

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON D.C. 20549

**FORM 10-Q**

(Mark One)

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

**For the Quarterly Period Ended June 30, 2019**

Or

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

For the Transition Period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number 001-10716

**TRIMAS CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

**38-2687639**

(State or other jurisdiction of  
incorporation or organization)

(IRS Employer  
Identification No.)

**38505 Woodward Avenue, Suite 200**

**Bloomfield Hills, Michigan 48304**

(Address of principal executive offices, including zip code)

**(248) 631-5450**

(Registrant's telephone number, including area code)

**Title of each class**

Common stock

**Trading symbol(s)**

TRS

**Name of exchange on which registered**

NASDAQ Global Select Market

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No .

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

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

Large Accelerated Filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of July 23, 2019, the number of outstanding shares of the Registrant's common stock, \$0.01 par value, was 45,243,642 shares.

**TriMas Corporation****Index**

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## Forward-Looking Statements

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

These forward-looking statements are subject to numerous assumptions, risks and uncertainties which could materially affect our business, financial condition or future results including, but not limited to: general economic and currency conditions; material and energy costs; risks and uncertainties associated with intangible assets, including goodwill or other intangible asset impairment charges; competitive factors; future trends; our ability to realize our business strategies; our ability to identify attractive acquisition candidates, successfully integrate acquired operations or realize the intended benefits of such acquisitions; information technology and other cyber-related risks; the performance of our subcontractors and suppliers; supply constraints; market demand; intellectual property factors; litigation; government and regulatory actions, including, without limitation, the impact of tariffs, quotas and surcharges; our leverage; liabilities imposed by our debt instruments; labor disputes; changes to fiscal and tax policies; contingent liabilities relating to acquisition activities; the disruption of operations from catastrophic or extraordinary events, including natural disasters; the potential impact of Brexit; tax considerations relating to the Cequent spin-off; our future prospects; and other risks that are discussed in Part I, Item 1A, "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2018. The risks described in our Annual Report on Form 10-K and elsewhere in this report are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deemed to be immaterial also may materially adversely affect our business, financial position and results of operations or cash flows.

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

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

## PART I. FINANCIAL INFORMATION

## Item 1. Consolidated Financial Statements

**TriMas Corporation**  
**Consolidated Balance Sheet**  
(Dollars in thousands)

Assets	June 30, 2019	December 31, 2018
	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 40,280	\$ 108,150
Receivables, net of reserves of approximately \$3.7 million and \$3.4 million as of June 30, 2019 and December 31, 2018, respectively	150,410	123,110
Inventories	180,500	173,120
Prepaid expenses and other current assets	7,020	7,430
Total current assets	378,210	411,810
Property and equipment, net	225,630	187,800
Operating lease right-of-use assets	39,260	—
Goodwill	334,780	316,650
Other intangibles, net	176,910	174,530
Deferred income taxes	610	1,080
Other assets	16,380	8,650
Total assets	\$ 1,171,780	\$ 1,100,520
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Current maturities, long-term debt	\$ 60	\$ —
Accounts payable	85,570	93,430
Accrued liabilities	41,690	48,300
Operating lease liabilities, current portion	8,610	—
Total current liabilities	135,930	141,730
Long-term debt, net	294,120	293,560
Operating lease liabilities	31,040	—
Deferred income taxes	18,780	5,560
Other long-term liabilities	44,550	39,220
Total liabilities	524,420	480,070
Preferred stock, \$0.01 par: Authorized 100,000,000 shares; Issued and outstanding: None	—	—
Common stock, \$0.01 par: Authorized 400,000,000 shares; Issued and outstanding: 45,243,419 shares at June 30, 2019 and 45,527,993 shares at December 31, 2018	450	460
Paid-in capital	800,900	816,500
Accumulated deficit	(137,360)	(179,660)
Accumulated other comprehensive loss	(16,630)	(16,850)
Total shareholders' equity	647,360	620,450
Total liabilities and shareholders' equity	\$ 1,171,780	\$ 1,100,520

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

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

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Net sales	\$ 239,370	\$ 224,910	\$ 460,660	\$ 442,010
Cost of sales	(174,020)	(160,130)	(335,490)	(316,850)
Gross profit	65,350	64,780	125,170	125,160
Selling, general and administrative expenses	(34,240)	(33,260)	(68,210)	(58,430)
Operating profit	31,110	31,520	56,960	66,730
Other expense, net:				
Interest expense	(3,490)	(3,480)	(6,930)	(7,180)
Other income (expense), net	1,350	(2,180)	670	(2,740)
Other expense, net	(2,140)	(5,660)	(6,260)	(9,920)
Income before income tax expense	28,970	25,860	50,700	56,810
Income tax expense	(6,950)	(6,260)	(9,590)	(12,890)
Net income	\$ 22,020	\$ 19,600	\$ 41,110	\$ 43,920
<b>Basic earnings per share:</b>				
Net income per share	\$ 0.48	\$ 0.43	\$ 0.90	\$ 0.96
Weighted average common shares—basic	45,592,075	45,920,307	45,585,445	45,850,137
<b>Diluted earnings per share:</b>				
Net income per share	\$ 0.48	\$ 0.42	\$ 0.90	\$ 0.95
Weighted average common shares—diluted	45,828,315	46,200,757	45,910,249	46,215,047

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

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

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Net income	\$ 22,020	\$ 19,600	\$ 41,110	\$ 43,920
Other comprehensive income (loss):				
Defined benefit plans (Note 16)	100	2,650	200	2,850
Foreign currency translation	(900)	(6,450)	(200)	(4,090)
Derivative instruments (Note 10)	(730)	5,710	1,490	1,670
Total other comprehensive income (loss)	(1,530)	1,910	1,490	430
Total comprehensive income	\$ 20,490	\$ 21,510	\$ 42,600	\$ 44,350

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

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

	Six months ended June 30,	
	2019	2018
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 41,110	\$ 43,920
Adjustments to reconcile net income to net cash provided by operating activities, net of acquisition impact:		
Loss on dispositions of assets	40	70
Depreciation	13,070	12,870
Amortization of intangible assets	9,970	9,740
Amortization of debt issue costs	560	740
Deferred income taxes	4,230	6,340
Non-cash compensation expense	3,040	2,620
Increase in receivables	(12,370)	(20,380)
Increase in inventories	(1,130)	(5,880)
Decrease in prepaid expenses and other assets	1,140	8,970
Decrease in accounts payable and accrued liabilities	(29,070)	(7,530)
Other operating activities	(1,310)	140
Net cash provided by operating activities, net of acquisition impact	29,280	51,620
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures	(12,310)	(11,320)
Acquisition of businesses, net of cash acquired	(67,030)	—
Net proceeds from disposition of property and equipment	30	250
Net cash used for investing activities	(79,310)	(11,070)
<b>Cash Flows from Financing Activities:</b>		
Proceeds from borrowings on revolving credit facilities	93,220	59,060
Repayments of borrowings on revolving credit facilities	(92,410)	(68,490)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	(3,230)	(2,380)
Payments to purchase common stock	(15,420)	(2,920)
Net cash used for financing activities	(17,840)	(14,730)
<b>Cash and Cash Equivalents:</b>		
Increase (decrease) for the period	(67,870)	25,820
At beginning of period	108,150	27,580
At end of period	\$ 40,280	\$ 53,400
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 6,190	\$ 7,630
Cash paid for taxes	\$ 11,970	\$ 3,210

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

**TriMas Corporation**  
**Consolidated Statement of Shareholders' Equity**  
**Three and Six Months Ended June 30, 2019 and 2018**  
(Unaudited—dollars in thousands)

	Common Stock	Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
Balances, December 31, 2018	\$ 460	\$ 816,500	\$ (179,660)	\$ (16,850)	\$ 620,450
Net income	—	—	19,090	—	19,090
Other comprehensive income	—	—	—	3,020	3,020
Purchase of common stock	—	(670)	—	—	(670)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	—	(2,620)	—	—	(2,620)
Non-cash compensation expense	—	1,320	—	—	1,320
Impact of accounting standards adoption (Note 2)	—	—	1,190	(1,270)	(80)
Balances, March 31, 2019	\$ 460	\$ 814,530	\$ (159,380)	\$ (15,100)	\$ 640,510
Net income	—	—	22,020	—	22,020
Other comprehensive loss	—	—	—	(1,530)	(1,530)
Purchase of common stock	(10)	(14,740)	—	—	(14,750)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	—	(610)	—	—	(610)
Non-cash compensation expense	—	1,720	—	—	1,720
Balances, June 30, 2019	\$ 450	\$ 800,900	\$ (137,360)	\$ (16,630)	\$ 647,360

	Common Stock	Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
Balances, December 31, 2017	\$ 460	\$ 823,850	\$ (262,960)	\$ (17,330)	\$ 544,020
Net income	—	—	24,320	—	24,320
Other comprehensive loss	—	—	—	(1,480)	(1,480)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	—	(2,300)	—	—	(2,300)
Non-cash compensation expense	—	1,220	—	—	1,220
Balances, March 31, 2018	\$ 460	\$ 822,770	\$ (238,640)	\$ (18,810)	\$ 565,780
Net income	—	—	19,600	—	19,600
Other comprehensive income	—	—	—	1,910	1,910
Purchase of common stock	—	(2,920)	—	—	(2,920)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	—	(80)	—	—	(80)
Non-cash compensation expense	—	1,400	—	—	1,400
Balances, June 30, 2018	\$ 460	\$ 821,170	\$ (219,040)	\$ (16,900)	\$ 585,690

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

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

**1. Basis of Presentation**

TriMas Corporation ("TriMas" or the "Company"), and its consolidated subsidiaries, is a diversified industrial manufacturer of products for customers in the consumer products, aerospace, industrial, petrochemical, refinery and oil and gas end markets.

In the first quarter of 2019, TriMas began reporting its machined components operations, located in Stanton, California and Tolleson, Arizona, in its Specialty Products reportable segment. This change was made in connection with the transition of leadership responsibilities out of Aerospace to Specialty Products, allowing the Company to better leverage the machining competencies and resources of these operations with the other businesses within the Specialty Products reportable segment, as well as provide the Company with the opportunity to expand sales of these products to customers outside of the aerospace market. In addition, this change enables the Company's Aerospace reportable segment to better focus on driving growth and innovation in its aerospace fastener and related product lines. See Note 13, "*Segment Information*," for further information on each of the Company's reportable segments.

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries and, in the opinion of management, contain all adjustments, including adjustments of a normal and recurring nature, necessary for a fair presentation of financial position and results of operations. Results of operations for interim periods are not necessarily indicative of results for the full year. Certain prior year amounts have been reclassified to conform with current year presentation. The accompanying consolidated financial statements and notes thereto should be read in conjunction with the Company's 2018 Annual Report on Form 10-K.

**2. New Accounting Pronouncements**

*Recently Issued Accounting Pronouncements*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-14, "Compensation - Retirement Benefits - Defined Benefit Plans - General (Subtopic 715-20)" ("ASU 2018-14"), which modifies the disclosure requirements for employers who sponsor defined benefit pension or other postretirement plans. ASU 2018-14 is effective for fiscal years ending after December 15, 2020, with early adoption permitted. ASU 2018-14 is to be applied retrospectively to all periods presented. The Company is in the process of assessing the impact of adoption on its consolidated financial statements.

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

*Recently Adopted Accounting Pronouncements*

In February 2018, the FASB issued ASU 2018-02, "Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income" ("ASU 2018-02"), which provides for the option to reclassify stranded tax effects resulting from the Tax Cuts and Jobs Act ("Tax Reform Act") classified within accumulated other comprehensive income (loss) ("AOCI") to retained earnings. The Company adopted ASU 2018-02 on January 1, 2019, and elected to reclassify approximately \$1.3 million in stranded tax effects from accumulated other comprehensive loss to accumulated deficit on the accompanying consolidated balance sheet. The Company's accounting policy is to release the income tax effects from AOCI when a defined benefit plan or a derivative instrument is liquidated and/or settled.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)" ("ASU 2016-02") (the "New Lease Standard"), which requires lessees to recognize a lease liability and right-of-use (ROU) asset on its balance sheet for operating leases. Accounting for finance leases is substantially unchanged. The Company adopted the New Lease Standard on January 1, 2019 using a modified retrospective transition, with the cumulative-effect adjustment to the opening balance of accumulated deficit as of the effective date (the effective date method).

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

As a result of the adoption, the Company recognized approximately \$40 million of right-of-use assets and lease liabilities on its consolidated balance sheet. Additionally, the Company recognized an approximate \$0.1 million cumulative effective adjustment debit, net of tax, to accumulated deficit related to unamortized deferred losses for certain sale-leaseback transactions. The standard did not have an impact on the Company's consolidated statement of income.

### 3. Revenue

The following table presents the Company's disaggregated net sales by primary end market served (dollars in thousands):

Customer End Markets	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Consumer	\$ 81,300	\$ 71,990	\$ 148,790	\$ 136,720
Aerospace	49,510	45,620	95,090	91,430
Industrial	54,880	55,970	109,110	110,320
Oil and gas	53,680	51,330	107,670	103,540
Total net sales	\$ 239,370	\$ 224,910	\$ 460,660	\$ 442,010

The Company's Packaging reportable segment earns revenues from the consumer (comprised of the health, beauty and home care, as well as food and beverage markets) and industrial end markets. The Aerospace reportable segment earns revenues from the aerospace end market. The Specialty Products reportable segment earns revenues from the industrial, oil and gas and aerospace end markets.

### 4. Facility Closures

#### *Bangalore, India facility*

In May 2018, the Company exited its Bangalore, India facility within the Specialty Products reportable segment. In connection with this action, the Company recorded pre-tax charges of approximately \$0.7 million within selling, general and administrative expenses and approximately \$0.6 million within cost of sales related to severance benefits for employees involuntarily terminated, facility closure costs and costs related to the disposal of certain assets.

#### *Reynosa, Mexico facility*

In 2017, the Company ceased production at its Reynosa, Mexico facility within the Specialty Products reportable segment, and recorded a charge within cost of sales for estimated future unrecoverable lease obligations. During the second quarter of 2018, following entry into a sublease agreement for the facility, the Company re-evaluated its estimate of unrecoverable future obligations, and reduced its estimate by approximately \$1.1 million.

### 5. Acquisitions

In April 2019, the Company acquired Taplast S.p.A. ("Taplast"), a designer and manufacturer of dispensers, closures and containers for the beauty and personal care, household, and food and beverage packaging end markets, for an aggregate amount of approximately \$44.6 million, net of cash acquired. Located in both Italy and Slovakia, Taplast serves end markets in Europe and North America and generates approximately \$32 million in annual revenue. Taplast is included in the Company's Packaging reportable segment.

In January 2019, the Company acquired Plastic Srl, a manufacturer of single-bodied and assembled polymeric caps and closures for use in home care product applications, for an aggregate amount of approximately \$22.4 million, net of cash acquired. Located in Forli, Italy, Plastic Srl serves the home care market in Italy and other European countries and generates approximately \$12 million in annual revenue. Plastic Srl is included in the Company's Packaging reportable segment.

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

In connection with these acquisitions, the Company recorded approximately \$0.2 million and \$1.2 million of non-cash purchase accounting-related expenses during the three and six months ended June 30, 2019, respectively. Of these amounts, approximately \$0.9 million was recognized during the six months ended June 30, 2019, within selling, general and administrative expenses, primarily related to the write-off of the Plastic Srl trade name acquired that will not be used. In addition, approximately \$0.2 million and \$0.3 million was recognized during the three and six months ended June 30, 2019, respectively, within cost of sales related to the step-up in value and subsequent sale of inventory.

### 6. Goodwill and Other Intangible Assets

During the three months ended March 31, 2019, in an effort to better align the Company's machining competencies and resources, the Company began reporting its machined products operations within the Specialty Products reportable segment. These operations were previously reported in the Company's Aerospace reportable segment. As a result of the reporting structure change, the Company's previous Aerospace reporting unit was split into two new reporting units, Machined Products and Aerospace. The Company reallocated the goodwill attributed to the previous Aerospace reporting unit on a relative fair value basis between the Machined Products and the new Aerospace reporting units, resulting in an allocation of goodwill of \$12.7 million and \$133.7 million, respectively.

After the reallocation of goodwill, the Company performed a Step I quantitative assessment for both the Machined Products and the new Aerospace reporting units. As part of this assessment, the Company determined that the fair value of the Aerospace reporting unit exceeded its carrying value by more than 34% and the fair value of the Machined Products reporting unit exceeded its carrying value by more than 13%.

Changes in the carrying amount of goodwill for the six months ended June 30, 2019 are summarized as follows (dollars in thousands):

	Packaging	Aerospace	Specialty Products	Total
Balance, December 31, 2018	\$ 163,660	\$ 146,430	\$ 6,560	\$ 316,650
Goodwill from acquisitions	18,340	—	—	18,340
Goodwill reassigned in segment realignment	—	(12,740)	12,740	—
Foreign currency translation and other	(210)	—	—	(210)
Balance, June 30, 2019	<u>\$ 181,790</u>	<u>\$ 133,690</u>	<u>\$ 19,300</u>	<u>\$ 334,780</u>

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

Intangible Category by Useful Life	As of June 30, 2019		As of December 31, 2018	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets:				
Customer relationships, 5 – 12 years	\$ 81,200	\$ (52,550)	\$ 73,450	\$ (48,410)
Customer relationships, 15 – 25 years	132,230	(62,250)	132,230	(58,790)
Total customer relationships	213,430	(114,800)	205,680	(107,200)
Technology and other, 1 – 15 years	57,040	(33,000)	57,020	(31,600)
Technology and other, 17 – 30 years	43,300	(36,610)	43,300	(35,600)
Total technology and other	100,340	(69,610)	100,320	(67,200)
Indefinite-lived intangible assets:				
Trademark/Trade names	47,550	—	42,930	—
Total other intangible assets	<u>\$ 361,320</u>	<u>\$ (184,410)</u>	<u>\$ 348,930</u>	<u>\$ (174,400)</u>

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

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

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Technology and other, included in cost of sales	\$ 1,210	\$ 1,210	\$ 2,410	\$ 2,450
Customer relationships, included in selling, general and administrative expenses	3,830	3,620	7,560	7,290
<b>Total amortization expense</b>	<b>\$ 5,040</b>	<b>\$ 4,830</b>	<b>\$ 9,970</b>	<b>\$ 9,740</b>

## 7. Inventories

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

	June 30, 2019	December 31, 2018
Finished goods	\$ 90,960	\$ 91,780
Work in process	30,210	29,080
Raw materials	59,330	52,260
<b>Total inventories</b>	<b>\$ 180,500</b>	<b>\$ 173,120</b>

## 8. Property and Equipment, Net

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

	June 30, 2019	December 31, 2018
Land and land improvements	\$ 19,210	\$ 15,580
Buildings	88,350	74,110
Machinery and equipment	344,950	318,860
	452,510	408,550
Less: Accumulated depreciation	226,880	220,750
<b>Property and equipment, net</b>	<b>\$ 225,630</b>	<b>\$ 187,800</b>

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

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Depreciation expense, included in cost of sales	\$ 6,470	\$ 6,030	\$ 12,360	\$ 11,840
Depreciation expense, included in selling, general and administrative expenses	370	510	710	1,030
<b>Total depreciation expense</b>	<b>\$ 6,840</b>	<b>\$ 6,540</b>	<b>\$ 13,070</b>	<b>\$ 12,870</b>

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**9. Long-term Debt**

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

	June 30, 2019	December 31, 2018
4.875% Senior Notes due October 2025	\$ 300,000	\$ 300,000
Other debt	60	—
Debt issuance costs	(5,880)	(6,440)
	<u>294,180</u>	<u>293,560</u>
Less: Current maturities, long-term debt	60	—
Long-term debt, net	<u>\$ 294,120</u>	<u>\$ 293,560</u>

*Senior Notes*

In September 2017, the Company issued \$300.0 million aggregate principal amount of 4.875% senior notes due October 15, 2025 ("Senior Notes") at par value in a private placement under Rule 144A of the Securities Act of 1933, as amended. The Senior Notes accrue interest at a rate of 4.875% per annum, payable semi-annually in arrears on April 15 and October 15, commencing on April 15, 2018. The payment of principal and interest is jointly and severally guaranteed, on a senior unsecured basis, by certain subsidiaries of the Company (each a "Guarantor" and collectively the "Guarantors"). The Senior Notes are *pari passu* in right of payment with all existing and future senior indebtedness and subordinated to all existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness.

Prior to October 15, 2020, the Company may redeem up to 35% of the principal amount of the Senior Notes at a redemption price of 104.875% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the net cash proceeds of one or more equity offerings provided that each such redemption occurs within 90 days of the date of closing of each such equity offering. In addition, the Company may redeem all or part of the Senior Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, plus a "make whole" premium. On or after October 15, 2020, the Company may redeem all or part of the Senior Notes at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the twelve-month period beginning on October 15 of the years indicated below:

Year	Percentage
2020	102.438%
2021	101.219%
2022 and thereafter	100.000%

*Credit Agreement*

The Company is a party to a credit agreement ("Credit Agreement") consisting of a \$300.0 million senior secured revolving credit facility, which permits borrowings denominated in specific foreign currencies, subject to a \$125.0 million sub limit, matures on September 20, 2022 and is subject to interest at London Interbank Offered Rate ("LIBOR") plus 1.50%. The interest rate spread is based upon the leverage ratio, as defined, as of the most recent determination date.

The Credit Agreement also provides incremental revolving credit facility commitments in an amount not to exceed the greater of \$200.0 million and an amount such that, after giving effect to such incremental commitments and the incurrence of any other indebtedness substantially simultaneously with the making of such commitments, the senior secured net leverage ratio, as defined, is no greater than 3.00 to 1.00. The terms and conditions of any incremental revolving credit facility commitments must be no more favorable than the existing credit facility.

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The Company's revolving credit facility allows for the issuance of letters of credit, not to exceed \$40.0 million in aggregate. At June 30, 2019, the Company had no amounts outstanding under its revolving credit facility and had approximately \$285.2 million potentially available after giving effect to approximately \$14.8 million of letters of credit issued and outstanding. At December 31, 2018, the Company had no amounts outstanding under its revolving credit facility and had approximately \$284.9 million potentially available after giving effect to approximately \$15.1 million of letters of credit issued and outstanding. After consideration of leverage restrictions contained in the Credit Agreement, the Company had approximately \$285.2 million and \$284.9 million of borrowing capacity available for general corporate purposes at June 30, 2019 and December 31, 2018, respectively.

The debt under the Credit Agreement is an obligation of the Company and certain of its domestic subsidiaries and is secured by substantially all of the assets of such parties. Borrowings under the \$125.0 million (equivalent) foreign currency sub limit of the \$300.0 million senior secured revolving credit facility are secured by a cross-guarantee amongst, and a pledge of the assets of, the foreign subsidiary borrowers that are a party to the agreement. The Credit Agreement also contains various negative and affirmative covenants and other requirements affecting the Company and its subsidiaries, including the ability, subject to certain exceptions and limitations, to incur debt, liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, assets dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted payments, transactions with affiliates, restrictive agreements and amendments to charters, bylaws, and other material documents. The terms of the Credit Agreement also require the Company and its restricted subsidiaries to meet certain restrictive financial covenants and ratios computed quarterly, including a maximum total net leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable securitization facility, less the aggregate amount of certain unrestricted cash and unrestricted permitted investments, as defined, over consolidated EBITDA, as defined), a maximum senior secured net leverage ratio (total consolidated senior secured indebtedness, less the aggregate amount of certain unrestricted cash and unrestricted permitted investments, as defined, over consolidated EBITDA, as defined) and a minimum interest expense coverage ratio (consolidated EBITDA, as defined, over the sum of consolidated cash interest expense, as defined, and preferred dividends, as defined). At June 30, 2019, the Company was in compliance with its financial covenants contained in the Credit Agreement.

