

Horizon Global Corp  
Form DEF 14A  
April 11, 2016

[QuickLinks](#) -- Click here to rapidly navigate through this document

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549  
SCHEDULE 14A

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

Horizon Global Corporation

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

(2) Aggregate number of securities to which transaction applies:

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:
  - (4) Date Filed:
-

NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS

To be held May 17, 2016

To the Stockholders of Horizon Global Corporation:

The 2016 Annual Meeting of Stockholders (the “Annual Meeting”) of Horizon Global Corporation (the “Company”, “Horizon”, “Horizon Global”, “us”, “our” or “we”) will be held on Tuesday, May 17, 2016 at 47912 Halyard Drive, Suite 100, Plymouth, Michigan 48170, at 8:00 a.m., Eastern Time, for the following purposes:

1. To elect two directors to serve until the Annual Meeting of Stockholders in 2019;
2. To approve the Horizon Global Corporation Amended and Restated 2015 Equity and Incentive Compensation Plan;
3. To ratify the appointment of Deloitte & Touche LLP (“Deloitte”) as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2016; and
4. To transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on March 18, 2016 as the record date (“Record Date”) for determining the stockholders that are entitled to notice of, and to vote at, the Annual Meeting or any adjournment or postponement of the Annual Meeting.

By Order of the Board of Directors

/s/ Jay Goldbaum  
Jay Goldbaum  
Legal Director, Chief Compliance Officer  
and Corporate Secretary

Troy, Michigan

This notice of Annual Meeting, proxy statement and form of proxy are being distributed and made available on or about April 11, 2016.

Even if you intend to be present at the Annual Meeting in person, please sign and date the enclosed proxy card or voting instruction card and return it in the accompanying envelope, or vote via telephone or Internet (as indicated on your proxy card or voting instruction card), to ensure the presence of a quorum. Any proxy may be revoked in the manner described in the accompanying proxy statement at any time before it has been voted at the Annual Meeting.

---

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 17, 2016

The Proxy Statement and 2015 Annual Report of Horizon Global Corporation are available at:

<http://investors.horizonglobal.com/2016proxystatement> and

<http://investors.horizonglobal.com/2015annualreviewand10-K>

---

**PROXY STATEMENT FOR 2016 ANNUAL MEETING OF STOCKHOLDERS**

This proxy statement contains information regarding the Annual Meeting of the Company to be held on Tuesday, May 17, 2016 at 47912 Halyard Drive, Suite 100, Plymouth, Michigan 48170. The Company's Board of Directors (the "Board") is soliciting proxies for use at such meeting and at any adjournment or postponement of such meeting. The Company first mailed this proxy statement to its stockholders on or about April 11, 2016. The Company will bear the cost of soliciting proxies.

**Proxy Summary**

This summary highlights information contained elsewhere in this Proxy Statement or in our corporate governance documents on our website at [www.horizonglobal.com](http://www.horizonglobal.com). We encourage you to read this Proxy Statement in its entirety before voting.

---

**PROPOSAL 1 — ELECTION OF DIRECTORS**


---

The Board is divided into three classes, each class consisting of approximately one-third of the Company's directors. Class I directors' terms will expire at the Annual Meeting. Messrs. A. Mark Zeffiro and Richard D. Siebert have consented to stand for re-election to serve until the 2019 Annual Meeting of Stockholders. If either of them should become unavailable, the Board may designate a substitute nominee. In that case, the proxy holders named as proxies in the accompanying proxy card will vote for the Board's substitute nominee.

