of the Restriction Period during which Grantee was a Service Provider. Further, the Corporation retains the right to accelerate or waive the Restriction Period on the Restricted Stock Units granted by this Award. Upon the vesting of the Restricted Stock Units at the end of the Restriction Period, the value of the Restricted Shares Units becomes payable to the Grantee in shares of Common Stock of the Corporation.

B. **Other Terms and Conditions.**

1. **Non-Transferability of Award**. Except as described below, this Award and the Restricted Stock Units subject to the Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by laws of descent or distribution. Notwithstanding the foregoing, with the consent of the Administrator, the Grantee may assign or transfer the Award and its underlying Restricted Stock Units to a Permitted Assignee, if the Permitted Assignee is bound by and subject to all terms and conditions of the Plan and this Agreement, and the Permitted Assignee executes an agreement satisfactory to the Corporation evidencing these obligations. The terms of this Award are binding on the executors, administrators, heirs, successors and assigns of the Grantee.

2. **Withholding.** Grantee authorizes the Corporation to withhold from the shares of Common Stock to be delivered as payment the amount needed to satisfy any applicable 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 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, irrespective of its magnitude, the amount in controversy, or the nature of the relief sought.

(a) **Negotiation**. In the event of any dispute, controversy, claim, question or disagreement arising from or relating to this Agreement or the breach of this Agreement, the 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 the Grantee and the Corporation do not reach a solution within a period of 30 days, then, upon written notice by the Grantee to the Corporation or the Corporation to the 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 respo nsible 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 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, Section 11.9 of the Plan pertaining to Code Section 409A is hereby explicitly incorporated herein.

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

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

(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: ______________________ By: ______________________
Name: ______________________
Title: ______________________

GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK UNIT AGREEMENT, NOR IN THE CORPORATION'S 2006 LONG TERM EQUITY INCENTIVE PLAN, WHICH IS INCORPORATED HEREIN BY REFERENCE, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE CORPORATION OR ANY PARENT OR SUBSIDIARY, 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.

Grantee acknowledges receipt of a copy of the Plan and represents that the Grantee is familiar with the terms and provisions of the Plan. Grantee hereby accepts this Restricted Stock Unit Award subject to all of the terms and provisions hereof. Grantee has reviewed the Plan and this Restricted Stock Unit Agreement in their entirety. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Award.

Dated: ______________________ By: ______________________
Name: ______________________
Title: ______________________

APPENDIX A
TO
RESTRICTED STOCK UNIT AGREEMENT

GLOSSARY

For purposes of this Agreement, the following terms shall be defined as follows:

"Good Reason" means:

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

The Grantee must notify the Corporation of the Grantee's intention to invoke termination for Good Reason within 120 days after the Grantee has knowledge of such event and provide the Corporation 15 days' opportunity for cure, or such event shall not constitute Good Reason. The Grantee may not invoke termination for Good Reason if Cause exists at the time of such termination.

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

- Death;
- Disability;

- Cause (as defined above); or
- A termination of Services by the Grantee without Good Reason, (as defined above).

Exhibit 12.1

TriMas Corporation

Computation of Ratio of Earnings to Fixed Charges

(Dollars In Thousands)

	For The Years Ended December 31				
	2010	2009	2008	2007	2006
Earnings (Loss) Before Income Taxes and Fixed Charges:					
Income (loss) from continuing operations before income taxes	61,150	21,080	(123,600)	(174,870)	(110,620)
Fixed charges	56,920	61,330	61,000	81,370	93,840
Earnings (loss) before income taxes and fixed charges	118,070	82,410	(62,600)	(93,500)	(16,780)
Fixed Charges:					
Interest expense	51,830	56,470	55,880	75,750	87,670
Estimated interest factor for rentals	5,090	4,860	5,120	5,620	6,170
Fixed charges	56,920	61,330	61,000	81,370	93,840
Ratio of earnings to fixed charges	2.1	1.3	n/a(1)	n/a(1)	n/a(1)

(1) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income (loss) from continuing operations before income taxes plus fixed charges. Fixed charges include interest expense, including amortization of deferred financing costs and debt extinguishment costs, and the portion of operating rental expense which management believes is representative of the interest component of rent expense (assumed to be 33%). For the years ended December 31, 2008, 2007 and 2006, additional earnings of $123.6 million, $174.9 million, and $110.6 million, respectively, would have been required to make the ratio 1.0x.