#### *Fair Value of Debt*

The valuations of the Senior Notes and other debt were determined based on Level 2 inputs under the fair value hierarchy, as defined. The carrying amounts and fair values were as follows (dollars in thousands):

	June 30, 2019		December 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Senior Notes	\$ 300,000	\$ 303,000	\$ 300,000	\$ 282,750
Other debt	60	60	—	—

## **10. Derivative Instruments**

### *Derivatives Designated as Hedging Instruments*

In October 2018, the Company entered into cross-currency swap agreements to hedge its net investment in Euro-denominated assets against future volatility in the exchange rate between the U.S. dollar and the Euro. By doing so, the Company synthetically converted a portion of its U.S. dollar-based long-term debt into Euro-denominated long-term debt. The agreements have a five year tenor at notional amounts declining from \$125.0 million to \$75.0 million over the contract period. Under the terms of the swap agreements, the Company is to receive net interest payments at a fixed rate of approximately 2.9% of the notional amount. At inception, the cross-currency swaps were designated as net investment hedges.

In October 2018, immediately prior to entering into these cross-currency swap agreements, the Company terminated its existing cross-currency swap agreements, de-designating the swaps as net investment hedges and receiving approximately \$1.1 million of cash. The cross-currency swap agreements were entered into in October 2017 and hedged the Company's net investment in Euro-denominated assets against future volatility in the exchange rate between the U.S. dollar and the Euro. The agreements had a five year tenor at notional amounts declining from \$150.0 million to \$75.0 million over the contract period. Under the terms of the swap agreements, the Company was to receive net interest payments at a fixed rate of approximately 2.1% of the notional amount.

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As of June 30, 2019 and December 31, 2018, the fair value carrying amount of the Company's derivative instruments are recorded as follows (dollars in thousands):

Derivatives designated as hedging instruments	Balance Sheet Caption	Asset / (Liability) Derivatives	
		June 30, 2019	December 31, 2018
<b>Net Investment Hedges</b>			
Cross-currency swaps	Other assets	\$ 2,100	\$ 130

The following table summarizes the income recognized in AOCI on derivative contracts designated as hedging instruments as of June 30, 2019 and December 31, 2018, and the amounts reclassified from AOCI into earnings for the three and six months ended June 30, 2019 and 2018 (dollars in thousands):

Derivatives designated as hedging instruments	Amount of Income Recognized in AOCI on Derivative (Effective Portion, net of tax)		Location of Income (Loss) Reclassified from AOCI into Earnings (Effective Portion)	Amount of Income (Loss) Reclassified from AOCI into Earnings			
	As of June 30, 2019	As of December 31, 2018		Three months ended March 31,		Six months ended June 30,	
				2019	2018	2019	2018
<b>Net Investment Hedges</b>							
Cross-currency swaps	\$ 2,420	\$ 940	Other income (expense), net	\$ —	\$ —	\$ —	\$ —

Over the next 12 months, the Company does not expect to reclassify any pre-tax deferred amounts from AOCI into earnings.

*Derivatives Not Designated as Hedging Instruments*

As of June 30, 2019, the Company was party to foreign currency exchange forward contracts to economically hedge changes in foreign currency rates with notional amounts of approximately \$96.2 million. The Company uses foreign exchange contracts to mitigate the risk associated with fluctuations in currency rates impacting cash flows related to certain of its receivables, payables and intercompany transactions denominated in foreign currencies. The foreign exchange contracts primarily mitigate currency exposures between the U.S. dollar and the Euro, British pound and the Chinese yuan, and have various settlement dates through March 2020. These contracts are not designated as hedge instruments; therefore, gains and losses on these contracts are recognized each period directly into the consolidated statement of income.

The following table summarizes the effects of derivatives not designated as hedging instruments on the Company's consolidated statement of income (dollars in thousands):

Derivatives not designated as hedging instruments	Location of Income Recognized in Earnings on Derivatives	Amount of Income Recognized in Earnings on Derivatives			
		Three months ended March 31,		Six months ended June 30,	
		2019	2018	2019	2018
Foreign exchange contracts	Other income (expense), net	\$ 220	\$ —	\$ 220	\$ —

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*Fair Value of Derivatives*

The fair value of the Company's derivatives are estimated using an income approach based on valuation techniques to convert future amounts to a single, discounted amount. Estimates of the fair value of the Company's cross-currency swaps and foreign exchange contracts use 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 June 30, 2019 and December 31, 2018 are shown below (dollars in thousands):

Description	Frequency	Asset / (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>June 30, 2019</b>					
Cross-currency swaps	Recurring	\$ 2,100	\$ —	\$ 2,100	\$ —
Foreign exchange contracts	Recurring	\$ 220	\$ —	\$ 220	\$ —
<b>December 31, 2018</b>					
Cross-currency swaps	Recurring	\$ 130	\$ —	\$ 130	\$ —

**11. Leases**

The Company leases certain equipment and facilities under non-cancelable operating leases. Leases with an initial term of 12 months or less are not recorded on the balance sheet; expense related to these leases is recognized on a straight-line basis over the lease term.

The components of lease expense are as follows (dollars in thousands):

	Three Months Ended June 30, 2019	Six Months Ended June 30, 2019
Operating lease cost	\$ 2,650	\$ 5,120
Short-term, variable and other lease costs	590	1,190
Total lease cost	\$ 3,240	\$ 6,310

Maturities of lease liabilities are as follows (dollars in thousands):

Year ended December 31,	Operating Leases <sup>(a)</sup>
2019 (excluding the six months ended June 30, 2019)	\$ 5,270
2020	9,900
2021	8,280
2022	5,630
2023	4,470
Thereafter	12,530
Total lease payments	46,080
Less: Imputed interest	(6,430)
Present value of lease liabilities	\$ 39,650

<sup>(a)</sup> The maturity table excludes cash flows associated with exited lease facilities. Liabilities for exited lease facilities are included in accrued liabilities and other long-term liabilities in the accompanying consolidated balance sheet.

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The weighted-average remaining lease term of the Company's operating leases as of June 30, 2019 is approximately 6.1 years. The weighted-average discount rate as of June 30, 2019 is approximately 5.0%.

Cash paid for amounts included in the measurement of operating lease liabilities during the six months ended June 30, 2019 was approximately \$5.1 million, and is included in cash flows provided by operating activities in the consolidated statement of cash flows.

Right-of-use assets obtained in exchange for lease liabilities during the six months ended June 30, 2019 was approximately \$1.9 million.

## 12. Commitments and Contingencies

### Asbestos

As of June 30, 2019, the Company was a party to 366 pending cases involving an aggregate of 4,806 claims primarily alleging personal injury from exposure to asbestos containing materials formerly used in gaskets (both encapsulated and otherwise) manufactured or distributed by certain of its subsidiaries for use primarily in the petrochemical, refining and exploration industries. The following chart summarizes the number of claims, number of claims filed, number of claims dismissed, number of claims settled, the average settlement amount per claim and the total defense costs, excluding amounts reimbursed under the Company's primary insurance, at the applicable date and for the applicable periods:

	Claims pending at beginning of period	Claims filed during period	Claims dismissed during period	Claims settled during period	Claims pending at end of period	Average settlement amount per claim during period	Total defense costs during period
Six Months Ended June 30, 2019	4,820	70	75	9	4,806	\$ 34,856	\$ 1,184,000
Fiscal Year Ended December 31, 2018	5,256	171	564	43	4,820	\$ 7,191	\$ 2,260,000

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 its pending cases relate to locations at which none of its gaskets were distributed or used.

The Company may be subjected to significant additional asbestos-related claims in the future, the cost of settling cases in which product identification can be made may increase, and the Company may be subjected to further claims in respect of the former activities of its acquired gasket distributors. The Company is unable to make a meaningful statement concerning the monetary claims made in the asbestos cases given that, among other things, claims may be initially made in some jurisdictions without specifying the amount sought or by simply stating the requisite or maximum permissible monetary relief, and may be amended to alter the amount sought. The large majority of claims do not specify the amount sought. Of the 4,806 claims pending at June 30, 2019, 61 set forth specific amounts of damages (other than those stating the statutory minimum or maximum). At June 30, 2019, of the 61 claims that set forth specific amounts, there were no claims seeking specific amounts for punitive damages. Below is a breakdown of the amount sought for those claims seeking specific amounts:

Range of damages sought (dollars in millions)	Compensatory		
	\$0.0 to \$0.6	\$0.6 to \$5.0	\$5.0+
Number of claims	—	11	50

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

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Total settlement costs (exclusive of defense costs) for all such cases, some of which were filed over 25 years ago, have been approximately \$9.2 million. All relief sought in the asbestos cases is monetary in nature. To date, approximately 40% of the Company's costs related to settlement and defense of asbestos litigation have been covered by its primary insurance. Effective February 14, 2006, the Company entered into a coverage-in-place agreement with its first level excess carriers regarding the coverage to be provided to the Company for asbestos-related claims when the primary insurance is exhausted. The coverage-in-place agreement makes asbestos defense costs and indemnity insurance coverage available to the Company that might otherwise be disputed by the carriers and provides a methodology for the administration of such expenses. The Company's primary insurance exhausted in November 2018, and the Company will be solely responsible for defense costs and indemnity payments prior to the commencement of coverage under this agreement, the duration of which would be subject to the scope of damage awards and settlements paid.

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

#### *Metaldyne Corporation*

Prior to 2002, the Company was wholly-owned by Metaldyne Corporation ("Metaldyne"). In connection with the reorganization between TriMas and Metaldyne in 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.

In 2007, Metaldyne merged into a subsidiary of Asahi Tec Corporation ("Asahi") whereby Metaldyne became a wholly-owned subsidiary of Asahi, and in 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.

In January 2018, the U.S. Bankruptcy Court entered a final decree to close all remaining cases and finalize the Metaldyne bankruptcy distribution trust, effectively terminating any potential obligation by TriMas to Metaldyne. In consideration of the final decree, the Company removed the obligation from its balance sheet during the first quarter of 2018, resulting in an approximate \$8.2 million non-cash reduction in selling, general and administrative expenses in the accompanying consolidated statement of income.

#### *Claims and Litigation*

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

### **13. Segment Information**

TriMas reports three segments: Packaging, Aerospace, and Specialty Products. Each of these segments has discrete financial information that is regularly evaluated by TriMas' president and chief executive officer (chief operating decision maker) in determining resource, personnel and capital allocation, as well as assessing strategy and performance. The Company utilizes its proprietary TriMas Business Model as a standardized set of processes to manage and drive results and strategy across its multi-industry businesses.

Within the Company's 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** – The Packaging segment, which consists primarily of the Rieke® brand, develops and manufactures specialty dispensing and closure products for the health, beauty and home care, food and beverage, and industrial markets.

**Aerospace** – The Aerospace segment, which includes the Monogram Aerospace Fasteners™, Allfast Fastening Systems® and Mac Fasteners™ brands, develops, qualifies and manufactures highly-engineered, precision fasteners to serve the aerospace market.

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**Specialty Products** – The Specialty Products segment, which includes the Norris Cylinder™, Lamons®, Arrow® Engine and Martinic Engineering™ brands, designs, manufactures and distributes highly-engineered steel cylinders, sealing and fastener products, wellhead engines and compression systems and machined products for use within the industrial, petrochemical, oil and gas exploration and refining and aerospace markets.

Segment activity is as follows (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
<b>Net Sales</b>				
Packaging	\$ 103,990	\$ 95,090	\$ 192,830	\$ 183,290
Aerospace	42,240	39,100	80,570	76,890
Specialty Products	93,140	90,720	187,260	181,830
Total	<u>\$ 239,370</u>	<u>\$ 224,910</u>	<u>\$ 460,660</u>	<u>\$ 442,010</u>
<b>Operating Profit (Loss)</b>				
Packaging	\$ 22,640	\$ 22,810	\$ 40,280	\$ 42,390
Aerospace	7,010	6,450	12,750	11,040
Specialty Products	10,170	10,100	21,030	20,240
Corporate <sup>(a)</sup>	(8,710)	(7,840)	(17,100)	(6,940)
Total	<u>\$ 31,110</u>	<u>\$ 31,520</u>	<u>\$ 56,960</u>	<u>\$ 66,730</u>

<sup>(a)</sup> During the first quarter of 2018, the Company removed an obligation from its balance sheet, resulting in an approximate \$8.2 million non-cash reduction in selling, general and administrative expenses. See Note 12, "Commitments and Contingencies," for further details.

#### 14. Equity Awards

##### Stock Options

The Company did not grant any stock option awards during the six months ended June 30, 2019. Information related to stock options at June 30, 2019 is as follows:

	Number of Stock Options	Weighted Average Option Price	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2019	206,854	\$ 13.19		
Granted	—	—		
Exercised	(56,854)	0.86		
Cancelled	—	—		
Expired	—	—		
Outstanding at June 30, 2019	<u>150,000</u>	<u>\$ 17.87</u>	<u>7.1</u>	<u>\$ 1,965,000</u>

As of June 30, 2019, 100,000 stock options outstanding were exercisable under the Company's long-term equity incentive plans. As of June 30, 2019, there was approximately \$0.1 million of unrecognized compensation cost related to stock options that is expected to be recorded during the third quarter of 2019.

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The Company recognized approximately \$0.1 million of stock-based compensation expense related to stock options during each of the three month periods ended June 30, 2019 and 2018, respectively, and approximately \$0.1 million and \$0.2 million of stock-based compensation expense during the six months ended June 30, 2019 and 2018, respectively. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying consolidated statement of income.

*Restricted Stock Units*

The Company awarded the following restricted stock units ("RSUs") during the six months ended June 30, 2019:

- granted 129,929 RSUs to certain employees, which are subject only to a service condition and vest ratably over three years so long as the employee remains with the Company; and
- granted 25,872 RSUs to its non-employee independent directors, which vest one year from date of grant so long as the director and/or Company does not terminate the director's service prior to the vesting date.

In addition, the Company issued 2,711 RSUs related to director fee deferrals during the six months ended June 30, 2019. The Company allows for its non-employee independent directors to make an annual election to defer all or a portion of their directors fees and to receive the deferred amount in cash or equity. Certain of the Company's directors have elected to defer all or a portion of their directors fees and to receive the amount in Company common stock at a future date.

During 2019, the Company awarded 95,882 performance-based RSUs to certain Company key employees which vest three years from the grant date as long as the employee remains with the Company. These awards are earned 50% based upon the Company's achievement of earnings per share compound annual growth rate ("EPS CAGR") metrics over a period beginning January 1, 2019 and ending December 31, 2021. The remaining 50% of the grants are earned based on the Company's total shareholder return ("TSR") relative to the TSR of the common stock of a pre-defined industry peer-group and measured over the performance period. TSR is calculated as the Company's average closing stock price for the 20-trading days at the end of the performance period plus Company dividends, divided by the Company's average closing stock price for the 20-trading days prior to the start of the performance period. The Company estimates the grant-date fair value subject to a market condition using a Monte Carlo simulation model, using the following weighted average assumptions: risk-free rate of 2.29% and annualized volatility of 26.7%. Depending on the performance achieved for these two metrics, the amount of shares earned, if any, can vary for each metric from 0% of the target award to a maximum of 200% of the target award.

During 2016, the Company awarded performance-based RSUs to certain Company key employees which were earned based upon the Company's TSR relative to the TSR of the common stock of a pre-defined industry peer-group and measured over a period beginning January 1, 2016 and ending on December 31, 2018. Depending on the performance achieved, the amount of shares earned could vary from 0% of the target award to a maximum of 200% of the target award. The Company attained 139.0% of the target on a weighted average basis, resulting in an increase of 38,315 shares during the six months ended June 30, 2019.

Information related to RSUs at June 30, 2019 is as follows:

	Number of Unvested RSUs	Weighted Average Grant Date Fair Value	Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2019	663,128	\$ 26.67		
Granted	292,709	31.17		
Vested	(290,164)	22.30		
Cancelled	(3,420)	26.32		
Outstanding at June 30, 2019	662,253	\$ 30.57	1.4	\$ 20,509,975

As of June 30, 2019, there was approximately \$12.3 million of unrecognized compensation cost related to unvested RSUs that is expected to be recorded over a weighted average period of 2.3 years.

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The Company recognized stock-based compensation expense related to RSUs of approximately \$1.7 million and \$1.3 million during the three months ended June 30, 2019 and 2018, respectively and approximately \$3.0 million and \$2.5 million during the six months ended June 30, 2019 and 2018, respectively. The stock-based compensation expense is included in selling, general and administrative expenses in the accompanying consolidated statement of income.

### 15. Earnings per Share

Net income is divided by the weighted average number of common shares outstanding during the period to calculate basic earnings per share. Diluted earnings per share is calculated to give effect to stock options and RSUs. The following table summarizes the dilutive effect of RSUs and options to purchase common stock for the six months ended June 30, 2019 and 2018:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Weighted average common shares—basic	45,592,075	45,920,307	45,585,445	45,850,137
Dilutive effect of restricted stock units	174,571	176,658	253,796	267,620
Dilutive effect of stock options	61,669	103,792	71,008	97,290
Weighted average common shares—diluted	45,828,315	46,200,757	45,910,249	46,215,047

In February 2019, the Company announced its Board of Directors had authorized the Company to increase the purchase of its common stock up to \$75 million in the aggregate. The previous authorization, approved in November 2015, authorized up to \$50 million in share repurchases. In the three and six months ended June 30, 2019, the Company purchased 502,500 and 527,400 shares of its outstanding common stock for approximately \$14.7 million and \$15.4 million, respectively. During the three and six months ended June 30, 2018, the Company purchased 100,947 shares of its outstanding common stock for approximately \$2.9 million.

### 16. Defined Benefit Plans

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

	Pension Plans			
	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Service costs	\$ 260	\$ 280	\$ 520	\$ 580
Interest costs	270	290	540	590
Expected return on plan assets	(350)	(420)	(700)	(850)
Settlement/curtailment loss	—	2,500	—	2,500
Amortization of net loss	150	240	290	490
Net periodic benefit cost	\$ 330	\$ 2,890	\$ 650	\$ 3,310

The service cost component of net periodic benefit cost is recorded in cost of goods sold and selling, general and administrative expenses, while non-service cost components are recorded in other income (expense), net in the accompanying consolidated statement of income.

During the second quarter of 2018, the Company purchased an annuity contract to transfer certain retiree defined benefit obligations to an insurance company. The annuity contract was funded by plan assets. The Company recognized a one-time settlement charge of approximately \$2.5 million, which is included in other income (expense), net in the accompanying consolidated statement of income.

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The Company contributed approximately \$0.5 million and \$1.0 million to its defined benefit pension plans during the three and six months ended June 30, 2019, respectively. The Company expects to contribute approximately \$1.9 million to its defined benefit pension plans for the full year 2019.

**17. Other Comprehensive Income (Loss)**

Changes in AOCI by component for the six months ended June 30, 2019 are summarized as follows, net of tax (dollars in thousands):

	Defined Benefit Plans	Derivative Instruments	Foreign Currency Translation	Total
Balance, December 31, 2018	\$ (7,200)	\$ 940	\$ (10,590)	\$ (16,850)
Net unrealized gains (losses) arising during the period <sup>(a)</sup>	—	1,490	(200)	1,290
Less: Net realized losses reclassified to net income <sup>(b)</sup>	(200)	—	—	(200)
Net current-period other comprehensive income (loss)	200	1,490	(200)	1,490
Reclassification of stranded tax effects	(1,260)	(10)	—	(1,270)
Balance, June 30, 2019	<u>\$ (8,260)</u>	<u>\$ 2,420</u>	<u>\$ (10,790)</u>	<u>\$ (16,630)</u>

<sup>(a)</sup> Derivative instruments, net of income tax of approximately \$0.5 million. See Note 10, "Derivative Instruments," for further details.

<sup>(b)</sup> Defined benefit plans, net of income tax of approximately \$0.1 million. See Note 16, "Defined Benefit Plans," for further details.

Changes in AOCI by component for the six months ended June 30, 2018 are summarized as follows, net of tax (dollars in thousands):

	Defined Benefit Plans	Derivative Instruments	Foreign Currency Translation	Total
Balance, December 31, 2017	\$ (10,450)	\$ (3,170)	\$ (3,710)	\$ (17,330)
Net unrealized gains (losses) arising during the period <sup>(a)</sup>	—	1,670	(4,090)	(2,420)
Less: Net realized losses reclassified to net income <sup>(b)</sup>	(2,850)	—	—	(2,850)
Net current-period other comprehensive income (loss)	2,850	1,670	(4,090)	430
Balance, June 30, 2018	<u>\$ (7,600)</u>	<u>\$ (1,500)</u>	<u>\$ (7,800)</u>	<u>\$ (16,900)</u>

<sup>(a)</sup> Derivative instruments, net of income tax of approximately \$0.5 million. See Note 10, "Derivative Instruments," for further details.

<sup>(b)</sup> Defined benefit plans, net of income tax of approximately \$0.8 million. See Note 16, "Defined Benefit Plans," for further details.

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

*The following discussion and analysis of our financial condition contains forward-looking statements regarding industry outlook and our expectations regarding the performance of our business. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described under the heading "Forward-Looking Statements," at the beginning of this report. Our actual results may differ materially from those contained in or implied by any forward-looking statements. You should read the following discussion together with the Company's reports on file with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2018.*

### Introduction

We are a diversified global manufacturer and provider of products for customers in the consumer products, aerospace, industrial, petrochemical, refinery, and oil and gas end markets. Our wide range of innovative product solutions are engineered and designed to solve application-specific challenges that our customers face. We believe our businesses share important and distinguishing characteristics, including: well-recognized and leading brand names in the focused markets we serve; innovative product technologies and features; customer approved processes and qualified products; established distribution networks; relatively low ongoing capital investment requirements; strong cash flow conversion and long-term growth opportunities. While the majority of our revenue is in the United States, we manufacture and supply products globally to a wide range of companies. We are principally engaged in three reportable segments: Packaging, Aerospace and Specialty Products.

### Key Factors Affecting Our Reported Results

Our businesses and results of operations depend upon general economic conditions. We serve customers in cyclical industries that are highly competitive and that may be significantly impacted by changes in economic conditions.

Our overall second quarter 2019 financial results were largely consistent with our expectations. We achieved sales increases in each of our reportable segments compared to second quarter 2018 as result of organic growth initiatives as well as incremental sales generated by the two businesses we acquired in 2019. Demand levels in our end markets have been generally stable, except for the upstream oil and gas end market, which softened in second quarter 2019 compared with second quarter 2018 due to reduced drilling investment activity as a result of lower active rig counts in the U.S. and Canada.

The most significant drivers of change in results of operations compared with second quarter 2018 were the impact of our two acquisitions in 2019 and a one-time charge of \$2.5 million related to the settlement of defined benefit obligations in second quarter 2018 that did not repeat in 2019.