**THE COMPANY'S BOARD RECOMMENDS A VOTE "FOR" EACH OF THE TWO DIRECTORS LISTED BELOW WHO STANDS FOR RE-ELECTION, TO SERVE UNTIL THE 2019 ANNUAL MEETING.**

---

**Vote Required**

The two individuals who receive the most votes cast at the Annual Meeting will be elected as directors, provided a quorum of at least a majority of the issued and outstanding shares of the Company's common stock (the "Common Stock") that are entitled to vote is represented either in person or by proxy at the meeting. If you abstain from voting on this matter, your abstention will have no effect on the vote. If you hold your shares through a broker and you do not instruct the broker on how to vote on this "non-routine" proposal, your broker does not have authority to vote your shares (referred to as a "broker non-vote"). Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any other effect on the outcome of the election of directors.

Additional information regarding the directors and director nominees of the Company is set forth below.

**Directors and Director Nominees**

The Board currently consists of seven members divided into three classes serving staggered terms.

Name	Age	Title	Term Ending
A. Mark Zeffiro <sup>(1)</sup>	50	President, Chief Executive Officer and Co-Chair of the Board	2016
Richard D. Siebert <sup>(1)(2)</sup>	63	Director	2016
Denise Ilitch	60	Director	2017
Richard L. DeVore	60	Director	2017
David C. Dauch	51	Director	2018
Samuel Valenti III	70	Co-Chair of the Board	2018
Scott G. Kunselman <sup>(3)</sup>	52	Director	2018

(1) Standing for re-election at the Annual Meeting.

(2) Appointed August 4, 2015 with initial term expiring 2016.

(3) Appointed March 8, 2016 with initial term expiring 2018.

**Director Background and Qualifications**

The following sets forth the business experience during at least the past five years of each director nominee and each of the directors whose term of office will continue after the Annual Meeting.

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

The Board believes that the directors and nominees have an appropriate balance of knowledge, experience, attributes, skills and expertise as a whole to ensure the Board appropriately fulfills its oversight responsibilities and acts in the best interests of stockholders. The Board believes that each director satisfies its criteria for demonstrating excellence

in his or her chosen field, high ethical standards and integrity, and sound business judgment. In addition, the Board has six independent directors in accordance with the applicable rules of the New York Stock Exchange (“NYSE”), and such directors are also independent of the influence of any

particular stockholder or stockholder groups whose interests may diverge from the interests of the stockholders as a whole. Further, each director or nominee brings a strong background and set of skills to the Board, giving the Board, as a whole, competence and experience in a wide variety of areas.

---

**A. Mark Zeffiro**

President, CEO and Co-Chair of the Board since 2015

Age 50

Mr. Zeffiro was appointed as co-chair of our Board on June 29, 2015, and was named our president and chief executive officer on June 30, 2015. Mr. Zeffiro has served as president and a director of Horizon since our incorporation on January 14, 2015. Mr. Zeffiro previously served as group president of Cequent, which was comprised of TriMas' Cequent Americas and Cequent APEA reporting segments specializing in towing, trailering and cargo management products ("Cequent"), since January 2015. Mr. Zeffiro served as chief financial officer of TriMas from June 2008 to January 2015 and executive vice president of TriMas from May 2013 until January 2015. Prior to joining TriMas, Mr. Zeffiro held various financial management and business positions with General Electric Company, or GE, a diversified technology and financial services company, and Black and Decker Corporation, or Black & Decker, a global manufacturer of quality power tools and accessories, hardware, home improvement products and fastening systems. From 2004 through 2008, during Mr. Zeffiro's four-year tenure with Black & Decker, he was vice president of finance for the global consumer product group and Latin America. In addition, Mr. Zeffiro was directly responsible for and functioned as general manager of Black & Decker's factory store business unit. From 2003 to 2004, Mr. Zeffiro was chief financial officer of First Quality Enterprises, a private company producing consumer products for the health care market. From 1988 through 2002, he held a series of operational and financial leadership positions with GE, the most recent of which was chief financial officer of its medical imaging manufacturing division. In April 2015, Mr. Zeffiro was appointed to the board of directors of Atkore International Group, Inc., a manufacturer of electrical raceway solutions. Mr. Zeffiro also serves on the board of directors of the Detroit Institute of Arts, where he chairs the finance committee, and the board of trustees of Walsh College, where he sits on the academic committee. Mr. Zeffiro's position as president and chief executive officer of Horizon provides him the ability to offer the Board firsthand insight into the operations and strategic vision of the Company. Mr. Zeffiro has extensive knowledge and subject matter expertise in strategic planning, business management, mergers and acquisitions and financial accounting.

