

Cooper-Standard Holdings Inc.
Form DEF 14A
April 08, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 Pursuant to §240.14a-12

Cooper-Standard Holdings Inc.

(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.
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(3) Filing Party:

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April 8, 2014

Dear Cooper-Standard Stockholder:

On behalf of the Board of Directors of Cooper-Standard Holdings Inc. (Cooper-Standard or the Company), you are cordially invited to attend the 2014 Annual Meeting of Stockholders (the Annual Meeting) to be held on May 8, 2014, at 9:00 a.m. (Eastern Time) at the Hyatt Regency Greenville, 220 North Main Street, Greenville, South Carolina 29601.

The attached proxy statement provides you with detailed information about the Annual Meeting. We encourage you to read the entire proxy statement carefully. You may also obtain more information about Cooper-Standard from documents we have filed with the Securities and Exchange Commission.

You are being asked at the Annual Meeting to elect the directors of the Company for a one-year term, to vote on an advisory, non-binding proposal to approve the Company s executive compensation, to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2014, and to transact any other business properly brought before the meeting.

Whether or not you plan to attend the Annual Meeting, your vote is important, and we encourage you to vote promptly. You may vote your shares via a toll-free telephone number, over the Internet or by completing, dating, signing and returning your proxy card, as described in the attached proxy statement and proxy card.

Thank you in advance for your cooperation and continued support.

Sincerely,

Jeffrey S. Edwards

Chairman and Chief Executive Officer

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2014 ANNUAL MEETING OF STOCKHOLDERS

Meeting Notice

WHERE

Hyatt Regency Greenville

220 North Main Street

Greenville, South Carolina 29601

WHEN

Thursday, May 8, 2014 at

9:00 a.m. Eastern Time

WHY

To elect the directors of the Company for a one-year term;

To vote on an advisory, non-binding proposal to approve the Company's executive compensation;

To ratify the appointment by the Audit Committee of Ernst & Young LLP as the Company's independent registered public accounting firm for 2014; and

To conduct any other business if properly brought before the meeting.

RECORD DATE: The close of business on March 27, 2014.

You will find more information on the matters to be voted on at the meeting in the attached proxy statement. If you are a stockholder of record, you may vote by mail, by toll-free telephone number, by using the Internet or in person at the meeting.

Your vote is important! We strongly encourage you to exercise your right to vote as a stockholder. Please sign, date and return the enclosed proxy card in the envelope provided, call the toll-free number or log on to the Internet - even if you plan to attend the meeting. You may revoke your proxy at any time before it is voted.

You will find instructions on how to vote on page 6 of the attached proxy statement. As long as you were a stockholder on March 27, 2014, you are invited to attend the meeting, or to send a representative. Please note that only persons with evidence of stock ownership or who are guests of the Company will be admitted to the meeting.

By Order of the Board of Directors

Aleksandra A. Miziolek

Senior Vice President, General Counsel & Secretary

April 8, 2014

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on May 8, 2014:

This meeting notice, the 2014 proxy statement and our 2013 annual report on Form 10-K for the fiscal year ended December 31, 2013, and any amendments or supplements to the foregoing material that is required to be furnished to stockholders are available on our website at www.cooperstandard.com/investor_home.php.

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2014 ANNUAL MEETING OF STOCKHOLDERS

Proxy Statement

April 8, 2014

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This proxy statement is issued by Cooper-Standard Holdings Inc. in connection with the 2014 Annual Meeting of Stockholders scheduled for May 8, 2014. This proxy statement and accompanying proxy card are first being mailed to stockholders on or about April 8, 2014.

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2014 ANNUAL MEETING OF STOCKHOLDERS

Proposals

Proposal 1: Election of Directors

Upon the recommendation of our Governance Committee, the Board of Directors of the Company has nominated the seven individuals listed below to stand for election to the Board for a one-year term ending at the annual meeting of stockholders in 2015 or until their successors, if any, are elected or appointed, or until earlier resignation, removal, or death. All of these nominees have consented to being named in this proxy statement and to serve if elected.