We acquired Plastic Srl and Taplast S.p.A. ("Taplast") in January 2019 and April 2019, respectively. Plastic Srl is a manufacturer of single-bodied and assembled polymeric caps and closures for use in home care product applications. Taplast is a designer and manufacturer of dispensers, closures and containers for the beauty and personal care, household, and food and beverage packaging end markets. These acquisitions contributed \$9.6 million of sales during second quarter 2019 within our Packaging reportable segment, and provide opportunities for future growth, as well as additional manufacturing and engineering capacity, in the European market. The current profit margins of these acquired businesses are below those of our Packaging base product lines. While Plastic Srl and Taplast were accretive to second quarter 2019 operating profit dollars, their relative contribution at a lower margin reduced the overall Packaging reportable segment operating profit margin by more than 100 basis points. We expect, over time, to fully integrate these acquisitions utilizing the TriMas Business Model ("TBM"), gaining planned synergies and improving margins over time.

During the second quarter of 2018, we purchased an annuity contract to transfer certain retiree defined benefit obligations to an insurance company. The annuity contract was funded by plan assets. We recognized a one-time settlement charge of approximately \$2.5 million, which is included in other income (expense), net in the accompanying consolidated statement of income.

One additional factor significantly impacting the year-to-date June 2019 versus year-to-date June 2018 results of operations relates to the first quarter 2018 termination of a legacy liability of approximately \$8.2 million, which resulted in a non-cash reduction to corporate office selling, general and administrative expenses. Prior to 2002, we were wholly-owned by Metaldyne Corporation ("Metaldyne"). In connection with the reorganization between TriMas and Metaldyne in June 2002, we 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. Metaldyne and its U.S. subsidiaries filed voluntary petitions in the United States Bankruptcy Court under Chapter 11 of the U.S. Bankruptcy Code in 2009. In January 2018, the U.S. Bankruptcy Court entered a final decree to close all remaining cases and finalize the Metaldyne bankruptcy distribution trust, effectively terminating any potential obligation by TriMas to Metaldyne.

*Additional Key Risks that May Affect Our Reported Results*

Critical factors affecting our ability to succeed include: our ability to create organic growth through product development, cross-selling and extending product-line offerings, and our ability to quickly and cost-effectively introduce new products; our ability to acquire and integrate companies or products that supplement existing product lines, add new distribution channels or customers, expand our geographic coverage or enable better absorption of overhead costs; our ability to manage our cost structure more efficiently via supply base management, internal sourcing and/or purchasing of materials, selective outsourcing and/or purchasing of support functions, working capital management, and greater leverage of our administrative functions.

Our overall business does not experience significant seasonal fluctuation, other than our fourth quarter, which has tended to be the lowest net sales quarter of the year due to holiday shutdowns at certain customers or other customers deferring purchases to the following year. Given the short-cycle nature of most of our businesses, we do not consider sales order backlog to be a material factor. A growing amount of our sales is derived from international sources, which exposes us to certain risks, including currency risks.

We are sensitive to price movements in our raw materials supply base. Our largest material purchases are for resins (such as polypropylene and polyethylene), steel, aluminum and other oil and metal-based purchased components. In mid 2018, material costs began to rise, increasing through the remainder of 2018, primarily as a direct and indirect result of foreign trade policy changes. These cost increases primarily related to oil and metal-based commodities. We took swift actions, and continue to take actions, to mitigate such cost increases, including implementing commercial pricing adjustments, resourcing to alternate suppliers and insourcing of previously sourced products to better leverage our global manufacturing footprint. As a result of these actions, as well as softening of certain underlying commodity costs, we have largely mitigated the impact such that material costs were not a significant driver of year-over-year profit change. Although we believe we are generally able to mitigate the impact of higher commodity costs, we may experience additional material costs and disruptions in supply in the future and may not be able to pass along higher costs to our customers in the form of price increases or otherwise mitigate the impacts to our operating results.

Certain of our businesses in our Specialty Products reportable segment are sensitive to the demand for natural gas and crude oil in North America. For example, demand for our Arrow Engine business' engine, pump jack and compressor products are impacted by active oil and gas rig counts and wellhead investment activities. In addition, a small portion of our Lamons business serves upstream customers at oil well sites that are impacted by fluctuating oil prices. The majority of the Lamons business provides sealing and fastening products to oil refineries and petrochemical plants, which may or may not decide to incur capital expenditures for their preventive maintenance or capacity expansion activities during times of fluctuating oil prices. Separately, oil-based commodity costs are a significant driver of raw materials and purchased components used within our Packaging reportable segment. Although we have escalator/de-escalator clauses in commercial contracts with certain of our customers, or can modify prices based on market conditions to recover higher costs, we cannot be assured of full cost recovery in the open market.

Each year, as a core tenet of the TBM, our businesses target cost savings from Kaizen and continuous improvement initiatives in an effort to reduce input and conversion costs and/or increase throughput and yield rates with a goal of at least covering inflationary and market cost increases. In addition, we continuously review our cost structures to ensure alignment with current market demand.

We continue to evaluate alternatives to redeploy the cash generated by our businesses, one of which includes returning capital to our shareholders. In February 2019, we announced our Board of Directors had authorized the Company to increase the purchase of its common stock up to \$75 million in the aggregate. The previous authorization, approved in November 2015, authorized up to \$50 million in share repurchases. In the three and six months ended June 30, 2019, we purchased 502,500 and 527,400 shares of our outstanding common stock, each of which represents more than 1% of our outstanding common shares as of December 31, 2018, for approximately \$14.7 million and \$15.4 million, respectively. During the three and six months ended June 30, 2018, we purchased 100,947 shares of our outstanding common stock for approximately \$2.9 million. We will continue to evaluate opportunities to return capital to shareholders through the purchase of our common stock, depending on market conditions and other factors.

**Segment Information and Supplemental Analysis**

The following table summarizes financial information for our reportable segments for the three months ended June 30, 2019 and 2018 (dollars in thousands):

	Three months ended June 30,			
	2019	As a Percentage of Net Sales	2018	As a Percentage of Net Sales
<b>Net Sales</b>				
Packaging	\$ 103,990	43.4%	\$ 95,090	42.3%
Aerospace	42,240	17.7%	39,100	17.4%
Specialty Products	93,140	38.9%	90,720	40.3%
Total	<u>\$ 239,370</u>	<u>100.0%</u>	<u>\$ 224,910</u>	<u>100.0%</u>
<b>Gross Profit</b>				
Packaging	\$ 32,740	31.5%	\$ 31,630	33.3%
Aerospace	11,940	28.3%	11,420	29.2%
Specialty Products	20,670	22.2%	21,730	24.0%
Total	<u>\$ 65,350</u>	<u>27.3%</u>	<u>\$ 64,780</u>	<u>28.8%</u>
<b>Selling, General and Administrative Expenses</b>				
Packaging	\$ 10,100	9.7%	\$ 8,820	9.3%
Aerospace	4,930	11.7%	4,960	12.7%
Specialty Products	10,500	11.3%	11,640	12.8%
Corporate	8,710	N/A	7,840	N/A
Total	<u>\$ 34,240</u>	<u>14.3%</u>	<u>\$ 33,260</u>	<u>14.8%</u>
<b>Operating Profit (Loss)</b>				
Packaging	\$ 22,640	21.8%	\$ 22,810	24.0%
Aerospace	7,010	16.6%	6,450	16.5%
Specialty Products	10,170	10.9%	10,100	11.1%
Corporate	(8,710)	N/A	(7,840)	N/A
Total	<u>\$ 31,110</u>	<u>13.0%</u>	<u>\$ 31,520</u>	<u>14.0%</u>
<b>Depreciation</b>				
Packaging	\$ 3,800	3.7%	\$ 3,340	3.5%
Aerospace	1,490	3.5%	1,490	3.8%
Specialty Products	1,480	1.6%	1,640	1.8%
Corporate	70	N/A	70	N/A
Total	<u>\$ 6,840</u>	<u>2.9%</u>	<u>\$ 6,540</u>	<u>2.9%</u>
<b>Amortization</b>				
Packaging	\$ 2,480	2.4%	\$ 2,270	2.4%
Aerospace	2,000	4.7%	2,030	5.2%
Specialty Products	560	0.6%	530	0.6%
Corporate	—	N/A	—	N/A
Total	<u>\$ 5,040</u>	<u>2.1%</u>	<u>\$ 4,830</u>	<u>2.1%</u>

The following table summarizes financial information for our reportable segments for the six months ended June 30, 2019 and 2018 (dollars in thousands):

	Six months ended June 30,			
	2019	As a Percentage of Net Sales	2018	As a Percentage of Net Sales
<b>Net Sales</b>				
Packaging	\$ 192,830	41.9%	\$ 183,290	41.5%
Aerospace	80,570	17.5%	76,890	17.4%
Specialty Products	187,260	40.6%	181,830	41.1%
Total	<u>\$ 460,660</u>	<u>100.0%</u>	<u>\$ 442,010</u>	<u>100.0%</u>
<b>Gross Profit</b>				
Packaging	\$ 60,710	31.5%	\$ 60,860	33.2%
Aerospace	23,140	28.7%	21,480	27.9%
Specialty Products	41,320	22.1%	42,820	23.5%
Total	<u>\$ 125,170</u>	<u>27.2%</u>	<u>\$ 125,160</u>	<u>28.3%</u>
<b>Selling, General and Administrative Expenses</b>				
Packaging	\$ 20,430	10.6%	\$ 18,470	10.1%
Aerospace	10,390	12.9%	10,440	13.6%
Specialty Products	20,290	10.8%	22,580	12.4%
Corporate	17,100	N/A	6,940	N/A
Total	<u>\$ 68,210</u>	<u>14.8%</u>	<u>\$ 58,430</u>	<u>13.2%</u>
<b>Operating Profit (Loss)</b>				
Packaging	\$ 40,280	20.9%	\$ 42,390	23.1%
Aerospace	12,750	15.8%	11,040	14.4%
Specialty Products	21,030	11.2%	20,240	11.1%
Corporate	(17,100)	N/A	(6,940)	N/A
Total	<u>\$ 56,960</u>	<u>12.4%</u>	<u>\$ 66,730</u>	<u>15.1%</u>
<b>Depreciation</b>				
Packaging	\$ 7,060	3.7%	\$ 6,560	3.6%
Aerospace	2,950	3.7%	2,950	3.8%
Specialty Products	2,920	1.6%	3,220	1.8%
Corporate	140	N/A	140	N/A
Total	<u>\$ 13,070</u>	<u>2.8%</u>	<u>\$ 12,870</u>	<u>2.9%</u>
<b>Amortization</b>				
Packaging	\$ 4,850	2.5%	\$ 4,570	2.5%
Aerospace	4,010	5.0%	4,060	5.3%
Specialty Products	1,110	0.6%	1,110	0.6%
Corporate	—	N/A	—	N/A
Total	<u>\$ 9,970</u>	<u>2.2%</u>	<u>\$ 9,740</u>	<u>2.2%</u>

#### Results of Operations

The principal factors impacting us during the three months ended June 30, 2019, compared with the three months ended June 30, 2018, were:

- increased sales levels in all three reportable segments, primarily driven by growth in our health, beauty and home care end market within our Packaging reportable segment and increased throughput within our Aerospace reportable segment;
- the impact of our Plastic Srl and Taplast acquisitions in 2019 within our Packaging reportable segment; and
- the recognition of a one-time, non-cash settlement charge of approximately \$2.5 million in second quarter 2018 related to our decision to purchase an annuity contract to transfer certain U.S. pension obligations to an insurance company.

### Three Months Ended June 30, 2019 Compared with Three Months Ended June 30, 2018

Overall, net sales increased approximately \$14.5 million, or 6.4%, to \$239.4 million for the three months ended June 30, 2019, as compared with \$224.9 million in the three months ended June 30, 2018. The acquisitions of Taplast, in April 2019, and Plastic Srl, in January 2019, contributed approximately \$9.6 million of sales in our Packaging reportable segment. Sales of our historical businesses increased by approximately \$6.8 million, primarily driven by approximately \$4.0 million higher sales within our Packaging reportable segment's health, beauty and home care products and \$3.1 million higher sales within our Aerospace reportable segment. These increases were partially offset by approximately \$2.0 million of net unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Gross profit margin (gross profit as a percentage of sales) approximated 27.3% and 28.8% for the three months ended June 30, 2019 and 2018, respectively. Gross profit margin decreased, as the impact of higher sales levels was more than offset by a less favorable product sales mix, resulting from higher levels of growth in our lower gross margin reportable segments, as well as due to the recent acquisitions yielding lower gross profit margins. Gross profit margin further declined due to a \$1.1 million reduction in expense in second quarter 2018 related to a change in our estimate of future unrecoverable lease obligations for our former Reynosa, Mexico facility that did not repeat in 2019, and as a result of unfavorable currency exchange.

Operating profit margin (operating profit as a percentage of sales) approximated 13.0% and 14.0% for the three months ended June 30, 2019 and 2018, respectively. Operating profit decreased approximately \$0.4 million, or 1.3%, to \$31.1 million for the three months ended June 30, 2019, from \$31.5 million for the three months ended June 30, 2018. Operating profit and related margin declined as the impact of higher sales levels was more than offset by a less favorable product sales mix, increases in purchase accounting expenses and professional fees supporting corporate development activities, and as a result of unfavorable currency exchange.

Interest expense remained flat at approximately \$3.5 million for the three months ended June 30, 2019 and 2018, as there was no significant change in our debt structure, and the majority of the borrowings are at a fixed rate.

Other income (expense), net decreased approximately \$3.5 million, to \$1.3 million of other income, net for the three months ended June 30, 2019, as compared to \$2.2 million of other expense, net for the three months ended June 30, 2018, primarily due to a one-time charge of \$2.5 million related to the settlement of defined benefit obligations in second quarter 2018 that did not repeat in second quarter 2019, and an increase in gains on transactions denominated in foreign currencies.

The effective income tax rate for the three months ended June 30, 2019 and 2018 was 24.0% and 24.2%, respectively. The decrease in the rate was primarily a result of generating fewer losses at certain foreign subsidiaries where no tax benefit could be recorded in the three months ended June 30, 2019 as compared to the three months ended June 30, 2018.

Net income increased approximately \$2.4 million, to \$22.0 million for the three months ended June 30, 2019, as compared to \$19.6 million for the three months ended June 30, 2018. The increase in net income was the result of a decrease in other income (expense), net of approximately \$3.5 million, partially offset by an increase in income tax expense of approximately \$0.7 million and a decrease in operating profit of approximately \$0.4 million.

See below for a discussion of operating results by segment.

**Packaging.** Net sales increased approximately \$8.9 million, or 9.4%, to \$104.0 million in the three months ended June 30, 2019, as compared to \$95.1 million in the three months ended June 30, 2018. The acquisitions of Taplast, in April 2019, and Plastic Srl, in January 2019, contributed approximately \$9.6 million of sales. Sales of our health, beauty and home care products increased approximately \$4.0 million, primarily due to higher demand in North America and Europe. These increases were partially offset by a decrease in sales of our food and beverage products of approximately \$2.8 million, primarily due to lower sales of pumps as well as softer overall end market demand in North America. Sales of our industrial products declined by approximately \$0.2 million due to lower end market demand in North America. Additionally, net sales decreased by approximately \$1.7 million due to unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Packaging's gross profit increased approximately \$1.1 million to \$32.7 million, or 31.5% of sales, in the three months ended June 30, 2019, as compared to \$31.6 million, or 33.3% of sales, in the three months ended June 30, 2018. Although gross profit dollars increased due to higher sales, gross profit margin declined primarily due to a less favorable product sales mix, as our acquired companies have lower margins than the Packaging base business, impacting our gross margin by more than 100 basis points. In addition, our health, beauty and home care end market products comprised a larger percentage of net sales in second quarter 2019, and yield a lower gross profit margin than the remainder of this segment. Lastly, gross profit decreased by approximately \$0.7 million due to unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Packaging's selling, general and administrative expenses increased approximately \$1.3 million to \$10.1 million, or 9.7% of sales, in the three months ended June 30, 2019, as compared to \$8.8 million, or 9.3% of sales, in the three months ended June 30, 2018, primarily due higher ongoing selling, general and administrative costs associated with our 2019 acquisitions.

Packaging's operating profit decreased approximately \$0.2 million to \$22.6 million, or 21.8% of sales, in the three months ended June 30, 2019, as compared to \$22.8 million, or 24.0% of sales, in the three months ended June 30, 2018, as the impact of a less favorable product sales mix and unfavorable foreign currency exchange more than offset the impact of higher sales levels.

**Aerospace.** Net sales for the three months ended June 30, 2019 increased approximately \$3.1 million, or 8.0%, to \$42.2 million, as compared to \$39.1 million in the three months ended June 30, 2018, due to steady demand levels for fastener products combined with improved production throughput at our Commerce, California and Ottawa, Kansas manufacturing facilities.

Gross profit within Aerospace increased approximately \$0.5 million to \$11.9 million, or 28.3% of sales, in the three months ended June 30, 2019, from \$11.4 million, or 29.2% of sales, in the three months ended June 30, 2018, primarily due to the higher sales levels, while gross profit margins slightly declined due to a less favorable product sales mix, with a higher percentage of standard fastener sales in second quarter 2019 as a result of improved production throughput at our Ottawa, Kansas manufacturing facility.

Selling, general and administrative expenses decreased approximately \$0.1 million to approximately \$4.9 million, or 11.7% of sales, in the three months ended June 30, 2019, as compared to \$5.0 million, or 12.7% of sales, in the three months ended June 30, 2018, as a result of leveraging the higher sales levels without additional selling costs.

Operating profit within Aerospace increased approximately \$0.6 million to \$7.0 million, or 16.6% of sales, in the three months ended June 30, 2019, as compared to \$6.5 million, or 16.5% of sales in the three months ended June 30, 2018, primarily due to higher sales levels.

**Specialty Products.** Net sales for the three months ended June 30, 2019 increased approximately \$2.4 million, or 2.7%, to \$93.1 million, as compared to \$90.7 million in the three months ended June 30, 2018. Sales of our oil and gas related products increased by approximately \$2.5 million, primarily as a result of increased petrochemical and refining-customer demand in North America, which more than offset lower sales of engines, compressors and related parts used in upstream applications due to lower drilling investment activity as a result of lower rig counts in the U.S. and Canada. Sales also increased by approximately \$0.8 million due to increased demand for our machined components products. Sales of our industrial products decreased by approximately \$0.7 million due to decreased demand for both high pressure and acetylene steel cylinders, which we believe was due to U.S. weather-related delays in the typical spring and summer heating, ventilation and air conditioning ("HVAC") selling season. In addition, net sales decreased by approximately \$0.2 million of net unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Gross profit within Specialty Products decreased approximately \$1.0 million to \$20.7 million, or 22.2% of sales, in the three months ended June 30, 2019, as compared to \$21.7 million, or 24.0% of sales, in the three months ended June 30, 2018. In second quarter 2018, we reduced our estimate of future unrecoverable lease obligations related to the closure of our former Reynosa, Mexico facility by \$1.1 million. This reduction did not repeat in 2019. In addition, gross profit decreased from second quarter 2018 levels as a result of higher freight and conversion costs.

Selling, general and administrative expenses within Specialty Products decreased approximately \$1.1 million to \$10.5 million, or 11.3% of sales, in the three months ended June 30, 2019, as compared to \$11.6 million, or 12.8% of sales, in the three months ended June 30, 2018, primarily due to approximately \$0.7 million of severance and restructuring costs associated with the exit of our Bangalore, India facility in the second quarter of 2018 that did not repeat, and leverage of our lower cost footprint.

Operating profit within Specialty Products increased approximately \$0.1 million to \$10.2 million, or 10.9% of sales, in the three months ended June 30, 2019, as compared to \$10.1 million, or 11.1% of sales, in the three months ended June 30, 2018. Operating profit and related margin was essentially flat, as the impact of higher sales levels, freight and conversion costs in second quarter 2019 were offset by restructuring-related items in second quarter 2018 related to our Bangalore, India and Reynosa, Mexico facilities that did not repeat in 2019.

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

	Three months ended June 30,	
	2019	2018
Corporate operating expenses	\$ 5.9	\$ 5.9
Non-cash stock compensation	1.7	1.4
Legacy expenses	1.1	0.5
Corporate expenses	<u>\$ 8.7</u>	<u>\$ 7.8</u>

Corporate expenses increased approximately \$0.9 million to \$8.7 million for the three months ended June 30, 2019, from \$7.8 million for the three months ended June 30, 2018. Corporate operating expenses remained flat at approximately \$5.9 million for the three months ended June 30, 2019 and 2018, as an increase in professional fees related to corporate development activities was offset by a decrease in expense related to the timing and estimated attainment of our annual incentive compensation plans. Legacy expenses increased approximately \$0.6 million, primarily due to reductions of certain of our legacy liabilities in 2018 that did not repeat in 2019. Non-cash stock compensation increased approximately \$0.3 million, primarily due to the timing and amount of equity grants in 2019 compared with 2018.

#### Six Months Ended June 30, 2019 Compared with Six Months Ended June 30, 2018

Overall, net sales increased approximately \$18.7 million, or 4.2%, to \$460.7 million for the six months ended June 30, 2019, as compared with \$442.0 million in the six months ended June 30, 2018. The acquisitions of Taplast, in April 2019, and Plastic Srl, in January 2019, contributed approximately \$12.5 million of sales in our Packaging reportable segment. Sales of our historical businesses increased by approximately \$10.4 million. The primary drivers of this increase were approximately \$9.0 million higher sales within our Packaging reportable segment's health, beauty and home care products, \$4.6 million higher sales in our oil and gas-related products within our Specialty Products reportable segment and \$3.7 million higher sales within our Aerospace reportable segment, which were partially offset by approximately \$6.3 million lower sales of our industrial and food and beverage products in our Packaging reportable segment. Our sales were also impacted by \$4.2 million of net unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Gross profit margin (gross profit as a percentage of sales) approximated 27.2% and 28.3% for the six months ended June 30, 2019 and 2018, respectively. Gross profit margin decreased, as the impact of higher sales levels was more than offset by a less favorable product sales mix, resulting from higher levels of growth in our lower gross margin reportable segments, as well as due to the recent acquisitions yielding lower gross profit margins. Gross profit margin further declined due to a \$1.1 million reduction in expense in the first half of 2018 related to a change in our estimate of future unrecoverable lease obligations for our former Reynosa, Mexico facility that did not repeat in the first half of 2019, and as a result of unfavorable currency exchange.

Operating profit margin (operating profit as a percentage of sales) approximated 12.4% and 15.1% for the six months ended June 30, 2019 and 2018, respectively. Operating profit decreased approximately \$9.8 million, or 14.6%, to \$57.0 million for the six months ended June 30, 2019, compared to \$66.7 million for the six months ended June 30, 2018. The primary driver of this year-over-year decrease in operating profit and related margin was an approximately \$8.2 million non-cash reduction of our recorded liability to Metaldyne in first quarter 2018 following the U.S. Bankruptcy Court's final decree to close all remaining cases and terminate the Metaldyne bankruptcy distribution trust. Operating profit and related margin further declined as the impact of higher sales levels was more than offset by a less favorable product sales mix, increases in purchase accounting expenses and professional fees supporting corporate development activities, and as a result of unfavorable currency exchange.

Interest expense decreased approximately \$0.3 million, to \$6.9 million, for the six months ended June 30, 2019, as compared to \$7.2 million for the six months ended June 30, 2018, as a result of a decrease in our variable interest rates and lower weighted average borrowings.

Other income (expense), net decreased approximately \$3.4 million, to \$0.7 million of other income, net for the six months ended June 30, 2019, from \$2.7 million of other expense, net for the six months ended June 30, 2018, primarily due to a one-time charge of \$2.5 million related to the settlement of defined benefit obligations in second quarter 2018 that did not repeat in second quarter 2019, and an increase in gains on transactions denominated in foreign currencies.