---

**Richard D. Siebert**

Director since 2015

Age 63

Mr. Siebert was appointed to our Board on August 4, 2015. Mr. Siebert serves as a member of the Board's Audit Committee, the Compensation Committee and the Governance Committee. Mr. Siebert retired from KPMG LLP, or KPMG, a global audit, tax and finance advisory firm in September 2012. From 2003 to September 2012, Mr. Siebert served as the managing partner of the MidAmerica business unit of KPMG, and, from 2007 to January 2012, Mr. Siebert also served as the managing partner of KPMG's Detroit office. Previously, Mr. Siebert served as the managing partner of the Cincinnati office of KPMG, and as the audit practice lead in the St. Louis office of Arthur Andersen, a global public accounting firm. In 1976, Mr. Siebert joined Arthur Andersen, was admitted to partnership in 1987, and

was instrumental in the transition of Arthur Andersen's St. Louis office to KPMG in 2003. During his career in public accounting, Mr. Siebert served as the lead engagement partner or client service partner for a broad range of public companies. Mr. Siebert currently serves as a member of the finance council of the Archdiocese of St. Louis, and is a member of its audit committee. Mr. Siebert brings to the Board extensive knowledge and expertise in financial reporting, accounting and Sarbanes-Oxley compliance for public companies. Mr. Siebert's 36 year career in public accounting also provides him with subject matter expertise in a broad range of governance, regulatory and securities matters.

---



Samuel Valenti III

Co-Chair of the Board since 2015

Age 70

Mr. Valenti was appointed to our Board on June 22, 2015 and subsequently named co-chair of our Board on June 29, 2015. Mr. Valenti serves as a member of the Board's Audit Committee and the Governance Committee. Mr. Valenti is currently chair of Valenti Capital LLC, an investment firm located in Bloomfield Hills, Michigan. Mr. Valenti was employed by Masco Corporation, or Masco, a home improvement and building products manufacturer, from 1968 through 2008. From 1988 through 2008, Mr. Valenti was president and a member of the board of Masco Capital Corporation, and was vice president-investments of Masco from 1974 to 1998. Mr. Valenti has served as Chairman and a director of TriMas since 2002, and serves as a member of its audit committee, governance and nominating committee, and compensation committee. Mr. Valenti was named a director of American Axle & Manufacturing Holdings, Inc., or AAM, a leading global Tier-One automotive supplier of driveline and drivetrain systems and related components, in October 2013. He also serves as a member of the audit committee and the strategy committee for AAM. Mr. Valenti is the former chair of the investment advisory committee of the State of Michigan retirement system and served on the Harvard Business School Advisory Council. He currently serves on the advisory council at the University of Notre Dame and the advisory board at the University of Michigan Business School Zell-Lurie Institute. Mr. Valenti is a member of Business Leaders for Michigan and serves as chair of the Renaissance Venture Capital Fund. As chair of TriMas since 2002 and as an executive of Masco for 40 years, Mr. Valenti has extensive knowledge and experience in the management of manufacturing businesses and subject matter expertise in the areas of finance, economics, corporate governance and asset management.