The names of the nominees, along with their present positions, their principal occupations, directorships held with other public corporations currently and during the past five years, their ages and the year first elected as a director, are set forth below. Certain individual qualifications, experiences and skills of our directors that contribute to the Board's effectiveness as a whole are also described below.

Jeffrey S. Edwards Director of the Company since October 2012 and Chairman of the Board since May 2013. Mr. Edwards has served as our Chief Executive Officer since October 2012 and served as our President from October 2012 to May 2013. Previously, Mr. Edwards served in positions of increasing responsibility at Johnson Controls, Inc., a global diversified technology and industrial company. He led the Automotive Experience Asia Group of Johnson Controls, serving as Corporate Vice President, Group Vice President and General Manager, from 2004 to 2012. Mr. Edwards served as Johnson Controls' Group Vice President and General Manager for Automotive Experience North America from 2002 to 2004. He completed an executive training program at INSEAD and earned a B.S. from Clarion University.

Qualifications: Mr. Edwards has substantial leadership experience in the automotive industry, having held key executive positions in his 28 years with Johnson Controls, Inc. in addition to his service as the Company's Chairman and Chief Executive Officer.

Current Directorships: None.

Former Directorships: None.

Age: 51

Larry J. Jutte

Director of the Company since May 2010. Mr. Jutte also serves as a member of both the Governance Committee and the Compensation Committee of our Board of Directors. Mr. Jutte previously served as Senior Vice President at Honda of America Manufacturing, Inc., a manufacturer of automobiles and light trucks, from 2001 until 2009 and was a member of the board of directors. Mr. Jutte held various management and engineering positions at Honda beginning in 1985, including vice president and plant manager. Mr. Jutte has served as Managing Member of Auld Technologies LLC, a global supplier of decorative products, labels, coatings and other products, since February 2009 and has served as President and COO of Ernie Green Industries Inc., a manufacturer of wheel covers and other automotive trim parts, since March 2010.

Qualifications: Mr. Jutte has a depth of experience in automotive operations and engineering, having held a number of leadership positions with Honda of America Manufacturing. He has specific expertise in product procurement and in energy-efficient, green manufacturing operations.

Current Directorships: The Ohio State University Center for International Business Education and Research, and the Koenig Equipment Co.

Former Directorships: Honda of America Manufacturing, Inc.

Age: 57

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Jeffrey E. Kirt

Director of the Company since May 2011. Mr. Kirt also serves as a member of both the Audit Committee and the Compensation Committee of our Board of Directors. Mr. Kirt is a partner of Oak Hill Advisors, L.P., an investment management firm, a position he has held since 2002. Mr. Kirt has responsibility for investment research and analysis in several sectors, including aerospace, automotive, defense, financial and transportation. In addition, Mr. Kirt has responsibility for the origination and execution of distressed debt and equity transactions. Mr. Kirt previously worked in the Leverage Finance and High Yield Capital Markets groups at UBS and the High Yield Capital Markets groups at USBancorp Libra. He earned a B.A., with distinction, from Yale University.

Qualifications: Mr. Kirt has substantial experience in investment research and analysis. He has expertise in corporate financings, equity transactions and corporate restructurings with specific experience in the automotive sector.

Current Directorships: Capital Bank Financial Corp. and DGH Industrial Holdings, Ltd.

Former Directorships: Avolon Aerospace, Ltd.

Age: 41

David J. Mastrocola

Director of the Company since May 2010, Lead Director since January 2011. Mr. Mastrocola also serves as chairman of the Governance Committee of our Board of Directors. Mr. Mastrocola was a partner and Managing Director of Goldman, Sachs & Co., a global investment banking, securities and investment management firm, where he worked from 1987 until his retirement in 2009. During that period, Mr. Mastrocola held a number of senior management positions in the Investment Banking Division, including heading or co-heading the corporate finance, mergers/strategic advisory and industrials/natural resources departments. Mr. Mastrocola also served as a member of Goldman, Sachs & Co.'s firmwide capital and commitments committees. From 1983 to 1985, Mr. Mastrocola was a senior auditor at Arthur Andersen & Co. Mr. Mastrocola currently serves as a trustee for Save the Children Federation, Inc.