The effective income tax rate for the six months ended June 30, 2019 and 2018 was 18.9% and 22.7%, respectively. The decrease in the rate was primarily a result of discrete items that occurred during the first quarter of 2019, including the reversal of uncertain tax benefits for which the statute of limitations expired, excess tax benefits related to share based compensation that vested in first quarter 2019, and a reduction in deferred tax liabilities resulting from the implementation of state tax planning initiatives. In addition, we generated fewer losses at certain foreign subsidiaries where no tax benefit could be recorded in the six months ended June 30, 2019 as compared to the six months ended June 30, 2018.

Net income decreased by approximately \$2.8 million, to \$41.1 million for the six months ended June 30, 2019, compared to \$43.9 million for the six months ended June 30, 2018. The decrease was primarily the result of a decrease in operating profit of approximately \$9.8 million, partially offset by a decrease in other income (expense), net of approximately \$3.4 million, a decrease in income tax expense of approximately \$3.3 million, and a decrease in interest expense of approximately \$0.3 million.

See below for a discussion of operating results by segment.

**Packaging.** Net sales increased approximately \$9.5 million, or 5.2%, to \$192.8 million in the six months ended June 30, 2019, as compared to \$183.3 million in the six months ended June 30, 2018. The Taplast and Plastic Srl acquisitions contributed approximately \$12.5 million in the first half of 2019. Sales of our health, beauty and home care products increased approximately \$9.0 million, primarily due to higher demand in North America and Europe as well as continued sales growth in Asia. These increases were partially offset by a decrease in sales of our food and beverage products by approximately \$6.3 million, primarily due to lower sales of pumps as well as softer overall end market demand in North America. Sales of our industrial products declined by approximately \$1.9 million due to lower end market demand in North America, in part due to the unusually cold weather in the first quarter of 2019. Additionally, net sales decreased by approximately \$3.8 million due to unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Packaging's gross profit decreased approximately \$0.2 million to \$60.7 million, or 31.5% of sales, in the six months ended June 30, 2019, as compared to \$60.9 million, or 33.2% of sales, in the six months ended June 30, 2018. Gross profit decreased by approximately \$1.5 million due to unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies. In addition, while gross profit dollars increased as a result of higher sales levels, gross profit margin declined due to a less favorable product sales mix, as the acquired businesses have lower margins than the Packaging base business, impacting first half 2019 gross margin by nearly 100 basis points. In addition, our health, beauty and home care end market products comprised a larger percentage of net sales in the first half of 2019, and yield a lower gross profit margin than sales to our other end markets.

Packaging's selling, general and administrative expenses increased approximately \$2.0 million to \$20.4 million, or 10.6% of sales, in the six months ended June 30, 2019, as compared to \$18.5 million, or 10.1% of sales, in the six months ended June 30, 2018, primarily due to higher ongoing selling, general and administrative costs associated with our 2019 acquisitions as well as non-cash purchase accounting-related expenses of approximately \$0.8 million related to the write-off of the trade name acquired in the Plastic Srl acquisition that will not be used.

Packaging's operating profit decreased approximately \$2.1 million to \$40.3 million, or 20.9% of sales, in the six months ended June 30, 2019, as compared to \$42.4 million, or 23.1% of sales, in the six months ended June 30, 2018, as the impact of unfavorable foreign currency exchange, a less favorable product sales mix and higher selling, general and administrative expenses more than offset the impact of higher sales levels.

**Aerospace.** Net sales for the six months ended June 30, 2019 increased approximately \$3.7 million, or 4.8%, to \$80.6 million, as compared to \$76.9 million in the six months ended June 30, 2018, due to steady demand levels for fastener products combined with improved production throughput in second quarter 2019 at our Commerce, California and Ottawa, Kansas manufacturing facilities.

Gross profit within Aerospace increased approximately \$1.7 million to \$23.1 million, or 28.7% of sales, in the six months ended June 30, 2019, from \$21.5 million, or 27.9% of sales, in the six months ended June 30, 2018, primarily due to the higher sales levels and improved production efficiencies.

Selling, general and administrative expenses remained relatively flat at approximately \$10.4 million, or 12.9% of sales, in the six months ended June 30, 2019, as compared to \$10.4 million, or 13.6% of sales, in the six months ended June 30, 2018, as lower ongoing selling expenses were offset by approximately \$0.4 million of professional fees incurred in the first quarter of 2019 to analyze our standard fastener product line and recommend opportunities to improve.

Operating profit within Aerospace increased approximately \$1.7 million to \$12.8 million, or 15.8% of sales, in the six months ended June 30, 2019, as compared to \$11.0 million, or 14.4% of sales, in the six months ended June 30, 2018, primarily due to higher sales levels and improved production efficiencies.

**Specialty Products.** Net sales for the six months ended June 30, 2019 increased approximately \$5.5 million, or 3.0%, to \$187.3 million, as compared to \$181.8 million in the six months ended June 30, 2018. Sales of our oil and gas related products increased by approximately \$4.6 million, primarily as a result of increased petrochemical and refining-customer demand in North America, which more than offset lower sales of engines, compressors and related parts used in upstream applications due to lower drilling investment activity as a result of lower rig counts in the U.S. and Canada. Sales of our industrial products increased by approximately \$1.3 million, primarily due to increased demand for specialty steel cylinders, which more than offset lower sales of high pressure and acetylene steel cylinder sales. In addition, net sales decreased by approximately \$0.4 million of net unfavorable currency exchange, as our reported results in U.S. dollars were negatively impacted as a result of the stronger U.S. dollar relative to foreign currencies.

Gross profit within Specialty Products decreased approximately \$1.5 million to \$41.3 million, or 22.1% of sales, in the six months ended June 30, 2019, as compared to \$42.8 million, or 23.5% of sales, in the six months ended June 30, 2018. In second quarter 2018, we reduced our estimate of future unrecoverable lease obligations related to the closure of our former Reynosa, Mexico facility by \$1.1 million. This reduction did not repeat in 2019. In addition, gross profit decreased from first half 2018 levels as a result of higher freight and conversion costs.

Selling, general and administrative expenses within Specialty Products decreased approximately \$2.3 million to \$20.3 million, or 10.8% of sales, in the six months ended June 30, 2019, as compared to \$22.6 million, or 12.4% of sales, in the six months ended June 30, 2018, primarily due to leverage of our lower cost footprint, as well as approximately \$0.7 million of severance and restructuring costs associated with the exit of our Bangalore, India facility in 2018 that did not repeat in 2019.

Operating profit within Specialty Products increased approximately \$0.8 million to \$21.0 million, or 11.2% of sales, in the six months ended June 30, 2019, as compared to \$20.2 million, or 11.1% of sales, in the six months ended June 30, 2018, primarily due to lower selling, general and administrative spending in the first half of 2019, which was partially offset by higher freight and conversion costs in the first half of 2019 and reduction in a lease obligation in 2018 that did not repeat in 2019.

**Corporate.** Corporate expenses, net consist of the following (dollars in millions):

	Six months ended June 30,	
	2019	2018
Corporate operating expenses	\$ 11.8	\$ 11.2
Non-cash stock compensation	3.0	2.6
Legacy (income) expenses, net	2.3	(6.9)
Corporate expenses, net	<u>\$ 17.1</u>	<u>\$ 6.9</u>

Corporate expenses, net increased approximately \$10.2 million to \$17.1 million for the six months ended June 30, 2019, from \$6.9 million for the six months ended June 30, 2018. Legacy (income) expenses, net increased approximately \$9.2 million, primarily due to the termination of the liability to Metaldyne in first quarter 2018, which resulted in an approximate \$8.2 million non-cash reduction in legacy (income) expenses, net. Corporate operating expenses increased approximately \$0.6 million, primarily due to an increase in professional fees related to corporate development activities. Non-cash stock compensation increased approximately \$0.4 million, primarily due to the timing and amount of equity grants in 2019 compared with 2018.

## Liquidity and Capital Resources

### Cash Flows

Cash flows provided by operating activities were approximately \$29.3 million for the six months ended June 30, 2019, as compared to approximately \$51.6 million for the six months ended June 30, 2018. Significant changes in cash flows provided by operating activities and the reasons for such changes were as follows:

- For the six months ended June 30, 2019, the Company generated approximately \$70.7 million of cash, based on the reported net income of approximately \$41.1 million and after considering the effects of non-cash items related to depreciation, amortization, loss on dispositions of assets, changes in deferred income taxes, stock-based compensation and other operating activities. For the six months ended June 30, 2018, the Company generated approximately \$76.4 million in cash flows based on the reported net income of approximately \$43.9 million and after considering the effects of similar non-cash items.
- Increases in accounts receivable resulted in a use of cash of approximately \$12.4 million and \$20.4 million for the six months ended June 30, 2019 and 2018, respectively. The increased use of cash for each of the six month periods is due primarily to the timing of sales and collection of cash related thereto within the periods. Days sales outstanding of receivables increased by approximately three days.
- We increased our investment in inventory by approximately \$1.1 million and \$5.9 million for the six months ended June 30, 2019 and 2018, respectively, primarily as a result of operating at higher production levels to support sales growth, plus additional procurement of China-sourced inventory ahead of anticipated tariff increases.
- Decreases in prepaid expenses and other assets resulted in a use of cash of approximately \$1.1 million and \$9.0 million for the six months ended June 30, 2019 and 2018, respectively, primarily as a result of the timing of payments made for income taxes and certain operating expenses.
- Decreases in accounts payable and accrued liabilities resulted in a use of cash of approximately \$29.1 million and \$7.5 million for the six months ended June 30, 2019 and 2018, respectively, primarily as a result of the timing of payments made to suppliers and the mix of vendors and related terms. The decrease in accounts payable and accrued liabilities for the six months ended June 30, 2018 was further impacted by an approximate \$8.2 million non-cash reduction in an obligation.

Net cash used for investing activities for the six months ended June 30, 2019 and 2018 was approximately \$79.3 million and \$11.1 million, respectively. During the first six months of 2019, we paid approximately \$67.0 million, net of cash acquired, to acquire Plastic Srl and Taplast. We also incurred approximately \$12.3 million in capital expenditures, as we continued our investment in growth, capacity and productivity-related capital projects. During the first six months of 2018, we incurred approximately \$11.3 million in capital expenditures and received cash from the disposition of property and equipment of approximately \$0.3 million.

Net cash used for financing activities for the six months ended June 30, 2019 and 2018 was approximately \$17.8 million and \$14.7 million, respectively. During the first six months of 2019, we received proceeds from borrowings, net of repayments, of approximately \$0.8 million on our revolving credit facilities. We also purchased approximately \$15.4 million of outstanding common stock and used a net cash amount of approximately \$3.2 million related to our stock compensation arrangements. During the first six months of 2018, we made net repayments of approximately \$9.4 million on our revolving credit facilities. We also purchased approximately \$2.9 million of outstanding common stock and used a net cash amount of approximately \$2.4 million related to our stock compensation arrangements.

### Our Debt and Other Commitments

The \$300.0 million aggregate principal amount of senior notes accrue interest at a rate of 4.875% per annum, payable semi-annually in arrears on April 15 and October 15, commencing on April 15, 2018 ("Senior Notes"). The payment of principal and interest is jointly and severally guaranteed, on a senior unsecured basis by certain named subsidiaries of the Company (each a "Guarantor" and collectively the "Guarantors"). The Senior Notes are *pari passu* in right of payment with all existing and future senior indebtedness and subordinated to all existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness. For the six months ended June 30, 2019, our consolidated subsidiaries that do not guarantee the Senior Notes represented approximately 16% of the total of guarantor and non-guarantor net sales, treating each as a consolidated group and excluding intercompany transactions between guarantor and non-guarantor subsidiaries. In addition, our non-guarantor subsidiaries represented approximately 33% and 15% of the total guarantor and non-guarantor assets and liabilities, respectively, as of June 30, 2019, treating the guarantor and non-guarantor subsidiaries each as a consolidated group and excluding intercompany transactions between such groups.

Prior to October 15, 2020, we may redeem up to 35% of the principal amount of the Senior Notes at a redemption price of 104.875% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the net cash proceeds of one or more equity offerings provided that each such redemption occurs within 90 days of the date of closing of each such equity offering. In addition, we may redeem all or part of the Senior Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, plus a "make whole" premium.

We are party to a credit agreement ("Credit Agreement") consisting of a \$300.0 million senior secured revolving credit facility, which permits borrowings denominated in specific foreign currencies, subject to a \$125.0 million sub limit. The Credit Agreement matures on September 20, 2022 and is subject to interest at London Interbank Offered Rate ("LIBOR") plus 1.50%. The interest rate spread is based upon the leverage ratio, as defined, as of the most recent determination date. The Credit Agreement allows issuance of letters of credit, not to exceed \$40.0 million in aggregate, against revolving credit facility commitments.

The Credit Agreement also provides for incremental revolving credit commitments in an amount not to exceed the greater of \$200.0 million and an amount such that, after giving effect to such incremental commitments and the incurrence of any other indebtedness substantially simultaneously with the making of such commitments, the senior secured net leverage ratio, as defined in the Credit Agreement, is no greater than 3.00 to 1.00. The terms and conditions of any incremental revolving credit facility commitments must be no more favorable than the existing credit facility.

Amounts drawn under our revolving credit facility fluctuate daily based upon our working capital and other ordinary course needs. Availability under our revolving credit facility depends upon, among other things, compliance with our Credit Agreement's financial covenants. Our Credit Agreement contains various negative and affirmative covenants and other requirements affecting us and our subsidiaries, including the ability to, subject to certain exceptions and limitations, incur debt, liens, mergers, investments, loans, advances, guarantee obligations, acquisitions, assets dispositions, sale-leaseback transactions, hedging agreements, dividends and other restricted payments, transactions with affiliates, restrictive agreements and amendments to charters, bylaws, and other material documents. The terms of our Credit Agreement require us and our subsidiaries to meet certain restrictive financial covenants and ratios computed quarterly, including a maximum total net leverage ratio (total consolidated indebtedness plus outstanding amounts under the accounts receivable securitization facility, less the aggregate amount of certain unrestricted cash and unrestricted permitted investments, as defined, over consolidated EBITDA, as defined), a maximum senior secured net leverage ratio (total consolidated senior secured indebtedness, less the aggregate amount of certain unrestricted cash and unrestricted permitted investments, as defined, over consolidated EBITDA, as defined) and a minimum interest expense coverage ratio (consolidated EBITDA, as defined, over the sum of consolidated cash interest expense, as defined, and preferred dividends, as defined). Our permitted total net leverage ratio under the Credit Agreement is 4.00 to 1.00 as of June 30, 2019. If we were to complete an acquisition which qualifies for a Covenant Holiday Period, as defined in our Credit Agreement, then our permitted total net leverage ratio cannot exceed 4.50 to 1.00 during that period. Our actual total net leverage ratio was 1.57 to 1.00 at June 30, 2019. Our permitted senior secured net leverage ratio under the Credit Agreement is 3.50 to 1.00 as of June 30, 2019. If we were to complete an acquisition which qualifies for a Covenant Holiday Period, as defined in our Credit Agreement, then our permitted senior secured net leverage ratio cannot exceed 4.00 to 1.00 during that period. Our actual senior secured net leverage ratio was not meaningful at June 30, 2019. Our permitted interest expense coverage ratio under the Credit Agreement is 3.00 to 1.00 as of June 30, 2019. Our actual interest expense coverage ratio was 15.35 to 1.00 at June 30, 2019. At June 30, 2019, we were in compliance with our financial covenants.

The following is a reconciliation of net income, as reported, which is a GAAP measure of our operating results, to Consolidated Bank EBITDA, as defined in our Credit Agreement, for the twelve months ended June 30, 2019 (dollars in thousands). We present Consolidated Bank EBITDA to show our performance under our financial covenants.

	<b>Twelve Months Ended June 30, 2019</b>
Net income	\$ 80,490
<b>Bank stipulated adjustments:</b>	
Interest expense	13,660
Income tax expense	19,440
Depreciation and amortization	44,450
Non-cash compensation expense <sup>(1)</sup>	7,590
Other non-cash expenses or losses	4,660
Non-recurring expenses or costs <sup>(2)</sup>	4,090
Extraordinary, non-recurring or unusual gains or losses	2,500
Business and asset dispositions	200
Permitted acquisitions	4,480
Casualty or business interruption expenses covered and reimbursed by insurance	460
Consolidated Bank EBITDA, as defined	<u>\$ 182,020</u>

	<b>June 30, 2019</b>
Total Indebtedness, as defined <sup>(3)</sup>	\$ 285,000
Consolidated Bank EBITDA, as defined	182,020
Total net leverage ratio	<u>1.57 x</u>
Covenant requirement	<u>4.00 x</u>

	<b>June 30, 2019</b>
Total Senior Secured Indebtedness <sup>(4)</sup>	\$ (18,940)
Consolidated Bank EBITDA, as defined	182,020
Senior secured net leverage ratio	<u>n/m x</u>
Covenant requirement	<u>3.50 x</u>

	<b>Twelve Months Ended June 30, 2019</b>
Interest expense	\$ 13,660
<b>Bank stipulated adjustments:</b>	
Interest income	(690)
Non-cash amounts attributable to amortization of financing costs	(1,110)
Total Consolidated Cash Interest Expense, as defined	<u>\$ 11,860</u>

	<b>June 30, 2019</b>
Consolidated Bank EBITDA, as defined	\$ 182,020
Total Consolidated Cash Interest Expense, as defined	11,860
Actual interest expense coverage ratio	15.35 x
Covenant requirement	3.00 x

(1) Non-cash compensation expenses resulting from the grant of equity awards.

(2) Non-recurring costs and expenses relating to diligence and transaction costs, purchase accounting costs, severance, relocation, restructuring and curtailment expenses.

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

(4) Senior secured indebtedness is negative at June 30, 2019 due to the deduction of certain unrestricted cash and unrestricted permitted investments as allowed under the Credit Agreement.

During the three months ended March 31, 2018, we terminated our \$75.0 million accounts receivable facility, under which we had the ability to sell eligible accounts receivable to a third-party multi-seller receivables funding company.

At June 30, 2019, we had no amounts outstanding under our revolving credit facility and had approximately \$285.2 million potentially available after giving effect to approximately \$14.8 million of letters of credit issued and outstanding. At December 31, 2018, we had no amounts outstanding under our revolving credit facility and had approximately \$284.9 million potentially available after giving effect to approximately \$15.1 million of letters of credit issued and outstanding. The letters of credit are used for a variety of purposes, including support of certain operating lease agreements, vendor payment terms and other subsidiary operating activities, and to meet various states' requirements to self-insure workers' compensation claims, including incurred but not reported claims. After consideration of leverage restrictions contained in the Credit Agreement, as of June 30, 2019 and December 31, 2018, we had approximately \$285.2 million and \$284.9 million, respectively, of borrowing capacity available for general corporate purposes.

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

Our weighted average borrowings during the first six months of 2019 approximated \$329.5 million, compared to approximately \$330.3 million during the first six months of 2018, as we effectively redeployed the cash generated by our operations over this time period into two bolt-on acquisitions, capital investments in our business and repurchases of our common stock.

Cash management related to our revolving credit facility is centralized. We monitor our cash position and available liquidity on a daily basis and forecast our cash needs on a weekly basis within the current quarter and on a monthly basis outside the current quarter over the remainder of the year. Our business and related cash forecasts are updated monthly. While the majority of our cash on hand as of June 30, 2019 is located in jurisdictions outside the U.S., given available funding under our revolving credit facility of \$285.2 million at June 30, 2019 (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 obligations for the foreseeable future.

We are subject to variable interest rates on our revolving credit facility. At June 30, 2019, 1-Month LIBOR approximated 2.40%. At June 30, 2019, we had no amounts outstanding on our revolving credit facility and therefore no variable rate-based borrowings outstanding.

In addition to our long-term debt, we have other cash commitments related to leases. We account for these lease transactions as operating leases, and annual rent expense for continuing operations related thereto approximated \$12.3 million in 2018. We expect leasing will continue to be an available financing option to fund future capital expenditure requirements.

In February 2019, we announced our Board of Directors had authorized us to increase the purchase of our common stock up to \$75 million in the aggregate. The previous authorization, approved in November 2015, authorized up to \$50 million in share repurchases. In the three and six months ended June 30, 2019, we purchased 502,500 and 527,400 shares of our outstanding common stock for an aggregate purchase price of approximately \$14.7 million and \$15.4 million, respectively. We will continue to evaluate opportunities to return capital to shareholders through the purchase of our common stock, depending on market conditions and other factors.

## Market Risk

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

We use derivative financial instruments to manage currency risks associated with our procurement activities denominated in currencies other than the functional currency of our subsidiaries and the impact of currency rate volatility on our earnings. As of June 30, 2019, we were party to foreign exchange forward and swap contracts to hedge changes in foreign currency exchange rates with notional amounts of approximately \$96.2 million. We also use cross-currency swap agreements to mitigate currency risks associated with the net investment in certain of our foreign subsidiaries. See Note 10, "*Derivative Instruments*," included in Part 1, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," within this quarterly report on Form 10-Q for additional information.

We are also subject to interest risk as it relates to our long-term debt. We have historically used interest rate swap agreements to fix the variable portion of our debt to manage this risk. See Note 9, "*Long-term Debt*," included in Part 1, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," within this quarterly report on Form 10-Q for additional information.

## Common Stock

TriMas is listed in the NASDAQ Global Select Market<sup>SM</sup>. Our stock trades under the symbol "TRS."

## Credit Rating

We and certain of our outstanding debt obligations are rated by Standard & Poor's and Moody's. On June 7, 2019, Moody's affirmed a Ba3 rating to our Senior Notes, as presented in Note 9, "*Long-term Debt*" included in Part I, Item 1, "*Notes to Unaudited Consolidated Financial Statements*" within this quarterly report on Form 10-Q. Moody's also affirmed a Ba2 Corporate Family Rating and maintained its outlook as stable. On January 30, 2019, Standard & Poor's affirmed a BB- rating to our senior unsecured debt, affirmed a BB corporate credit rating and maintained its outlook as stable. If our credit ratings were to decline, our ability to access certain financial markets may become limited, our cost of borrowings may increase, the perception of us in the view of our customers, suppliers and security holders may worsen and as a result, we may be adversely affected.

## Outlook

Our second quarter 2019 results continued our positive momentum, as we further improve our operating efficacy under the TriMas Business Model, which provides the standardized set of processes that we follow to drive results across our multi-industry set of businesses. We experienced year-over-year increases in sales in each of our three reportable segments, plus added two bolt-on acquisitions, and achieved anticipated overall first half 2019 financial results.

We expect to maintain our positive momentum throughout 2019, and believe we are well positioned to capitalize on available market growth opportunities, as well as have instilled a culture of Kaizen and continuous improvement to generate additional production efficiencies and cost savings. We remain cautiously optimistic about our growth and earnings expansion prospects for 2019. We are not anticipating improvements in our end markets, particularly given economic uncertainty around direct and indirect impacts of foreign trade policies. We will continue our efforts to mitigate the impact of external factors, while focusing on the aspects of our business that we can control.

We will continue to prioritize and pursue growth programs, particularly in our Packaging and Aerospace reportable segments, where we have many initiatives underway that we expect will benefit us in the second half of 2019. We will also continue to ensure our cost structures remain aligned with customer demand in the end markets we serve, most notably in our Specialty Products reportable segment. We expect to leverage the tenets of the TriMas Business Model to achieve our growth plans, execute continuous improvement initiatives to offset inflationary pressures, and seek lower-cost sources for input costs, all while continuously assessing our manufacturing footprint, productivity and fixed-cost structure.