---

David C. Dauch

Director since 2015

Age 51

Mr. Dauch was appointed to our Board on June 29, 2015. Mr. Dauch serves as chair of the Board's Governance Committee, and as a member of the Compensation Committee. Mr. Dauch is currently chairman and chief executive officer of AAM, a leading global Tier-One automotive supplier of driveline and drivetrain systems and related components. Mr. Dauch was appointed chairman of the board of AAM in August 2013, and was previously appointed president and chief executive officer of AAM in September 2012. Since June 2008, he served as AAM's president & chief operating officer and previously served as its executive vice president and chief operating officer. From 1987 to 1995, Mr. Dauch held several positions at Collins & Aikman Products Company, an automotive manufacturer engaged primarily in the design, engineering and manufacture of automotive interior components, systems and modules. Mr. Dauch also served on the Collins & Aikman board of directors from 2002 to 2007. Presently, he serves on the boards of Business Leaders for Michigan, the Detroit Regional Chamber, the Great Lakes Council Boy Scouts of America, the Boys & Girls Club of Southeast Michigan and the Original Equipment Suppliers Association. In December 2014, Mr. Dauch was elected to the board of directors of Amerisure Mutual Holdings, Inc.

and the Amerisure Companies. Mr. Dauch also serves on the Miami University Business Advisory Council. Mr. Dauch brings extensive knowledge and expertise in executive leadership and operational management issues relevant to manufacturing environments. His experience as chairman, chief executive officer and president of AAM also provide him with subject matter expertise in corporate governance, risk management and strategic planning.

---

---

Denise Ilitch

Director since 2015

Age 60

Ms. Ilitch was named as a member of our Board on June 29, 2015. Ms. Ilitch serves as chair of the Board's Compensation Committee, and as a member of the Audit Committee and the Governance Committee. Ms. Ilitch is currently president of Ilitch Enterprises, LLC, a business operations management company, a position she has held since 2005. From 2000 to 2004, Ms. Ilitch served as president of Ilitch Holdings, Inc., an entertainment industries, food, fundraising and real estate development services company. From 1996 to 2004, Ms. Ilitch served as president of Olympia Development, LLC, a real estate development company. Ms. Ilitch currently serves as trustee for the Skillman Foundation and as regent on the University of Michigan Board of Regents, where she is a member of the health affairs committee. Ms. Ilitch has previously served as a board member of numerous community organizations, including the Detroit Branch of the NAACP, the Detroit Branch of the Federal Reserve Bank of Chicago, Detroit Renaissance, and the Karmanos Cancer Institute. She also co-chaired the 2009 Detroit Crisis Turnaround Team and served as a Detroit Red Wings Alternate Governor for the National Hockey League and as a board member of Major League Baseball. Ms. Ilitch brings to the Board more than 30 years of experience as a business executive and community leader. As a businesswomen and attorney, Ms. Ilitch has extensive knowledge and subject matter expertise in business development, corporate law and government policy.

---

Richard L. DeVore

Director since 2015

Age 60

Mr. DeVore was appointed to our Board on June 29, 2015. Mr. DeVore serves as chair of the Board's Audit Committee, and as a member of the Governance Committee and the Compensation Committee. Mr. DeVore is currently executive vice president of PNC Bank, N.A., a member of the PNC Financial Services Group, or PNC, one of the United States' largest diversified financial services organizations. Mr. DeVore was appointed executive vice president of PNC in November 2001 and, in his current role, he serves as president for the Detroit and Southeast Michigan regions and chairs the local PNC Foundation. From January 2009 through July 2010 (after its acquisition by PNC), he also served as the chief credit officer and as member of the board of directors of National City Bank, a financial services organization. Mr. DeVore previously held various chief credit officer and managerial positions with PNC from 1991 through 2001. Mr. DeVore currently serves on the boards of Business Leaders for Michigan, Oakland University, the Detroit Economic Club, the Detroit Symphony Orchestra, the Detroit Regional Chamber and Ann Arbor SPARK. Mr. DeVore has also taught banking and finance courses at Wayne State University. Mr. DeVore brings to the Board more than 37 years of financial institutions experience and unique insights into credit market conditions and corporate capital structure. Mr. DeVore has extensive knowledge and subject matter expertise in finance, mergers and acquisitions and risk management.