Qualifications: Mr. Mastrocola has extensive and varied expertise in corporate finance and mergers and acquisitions, having served in a number of senior management positions in the Investment Banking Division of Goldman, Sachs & Co. He also brings substantial experience in corporate accounting, having served as a senior auditor at Arthur Andersen & Co.

Current Directorships: None

Former Directorships: None

Age: 52

Thomas W. Sidlik

Director of the Company since January 2014. Mr. Sidlik also serves as a member of both the Audit Committee and the Governance Committee of our Board of Directors. In 2007, Mr. Sidlik retired from the DaimlerChrysler AG Board of Management in Germany after a 34 year career in the automotive industry. He previously served as Chairman and CEO of Chrysler Financial Corporation, Chairman of the Michigan Minority Business Development Council and Vice Chairman of the National Minority Supplier Development Council. Mr. Sidlik has served on the Boards of Directors of Delphi Automotive PLC and DPH Holdings Corporation since 2009. He also served on the Board of Regents of Eastern Michigan University, where he served as Vice Chairman and Chairman of the Board.

Qualifications: Mr. Sidlik's extensive experience in the automotive industry provides the board with strategic, management and industry expertise.

Current Directorships: Delphi Automotive PLC and DPH Holdings Corporation.

Former Directorships: None

Age: 64

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Stephen A. Van Oss Director of the Company since August 2008. Mr. Van Oss also serves as chairman of the Audit Committee and as a member of the Governance Committee of our Board of Directors. Mr. Van Oss is Senior Vice President and Chief Operating Officer of WESCO International, Inc., a leading distributor of electrical construction and industrial maintenance products, a position he has held since September 2009. He has served as a director of WESCO since 2008. From 2004 to September 2009, Mr. Van Oss served as Senior Vice President and Chief Financial and Administrative Officer of WESCO. From 2000 to 2004, he served as Vice President and Chief Financial Officer of WESCO. He served as WESCO's Director, Information Technology from 1997 to 2000 and as its Director, Acquisition Management in 1997. He serves as a trustee of Robert Morris University and chairs its finance committee and is a member of its governance committee.

Qualifications: Mr. Van Oss has substantial leadership experience in business operations and finance, having served as both Chief Operating Officer and Chief Financial and Administrative Officer of WESCO International, Inc. He has expertise in distribution and in information technology, having served as WESCO's Director, Information Technology.

Current Directorships: WESCO International, Inc.

Former Directorships: William Scotsman International, Inc.

Age: 59

Kenneth L. Way Director of the Company since December 2004. Mr. Way also serves as chairman of the Compensation Committee and as a member of the Audit Committee of our Board of Directors. Mr. Way served as the Chairman of the board of directors of Lear Corporation from 1988 through 2002 and as its Chief Executive Officer from 1988 to 2000. Mr. Way had been affiliated with Lear Corporation and its predecessor companies for 37 years in various engineering, manufacturing and general management capacities.

Qualifications: Mr. Way has a depth of chief executive and Board leadership experience, having served as Chairman and Chief Executive Officer of Lear Corporation for many years. He has extensive knowledge of the automotive industry.

Current Directorships: CMS Energy Corporation

Former Directorships: Lear Corporation, Comerica Bank, and WESCO International, Inc.

Age: 74

The Board of Directors recommends that stockholders vote FOR each of our nominees.

Election of the nominees for the seven director positions requires the affirmative vote of a plurality of all votes cast at the Annual Meeting. This means that the director nominee with the most votes for a particular seat is elected for that seat. Votes withheld from one or more director nominees therefore will have no effect on the outcome of the vote with respect to the election of directors.