## Impact of New Accounting Standards

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

## **Critical Accounting Policies**

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

During the quarter ended June 30, 2019, there were no material changes to the items that we disclosed as our critical accounting policies in Part II, Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," in the Annual Report on Form 10-K for the year ended December 31, 2018.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

In the normal course of business, we are exposed to market risk associated with fluctuations in foreign currency exchange rates. We are also subject to interest risk as it relates to long-term debt. See Part I, Item 2, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," for details about our primary market risks, and the objectives and strategies used to manage these risks. Also see Note 9, "*Long-term Debt*," and Note 10, "*Derivative Instruments*," in Part I, Item 1, "*Notes to Unaudited Consolidated Financial Statements*," included within this quarterly report on Form 10-Q for additional information.

### **Item 4. Controls and Procedures**

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

#### ***Evaluation of disclosure controls and procedures***

As of June 30, 2019, an evaluation was carried out by management, with the participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act) pursuant to Rule 13a-15 of the Exchange Act. The Company's disclosure controls and procedures are designed only to provide reasonable assurance that they will meet their objectives. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2019, the Company's disclosure controls and procedures are effective to provide reasonable assurance that they would meet their objectives.

#### ***Changes in internal control over financial reporting***

There have been no changes in the Company's internal control over financial reporting during the quarter ended June 30, 2019 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**PART II. OTHER INFORMATION****TRIMAS CORPORATION****Item 1. Legal Proceedings**

See Note 12, "Commitments and Contingencies," included in Part I, Item 1, "Notes to Unaudited Consolidated Financial Statements," within this quarterly report on Form 10-Q.

**Item 1A. Risk Factors**

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part 1, Item 1A., "Risk Factors," in our Annual Report on Form 10-K for the year ended December 31, 2018, which could materially affect our business, financial condition or future results. There have been no significant changes in our risk factors as disclosed in our 2018 Form 10-K.

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

The following table provides information about purchases made by the Company, or on behalf of the Company by an affiliated purchaser, of shares of the Company's common stock during the three months ended June 30, 2019.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program <sup>(1)</sup>
April 1, 2019 to April 30, 2019	—	\$ —	—	\$ 62,179,972
May 1, 2019 to May 31, 2019	167,900	\$ 29.10	167,900	\$ 57,294,263
June 1, 2019 to June 30, 2019	334,600	\$ 29.47	334,600	\$ 47,433,785
Total	502,500	\$ 29.35	502,500	\$ 47,433,785

<sup>(1)</sup> In February 2019, the Company announced its Board of Directors had authorized the Company to increase the purchase of its common stock up to \$75 million in the aggregate from its previous authorization of \$50 million. Pursuant to this share repurchase program, during the three months ended June 30, 2019, the Company repurchased 502,500 shares of its common stock at a cost of approximately \$14.7 million. The share repurchase program is effective and has no expiration date.

**Item 3. Defaults Upon Senior Securities**

Not applicable.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

Not applicable.

**Item 6. Exhibits**

**Exhibits Index:**

3.1 (a)	<a href="#">Fourth Amended and Restated Certificate of Incorporation of TriMas Corporation.</a>
3.2 (b)	<a href="#">Third Amended and Restated By-laws of TriMas Corporation.</a>
10.1	<a href="#">Form of Performance Stock Units Agreement - 2019 LTI - under the 2017 Equity and Incentive Compensation Plan.*</a>
10.2	<a href="#">Form of Restricted Stock Units Agreement (Three-Year Vest) - 2019 LTI - under the 2017 Equity and Incentive Compensation Plan.*</a>
10.3	<a href="#">Form of Restricted Stock Units Agreement (Board Of Directors).(One-Year Vest) - 2019 LTI - under the 2017 Equity and Incentive Compensation Plan.*</a>
31.1	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2	<a href="#">Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
(a)	Incorporated by reference to the Exhibits filed with our Quarterly Report on Form 10-Q filed on August 3, 2007 (File No. 001-10716).
(b)	Incorporated by reference to the Exhibits filed with our Current Report on Form 8-K filed on December 18, 2015 (File No. 001-10716).

\*Management contracts and compensatory plans or arrangements.

**Signatures**

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

**TRIMAS CORPORATION (Registrant)**

/s/ ROBERT J. ZALUPSKI

Date: July 30, 2019

By:

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Robert J. Zalupski  
*Chief Financial Officer*

**TRIMAS CORPORATION**  
**2017 EQUITY AND INCENTIVE COMPENSATION PLAN**  
**PERFORMANCE STOCK UNITS AGREEMENT**

TriMas Corporation (the “Company”), as permitted by the TriMas Corporation 2017 Equity and Incentive Compensation Plan (“Plan”), and as approved by the Committee, has granted to the individual listed below (“Grantee”), the opportunity to earn performance-based Restricted Stock Units (“PSUs”) in the amount designated in this Performance Stock Units Agreement (“Agreement”), subject to the terms and conditions of the Plan and this Agreement.

Unless otherwise defined in this Agreement or in one or more Appendices to this Agreement, the terms used in this Agreement have the same meanings as defined in the Plan.

**I. NOTICE OF PSU AWARD**

<b>Grantee:</b>	[specify Grantee’s name]
<b>Date of Agreement:</b>	As of [enter date]
<b>Date of Grant:</b>	[Grant Date]
<b>Number of PSUs in Award:</b>	[number of PSUs] (“Target”), subject to addition or subtraction as set forth on Appendix A depending on achievement of applicable Management Objectives
<b>Performance Period:</b>	Beginning on January 1, 2019, and continuing through December 31, 2021
<b>Settlement Date</b>	May 1, 2022
<b>Settlement Method:</b>	Earned and vested PSUs will be settled by delivery of one share of Common Stock for each PSU being settled

**II. AGREEMENT**

**A. Grant of PSUs.** The Company has granted to Grantee (who, pursuant to this award is a Participant in the Plan) the opportunity to earn the number of PSUs described above, subject to the terms of this Agreement (this “Award”). The PSUs evidenced by this Agreement are payable only in shares of Common Stock as described in this Agreement. Notwithstanding anything to the contrary anywhere else in this Agreement, the PSUs subject to this Award are subject to the terms and provisions of the Plan, which are incorporated by reference into this Agreement.

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

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

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

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

5. **Adjustments.** The PSUs covered by this Award will be subject to adjustment as provided in Section 11 of the Plan.

6. **Termination of Service; Forfeiture.**

(a) **Voluntary Termination; Termination by Company; Breach of Other Obligations.** Any PSUs subject to this Award will be canceled and forfeited if, prior to the Settlement Date, Grantee voluntarily terminates as a Service Provider (other than for Good Reason as provided below), if Grantee’s status as a Service Provider is terminated by the Company or a Subsidiary for any reason (other than death, Disability, or Retirement), or if Grantee violates the provisions of Section II.B.4 below.

(b) **Qualifying Termination Prior to a Change in Control.** Notwithstanding the foregoing, and except as set forth in subsection (f) of this Section II.A.6, if Grantee ceases to be a Service Provider prior to the Settlement Date as a result of Grantee’s Qualifying Termination, Grantee shall vest in a pro-rata portion of the number of PSUs, if any, that are earned under Section II.A.2 due to the achievement of the performance measures specified in Appendix A during the performance period specified in the table above (the “Performance Period”). The pro-rata percentage of the number of PSUs to be earned and settled under Section II.A.7 shall be equal to (x) the amount determined under Section II.A.2 above at the end of the Performance Period, multiplied by (y) a fraction (not

greater than 1), the numerator of which is the number of whole calendar months Grantee was employed or rendering services from the beginning of the Performance Period through the date of Grantee's Qualifying Termination, and the denominator of which is 36.

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

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

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

(f) **Change in Control.** In the event of a Change in Control that occurs prior to the Settlement Date, the PSUs will vest in accordance with this Section II.A.6(f).

(1) Notwithstanding anything set forth herein to the contrary, if at any time before the Settlement Date or forfeiture of the PSUs, and while Grantee is continuously a Service Provider, a Change in Control occurs, then the PSUs will vest (except to the extent that a Replacement Award is provided to Grantee in accordance with Section II.A.6(f)(2) to continue, replace or assume the PSUs covered by this Agreement (the "Replaced Award")) as follows: the number of PSUs subject to this Award that shall become vested and non-forfeitable shall equal (x) the Target number set forth in "Number of PSUs in Award" in Section I, less (y) the number of PSUs that had already become vested as of the date of such termination, but in no event may negative discretion be exercised with respect to the number of PSUs vested. Any PSUs that are not earned and do not vest in accordance with the foregoing sentence shall terminate and be forfeited.

(2) For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (e.g., performance stock units) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control, (D) if Grantee holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Grantee under the Code are not less favorable to such Grantee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to Grantee holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this Section II.A.6(f)(2) are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(3) If, after receiving a Replacement Award, Grantee experiences a Qualifying Termination with the Company or a Subsidiary (or any of their successors) (as applicable, the “Successor”) within a period of two years after the Change in Control and prior to the Settlement Date, the number of PSUs subject to this Award that shall become vested and non-forfeitable shall equal (x) the Target number set forth in “Number of PSUs in Award” in Section I, less (y) the number of PSUs that had already become vested as of the date of such termination, but in no event may negative discretion be exercised with respect to the number of PSUs vested. Any PSUs that are not earned and do not vest in accordance with the foregoing sentence shall terminate and be forfeited.

Any PSUs that are not earned and do not vest in accordance with this Section II.A.6. shall terminate and be forfeited as of the date Grantee ceases to be a Service Provider. However, in particular, this Award is subject to Section 18(c) of the Plan.

#### **7. Determination of PSUs Earned and Vested; Settlement.**

(a) **General.** Subject to Section II.A.7(b), upon the Committee’s certification of achievement of the Performance Goals, and Grantee’s satisfaction of the vesting requirements in Section II.A.1 and Section II.A.6 above, as applicable, this Award shall be settled by issuing to Grantee the number of shares of Common Stock determined pursuant to Appendix A (subject to pro-rata as described in Section II.A.6, if applicable), and Grantee’s name shall be entered as the shareholder of record on the books of the Company with respect to such shares. This settlement shall occur on May 1, 2022 (the “Settlement Date”).

(b) **Other Payment Events.** Notwithstanding Section II.A.7(a), to the extent that the PSUs are vested on the dates set forth below, payment with respect to the PSUs will be made as follows:

(1) to the extent the PSUs are vested as a result of Section II.A.6 (and have not previously been settled) on the date of Grantee’s death, such vested PSUs will be settled by issuing to Grantee one share of Common Stock for each such vested PSU within 30 days of Grantee’s death, and Grantee’s name shall be entered as the shareholder of record on the books of the Company with respect to such shares; and

(2) to the extent the PSUs are vested as a result of Section II.A.6 (and have not previously been settled) on the date of a Change in Control, such vested PSUs will be settled by issuing to Grantee one share of Common Stock for each such vested PSU within 30 days of the Change in Control, and Grantee’s name shall be entered as the shareholder of record on the books of the Company with respect to such shares; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, Grantee is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to Sections II.A.7(a) or II.A.7(b)(1) as though such Change in Control had not occurred.

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

#### **B. Other Terms and Conditions.**

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

2. **Withholding.** To the extent that the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with any payment made or benefit realized by Grantee under this Agreement, and the amounts available to the Company for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that Grantee make arrangements satisfactory to the Company for payment of the balance of such taxes or other amounts required to be withheld. If Grantee's benefit is to be received in the form of shares of Common Stock, then (a) if Grantee is subject to Section 16 of the Exchange Act, Grantee may elect that (1) the Company will withhold shares of Common Stock having a value equal to the amount required to be withheld or (2) Grantee will pay to the Company an amount in cash equal to the amount required to be withheld, and (b) if Grantee is not subject to Section 16 of the Exchange Act, Grantee may elect that all or any part of such withholding requirement be satisfied by the retention by the Company of a portion of the Common Stock to be delivered to Grantee, by delivering to the Company other Common Stock held by Grantee, or by tendering sufficient funds in cash or cash equivalent to the Company. The shares of Common Stock used for tax or other withholding will be valued at an amount equal to the fair market value of such shares of Common Stock on the date the benefit is to be included in Grantee's income. In no event will the fair market value of the shares of Common Stock to be withheld and/or delivered pursuant to this Section II.B.2 to satisfy applicable withholding taxes or other amounts in connection with the benefit exceed (x) the maximum amount that could be required to be withheld or (y) if so determined by the Committee after the date hereof, the minimum amount required to be withheld.

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

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

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

arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys' fees or other costs of representation.

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

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

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

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

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Company'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 Company. 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. **Restrictive Covenants.**

(a) **Generally.** The Company would not be providing PSUs or Common Stock to Grantee without Grantee's agreement to abide by the restrictive covenants described herein. The provisions herein are appropriate in light of the position that Grantee has with the Company and the relationships and confidential and trade secret information that Grantee has been and will be exposed to because of Grantee's position. Notwithstanding anything herein to the contrary, if Grantee is subject to the restrictive covenants set forth in Section 7 (or any successor provision) of the TriMas Corporation Executive Severance/Change of Control Policy (or any successor policy), then (1) such restrictive covenants, rather than the restrictive covenants in this Section II.B.4, shall apply to Grantee, and (2) Grantee's violation of such restrictive covenants shall be treated as a violation of the restrictive covenants in this Section II.B.4 for purposes of this Agreement.

(b) **Confidentiality.** Recognizing Grantee's fiduciary duties to the Company, as a condition of this Agreement, Grantee agrees that he or she shall not, at any time before or after termination of employment, in any fashion, form or manner, either directly or indirectly, use, divulge, disclose or communicate, or cause or permit any other person or entity to use, divulge, disclose or communicate, to any person, firm, company or entity, in any manner whatsoever, any Confidential Information (as defined below) of the Company except with the prior written consent of the Board or to the extent specifically required to be disclosed by applicable law. Grantee agrees to notify the

Company as soon as reasonably possible after being subpoenaed or otherwise requested by any third party to disclose any Confidential Information. This Section II.B.4 shall not result in the forfeiture of PSUs or any clawback or recoupment of the Award for the disclosure of a trade secret if that disclosure (1) is made in confidence to a federal, state or local government official or to an attorney for the sole purpose of reporting or investigating a suspected violation of law or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b). Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents Grantee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity Grantee is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act.

(c) **Covenants Against Competition and Solicitation.** Grantee agrees that, while Grantee is employed by the Company, and for 12 months thereafter, Grantee shall not engage, either directly or indirectly, as a principal for Grantee's own account or jointly with others, or as a stockholder in any corporation or joint stock association, or as a partner or member of a general or limited liability entity, or as an employee, officer, director, agent, consultant or in any other advisory capacity in any Competitive Business that designs, develops, manufactures, distributes, sells or markets the type of products or services sold, distributed or provided by the Company, during the one-year period prior to the date of employment termination and with which Grantee was involved and/or oversaw (the "Business"); provided that nothing herein shall prevent Grantee from owning, directly or indirectly, not more than five percent of the outstanding shares of, or any other equity interest in, any entity engaged in the Business and listed or traded on a national securities exchange or in an over-the-counter securities market.

Grantee further understands and agrees that during and within 12 months after being employed by the Company, Grantee shall not directly or indirectly (1) employ or solicit, or receive or accept the performance of services by, any active employee of the Company who is employed primarily in connection with the Business, except in connection with general, non-targeted recruitment efforts such as advertisements and job listings, or directly or indirectly induce any employee of the Company to leave the Company, or assist in any of the foregoing, or (2) solicit business (relating to the Business) from; attempt to entice away from the Company; or interfere with the Company's relationship with any entity that is a client or customer of the Company at the time of such solicitation, enticement, or interference; or that was or was identified or solicited as a client or customer of the Company during the time that Grantee performed services for the Company, unless such entity shall have ceased to have been such a customer for a period of at least six months as of the time of such solicitation.

(d) **Determination by the Board.** Upon entering into this Agreement, Grantee understands and agrees that a determination of the Board shall be final and binding on the issue of whether Grantee's actions are or will be in violation of this Section II.B.4. Grantee may request in writing from the Board an advance determination as to whether Grantee's proposed actions will violate this Section II.B.4.

(e) **Certain Definitions.** The following definitions shall apply solely with respect to this Section II.B.4:

(1) "*Company*" means (A) during the Grantee's employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which the Grantee has worked or had responsibility during

the Grantee's employment with the Company, and (B) after the Grantee's termination of employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which Grantee worked or had responsibility at the time of the Grantee's termination of employment and at any time during the one-year period prior to such termination of employment.

(2) "*Competitive Business*" means a person or entity that engages in any business engaged in by the Company, and that does so in a geographic area in which the Company engage(s) in that business, and "engages" includes actively planning to engage in the business.

(3) "*Confidential Information*" means trade secrets of the Company and all other confidential or proprietary information that relates to any aspect of the Company's businesses that cannot freely and readily be obtained from sources outside of the Company. Confidential Information is meant to encompass the broadest enforceable definition of the Company's intellectual property, and includes but is not limited to: financial and business information; customer and potential customer lists; customer contact information; pricing policies; vendor lists and information; third-party agreements and relationships; contractual, business, and financial information relating to the Company's customers or other third parties which the Company is obligated to hold in confidence and/or not disclose; personnel, medical, compensation, and benefits information relating to employees, former employees, and persons affiliated with the Company; systems, login identifications and passwords, processes, methods, and policies; company strategies and plans; databases, company data, and technologies related to the Company's business; and marketing and advertising materials which have not been published. "Confidential Information" shall not include information that Grantee can establish was already in the public domain at the time of disclosure through no fault of Grantee.

(f) **Separate Covenants.** Each of the covenants contained in this Section II.B.4 are separate and distinct covenants of Grantee.

5. **Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee).

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

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

8. **Third-Party Beneficiaries.** If Grantee is or was employed by a subsidiary of the Company, then such subsidiary is intended to be a third-party beneficiary of this Agreement and shall have the right to enforce this Agreement, including, but not limited to, the provisions of Section II.B.4.

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

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

11. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the PSUs and Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request Grantee's consent to participate in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

12. **Nature of Grant.** In accepting this Award, Grantee acknowledges that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time unless otherwise provided in the Plan or this Agreement;
- (b) the grant of this Award is voluntary and occasional and does not create any contractual or other right to receive future grants of awards, or benefits in lieu of awards, even if awards have been granted repeatedly in the past,
- (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Committee;
- (d) Grantee is voluntarily participating in the Plan;
- (e) the PSUs and the Common Stock subject to the PSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or Grantee's employer, and which is outside the scope of Grantee's employment contract, if any;
- (f) the PSUs and the Common Stock subject to the PSUs are not intended to replace any pension rights or compensation;
- (g) the future value of the underlying Common Stock is unknown and cannot be predicted with certainty;
- (h) Awards and resulting benefits are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments insofar as permitted by law;

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

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

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

**14. Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall materially adversely affect the rights of Grantee under this Agreement without Grantee's written consent, and (b) Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act.

**15. Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

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

**17. Clawback Policy.**

(a) Any shares of Common Stock issued to Grantee in settlement of the PSUs (plus dividend equivalent payments) shall be subject to the terms of this Agreement and the Company's recoupment policy, if any, as in effect from time to time. Further, notwithstanding anything in this Agreement to the contrary, Grantee acknowledges and agrees that (a) this Agreement and this Award described herein (and any settlement thereof) are subject to the terms and conditions of such policy, or any other form of Company recoupment (or similar) policy (if any) as may be in effect from time to time specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Stock may be traded) (the "Compensation Recovery Policy"), and (b) applicable provisions of this Agreement shall be deemed superseded by and subject

to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

(b) Without limiting the foregoing, violation of Section II.B.4 of this Agreement prior to the Settlement Date and thereafter, as determined by the Board, shall result in the forfeiture of the PSUs, and clawback and recoupment of any shares of Common Stock issued or transferred to Grantee in settlement of the PSUs (plus dividend equivalent payments).

(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 as of: *[grant date]*

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President and General Counsel

**GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE COMPANY OR ANY PARENT OR SUBSIDIARY, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.**

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

**APPENDIX A**  
**TO**  
**PERFORMANCE STOCK UNITS AGREEMENT**

**PERFORMANCE GOALS FOR PSU AWARD**

The actual number of PSUs earned by Grantee will be determined by the Committee by May 1, 2022 following the end of the Performance Period (“Determination Date”), using data as of, and including, December 31, 2021 under the rules described below. Any PSUs not earned as of the Determination Date will be canceled and forfeited.

1. The actual number of shares of Common Stock delivered to Grantee in settlement of the PSUs earned under this Agreement will be determined based on actual performance results as described below, subject to Section II.A.1 of the Agreement.
2. The PSUs subject to this Award are earned based on the achievement of specific performance measures over the Performance Period (i.e., January 1, 2019 through December 31, 2021) and determined on the Determination Date.
3. 50% of the Target PSUs will be earned based on the achievement of EPS CAGR (the “*EPS CAGR PSUs*”), and 50% of the Target PSUs will be earned based on the achievement of Relative Total Shareholder Return (“*RTSR PSUs*”).
4. Definitions. For purposes hereof:
  - (A) “*EPS CAGR*” means the cumulative average growth rate during the Performance Period of the diluted earnings per share from continuing operations as reported in the Company’s Income Statement within the applicable Form 10-Q and Form 10-K, plus or minus special items that may occur from time-to-time that the Committee believes should adjust the as-reported results for measurement of performance.
  - (B) “*Peer Group*” means, of a benchmark group of 98 entities currently in the S&P SmallCap 600 Capped Industrials index (the names of which are attached hereto as Annex A), those entities that remain in the Peer Group as of the end of the Performance Period after application of the Peer Group Adjustment Protocol.
  - (C) “*Peer Group Adjustment Protocol*” means: (i) if an entity listed in Annex A files for bankruptcy and/or liquidation, is operating under bankruptcy protection, or is delisted from its primary stock exchange because it fails to meet the exchange listing requirements, then such entity will remain in the Peer Group, but RTSR for the Performance Period will be calculated as if such entity achieved Total Shareholder Return placing it at the bottom (chronologically, if more than one such entity) of the Peer Group; (ii) if, by the last day of the Performance Period, an entity listed in Annex A has been acquired and/or is no longer existing as a public company that is traded on its primary stock exchange (other than for the reasons as described in subsection (i) above), then such entity will not remain in the Peer Group and RTSR for the Performance Period will be calculated as if such entity had never been a member of the Peer Group; and (iii) except as otherwise described in subsection (i) and (ii) above, for purposes of this performance goal, for each of the entities listed in Annex

A, such entity shall be deemed to include any successor to all or substantially all of the primary business of such entity at end of the Performance Period.

- (D) “**Relative Total Shareholder Return**” or “**RTSR**” means the percentile rank of the Company’s Total Shareholder Return among the Total Shareholder Returns of all members of the Peer Group, ranked in descending order, at the end of the Performance Period.
- (E) “**Total Shareholder Return**” means, with respect to the Common Stock and the common stock of each of the members of the Peer Group, a rate of return reflecting stock price appreciation, plus the reinvestment of dividends in additional shares of stock, from the beginning of the Performance Period through the end of the Performance Period. For purposes of calculating Total Shareholder Return for each of the Company and the members of the Peer Group, the beginning stock price will be based on the average closing stock price for the 20 trading days immediately preceding January 1, 2019 on the principal stock exchange on which the stock is then traded and the ending stock price will be based on the average closing stock price for the 20 trading days immediately preceding January 1, 2022 on the principal stock exchange on which the stock then trades.