---

Scott G. Kunselman  
Director since 2016  
Age 52

Scott G. Kunselman was appointed to our Board on March 8, 2016. Mr. Kunselman serves as a member of the Board's Audit Committee, the Compensation Committee and the Governance Committee. In December 2015, Mr. Kunselman joined Oakland University, a public university with its main campus located in Rochester, Michigan, as its chief operating officer. Prior to joining Oakland University, Mr. Kunselman was senior vice president - vehicle safety and regulatory compliance, FCA - North America for FCA US LLC, or Chrysler, an automobile manufacturer headquartered in Auburn Hills, Michigan, from August 2014 through November 2015. Previously he was senior vice president - purchasing and supplier quality for Chrysler from April 2012 to August 2014. Mr. Kunselman held the position of senior vice president - engineering with Chrysler from June 2009 to April 2012. Mr. Kunselman served on the Oakland University Board of Trustees from August 2012 to November 2015, and served as the chair of the Michigan Minority Supplier Development Council from April 2012 to February 2014. Mr. Kunselman also served on the board of the FCA Foundation (former Chrysler Foundation) from 2009 to December 2015, and the board of the Michigan Science Center (former Detroit Science Center) from 2008 to December 2015. Mr. Kunselman brings to the Board extensive knowledge and expertise relating to the automotive industry and operations management. Mr. Kunselman has subject matter expertise in engineering, quality, purchasing and product innovation.

---

#### Board Leadership Structure and Management

The Board is led by Co-Chairs A. Mark Zeffiro and Samuel Valenti III. The Co-Chairs oversee the planning of the annual Board calendar and, in consultation with the other directors, will schedule and set the agenda for meetings of the Board and lead the discussions at such meetings. In addition, the Co-Chairs provide guidance and oversight to other members of management, help with the formulation and implementation of our strategic plans and act as the Board's liaison to the rest of management. In this capacity, the Co-Chairs are actively engaged on significant matters affecting us. The Co-Chairs also lead our annual meetings of stockholders and perform such other functions and responsibilities as requested by the Board from time to time.

We have determined that it is in our best interests to be led by Messrs. Zeffiro and Valenti as Co-Chairs of the Board. As Co-Chairs, Messrs. Zeffiro and Valenti promote unified leadership and direction of the Board and management, and provide the critical leadership necessary for carrying out our strategic initiatives, while maintaining our stability as a newly independent public company given their positions with TriMas prior to the spin-off. It is expected that, after we have operated as a public company for approximately one year, Mr. Valenti will step down from his role as Co-Chair of the Board.

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

matters addressed by each such committee.

8

---

The Board held two meetings during 2015. The following table sets forth the meeting information for the three standing committees of the Board for 2015:

As noted above, the Board currently consists of seven directors, divided into three classes as equal in number as possible. The members of each class serve for staggered, three year terms, except for the initial terms described above. Upon the expiration of the term of a class of directors, directors in that class may be asked to stand for re-election for a three-year term at the Annual Meeting in the year in which their term expires.

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

The Company's Board has determined, after considering all of the relevant facts and circumstances, that Messrs. Dauch, DeVore, Siebert, Valenti, and Kunselman, and Ms. Ilitch are "independent" from management in accordance with the NYSE listing standards and the Company's Corporate Governance Guidelines. To be considered independent, the Board must determine that a director does not have any direct or indirect material relationships with the Company and must meet the criteria for independence set forth in the Company's Corporate Governance Guidelines.

During 2015, all of the then-current directors attended at least 75%, in the aggregate, of the meetings of the Board and all committees of the Board on which they served. All directors are expected to attend all meetings, as well as the Annual Meeting. In addition to attending Board and committee meetings, directors fulfill their responsibilities by consulting with the President and Chief Executive Officer and other members of management on matters that affect the Company.