If any nominee does not stand for election, proxies voting for that nominee may be voted for a substitute nominee selected by the Board. The Board may also choose to reduce the number of directors to be elected at the meeting.

In 2013, the Board met 9 times. Each director of the Company in office during 2013 was present for at least 75% of the total number of meetings of the Board and those committees of which the director was a member during the period he served as a director.

Proposal 2: Advisory Vote on Executive Compensation

Pursuant to Section 14A of the Securities Exchange Act of 1934, as amended (the Exchange Act), we are providing stockholders with a vote to approve, on an advisory, non-binding basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with Securities and Exchange Commission (SEC) rules. The advisory vote to approve executive compensation described in this proposal is commonly referred to as a say-on-pay vote. Based on the voting results from the 2011 annual meeting with respect to the frequency of future say-on-pay votes, the Board has decided to include a say-on-pay vote in our proxy statement every three years until the next required advisory vote on the frequency of future say-on-pay votes.

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As disclosed in the Compensation Discussion and Analysis, the Company believes that its executive compensation program is reasonable, competitive and strongly focused on pay-for-performance principles. The goals of the Company's executive compensation program are to:

enable us to attract and retain a highly qualified executive leadership team;

align the interests of executives with those of stockholders; and

motivate our leadership team to implement the Company's long-term growth strategy while delivering consistently strong financial results.

Consistent with these goals and as disclosed in the Compensation Discussion and Analysis, the Compensation Committee has developed and approved an executive compensation philosophy to provide a framework for the Company's executive compensation program featuring the following policies and practices:

compensation based on the achievement of performance objectives over varying time periods;

incentive programs that emphasize specific Company or group-wide objectives over subjective, individual goals;

benchmarking to median levels with respect to base pay in the industries in which the Company competes for executives while providing incentive opportunities above median levels; and

performance based compensation.

This proposal gives our stockholders the opportunity to express their views on the overall compensation of our named executive officers and the philosophy, policies and practices described in this proxy statement. For the reasons discussed above, we are asking our stockholders to indicate their support for our named executive officer compensation by voting FOR the following resolution at the Annual Meeting:

RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosure in this proxy statement.

Approval of this advisory proposal requires the affirmative vote of a majority of the votes cast by the stockholders present in person or represented by proxy at the Annual Meeting and entitled to vote. Abstentions and broker non-votes are not counted as votes FOR or AGAINST the proposal, and will therefore have no effect on such vote. The say-on-pay vote is an advisory vote only, and therefore it will not bind the Company or our Board of Directors. However, the Board of Directors and the Compensation Committee will consider the voting results as appropriate when making future decisions regarding executive compensation.

The Board of Directors recommends a vote FOR the approval of the advisory resolution relating to the compensation of our named executive officers as disclosed in this proxy statement.

Proposal 3: Ratification of Appointment of Independent Registered Public Accounting Firm

Proposal 3 is the ratification of the Audit Committee's appointment of Ernst & Young LLP as the independent registered public accounting firm to audit the financial statements of the Company for fiscal year 2014. In the event the stockholders fail to ratify the appointment, the Audit Committee will reconsider this appointment. The Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the Company's and its stockholders' best interests. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They are expected to be available to respond to your questions and may make a statement if they desire.

Ratification of the Audit Committee's appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2014 requires the affirmative vote of a majority of the votes cast by the stockholders present in person or represented by proxy at the Annual Meeting and entitled to vote. Abstentions are not counted as votes FOR or AGAINST ratification, and will therefore have no effect on such vote.

The Board of Directors and the Audit Committee recommend that the stockholders vote FOR the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2014.