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

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

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

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

nonforfeitable. If, upon the conclusion of the Performance Period, EPS CAGR for the Performance Period falls between two levels set forth in the Performance Matrix, a percentage of the EPS CAGR PSUs shall become nonforfeitable based on straight-line mathematical interpolation between the percentages applicable to such levels (rounded down to the nearest whole number of PSUs).

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

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

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

- (A) Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals or falls below the “Threshold” level, as set forth in the Performance Matrix, no RTSR PSUs shall become nonforfeitable.
- (B) Between Threshold and Above Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Threshold” level, but is less than the “Above Threshold” level, as set forth in the Performance Matrix, a percentage between 0% and 50% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (C) Above Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the “Above Threshold” level, as set forth in the Performance Matrix, 50% of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (D) Between Above Threshold and Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Above Threshold” level, but is less than the “Target” level, as set forth in the Performance Matrix, a percentage between 50% and 100% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- (E) Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the “Target” level, as set forth in the Performance Matrix, 100% of the RTSR PSUs shall become nonforfeitable.
- (F) Between Target and Intermediate. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the “Target” level, but is less than the “Intermediate”

level, as set forth in the Performance Matrix, a percentage between 100% and 150% (determined on the basis of straight-line mathematical interpolation) of the RTSR PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.

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

## ANNEX A

<b>S&amp;P SmallCap 600 Industrials (End of December 2018)</b>					
<b>Company Name</b>	<b>Ticker</b>	<b>Company Name</b>	<b>Ticker</b>	<b>Company Name</b>	<b>Ticker</b>
AAON, Inc.	AAON	Federal Signal.	FSS	Orion Group Holdings, Inc.	ORN
AAR Corp.	AIR	Forrester Research, Inc.	FORR	Patrick Industries, Inc.	PATK
ABM Industries.	ABM	Forward Air.	FWRD	PGT Innovations, Inc.	PGTI
Actuant Corporation.	ATU	Franklin Electric Co., Inc.	FELE	Powell Industries, Inc.	POWL
Aegion Corporation.	AEGN	FTI Consulting, Inc.	FCN	Proto Labs, Inc.	PRLB
Aerojet Rocketdyne Holdings, Inc.	AJRD	Gibraltar Industries, Inc.	ROCK	Quanex Building.	NX
AeroVironment, Inc.	AVAV	Griffon Corporation.	GFF	R.R. R.	RRD
Alamo Group Inc.	ALG	Harsco Corporation.	HSC	Raven Industries, Inc.	RAVN
Albany International Corp.	AIN	Hawaiian Holdings, Inc.	HA	Resources Connection, Inc.	RECN
Allegiant Travel.	ALGT	Heartland Express, Inc.	HTLD	Saia, Inc.	SAIA
American Woodmark.	AMWD	Heidrick & Struggles International, Inc.	HSII	Simpson Manufacturing Co., Inc.	SSD
Apogee Enterprises, Inc.	APOG	Hillenbrand, Inc.	HI	SkyWest, Inc.	SKYW
Applied Industrial Technologies, Inc.	AIT	Hub Group, Inc.	HUBG	SPX Corporation.	SPXC
ArcBest Corporation.	ARCB	Insteel Industries, Inc.	IIIN	SPX FLOW, Inc.	FLOW
Arcosa, Inc.	ACA	Interface, Inc.	TILE	Standex International.	SXI
Astec Industries, Inc.	ASTE	John Bean.	JBT	Team, Inc.	TISI
Atlas Air Worldwide Holdings, Inc.	AAWW	Kaman Corporation.	KAMN	Tennant Company.	TNC
Axon Enterprise, Inc.	AAXN	Kelly Services, Inc.	KELY.A	Tetra Tech, Inc.	TTEK
AZZ Inc.	AZZ	Korn Ferry.	KFY	The Greenbrier Companies, Inc.	GBX
Barnes Group Inc.	B	Lindsay Corporation.	LNN	Titan International, Inc.	TWI
Brady Corporation.	BRC	LSC Communications, Inc.	LKSD	Trex Company, Inc.	TREX
Briggs &.	BGG	Lydall, Inc.	LDL	Triumph Group, Inc.	TGI
Chart Industries, Inc.	GTLS	Marten Transport, Ltd.	MRTN	TrueBlue, Inc.	TBI
CIRCOR International, Inc.	CIR	Matson, Inc.	MATX	UniFirst Corporation.	UNF
Comfort Systems USA, Inc.	FIX	Matthews International.	MATW	Universal Forest Products, Inc.	UFPI
Cubic Corporation.	CUB	Mercury Systems, Inc.	MRCY	US Ecology, Inc.	ECOL
DXP Enterprises, Inc.	DXPE	Mobile Mini, Inc.	MINI	Veritiv Corporation.	VRTV
Echo Global Logistics, Inc.	ECHO	Moog Inc.	MOG.A	Viad Corp.	VVI
Encore Wire.	WIRE	Mueller Industries, Inc.	MLI	Vicor Corporation.	VICR
EnPro Industries, Inc.	NPO	Multi-Color Color.	LABL	Wabash National.	WNC
ESCO Technologies Inc.	ESE	MYR Group Inc.	MYRG	WageWorks, Inc.	WAGE
Essendant Inc.	ESND	National Presto Industries, Inc.	NPK	Watts Water Technologies, Inc.	WTS
Exponent, Inc.	EXPO	Navigant Consulting, Inc.	NCI		

**APPENDIX B  
TO  
PERFORMANCE STOCK UNITS AGREEMENT**

**GLOSSARY**

For purposes of this Agreement:

**“Cause”** means (a) Grantee’s conviction of or plea of guilty or nolo contendere to a crime constituting a felony under the laws of the United States or any State thereof or any other jurisdiction in which the Company or its Subsidiaries conduct business; (b) Grantee’s willful misconduct in the performance of his or her duties to the Company or its Subsidiaries and failure to cure such breach within thirty (30) days following written notice thereof from the Company; (c) Grantee’s willful failure or refusal to follow directions from the Board (or direct reporting executive) and failure to cure such breach within thirty (30) days following written notice thereof from the Board; or (d) Grantee’s breach of fiduciary duty to the Company or its Subsidiaries for personal profit. Any failure by the Company or a Subsidiary of the Company to notify Grantee after the first occurrence of an event constituting Cause shall not preclude any subsequent occurrences of such event (or a similar event) from constituting Cause.

**“Disability”** (and similar terms) means Grantee’s physical or mental condition resulting from any medically determinable physical or mental impairment that renders Grantee incapable of engaging in any substantial gainful employment and that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 365 days. Notwithstanding the foregoing, Grantee shall not be deemed to be Disabled as a result of any condition that:

- (a) was contracted, suffered, or incurred while Grantee was engaged in, or resulted from Grantee having engaged in, a felonious activity;
- (b) resulted from an intentionally self-inflicted injury or an addiction to drugs, alcohol, or substances which are not administered under the direction of a licensed physician as part of a medical treatment plan; or
- (c) resulted from service in the Armed Forces of the United States for which Grantee received or is receiving a disability benefit or pension from the United States, or from service in the armed forces of any other country irrespective of any disability benefit or pension.

The Disability of Grantee and the date on which Grantee ceases to be a Service Provider by reason of Disability shall be determined by the Committee, in accordance with uniform principles consistently applied, on the basis of such evidence as the Committee and the Company deem necessary and desirable, and its good faith determination shall be conclusive for all purposes of the Plan. The Committee or the Company shall have the right to require Grantee to submit to an examination by a physician or physicians and to submit to such reexaminations as the Committee or the Company shall require in order to make a determination concerning Grantee’s physical or mental condition; provided, however, that Grantee may not be required to undergo a medical examination more often than once each 180 days. If Grantee engages in any occupation or employment (except for rehabilitation as determined by the Committee) for remuneration or profit, which activity would be inconsistent with the finding of Disability, or if the Committee, on the recommendation of the Company, determines on the basis of a medical examination that Grantee no longer has a Disability, or if Grantee refuses

to submit to any medical examination properly requested by the Committee or the Company, then in any such event Grantee shall be deemed to have recovered from such Disability.

**“Good Reason”** means:

- (a) A material and permanent diminution in Grantee’s duties or responsibilities;
- (b) A material reduction in the aggregate value of base salary and bonus opportunity provided to Grantee by the Company; or
- (c) A permanent reassignment of Grantee to another primary office more than 50 miles from the current office location.

Grantee must notify the Company of Grantee’s intention to invoke termination for Good Reason within 90 days after Grantee has knowledge of such event and provide the Company 30 days’ opportunity for cure, and Grantee must actually terminate Grantee’s employment with the Company prior to the 365th day following such occurrence or such event shall not constitute Good Reason. Grantee may not invoke termination for Good Reason if Cause exists or Grantee has violated Section II.B.4 of the Agreement at the time of such termination.

**“Qualifying Termination”** means a termination of Grantee’s status as a Service Provider with the Company or a Subsidiary (a) for any reason other than:

- (i) death;
- (ii) Disability; or
- (iii) Cause; or
- (iv) by Grantee without Good Reason.

**“Retirement”** means termination of Grantee’s status as a Service Provider with the consent of the Committee after attaining age 55 and five years of service with the Company and its Subsidiaries.

**“Service Provider”** means an individual actively providing services to the Company or a Subsidiary.

**APPENDIX C  
TO  
PERFORMANCE STOCK UNIT AGREEMENT**

**NON-U.S. ADDENDUM**

**Additional Terms and Conditions for Equity Grants Under the TriMas Corporation 2017 Equity and Incentive Compensation Plan, as amended**

**Terms and Conditions**

This Addendum includes additional terms and conditions that govern the performance-based Restricted Stock Units (“PSUs”) granted to you under the TriMas Corporation 2017 Equity and Incentive Compensation Plan (referred to as the “Plan”) if you reside in the United Kingdom. Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or your award agreement (the “Agreement”) that relates to your award. By accepting your award, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your award.

**UNITED KINGDOM**

**Terms and Conditions**

**FSMA.** This Addendum amends those provisions of the Plan, pursuant to Section 14 of the Plan, which are required to be amended in order for awards made under the Plan, and communications concerning those awards, to be exempt from provisions of the United Kingdom Financial Services and Markets Act 2000 (the “FSMA”) as a sub-plan of the Plan. Any PSUs to which this Addendum applies shall apply solely to Service Providers who are key employees of the Company, or a Subsidiary that is a member of the same group as the Company, who are residents of, and provide services in, the United Kingdom. For purposes of this Addendum, the term “group” in relation to the Company shall bear the meaning given to such term in section 421 of the FSMA.

**Disability.** For purposes of the Agreement, the definition of “Disability” in Appendix B hereto shall be qualified by the inclusion of the following phrase after the word “means”: “, subject to and in compliance with the requirements of laws of the United Kingdom,”.

**Retirement.** For purposes of the Agreement and notwithstanding the definition of “Retirement” in Appendix B hereto, “Retirement” shall mean the termination of Grantee’s services with the Company or a Subsidiary in circumstances reasonably determined by the Committee to constitute retirement.

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

“Grantee shall be notionally credited with cash per PSU equal to the amount of each cash dividend paid by the Company (if any) to holders of Common Stock generally with a record date occurring on or after the Date of Grant and prior to the time when the PSUs are earned and/or vest and are settled in accordance with Section II.A.7 hereof. Any amounts notionally credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions

(including earning, vesting, payment, and forfeitability) as apply to the PSUs based on which the dividend equivalents were notionally credited, and such amounts shall be paid in Common Stock at the same time as the PSUs to which they relate. The number of shares so paid shall be rounded down to the nearest whole number and shall be determined by dividing the amounts so notionally credited by the Market Value per Share on the payment date. Notwithstanding the foregoing provisions of this Section II.A.3, Grantee shall not be entitled to the cash notionally credited at any time to the PSUs (or the Common Stock representing the same, as the case may be) either legally or beneficially unless and until Grantee becomes entitled to receive the actual Common Stock in respect of this Award pursuant to Section II.A.7 of this Agreement.”

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

“Except as described below, this Award and the PSUs subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution provided that the persons to whom rights under PSUs may be transferred shall be limited to Grantee’s children and step-children under the age of eighteen, spouses and surviving spouses and civil partners (within the meaning of the United Kingdom Civil Partnerships Act 2004) and surviving civil partners. This Award shall lapse and any unvested PSUs subject to this Award shall be forfeited if a bankruptcy order is made in respect of Grantee.”

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

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

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

and in pursuance of such indemnity, Grantee hereby agrees that he or she shall pay to the Company (or to such other entity as directed by it) such amount as shall be notified to Grantee by the Company as being due on any occasion under such indemnity, within seven days after being so notified. To the extent that Grantee fails to pay any amount so notified to him or her by the Company within seven days after such notification, Grantee hereby agrees that the Company may withhold, or procure the withholding, from any salary, wages, payment or payments due to Grantee from the Company or Grantee’s employer an amount which is equal to the amount notified to Grantee, sell or procure the sale of sufficient of the shares of Common Stock acquired by Grantee pursuant to this Award on behalf of Grantee to produce a sum

which after any costs of sale is sufficient to discharge the amount so notified to Grantee and retain such sum or make such other arrangements, by which Grantee hereby agrees to be bound, so as to ensure that the amount notified to Grantee is discharged in full. The Company will not be obliged to deliver any shares of Common Stock to Grantee pursuant to this Award, if Grantee fails to comply with his or her obligations under the foregoing provisions of this Section II.B.2 and Grantee shall not be entitled to receive the delivery of such shares of Common Stock.

It is a further condition of delivery of any shares of Common Stock pursuant to the vesting of this Award that Grantee will, if required to do so by the Company, enter into a joint election under section 431(1) of the Income Tax (Earnings and Pensions) Act 2003 of the United Kingdom (“ITEPA”), the effect of which is that the Common Stock will be treated as if they were not restricted securities and that sections 425 to 430 of ITEPA will not apply to those shares.”

**Restrictive Covenants.** Section II.B.4(c) is hereby amended in its entirety to read as follows:

“(c) **Covenants Against Competition and Solicitation.** Each of the restrictions set out in this Section II.B.4(c) constitutes an entirely separate, severable and independent obligation of Grantee. They are entered into in order to safeguard the legitimate business interests of the Company and particularly the goodwill of the Company in connection with its clients, suppliers and employees. Each separate restriction applies whether Grantee undertakes the activity in question directly or indirectly through a third party and whether it is undertaken on his own behalf or on behalf of, or in conjunction with, any firm, company or person.

Grantee covenants that Grantee will not for the Restricted Period:

- (i) entice or solicit or endeavour to entice or solicit away from the Company or any Group Company any Relevant Employee;
- (ii) employ or otherwise engage or otherwise facilitate the employment or engagement of any Relevant Employee;
- (iii) solicit or endeavour to supply Restricted Goods or Services to any Relevant Customer;
- (iv) supply or be involved with the supply of Restricted Goods or Services to any Relevant Customer;
- (v) have any business dealings with any Relevant Customer on behalf of a Relevant Business;
- (vi) carry on or be concerned as a principal or agent in any Relevant Business within the Restricted Area;
- (vii) carry on or be concerned as a partner or member in any Relevant Business within the Restricted Area;
- (viii) be employed or engaged as a worker in any Relevant Business that operates or seeks to operate within the Restricted Area;

- (ix) be engaged as a consultant (directly or through another entity) or adviser to any Relevant Business within the Restricted Area;
- (x) carry on or be concerned as a director of any Relevant Business within the Restricted Area;
- (xi) hold a material financial interest in any Relevant Business within the Restricted Area;
- (xii) hold a shareholding in any Relevant Business within the Restricted Area, disregarding any financial interest of a person in securities which are listed or dealt in on any Recognised Stock Exchange if that person, Grantee and any person connected with Grantee are interested in securities which amount to less than five per cent of the issued securities of that class and which, in all circumstances, carry less than five per cent of the voting rights (if any) attaching to the issued securities of that class; and
- (xiii) be a person with significant control (under part 21A of the United Kingdom Companies Act 2006) in any Relevant Business within the Restricted Area.

The restrictions in above only apply in respect of business activities which compete or seek to compete with the Company and nothing in these provisions seeks to prevent Grantee in connection with activities which do not compete with the Company.

While the restrictions above are considered by Grantee and the Company to be reasonable in all the circumstances, it is recognized that such restrictions may fail for unforeseen reasons and, it is therefore agreed that if any of the restrictions are held to be void, but would be valid if part of the wording were deleted or if the periods (if any) specified were reduced or the areas dealt with reduced in scope, such restrictions shall apply with such modifications as may be necessary to make them valid and effective.”

**Definitions.** Section II.B.4(e) is hereby amended in its entirety to read as follows:

“(1) “*Company*” means (A) during the Grantee’s employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which the Grantee has worked or had responsibility during the Grantee’s employment with the Company, and (B) after the Grantee’s termination of employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which Grantee worked or had responsibility at the time of the Grantee’s termination of employment and at any time during the one-year period prior to such termination of employment.

(2) “*Competitive Business*” means a person or entity that engages in any business engaged in by the Company, and that does so in a geographic area in which the Company engage(s) in that business, and “engages” includes actively planning to engage in the business.

(3) “*Confidential Information*” means trade secrets of the Company and all other confidential or proprietary information that relates to any aspect of the Company’s businesses that cannot freely and readily be obtained from sources outside of the Company. Confidential Information is meant to encompass the broadest enforceable

definition of the Company's intellectual property, and includes but is not limited to: financial and business information; customer and potential customer lists; customer contact information; pricing policies; vendor lists and information; third-party agreements and relationships; contractual, business, and financial information relating to the Company's customers or other third parties which the Company is obligated to hold in confidence and/or not disclose; personnel, medical, compensation, and benefits information relating to employees, former employees, and persons affiliated with the Company; systems, login identifications and passwords, processes, methods, and policies; company strategies and plans; databases, company data, and technologies related to the Company's business; and marketing and advertising materials which have not been published. "Confidential Information" shall not include information that Grantee can establish was already in the public domain at the time of disclosure through no fault of Grantee.

(4) "*Restricted Area*" means the United Kingdom and any other country in the world where, on the Relevant Date, the Company carries on a Relevant Business and with which Grantee had material involvement during the 12 months prior to the Relevant Date.

(5) "*Relevant Business*" means any business or part of a business involving the supply of Restricted Goods or Services.

(6) "*Relevant Customer*" means a person, firm or company who in the twelve months immediately before the Relevant Date conducted a business relationship (including, without limitation, the provision of services and the negotiation for the same) with the Company and with whom Grantee had significant contact in the course of Grantee's employment with the Company.

(7) "*Relevant Date*" means the earlier of (x) the date of termination of Grantee's employment, and (y) the start of any period of garden leave or exclusion under Grantee's contract of employment with the Company.

(8) "*Relevant Employee*" means any senior employee who has significant customer or client contact, or valuable technical skills, and with whom Grantee has had significant contact during the course of his employment with the Company.

(9) "*Restricted Goods or Services*" means products for customers in the consumer products, aerospace, industrial, petrochemical, refinery and oil and gas end markets, and the design, manufacture and marketing thereof.

(10) "*Restricted Period*" means: (x) for restrictions set forth in clauses (i) to (v) of Section II.B.4(c), during Grantee's employment and for a period of twelve months after the Relevant Date; and (y) for restrictions set forth in clauses (vi) to (xiii) of Section II.B.4(c), during Grantee's employment and for a period of nine months after the Relevant Date."

**Data Privacy.** A new Section II.B.18 is added to the Agreement to read as follows:

The Company and Rieke Packaging Systems Limited (the "Grantee's Employer"), (together the "Relevant TriMas Companies") will process the Grantee's personal data in connection

with the Plan. For the purposes of data protection legislation, the Relevant TriMas Companies will each act as controller in relation to such personal data.

### **Categories of Personal Data**

The categories of personal data that we will process in connection with the Plan are the Grantee's:

- name;
- date of birth;
- job title;
- home address (and, if different, mailing address) and postal code;
- telephone number;
- social insurance, national insurance, US taxpayer and/or foreign tax identification number;
- salary;
- country of citizenship and nationality;
- any Common Stock or directorships held in any of the Relevant TriMas Companies;
- details of all awards or any other entitlement to Common Stock awarded, cancelled, exercised, vested, unvested or outstanding in Grantee's favour; and
- reference number (where relevant to link the Grantee's benefits under the Plan to other documentation issued to or from the US Department of the Treasury Internal Revenue Service).

The processing of the personal data set out above is mandatory in order for the Relevant TriMas Companies to provide and administer the Plan.

### **Purposes of Processing Personal Data**

The Relevant TriMas Companies will process the Grantee's personal data for the purposes of:

- administering and maintaining the Plan relating to the Grantee and records associated with the Plan (including maintaining a database of Participants in the Plan);
- providing information to (i) trustees of any employee benefit trust or (ii) the third party administrators involved directly or indirectly in the operation of the Plan (as set out in the "Sharing Personal Data with Third Parties" section below);
- providing information relating to Grantee in connection with the operation of the Plan to HM Revenue and Customs in the United Kingdom as required by law;
- to enable any potential purchasers of the business and/or assets of any of the Relevant TriMas Companies and/or their Subsidiaries to (i) complete due diligence on, and value, the business and/or assets; and (ii) use such personal data for the operation of their business;

- obtaining legal and other professional advice; and
- establishing, exercising or defending legal rights.

### **Legal Basis for Processing Personal Data**

The processing of the Grantee's personal data:

- in relation to the information provided to HM Revenue and Customs in the United Kingdom and the Department of the Treasury Internal Revenue Service in the United States of America, is necessary for compliance with a legal obligation to which the Relevant TriMas Companies are subject;
- in relation to (i) obtaining legal and other professional advice; and (ii) establishing, exercising or defending legal rights, is pursuant to the Relevant TriMas Companies' legitimate interests of commencing and/or handling any legal proceedings (including prospective legal proceedings), for obtaining legal advice or for establishing, exercising or defending legal rights;
- in respect of all other personal data set out above, is necessary for the performance of the Performance Stock Units Agreement between the Grantee and TriMas Corporation.

The Relevant TriMas Companies will also process the Grantee's personal data as necessary to comply with any legal obligations to which the Relevant TriMas Companies are subject.

### **Sharing Personal Data with Third Parties**

The Grantee's personal details as set out above will be transferred between the Grantee's Employer and the Company in order to administer and maintain the Plan and records associated with the Plan.

The Company is based in the United States of America which is not designated by the European Commission as providing an adequate level of protection for personal data. As such, the Grantee's Employer and the Company have entered into a data transfer agreement governed by standard data protection clauses adopted by the Commission to safeguard personal data in respect of these transfers. The Grantee can obtain a copy of this data transfer agreement by contacting the TriMas Corporate Benefits Group at 248-631-5450 or 38505 Woodward Avenue, Suite 200, Bloomfield Hills, Michigan 48304.

The Relevant TriMas Companies will also share the Grantee's personal data with National Financial Services LLC, Fidelity Stock Plan Services LLC and Fidelity Brokerage Services LLC (part of the FMR LLC group of companies) which are based in the United States of America. The Company has entered into a data transfer agreement governed by standard data protection clauses adopted by the Commission to safeguard personal data in respect of these transfers. The Grantee can obtain a copy of this data transfer agreement by either, (1) contacting your local human resources representative, (2) contacting Fidelity Stock Plan Services by calling 1-800-544-9354 (Domestic) or 1-800-544-0275 (International), and (3) by logging into Grantee's Fidelity account at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) and visiting the Plan & Grant Documents section of the Grantee's account.