QuickLinks

Exhibit 21.1

TriMas Corporation Subsidiary List

Arrow Engine Company (Delaware corporation)
Canadian Gasket & Supply Inc. (Canada corporation)
Cequent Bermuda Holdings Ltd. (Bermuda)
Cequent Consumer Products, Inc. (Ohio corporation)
Cequent Electrical Products de Mexico, S. de R.L. de C.V. (Mexico corporation)
Cequent Group (Taiwan) Co. Ltd. (Taiwan)
Cequent Nederland Holdings BV (Netherlands)
Cequent Performance Products, Inc. (Delaware corporation)
Cequent Towing Products of Canada Ltd. (Ontario corporation)
Cequent Trailer Products, S.A. de C.V. (Mexico)
Compac Corporation (Delaware corporation)
Dew Technologies, Inc. (Ohio corporation)
Englass Group Limited (U.K.)
HammerBlow Company, LLC, The (Wisconsin limited liability company)
Hi-Vol Products LLC (Delaware limited liability company)
Keo Cutters, Inc. (Michigan corporation)
Lake Erie Products Corporation (Ohio corporation)
Lamons Gasket Company (Delaware corporation)
Lamons Gasket (Hangzhou) Co., Ltd. (China)
Lamons Gasket (Zhangjiagang) Co., Ltd. (China)
Lamons Nederland B.V. (Netherlands)
Lamons UK Limited (UK)
Monogram Aerospace Fasteners, Inc. (Delaware corporation)
NI Industries, Inc. (Delaware corporation)
Norris Cylinder Company (Delaware corporation)
Parkside Towbars Pty. Ltd. (Australia)
Richards Micro-Tool, Inc. (Delaware corporation)
Rieke Canada Limited (Canada corporation)
Rieke Corporation (Indiana corporation)
Rieke de Mexico, S.A. de C.V. (Mexico corporation)
Rieke Germany GmbH (Germany)
Rieke Italia S.r.L. (Italy corporation)
Rieke-Lamons Bermuda Holdings Ltd. (Bermuda)
Rieke-Lamons Nederland Holdings BV (Netherlands)
Rieke Leasing Co., Incorporated (Delaware corporation)
Rieke of Mexico, Inc. (Delaware corporation)
Rieke Packaging Systems Australia Pty. Ltd. (Australia)
Rieke Packaging Systems (Hangzhou) Co., Ltd. (China)
Rieke Packaging Systems Limited (U.K.)
Rieke Russia LLC (Russia)
Top Emballage S.A.S. (France)
Rieke Trading (Hangzhou) Co. Ltd. (China)
Towing Holding LLC (Delaware limited liability company)
TriMas Company LLC (Delaware limited liability company)
TriMas Corporation Limited (U.K.)
TriMas Corporation Pty. Ltd. (Australia)
TriMas Global Sourcing Operations & Supply India Private Limited (India)
TriMas Holdings Australia Pty. Ltd. (Australia)
TriMas Hong Kong Holdings Ltd. (Hong Kong)
TriMas International Holdings LLC (Delaware limited liability company)
TriMas Nederland Holdings BV (Netherlands)
TriMotive Asia Pacific Limited (Thailand)
TSPC, Inc. (Nevada corporation)

Certain companies may also use trade names or other assumed names in the conduct of their business.

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Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
TriMas Corporation:

We consent to the incorporation by reference in the registration statements on Form S-8 (No. 333-145815) and on Forms S-3 (No. 333-165219 and No. 333-168487) of TriMas Corporation of our reports dated February 28, 2011, with respect to the consolidated balance sheets of TriMas Corporation and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2010, and the related financial statement schedule, and the effectiveness of internal control over financial reporting as of December 31, 2010, which reports appear in the December 31, 2010 annual report on Form 10-K of TriMas Corporation.

Detroit, Michigan
February 28, 2011

Exhibit 31.1

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, David M. Wathen, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 am 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: February 28, 2011	/s/ DAVID M. WATHEN
	David M. Wathen *Chief Executive Officer*

Exhibit 31.2

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, A. Mark Zeffiro, certify that:

1. I have reviewed this Annual Report on Form 10-K 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 am 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: February 28, 2011	/s/ A. MARK ZEFFIRO
	A. Mark Zeffiro *Chief Financial Officer*

QuickLinks

Exhibit 31.2

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

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Exhibit 32.1

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 Annual Report of TriMas Corporation (the "Company") on Form 10-K for the period ended December 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David M. Wathen, 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: February 28, 2011

/s/ DAVID M. WATHEN

David M. Wathen
Chief Executive Officer

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Exhibit 32.1

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

Exhibit 32.2

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 Annual Report of TriMas Corporation (the "Company") on Form 10-K for the period ended December 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, A. Mark Zeffiro, 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: February 28, 2011

/s/ A. MARK ZEFFIRO

A. Mark Zeffiro
Chief Financial Officer