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Your Proxy Vote

Voting Instructions

You are entitled to one vote on each proposal for each share of the Company's common stock that you own as of the record date, March 27, 2014. As of the record date, there were 16,949,745 shares of common stock outstanding. Each outstanding share is entitled to one vote on each proposal. Below are instructions on how to vote, as well as information on your rights as a stockholder as they relate to voting. Some of the instructions vary depending on how your stock is held. It is important to follow the instructions that apply to your situation.

If your shares are registered in your name, you may vote using the enclosed proxy card, by calling the toll-free number listed on your proxy card or by logging on to the website listed on your proxy card and following the simple instructions provided. The telephone and Internet voting procedures are designed to allow you to vote your shares and to confirm that your instructions have been properly recorded consistent with applicable law. Please see your proxy card for specific instructions. Stockholders who wish to vote over the Internet should be aware that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, and that there may be some risk a stockholder's vote might not be properly recorded or counted because of an unanticipated electronic malfunction. Voting by telephone and the Internet will be closed at 11:59 p.m. Eastern Time on May 7, 2014.

If your shares are held in street name, you should give instructions to your broker on how to vote your shares. If you do not provide voting instructions to your broker, your broker has discretion to vote those shares only on matters that are routine. However, a broker cannot vote shares on non-routine matters without your instructions. This is referred to as a broker non-vote.

If you plan to attend the meeting and vote in person, your instructions depend on how your shares are held:

Shares registered in your name check the appropriate box on the enclosed proxy card and bring evidence of your stock ownership with you to the meeting.

Shares registered in the name of your broker or other nominee ask your broker to provide you with a broker's proxy card in your name (which will allow you to vote your shares in person at the meeting) and bring evidence of your stock ownership from your broker with you to the meeting.

Remember that attendance at the meeting will be limited to stockholders as of the record date with photo identification and an admission ticket or evidence of their share ownership and guests of the Company.

If your shares are registered in your name, you may revoke your proxy at any time before it is exercised. There are several ways you can do this:

By delivering a written notice of revocation to the Secretary of the Company;

By executing and delivering another proxy that bears a later date;

By voting by telephone at a later time;

By voting over the Internet at a later time; or

By voting in person at the meeting.

If your shares are held in street name, you must contact your broker to revoke your proxy.

In tallying the results of the voting, the Company will count all properly executed and unrevoked proxies that have been received in time for the Annual Meeting. To hold a meeting of stockholders, a quorum of the shares (which is a majority of the shares outstanding and entitled to vote) is required to be represented either in person or by proxy at the meeting. Abstentions and broker non-votes are counted in determining whether a quorum is present for the meeting.

Voting Rules

When voting to elect directors, you have two options:

Vote FOR a nominee; or

WITHHOLD authority to vote for such nominee.

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When voting on the advisory proposal to approve the Company's 2013 executive compensation as described in this proxy statement, you have three options:

Vote FOR the proposal;

Vote AGAINST the proposal; or

ABSTAIN from voting on the proposal.

When voting to ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2014, you have three options:

Vote FOR the proposal;

Vote AGAINST the proposal; or

ABSTAIN from voting on the proposal.

If you return your proxy card with no votes marked, your shares will be voted as follows:

FOR the election of all nominees for director;

FOR the advisory vote to approve the Company's 2013 executive compensation as described in this proxy statement; and

FOR the ratification of the appointment of the Company's independent registered public accounting firm for 2014. **Broker non-votes occur when a broker lacks discretionary authority to vote on a proposal and the beneficial owner has not provided an indication as to how to vote.** We will treat broker non-votes as present to determine whether or not there is a quorum at the Annual Meeting, but they will not be treated as votes with respect to the proposals, if any, for which the broker indicates it does not have discretionary authority. This means that broker non-votes will not have any effect on whether any such proposal passes. We expect the proposal to ratify the appointment of Ernst & Young as our independent registered public accounting firm for 2014 to be the only routine matter being voted on at the Annual Meeting and, therefore, expect that brokers will be able to vote on that proposal in their discretion if you have not provided voting instructions.