In the event that the Relevant TriMas Companies sell any part(s) of their business and/or assets, they will also disclose the Grantee's personal data to actual or potential purchasers of

parts of its business or assets, and their respective advisers and insurers for the potential purchaser's legitimate interests of:

- enabling potential purchasers to complete due diligence on, and value, the business and/or assets;
- transferring the personal data in connection with any relevant sale and the transfer of the Relevant TriMas Company's contractual rights and/or obligations; and
- the use of such personal data by a purchaser for the operation of its business.

The Relevant TriMas Companies will also share the Grantee's personal data with:

- its professional advisors, auditors, service providers;
- HM Revenue and Customs in the United Kingdom and the Department of the Treasury Internal Revenue Service in the United States of America and other regulators, and governmental and law enforcement agencies; and
- third parties if it is under a duty to disclose or share the Grantee's personal data in order to comply with any laws, regulations or good governance obligations, or in order to enforce or to protect its rights, property or safety, or that of its customers or other persons with whom it has a business relationship.

### **Retention of Personal Data**

The Relevant TriMas Companies will retain the Grantee's personal data for the duration of the Plan and for a further period of eight years after the Grantee ceases to be a member of the Plan.

The Relevant TriMas Companies will retain the Grantee's personal data for longer than the period specified above if required by law, to defend or exercise legal rights (such as defending legal claims) or to comply with regulatory obligations.

### **The Grantee's Rights**

In order to control the use of their personal data, each Grantee has the following controls over their personal data:

- Each Grantee may request access to or copies of the personal data that the Relevant TriMas Companies hold about them by contacting their local human resources representative;
- If the Grantee believes that any information the Relevant TriMas Companies hold about them is incorrect or incomplete, the Grantee should contact their local human resources representative as soon as possible. The Relevant TriMas Companies will take steps to seek to correct or update any information if they are satisfied that the information they hold is inaccurate. In certain circumstances, the Grantee may also request that the Relevant TriMas Companies restrict their processing;
- Each grantee may request that their personal data be deleted where it is no longer necessary for the purposes for which it is being processed and provided there is no other lawful basis for which the Relevant TriMas Companies may continue to process

such personal data. The Grantee can exercise this right by contacting their local human resources representative;

- If the Relevant TriMas Companies are processing the Grantee’s personal data to meet their legitimate interests (as set out above), the Grantee may object to the processing of their personal information by the Relevant TriMas Companies. If the Relevant TriMas Companies are unable to demonstrate their legitimate grounds for that processing, they will no longer process the Grantee’s personal information for those purposes;
- Where the Grantee has provided the Relevant TriMas Companies with their personal data that the Relevant TriMas Companies process using automated means, the Grantee may be entitled to a copy of that personal data in a structured, commonly-used and machine readable format. The Grantee can exercise this right by contacting their local human resources representative.

The Grantee should contact their local human resources representative in relation to any concerns about how their personal data is processed and the Relevant TriMas Companies will try to resolve the Grantee’s concerns. However, if the Grantee considers that the Relevant TriMas Companies is in breach of its obligations under data protection laws, the Grantee may lodge a complaint with the Information Commissioner’s Office in the United Kingdom (such as by accessing <https://ico.org.uk/concerns/>).

**Loss of Office or Employment.** A new Section II.B.19 is added to the Agreement to read as follows:

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

**Restricted Stock Units Award  
Three-Year Vest**

**TRIMAS CORPORATION**

**2017 EQUITY AND INCENTIVE COMPENSATION PLAN**

**RESTRICTED STOCK UNITS AGREEMENT**

TriMas Corporation (the “Company”), as permitted by the TriMas Corporation 2017 Equity and Incentive Compensation Plan (“Plan”), and as approved by the Committee, has granted to the individual listed below (“Grantee”), a Restricted Stock Units award (“Award”) for the number of Restricted Stock Units set forth below (“Restricted Stock Units”), subject to the terms and conditions of the Plan and this Restricted Stock Units Agreement (“Agreement”).

Unless otherwise defined in this Agreement or in Appendix A to this Agreement, the terms used in this Agreement have the same meanings as defined in the Plan.

**I. NOTICE OF AWARD**

<b>Grantee:</b>	[specify Grantee’s name]
<b>Date of Agreement:</b>	As of [enter date]
<b>Date of Grant:</b>	[grant date]
<b>Number of Restricted Stock Units:</b>	[number of Restricted Stock Units]

**II. AGREEMENT**

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

**1. Vesting.**

(a) **General.** Subject to Section II.A.1(b), the Restricted Stock Units will vest in three substantially equal installments on the first three anniversaries of the Date of Grant (each, a “Vesting Date”), subject generally to Grantee’s continued status as a Service Provider through each such Vesting Date.

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

(i) **Voluntary Termination; Termination for Cause; Breach of Other Obligations.** Any unvested Restricted Stock Units subject to this Award will be canceled and forfeited if Grantee voluntarily terminates as a Service Provider (other than for Good Reason as provided below), if Grantee's status as a Service Provider is involuntarily terminated by the Company or a Subsidiary for Cause, or if Grantee violates the provisions of Section II.B.4 below. Notwithstanding the foregoing, no termination of Grantee's employment shall qualify as a termination for Cause unless (x) the Company notifies Grantee in writing of the Company's intention to terminate Grantee's employment for Cause within 90 days following the initial existence of the occurrence or event giving rise to Cause, (y) Grantee fails to cure such occurrence or event within 30 days after receipt of such notice from the Company and (z) the Company terminates Grantee's employment within 45 days after the expiration of Grantee's cure period in subsection (y).

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

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

(iv) **Retirement.** If Grantee ceases to be a Service Provider as a result of Grantee's Retirement, the Committee may, *in its discretion*, permit Grantee to receive a pro-rata portion of the Restricted Stock Units, with the pro-rata portion determined in accordance with Section II.A.1(b)(iii).

(v) **Change in Control.** In the event of a Change in Control that occurs prior to the vesting of any portion of the Restricted Stock Units subject to this Award, such unvested Restricted Stock Units shall vest in accordance with this Section II.A.1(b)(v).

(A) Notwithstanding anything to the contrary herein, if at any time before the vesting or forfeiture of Restricted Stock Units subject to this Award, and while Grantee is continuously a Service Provider, a Change in Control occurs, then the Restricted Stock Units will become nonforfeitable and payable to Grantee in accordance with Section II.A.2 hereof, except to the extent that a Replacement Award is provided to Grantee in accordance with Section II.A.1(b)(v)(B) to continue, replace or assume the Restricted Stock Units covered by this Award (the "Replaced Award").

(B) For purposes of this Agreement, a "Replacement Award" means an award (1) of the same type (e.g., time-based restricted stock units) as the Replaced Award, (2) that has a value at least equal to the value of the Replaced Award, (3) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its

successor following the Change in Control, (3) if Grantee holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Grantee under the Code are not less favorable to such Grantee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to Grantee holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this Section II.A.1(b)(v)(B) are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(C) If, after receiving a Replacement Award, Grantee experiences a Qualifying Termination with the Company or a Subsidiary (or any of their successors) (as applicable, the “Successor”) within a period of two years after the Change in Control and during the remaining vesting period for the Replacement Award, the Replacement Award shall become fully vested and nonforfeitable with respect to the time-based restricted stock units covered by such Replacement Award upon such termination.

(D) If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding Restricted Stock Units subject to this Award that at the time of the Change in Control are not subject to a “substantial risk of forfeiture” (within the meaning of Section 409A of the Code) will be deemed to be vested and nonforfeitable at the time of such Change in Control.

Any Restricted Stock Units that do not vest in accordance with Section II.A.1(a) or this Section II.A.1(b) shall be canceled and forfeited as of the date Grantee ceases to be a Service Provider. However, in particular, this Award is subject to Section 18(c) of the Plan.

## **2. Settlement.**

(a) **General.** Subject to Section II.A.2(b) below, and as soon as administratively practicable following (but no later than thirty (30) days following) each applicable Vesting Date, the Company shall issue Grantee one share of Common Stock for each Restricted Stock Unit that is vested (but has not previously been settled) on such Vesting Date.

(b) **Other Payment Events.** Notwithstanding Section II.A.2(a), to the extent that the Restricted Stock Units are vested on the dates set forth below, payment with respect to the Restricted Stock Units will be made as follows:

(1) to the extent the Restricted Stock Units are vested as a result of Section II.A.1(b) (and have not previously been settled) on the date of Grantee’s separation from service (within the meaning of Section 409A(a)(2)(A)(i) of the Code), the Company shall issue Grantee one share of Common Stock for each vested Restricted Stock Unit as soon as

practicable following (but no later than thirty (30) days following) the date of such separation from service; and

(2) to the extent the Restricted Stock Units are vested as a result of Section II.A.1(b) (and have not previously been settled) on the date of a Change in Control, the Company shall issue Grantee one share of Common Stock for each vested Restricted Stock Unit as soon as practicable following (but no later than thirty (30) days following) the date of the Change in Control; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, Grantee is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to Sections II.A.2(a) or II.A.2(b)(1) as though such Change in Control had not occurred.

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

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

**5. Adjustments.** The Restricted Stock Units covered by this Award will be subject to adjustment as provided in Section 11 of the Plan.

## **B. Other Terms and Conditions.**

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

**2. Withholding.** To the extent that the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with any payment made or benefit realized by Grantee under this Agreement, and the amounts available to the Company for such withholding are insufficient, it shall be a condition to the receipt of such payment or the realization of such benefit that Grantee make arrangements satisfactory to the Company for payment of the balance of such taxes or other amounts required to be withheld. If Grantee's benefit is to be received in the form of shares of Common Stock, then (a) if Grantee is subject to Section 16 of the Exchange Act, Grantee may elect that (1) the Company will withhold shares of Common Stock having a value equal to the amount required to be withheld or (2) Grantee will pay to the Company an amount in cash equal to the amount required to be withheld, and (b) if Grantee is not subject to Section 16 of the Exchange Act, Grantee may elect that all or any part of such withholding requirement be satisfied by the retention by the Company a portion of the Common Stock to be delivered to

Grantee, by delivering to the Company other Common Stock held by Grantee, or by tendering sufficient funds in cash or cash equivalent to the Company. The shares of Common Stock used for tax or other withholding will be valued at an amount equal to the fair market value of such shares of Common Stock on the date the benefit is to be included in Grantee's income. In no event will the fair market value of the shares of Common Stock to be withheld or delivered pursuant to this Section II.B.2 to satisfy applicable withholding taxes or other amounts in connection with the benefit exceed (x) the maximum amount that could be required to be withheld or (y) if so determined by the Committee after the date hereof, the minimum amount required to be withheld.

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

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

(b) **Arbitration.** If Grantee and the Company do not reach a solution within a period of 30 days from the date on which the dispute, claim, disagreement, or controversy arises, then, upon written notice by Grantee to the Company or the Company to Grantee, all disputes, claims, questions, controversies, or differences will be submitted to arbitration administered by the American Arbitration Association (the "AAA") in accordance with the provisions of its Employment Arbitration Rules and Mediation Procedures (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 Company will pay all of the reasonable fees, if any, and expenses of the arbitrator and the arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys fees or other costs of representation.

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

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

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

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

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Company'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 Company. 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. Restrictive Covenants.**

(a) **Generally.** The Company would not be providing Restricted Stock Units or Common Stock to Grantee without Grantee's agreement to abide by the restrictive covenants described herein. The provisions herein are appropriate in light of the position that Grantee has with the Company and the relationships and confidential and trade secret information that Grantee has been and will be exposed to because of Grantee's position. Notwithstanding anything herein to the contrary, if Grantee is subject to the restrictive covenants set forth in Section 7 (or any successor provision) of the TriMas Corporation Executive Severance/Change of Control Policy (or any successor policy), then (1) such restrictive covenants, rather than the restrictive covenants in this Section II.B.4, shall apply to Grantee, and (2) Grantee's violation of such restrictive covenants shall be treated as a violation of the restrictive covenants in this Section II.B.4 for purposes of this Agreement.

(b) **Confidentiality.** Recognizing Grantee's fiduciary duties to the Company, as a condition of this Agreement, Grantee agrees that he or she shall not, at any time before or after termination of employment, in any fashion, form or manner, either directly or indirectly, use, divulge, disclose or communicate, or cause or permit any other person or entity to use, divulge, disclose or communicate, to any person, firm, company or entity, in any manner whatsoever, any Confidential Information (as defined below) of the Company except with the prior written consent of the Board or to the extent specifically required to be disclosed by applicable law. Grantee agrees to notify the Company as soon as reasonably possible after being subpoenaed or otherwise requested by any third party to disclose any Confidential Information. This Section II.B.4 shall not result in the forfeiture of Restricted Stock Units or any clawback or recoupment of the Award for the disclosure of a trade secret if that disclosure (1) is made in confidence to a federal, state or local government official or to an attorney for the sole purpose of reporting or investigating a suspected violation of law or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b). Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents Grantee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity Grantee is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act.

(c) **Covenants Against Competition and Solicitation.** Grantee agrees that, while Grantee is employed by the Company, and for 12 months thereafter, Grantee shall not engage, either directly or indirectly, as a principal for Grantee's own account or jointly with others, or as a stockholder in any corporation or joint stock association, or as a partner or member of a general or limited liability

entity, or as an employee, officer, director, agent, consultant or in any other advisory capacity in any Competitive Business that designs, develops, manufactures, distributes, sells or markets the type of products or services sold, distributed or provided by the Company, during the one-year period prior to the date of employment termination and with which Grantee was involved and/or oversaw (the "Business"); provided that nothing herein shall prevent Grantee from owning, directly or indirectly, not more than five percent of the outstanding shares of, or any other equity interest in, any entity engaged in the Business and listed or traded on a national securities exchange or in an over-the-counter securities market.

Grantee further understands and agrees that during and within 12 months after being employed by the Company, Grantee shall not directly or indirectly (1) employ or solicit, or receive or accept the performance of services by, any active employee of the Company who is employed primarily in connection with the Business, except in connection with general, non-targeted recruitment efforts such as advertisements and job listings, or directly or indirectly induce any employee of the Company to leave the Company, or assist in any of the foregoing, or (2) solicit business (relating to the Business) from; attempt to entice away from the Company; or interfere with the Company's relationship with any entity that is a client or customer of the Company at the time of such solicitation, enticement, or interference; or that was or was identified or solicited as a client or customer of the Company during the time that Grantee performed services for the Company, unless such entity shall have ceased to have been such a customer for a period of at least six months as of the time of such solicitation.

(d) **Determination by the Board.** Upon entering into this Agreement, Grantee understands and agrees that a determination of the Board shall be final and binding on the issue of whether Grantee's actions are or will be in violation of this Section II.B.4. Grantee may request in writing from the Board an advance determination as to whether Grantee's proposed actions will violate this Section II.B.4.

(e) **Certain Definitions.** The following definitions shall apply solely with respect to this Section II.B.4:

(1) "*Company*" means (A) during the Grantee's employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which the Grantee has worked or had responsibility during the Grantee's employment with the Company, and (B) after the Grantee's termination of employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which Grantee worked or had responsibility at the time of the Grantee's termination of employment and at any time during the one-year period prior to such termination of employment.

(2) "*Competitive Business*" means a person or entity that engages in any business engaged in by the Company, and that does so in a geographic area in which the Company engage(s) in that business, and "engages" includes actively planning to engage in the business.

(3) "*Confidential Information*" means trade secrets of the Company and all other confidential or proprietary information that relates to any aspect of the Company's businesses that cannot freely and readily be obtained from sources outside of the Company. Confidential Information is meant to encompass the broadest enforceable definition of the Company's intellectual property, and includes but is not limited to: financial and business information; customer and potential customer lists; customer contact information; pricing policies; vendor lists and information; third-party agreements and relationships; contractual, business, and

financial information relating to the Company's customers or other third parties which the Company is obligated to hold in confidence and/or not disclose; personnel, medical, compensation, and benefits information relating to employees, former employees, and persons affiliated with the Company; systems, login identifications and passwords, processes, methods, and policies; company strategies and plans; databases, company data, and technologies related to the Company's business; and marketing and advertising materials which have not been published. "Confidential Information" shall not include information that Grantee can establish was already in the public domain at the time of disclosure through no fault of Grantee.

(f) **Separate Covenants.** Each of the covenants contained in this Section II.B.4 are separate and distinct covenants of Grantee.

5. **Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of Grantee).

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

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

8. **Third-Party Beneficiaries.** If Grantee is or was employed by a subsidiary of the Company, then such subsidiary is intended to be a third-party beneficiary of this Agreement and shall have the right to enforce this Agreement, including, but not limited to, the provisions of Section II.B.4.

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

10. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the Restricted Stock Units and Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request Grantee's consent to participate in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

**11. Nature of Grant.** In accepting this Award, Grantee acknowledges that:

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

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

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

(d) Grantee is voluntarily participating in the Plan;

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

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

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

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

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

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

**12. Non-U.S. Addendum.** Notwithstanding any provisions in this Agreement, the Restricted Stock Units shall also be subject to the special terms and conditions set forth in the Non-U.S. Addendum attached as Appendix B to this Agreement for Grantee's country. Moreover, if Grantee relocates to one of the countries included in the Non-U.S. Addendum, the special terms and conditions for such country will apply to Grantee to the extent the Company determines that the application of such terms and conditions

are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Non-U.S. Addendum attached hereto as Appendix B constitutes part of this Agreement.

**13. Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall materially adversely affect the rights of Grantee under this Agreement without Grantee's written consent, and (b) Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act.

**14. Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

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

**16. Clawback.**

(a) Any shares of Common Stock issued to Grantee in settlement of the Restricted Stock Units (plus dividend equivalent payments) shall be subject to the terms of this Agreement and the Company's recoupment policy, if any, as in effect from time to time. Further, notwithstanding anything in this Agreement to the contrary, Grantee acknowledges and agrees that (a) this Agreement and this Award described herein (and any settlement thereof) are subject to the terms and conditions of such policy, or any other form of Company recoupment (or similar) policy (if any) as may be in effect from time to time specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the Common Stock may be traded) (the "Compensation Recovery Policy"), and (b) applicable provisions of this Agreement shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

(b) Without limiting the foregoing, violation of Section II.B.4 of this Agreement prior to the final Vesting Date and thereafter, as determined by the Board, shall result in the forfeiture of the Restricted Stock Units, and clawback and recoupment of any shares of Common Stock issued or transferred to Grantee in settlement of the Restricted Stock Units (plus dividend equivalent payments).

(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 as of: [grant date]

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President and General Counsel

**GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE COMPANY OR ANY PARENT OR SUBSIDIARY, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.**

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

**APPENDIX A  
TO  
RESTRICTED STOCK UNITS AGREEMENT**

**GLOSSARY**

For purposes of this Agreement:

**“Cause”** means (a) Grantee’s conviction of or plea of guilty or nolo contendere to a crime constituting a felony under the laws of the United States or any State thereof or any other jurisdiction in which the Company or its Subsidiaries conduct business; (b) Grantee’s willful misconduct in the performance of his or her duties to the Company or its Subsidiaries and failure to cure such breach within thirty (30) days following written notice thereof from the Company; (c) Grantee’s willful failure or refusal to follow directions from the Board (or direct reporting executive) and failure to cure such breach within thirty (30) days following written notice thereof from the Board; or (d) Grantee’s breach of fiduciary duty to the Company or its Subsidiaries for personal profit. Any failure by the Company or a Subsidiary of the Company to notify Grantee after the first occurrence of an event constituting Cause shall not preclude any subsequent occurrences of such event (or a similar event) from constituting Cause.

**“Disability”** (and similar terms) means Grantee’s physical or mental condition resulting from any medically determinable physical or mental impairment that renders Grantee incapable of engaging in any substantial gainful employment and that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 365 days. Notwithstanding the foregoing, Grantee shall not be deemed to be Disabled as a result of any condition that:

- (a) was contracted, suffered, or incurred while Grantee was engaged in, or resulted from Grantee having engaged in, a felonious activity;
- (b) resulted from an intentionally self-inflicted injury or an addiction to drugs, alcohol, or substances which are not administered under the direction of a licensed physician as part of a medical treatment plan; or
- (c) resulted from service in the Armed Forces of the United States for which Grantee received or is receiving a disability benefit or pension from the United States, or from service in the armed forces of any other country irrespective of any disability benefit or pension.

The Disability of Grantee and the date on which Grantee ceases to be a Service Provider by reason of Disability shall be determined by the Committee, in accordance with uniform principles consistently applied, on the basis of such evidence as the Committee and the Company deem necessary and desirable, and its good faith determination shall be conclusive for all purposes of the Plan. The Committee or the Company shall have the right to require Grantee to submit to an examination by a physician or physicians and to submit to such reexaminations as the Committee or the Company shall require in order to make a determination concerning Grantee’s physical or mental condition; provided, however, that Grantee may not be required to undergo a medical examination more often than once each 180 days. If Grantee engages in any occupation or employment (except for rehabilitation as determined by the Committee) for remuneration or profit, which activity would be inconsistent with the finding of Disability, or if the Committee, on the recommendation of the Company, determines

on the basis of a medical examination that Grantee no longer has a Disability, or if Grantee refuses to submit to any medical examination properly requested by the Committee or the Company, then in any such event Grantee shall be deemed to have recovered from such Disability.

**“Good Reason”** means:

- (a) A material and permanent diminution in Grantee’s duties or responsibilities;
- (b) A material reduction in the aggregate value of base salary and bonus opportunity provided to Grantee by the Company; or
- (c) A permanent reassignment of Grantee to another primary office more than 50 miles from the current office location.

Grantee must notify the Company of Grantee’s intention to invoke termination for Good Reason within 90 days after Grantee has knowledge of such event and provide the Company 30 days’ opportunity for cure, and Grantee must actually terminate Grantee’s employment with the Company prior to the 365th day following such occurrence or such event shall not constitute Good Reason. Grantee may not invoke termination for Good Reason if Cause exists or Grantee has violated Section II.B.4 of the Agreement at the time of such termination.

**“Qualifying Termination”** means a termination of Grantee’s status as a Service Provider with the Company or a Subsidiary for any reason other than:

- (i) death;
- (ii) Disability; or
- (iii) Cause; or
- (iv) by Grantee without Good Reason.

**“Retirement”** means termination of Grantee’s status as a Service Provider with the consent of the Committee after attaining age 55 and five years of service with the Company and its Subsidiaries.

**“Service Provider”** means an individual actively providing services to the Company or a Subsidiary.

**APPENDIX B  
TO  
RESTRICTED STOCK UNITS AGREEMENT**

**NON-U.S. ADDENDUM**

**Additional Terms and Conditions for Equity Grants Under the TriMas Corporation 2017 Equity and Incentive Compensation Plan, as amended**

**Terms and Conditions**

This Addendum includes additional terms and conditions that govern the restricted stock units (“RSUs”) granted to you under the TriMas Corporation 2017 Equity and Incentive Compensation Plan (referred to as the “Plan”) if you reside in the United Kingdom. Certain capitalized terms used but not defined in this Addendum have the meanings set forth in the Plan and/or your award agreement (the “Agreement”) that relates to your award. By accepting your award, you agree to be bound by the terms and conditions contained in the paragraphs below in addition to the terms of the Plan, the Agreement, and the terms of any other document that may apply to you and your award.