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

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

the Audit Committee by applicable law or regulation or by the Board from time to time, and (12) reporting regularly to the full Board. The Audit Committee's charter reflects such responsibilities and is available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section. Each of the directors on the Audit Committee is financially literate. The Board has determined that each of Messrs. DeVore and Siebert qualifies as an "audit committee financial expert" within the meaning of Securities and Exchange Commission ("SEC") regulations and that each member on the Audit Committee has the accounting and related financial management expertise required by the NYSE listing standards and that each is "independent" from management in accordance with NYSE listing standards and the Company's Corporate Governance Guidelines.

Compensation Committee. The Compensation Committee is responsible for monitoring and administering our compensation and employee benefit plans and reviewing, among other things, base salary levels, incentive awards and bonus incentive awards for the Chief Executive Officer and other executive officers, and such other matters that are specifically delegated to the Compensation Committee by applicable law or regulation, or by the Board from time to time. All of the members of our Compensation Committee are expected to be independent under the rules of NYSE and Rule 10C-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Compensation Committee's duties include, among other things, (1) reviewing and approving our overall executive and director compensation philosophy and the executive and director compensation programs to support our overall business strategy and objectives, (2) overseeing the management continuity and succession planning process (except as otherwise within the scope of the Governance Committee) with respect to our officers, and (3) preparing any report on executive compensation required by the applicable rules and regulations of the SEC and other regulatory bodies. The Compensation Committee's charter reflects such responsibilities and is available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section. The Compensation Committee's charter was effective on July 1, 2015. The Board has determined that each of the directors on the Compensation Committee is "independent" from management in accordance with NYSE listing standards (including those standards particular to Compensation Committee membership) and the Company's Corporate Governance Guidelines.

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

In recommending candidates to the Board, the Governance Committee reviews the experience, mix of skills and other qualities of a nominee to assure appropriate Board composition after taking into account the current Board members and the specific needs of the Company and the Board. The Board looks for individuals who have demonstrated excellence in their chosen field, high ethical standards and integrity, and sound business judgment. The Governance Committee does not have a formal policy with respect to diversity; however, the Board and the Governance Committee believe that it is essential that the Board members represent diverse viewpoints. As required by the NYSE, SEC or such other applicable regulatory requirements, a majority of the Board will be comprised of independent directors.

The Governance Committee generally relies on multiple sources for identifying and evaluating nominees, including referrals from the Company's current directors and management. Following the spin-off, the Governance Committee reviewed the size and composition of the Board. In August 2015, the Governance Committee, based on the endorsement of Mr. Zeffiro, reviewed Mr. Siebert's qualifications and recommended to the Board that Mr. Siebert be appointed as a director. The Board appointed Mr. Siebert as a director effective August 4, 2015. Similarly, in November 2015, the Governance Committee, based on the endorsement of Mr. DeVore, reviewed the qualifications of Mr. Kunselman, and recommended to the Board that Mr. Kunselman be appointed as a director. The Board appointed Mr. Kunselman as a director effective March 8, 2016.

The Governance Committee does not solicit director nominations, but will consider recommendations by stockholders with respect to elections to be held at an Annual Meeting, so long as such recommendations are sent on a timely basis



to the Corporate Secretary of the Company and are in accordance with the Company's by-laws. The Governance Committee will evaluate nominees recommended by stockholders against the same criteria as other director nominees. The Company did not receive any nominations of directors by stockholders for the Annual Meeting. See "How and when may I submit a stockholder proposal or director nomination for the 2017 Annual Meeting of Stockholders?" for more information.

The Governance Committee's charter reflects such responsibilities and is available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section. The Governance Committee's charter was effective on July 1, 2015.

Compensation Committee Interlocks and Insider Participation. Our Compensation Committee consists of Messrs. Dauch, DeVore, Siebert and Kunselman, and Ms. Ilitch. None of these individuals is or has ever been an officer or employee of the Company or any of our subsidiaries. None of our executive officers currently serves or has served as a member of the board of directors, compensation committee or other board committee performing equivalent functions of another entity that has one or more executive officers serving as one of our directors or on our Compensation Committee.

Retirement Age; Term Limits. The Corporate Governance Guidelines provide that a director is expected to submit his or her resignation from the Board at the first annual meeting of stockholders following the director's 75<sup>th</sup> birthday. The Board may accept or reject such resignation in its discretion after consultation with the Governance Committee. The Board has not established term limits for the directors. The Corporate Governance Guidelines are available on the Company's website, [www.horizonglobal.com](http://www.horizonglobal.com), in the Corporate Governance subsection of the Investor Relations section.

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

#### DIRECTOR COMPENSATION

The Compensation Committee is responsible for reviewing director compensation and making recommendations to the Board with respect to that compensation, as appropriate. The Compensation Committee and Board believe that directors should receive a mix of cash and equity over their tenure. The combination of cash and equity compensation is intended to provide incentives for directors to continue to serve on the Board and to attract new directors with outstanding qualifications. Directors may make an annual election to defer receipt of Board compensation, provided the election is made prior to the fiscal year in which the deferral is effective.

Annual Cash Retainer and Meeting Fees. Each independent director is paid an annual cash retainer of \$80,000. The independent co-chair of the Board and the chairs of each of the Audit, Compensation and Governance Committees are paid an additional annual cash retainer in the amounts of \$50,000, \$15,000, \$10,000 and \$5,000, respectively. The annual cash retainers described above will be prorated to reflect any partial year of service. Additionally, each director is paid \$1,000 per Board or Committee meeting attended. Directors who are also our employees are not paid any additional compensation for serving as directors.

Equity Compensation. As part of the independent directors' annual compensation package, each independent director receives an annual grant of restricted stock units with a grant date fair market value of \$80,000, with each grant generally subject to such director's continued service on the Board, and a vesting period of one year. Directors who are also our employees do not receive equity compensation for serving as directors.

Director Stock Ownership. We have established stock ownership guidelines for our independent directors to more closely align their interests to those of the Company's stockholders. Under these guidelines, our independent directors are required to own, within five years after initial election to the Board as an independent director, shares of Company stock having a value equal to or greater than three times their annual cash retainer (excluding any additional retainers for Board and committee chair service). Unrestricted stock, time-based restricted stock, time-based restricted stock units and vested in-the-money options are counted toward fulfillment of this ownership requirement. Compliance under these guidelines for independent directors' stock ownership requirements will be required by July 2020 at the earliest. If an independent director does not meet the stock ownership guidelines, the Compensation Committee may consider such fact in determining the award of future equity awards to such director.

Indemnification. The Company has entered into indemnification agreements with each of its directors. These agreements require the Company to indemnify such individuals for certain liabilities to which they may become subject as a result of their affiliation with the Company.

Other. The Company reimburses all directors for expenses incurred in attending Board and committee meetings. The Company does not provide any perquisites to directors.

## 2015 Director Compensation Table

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) <sup>(1)</sup>	Total (\$)
Richard D. Siebert	\$46,000	\$70,925	\$116,925
Denise Ilitch	\$55,000	\$70,925	\$125,925
Richard L. DeVore	\$56,500	\$70,925	\$127,425
David C. Dauch	\$51,500	\$70,925	\$122,425
Samuel Valenti III	\$75,000	\$70,925	\$145,925

The amounts in this column reflect the grant date fair value (computed in accordance with Financial Accounting Standards Board Accounting Standards Codification, or FASB ASC, Topic 718) of the restricted stock unit awards (1) made to our non-employee directors during 2015. Messrs. Valenti, Dauch, DeVore, Siebert and Ms. Ilitch each received 6,436 restricted stock units effective on August 15, 2015. These awards were granted under the Company's 2015 Equity and Incentive Compensation Plan and vest on May 1, 2016, subject to a service requirement.

The table below sets forth as to each non-employee director the aggregate number of restricted stock unit awards outstanding as of December 31, 2015.

Name	Restricted Stock Unit Awards
Richard D. Siebert	