**UNITED KINGDOM**

**Terms and Conditions**

**FSMA.** This Addendum amends those provisions of the Plan, pursuant to Section 14 of the Plan, which are required to be amended in order for awards made under the Plan, and communications concerning those awards, to be exempt from provisions of the United Kingdom Financial Services and Markets Act 2000 (the “FSMA”) as a sub-plan of the Plan. Any RSUs to which this Addendum applies shall apply solely to Service Providers who are key employees of the Company, or a Subsidiary that is a member of the same group as the Company, who are residents of, and provide services in, the United Kingdom. For purposes of this Addendum, the term “group” in relation to the Company shall bear the meaning given to such term in section 421 of the FSMA.

**Disability.** For purposes of the Agreement, the definition of “Disability” in Appendix A hereto shall be qualified by the inclusion of the following phrase after the word “means”: “, subject to and in compliance with the requirements of laws of the United Kingdom,”.

**Retirement.** For purposes of the Agreement and notwithstanding the definition of “Retirement” in Appendix A hereto, “Retirement” shall mean the termination of Grantee’s services with the Company or a Subsidiary in circumstances reasonably determined by the Committee to constitute retirement.

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

“Grantee shall be notionally credited with cash per Restricted Stock Unit equal to the amount of each cash dividend paid by the Company (if any) to holders of Common Stock generally with a record

date occurring on or after the Date of Grant and prior to the time when the Restricted Stock Units are settled in accordance with Section II.A.2 hereof. Any amounts notionally credited pursuant to the immediately preceding sentence shall be subject to the same applicable terms and conditions (including vesting, payment or forfeitability) as apply to the Restricted Stock Units based on which the dividend equivalents were notionally credited, and such amounts shall be paid in Common Stock at the same time as the Restricted Stock Units to which they relate. The number of shares so paid in Common Stock shall be rounded down to the nearest whole number and shall be determined by dividing the amounts so notionally credited by the Market Value per Share on the payment date. Notwithstanding the foregoing provisions of this Section II.A.3, Grantee shall not be entitled to the cash notionally credited at any time to the Restricted Stock Units (or the Common Stock representing the same, as the case may be) either legally or beneficially unless and until Grantee becomes entitled to receive the actual Common Stock in respect of this Award pursuant to Section II.A.2 of this Agreement.”

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

“Except as described below, this Award and the Restricted Stock Units subject to this Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution provided that the persons to whom rights under RSUs may be transferred shall be limited to Grantee’s children and step-children under the age of eighteen, spouses and surviving spouses and civil partners (within the meaning of the United Kingdom Civil Partnerships Act 2004) and surviving civil partners. This Award shall lapse and any unvested Restricted Stock Units subject to this Award shall be forfeited if a bankruptcy order is made in respect of Grantee.”

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

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

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

and in pursuance of such indemnity, Grantee hereby agrees that he or she shall pay to the Company (or to such other entity as directed by it) such amount as shall be notified to Grantee by the Company as being due on any occasion under such indemnity, within seven days after being so notified. To the extent that Grantee fails to pay any amount so notified to him or her by the Company within seven days after such notification, Grantee hereby agrees that the

Company may withhold, or procure the withholding, from any salary, wages, payment or payments due to Grantee from the Company or Grantee's employer an amount which is equal to the amount notified to Grantee, sell or procure the sale of sufficient of the shares of Common Stock acquired by Grantee pursuant to this Award on behalf of Grantee to produce a sum which after any costs of sale is sufficient to discharge the amount so notified to Grantee and retain such sum or make such other arrangements, by which Grantee hereby agrees to be bound, so as to ensure that the amount notified to Grantee is discharged in full. The Company will not be obliged to deliver any shares of Common Stock to Grantee pursuant to this Award if Grantee fails to comply with his or her obligations under the foregoing provisions of this Section II.B.2 and Grantee shall not be entitled to receive the delivery of such shares of Common Stock.

It is a further condition of delivery of any shares of Common Stock pursuant to the vesting of this Award that Grantee will, if required to do so by the Company, enter into a joint election under section 431(1) of the Income Tax (Earnings and Pensions) Act 2003 of the United Kingdom ("ITEPA"), the effect of which is that the Common Stock will be treated as if they were not restricted securities and that sections 425 to 430 of ITEPA will not apply to those shares."

**Restrictive Covenants.** Section II.B.4(c) is hereby amended in its entirety to read as follows:

"(c) **Covenants Against Competition and Solicitation.** Each of the restrictions set out in this Section II.B.4(c) constitutes an entirely separate, severable and independent obligation of Grantee. They are entered into in order to safeguard the legitimate business interests of the Company and particularly the goodwill of the Company in connection with its clients, suppliers and employees. Each separate restriction applies whether Grantee undertakes the activity in question directly or indirectly through a third party and whether it is undertaken on his own behalf or on behalf of, or in conjunction with, any firm, company or person.

Grantee covenants that Grantee will not for the Restricted Period:

- (i) entice or solicit or endeavour to entice or solicit away from the Company or any Group Company any Relevant Employee;
- (ii) employ or otherwise engage or otherwise facilitate the employment or engagement of any Relevant Employee;
- (iii) solicit or endeavour to supply Restricted Goods or Services to any Relevant Customer;
- (iv) supply or be involved with the supply of Restricted Goods or Services to any Relevant Customer;
- (v) have any business dealings with any Relevant Customer on behalf of a Relevant Business;
- (vi) carry on or be concerned as a principal or agent in any Relevant Business within the Restricted Area;
- (vii) carry on or be concerned as a partner or member in any Relevant Business within the Restricted Area;

- (viii) be employed or engaged as a worker in any Relevant Business that operates or seeks to operate within the Restricted Area;
- (ix) be engaged as a consultant (directly or through another entity) or adviser to any Relevant Business within the Restricted Area;
- (x) carry on or be concerned as a director of any Relevant Business within the Restricted Area;
- (xi) hold a material financial interest in any Relevant Business within the Restricted Area;
- (xii) hold a shareholding in any Relevant Business within the Restricted Area, disregarding any financial interest of a person in securities which are listed or dealt in on any Recognised Stock Exchange if that person, Grantee and any person connected with Grantee are interested in securities which amount to less than five per cent of the issued securities of that class and which, in all circumstances, carry less than five per cent of the voting rights (if any) attaching to the issued securities of that class; and
- (xiii) be a person with significant control (under part 21A of the United Kingdom Companies Act 2006) in any Relevant Business within the Restricted Area.

The restrictions in above only apply in respect of business activities which compete or seek to compete with the Company and nothing in these provisions seeks to prevent Grantee in connection with activities which do not compete with the Company.

While the restrictions above are considered by Grantee and the Company to be reasonable in all the circumstances, it is recognized that such restrictions may fail for unforeseen reasons and, it is therefore agreed that if any of the restrictions are held to be void, but would be valid if part of the wording were deleted or if the periods (if any) specified were reduced or the areas dealt with reduced in scope, such restrictions shall apply with such modifications as may be necessary to make them valid and effective.”

**Definitions.** Section II.B.4(e) is hereby amended in its entirety to read as follows:

“(1) “*Company*” means (A) during the Grantee’s employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which the Grantee has worked or had responsibility during the Grantee’s employment with the Company, and (B) after the Grantee’s termination of employment with the Company, the Company and any and all direct and indirect subsidiary, parent, affiliated or related companies of the Company for which Grantee worked or had responsibility at the time of the Grantee’s termination of employment and at any time during the one-year period prior to such termination of employment.

(2) “*Competitive Business*” means a person or entity that engages in any business engaged in by the Company, and that does so in a geographic area in which the Company engage(s) in that business, and “engages” includes actively planning to engage in the business.

(3) “*Confidential Information*” means trade secrets of the Company and all other confidential or proprietary information that relates to any aspect of the Company’s businesses that cannot freely and readily be obtained from sources outside of the Company. Confidential Information is meant to encompass the broadest enforceable definition of the Company’s intellectual property, and includes but is not limited to: financial and business information; customer and potential customer lists; customer contact information; pricing policies; vendor lists and information; third-party agreements and relationships; contractual, business, and financial information relating to the Company’s customers or other third parties which the Company is obligated to hold in confidence and/or not disclose; personnel, medical, compensation, and benefits information relating to employees, former employees, and persons affiliated with the Company; systems, login identifications and passwords, processes, methods, and policies; company strategies and plans; databases, company data, and technologies related to the Company’s business; and marketing and advertising materials which have not been published. “Confidential Information” shall not include information that Grantee can establish was already in the public domain at the time of disclosure through no fault of Grantee.

(4) “*Restricted Area*” means the United Kingdom and any other country in the world where, on the Relevant Date, the Company carries on a Relevant Business and with which Grantee had material involvement during the 12 months prior to the Relevant Date.

(5) “*Relevant Business*” means any business or part of a business involving the supply of Restricted Goods or Services.

(6) “*Relevant Customer*” means a person, firm or company who in the twelve months immediately before the Relevant Date conducted a business relationship (including, without limitation, the provision of services and the negotiation for the same) with the Company and with whom Grantee had significant contact in the course of Grantee’s employment with the Company.

(7) “*Relevant Date*” means the earlier of (x) the date of termination of Grantee’s employment, and (y) the start of any period of garden leave or exclusion under Grantee’s contract of employment with the Company.

(8) “*Relevant Employee*” means any senior employee who has significant customer or client contact, or valuable technical skills, and with whom Grantee has had significant contact during the course of his employment with the Company.

(9) “*Restricted Goods or Services*” means products for customers in the consumer products, aerospace, industrial, petrochemical, refinery and oil and gas end markets, and the design, manufacture and marketing thereof.

(10) “*Restricted Period*” means: (x) for restrictions set forth in clauses (i) to (v) of Section II.B.4(c), during Grantee’s employment and for a period of twelve months after the Relevant Date; and (y) for restrictions set forth in clauses (vi) to (xiii) of Section II.B.4(c), during Grantee’s employment and for a period of nine months after the Relevant Date.”

**Data Privacy.** A new Section II.B.17 is added to the Agreement to read as follows:

The Company and Rieke Packaging Systems Limited (the “Grantee’s Employer”), (together the “Relevant TriMas Companies”) will process the Grantee’s personal data in connection with the Plan. For the purposes of data protection legislation, the Relevant TriMas Companies will each act as controller in relation to such personal data.

### **Categories of Personal Data**

The categories of personal data that we will process in connection with the Plan are the Grantee’s:

- name;
- date of birth;
- job title;
- home address (and, if different, mailing address) and postal code;
- telephone number;
- social insurance, national insurance, US taxpayer and/or foreign tax identification number;
- salary;
- country of citizenship and nationality;
- any Common Stock or directorships held in any of the Relevant TriMas Companies;
- details of all awards or any other entitlement to Common Stock awarded, cancelled, exercised, vested, unvested or outstanding in Grantee’s favour; and
- reference number (where relevant to link the Grantee’s benefits under the Plan to other documentation issued to or from the US Department of the Treasury Internal Revenue Service).

The processing of the personal data set out above is mandatory in order for the Relevant TriMas Companies to provide and administer the Plan.

### **Purposes of Processing Personal Data**

The Relevant TriMas Companies will process the Grantee’s personal data for the purposes of:

- administering and maintaining the Plan relating to the Grantee and records associated with the Plan (including maintaining a database of Participants in the Plan);
- providing information to (i) trustees of any employee benefit trust or (ii) the third party administrators involved directly or indirectly in the operation of the Plan (as set out in the “Sharing Personal Data with Third Parties” section below);
- providing information relating to Grantee in connection with the operation of the Plan to HM Revenue and Customs in the United Kingdom as required by law;

- to enable any potential purchasers of the business and/or assets of any of the Relevant TriMas Companies and/or their Subsidiaries to (i) complete due diligence on, and value, the business and/or assets; and (ii) use such personal data for the operation of their business;
- obtaining legal and other professional advice; and
- establishing, exercising or defending legal rights.

### **Legal Basis for Processing Personal Data**

The processing of the Grantee's personal data:

- in relation to the information provided to HM Revenue and Customs in the United Kingdom and the Department of the Treasury Internal Revenue Service in the United States of America, is necessary for compliance with a legal obligation to which the Relevant TriMas Companies are subject;
- in relation to (i) obtaining legal and other professional advice; and (ii) establishing, exercising or defending legal rights, is pursuant to the Relevant TriMas Companies' legitimate interests of commencing and/or handling any legal proceedings (including prospective legal proceedings), for obtaining legal advice or for establishing, exercising or defending legal rights;
- in respect of all other personal data set out above, is necessary for the performance of the Restricted Stock Units Agreement between the Grantee and TriMas Corporation.

The Relevant TriMas Companies will also process the Grantee's personal data as necessary to comply with any legal obligations to which the Relevant TriMas Companies are subject.

### **Sharing Personal Data with Third Parties**

The Grantee's personal details as set out above will be transferred between the Grantee's Employer and the Company in order to administer and maintain the Plan and records associated with the Plan.

The Company is based in the United States of America which is not designated by the European Commission as providing an adequate level of protection for personal data. As such, the Grantee's Employer and the Company have entered into a data transfer agreement governed by standard data protection clauses adopted by the Commission to safeguard personal data in respect of these transfers. The Grantee can obtain a copy of this data transfer agreement by contacting the TriMas Corporate Benefits Group at 248-631-5450 or 38505 Woodward Avenue, Suite 200, Bloomfield Hills, Michigan 48304.

The Relevant TriMas Companies will also share the Grantee's personal data with National Financial Services LLC, Fidelity Stock Plan Services LLC and Fidelity Brokerage Services LLC (part of the FMR LLC group of companies) which are based in the United States of America. The Company has entered into a data transfer agreement governed by standard data protection clauses adopted by the Commission to safeguard personal data in respect of these transfers. The Grantee can obtain a copy of this data transfer agreement by either, (1) contacting your local human resources representative, (2) contacting Fidelity Stock Plan Services by calling 1-800-544-9354 (Domestic) or 1-800-544-0275 (International), and (3) by logging

into Grantee's Fidelity account at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) and visiting the Plan & Grant Documents section of the Grantee's account.

In the event that the Relevant TriMas Companies sell any part(s) of their business and/or assets, they will also disclose the Grantee's personal data to actual or potential purchasers of parts of its business or assets, and their respective advisers and insurers for the potential purchaser's legitimate interests of:

- enabling potential purchasers to complete due diligence on, and value, the business and/or assets;
- transferring the personal data in connection with any relevant sale and the transfer of the Relevant TriMas Company's contractual rights and/or obligations; and
- the use of such personal data by a purchaser for the operation of its business.

The Relevant TriMas Companies will also share the Grantee's personal data with:

- its professional advisors, auditors, service providers;
- HM Revenue and Customs in the United Kingdom and the Department of the Treasury Internal Revenue Service in the United States of America and other regulators, and governmental and law enforcement agencies; and
- third parties if it is under a duty to disclose or share the Grantee's personal data in order to comply with any laws, regulations or good governance obligations, or in order to enforce or to protect its rights, property or safety, or that of its customers or other persons with whom it has a business relationship.

### **Retention of Personal Data**

The Relevant TriMas Companies will retain the Grantee's personal data for the duration of the Plan and for a further period of eight years after the Grantee ceases to be a member of the Plan.

The Relevant TriMas Companies will retain the Grantee's personal data for longer than the period specified above if required by law, to defend or exercise legal rights (such as defending legal claims) or to comply with regulatory obligations.

### **The Grantee's Rights**

In order to control the use of their personal data, each Grantee has the following controls over their personal data:

- Each Grantee may request access to or copies of the personal data that the Relevant TriMas Companies hold about them by contacting their local human resources representative;
- If the Grantee believes that any information the Relevant TriMas Companies hold about them is incorrect or incomplete, the Grantee should contact their local human resources representative as soon as possible. The Relevant TriMas Companies will take steps to seek to correct or update any information if they are satisfied that the

information they hold is inaccurate. In certain circumstances, the Grantee may also request that the Relevant TriMas Companies restrict their processing;

- Each grantee may request that their personal data be deleted where it is no longer necessary for the purposes for which it is being processed and provided there is no other lawful basis for which the Relevant TriMas Companies may continue to process such personal data. The Grantee can exercise this right by contacting their local human resources representative;
- If the Relevant TriMas Companies are processing the Grantee's personal data to meet their legitimate interests (as set out above), the Grantee may object to the processing of their personal information by the Relevant TriMas Companies. If the Relevant TriMas Companies are unable to demonstrate their legitimate grounds for that processing, they will no longer process the Grantee's personal information for those purposes;
- Where the Grantee has provided the Relevant TriMas Companies with their personal data that the Relevant TriMas Companies process using automated means, the Grantee may be entitled to a copy of that personal data in a structured, commonly-used and machine readable format. The Grantee can exercise this right by contacting their local human resources representative.

The Grantee should contact their local human resources representative in relation to any concerns about how their personal data is processed and the Relevant TriMas Companies will try to resolve the Grantee's concerns. However, if the Grantee considers that the Relevant TriMas Companies is in breach of its obligations under data protection laws, the Grantee may lodge a complaint with the Information Commissioner's Office in the United Kingdom (such as by accessing <https://ico.org.uk/concerns/>).

**Loss of Office or Employment.** A new Section II.B.18 is added to the Agreement to read as follows:

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

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

**TRIMAS CORPORATION**  
**2017 EQUITY AND INCENTIVE COMPENSATION PLAN**  
**RESTRICTED STOCK UNITS AGREEMENT**

TriMas Corporation (the “Company”), as permitted by the TriMas Corporation 2017 Equity and Incentive Compensation Plan (“Plan”), and as approved by the Committee, has granted to the individual listed below (“Grantee”), a Restricted Stock Units award (“Award”) for the number of Restricted Stock Units set forth below (“Restricted Stock Units”), subject to the terms and conditions of the Plan and this Restricted Stock Units Agreement (“Agreement”).

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

**I. NOTICE OF AWARD**

<b>Grantee:</b>	[specify Grantee’s name]
<b>Date of Agreement:</b>	As of [enter date]
<b>Date of Grant:</b>	May 1, 2019
<b>Number of Restricted Stock Units:</b>	[number of Restricted Stock Units]

**II. AGREEMENT**

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

**1. Vesting.**

(a) **General.** Subject to Section II.A.1(b), the Restricted Stock Units will vest in full on the first anniversary of the Date of Grant (the “Vesting Date”), subject generally to Grantee’s continued status as a Service Provider through such Vesting Date. In particular, this Award is subject to Section 18(c) of the Plan.

(b) **Termination of Service; Forfeiture.** Any unvested Restricted Stock Units subject to this Award will be canceled and forfeited if Grantee terminates as a Service Provider, or if Grantee’s status as a Service Provider is terminated by the Company, for any reason before the Vesting Date;

provided, however, if Grantee ceases to be a Service Provider prior to the Vesting Date as a result of Grantee's death, Disability or Retirement, Grantee shall fully vest in the Restricted Stock Units subject to this Award as of the date on which Grantee ceases to be a Service Provider due to Grantee's death, Disability or Retirement.

(c) **Disability Definition.** For purposes of this Agreement, "Disability" (and similar terms) means Grantee's physical or mental condition resulting from any medically determinable physical or mental impairment that renders Grantee incapable of engaging in any substantial gainful employment and that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 365 days. Notwithstanding the foregoing, Grantee shall not be deemed to be Disabled as a result of any condition that:

(1) was contracted, suffered, or incurred while Grantee was engaged in, or resulted from Grantee having engaged in, a felonious activity;

(2) resulted from an intentionally self-inflicted injury or an addiction to drugs, alcohol, or substances which are not administered under the direction of a licensed physician as part of a medical treatment plan; or

(3) resulted from service in the Armed Forces of the United States for which Grantee received or is receiving a disability benefit or pension from the United States, or from service in the armed forces of any other country irrespective of any disability benefit or pension.

The Disability of Grantee and the date on which Grantee ceases to be a Service Provider by reason of Disability shall be determined by the Committee, in accordance with uniform principles consistently applied, on the basis of such evidence as the Committee and the Company deem necessary and desirable, and its good faith determination shall be conclusive for all purposes of the Plan. The Committee or the Company shall have the right to require Grantee to submit to an examination by a physician or physicians and to submit to such reexaminations as the Committee or the Company shall require in order to make a determination concerning Grantee's physical or mental condition; provided, however, that Grantee may not be required to undergo a medical examination more often than once each 180 days. If Grantee engages in any occupation or employment (except for rehabilitation as determined by the Committee) for remuneration or profit, which activity would be inconsistent with the finding of Disability, or if the Committee, on the recommendation of the Company, determines on the basis of a medical examination that Grantee no longer has a Disability, or if Grantee refuses to submit to any medical examination properly requested by the Committee or the Company, then in any such event Grantee shall be deemed to have recovered from such Disability.

(d) **Retirement Definition.** For purposes of this Agreement, "Retirement" means termination of Grantee's status as a Service Provider with the consent of the Committee after attaining age 55 and five years of service with the Company and its Subsidiaries.

## 2. Settlement.

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

(f) **Other Payment Events.** Notwithstanding Section II.A.2(a), to the extent the Restricted Stock Units are vested as a result of Section II.A.1(b) (and have not previously been settled) on the date of Grantee's separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), the Company shall issue Grantee one share of Common Stock for each vested Restricted Stock Unit as soon as practicable following (but no later than thirty (30) days following) the date of such separation from service.

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

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

5. **Adjustments.** The Restricted Stock Units covered by this Award will be subject to adjustment as provided in Section 11 of the Plan.

## **B. Other Terms and Conditions.**

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

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

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

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

(b) **Arbitration.** If Grantee and the Company do not reach a solution within a period of 30 days from the date on which the dispute, claim, disagreement, or controversy arises, then, upon written notice by Grantee to the Company or the Company to Grantee, all disputes, claims, questions,

controversies, or differences will be submitted to arbitration administered by the American Arbitration Association (the “AAA”) in accordance with the provisions of its Employment Arbitration Rules and Mediation Procedures (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 Company will pay all of the reasonable fees, if any, and expenses of the arbitrator and the arbitration, unless otherwise determined by the arbitrator. Each party to the arbitration will be responsible for his/its respective attorneys fees or other costs of representation.

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

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

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

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

The provisions of this Section II.B.3 survive the termination or expiration of this Agreement, are binding on the Company’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 Company. 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. Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of Grantee).

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

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

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

8. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the Restricted Stock Units and Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request Grantee's consent to participate in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

9. **Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall materially adversely affect the rights of Grantee under this Agreement without Grantee's written consent, and (b) Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act.

10. **Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

(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 as of: [grant date]

By: /s/ Joshua A. Sherbin

Name: Joshua A. Sherbin

Title: Senior Vice President and General Counsel

**GRANTEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, CONFERS ON GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION AS A SERVICE PROVIDER OF THE COMPANY OR ANY PARENT OR SUBSIDIARY, NOR INTERFERES IN ANY WAY WITH GRANTEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE GRANTEE'S SERVICE PROVIDER RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.**

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

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

I, Thomas A. Amato, certify that:

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

Date: July 30, 2019

/s/ THOMAS A. AMATO

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Thomas A. Amato  
*Chief Executive Officer*

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

I, Robert J. Zalupski, certify that:

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

Date: July 30, 2019

/s/ ROBERT J. ZALUPSKI

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Robert J. Zalupski  
*Chief Financial Officer*

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

In connection with the Quarterly Report of TriMas Corporation (the "Company") on Form 10-Q for the period ended June 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas A. Amato, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

Date: July 30, 2019

/s/ THOMAS A. AMATO

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Thomas A. Amato  
*Chief Executive Officer*

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

In connection with the Quarterly Report of TriMas Corporation (the "Company") on Form 10-Q for the period ended June 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert J. Zalupski, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

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

Date: July 30, 2019

/s/ ROBERT J. ZALUPSKI

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Robert J. Zalupski  
*Chief Financial Officer*