The Company actively solicits proxy participation. All costs of this solicitation will be borne by the Company. The Company has hired Broadridge, 51 Mercedes Way Edgewood, New York 11717, to help solicit proxies, and has agreed to pay them \$13,000 plus out-of-pocket expenses for this service, subject to adjustment under certain

circumstances. In addition, our officers, directors and employees may solicit proxies in person or by telephone, facsimile or other means of communication but they will not receive any additional compensation in connection with such solicitation. The Company also encourages banks, brokers and other custodian nominees and fiduciaries to supply proxy materials to stockholders, and reimburses them for their expenses.

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Company Information

The Board's Committees and Their Functions

Committees of the Board of Directors

Our Board of Directors currently has an Audit Committee, a Compensation Committee, and a Governance Committee.

Audit Committee

Our Audit Committee currently consists of Messrs. Van Oss, Way, Kirt and Sidlik. Mr. Van Oss serves as the chairman of the Audit Committee. The Board of Directors has determined that each member of the Audit Committee is financially literate and that Messrs. Van Oss, Way and Kirt each qualify as an audit committee financial expert (as defined in Item 407(d)(5) of Regulation S-K). The Board of Directors has further determined that each member of the Audit Committee is independent under applicable New York Stock Exchange (NYSE) listing standards and SEC rules. The Audit Committee is responsible for (i) reviewing and discussing with management and our independent auditors our annual audited financial statements and quarterly financial statements and any audit issues and management's response; (ii) reviewing and discussing with management and our independent auditors our financial reporting and accounting standards and principles and significant changes in such standards and principles or their application; (iii) reviewing and discussing with management and our independent auditors our internal system of financial controls and disclosure controls and our risk assessment and management policies and activities; (iv) reviewing and evaluating the independence, qualifications, and performance of our independent auditors; (v) investigating matters relating to management's integrity, including adherence to standards of business conduct established in our policies; and (vi) taking such actions as may be required or permitted under applicable law to be taken by an audit committee on behalf of us and our Board of Directors.

The Board of Directors has adopted an Audit Committee charter, a copy of which is available at www.cooperstandard.com. In 2013 the Audit Committee met 4 times.

Compensation Committee

Our Compensation Committee currently consists of Messrs. Way, Kirt and Jutte. Mr. Way serves as the chairman of the Compensation Committee. The Board of Directors has determined that each member of the Compensation Committee is independent under applicable NYSE listing standards. The Compensation Committee is responsible for (i) the review and approval of corporate goals, objectives and other criteria relevant to the compensation of the Chief Executive Officer and other executive officers; (ii) together with the Lead Director, the evaluation of the performance of the Chief Executive Officer and other executive officers and the determination and approval of their compensation; (iii) the review and approval of executive compensation programs; (iv) the review and approval of contracts and transactions with executive officers; (v) the review and approval of equity-based compensation plans and awards made pursuant to such plans; (vi) the approval, review and oversight of employee benefit plans of the Company, including the delegation of responsibility for such programs to the executive officers of the Company; and (vii) taking such actions as may be required or permitted under applicable law to be taken by a Compensation Committee on behalf of us and our Board of Directors.

The Board of Directors has adopted a Compensation Committee charter, a copy of which is available at www.cooperstandard.com. In 2013 the Compensation Committee met 8 times.

Governance Committee

Our Governance Committee currently consists of Messrs. Mastrocola, Jutte, Van Oss and Sidlik. Mr. Mastrocola serves as the chairman of the Governance Committee. The Board of Directors has determined that Messrs. Jutte, Van Oss and Sidlik are independent under applicable NYSE listing standards. The Governance Committee is responsible for (i) identifying and evaluating individuals qualified to become members of the Board, consistent with criteria approved by the Board; (ii) selecting, or recommending that the Board select, the director nominees to stand for election by stockholders or to fill vacancies on the Board; (iii) developing and recommending to the Board corporate governance principles and practices applicable to the Company, including director access to management and management succession plans; (iv) reviewing the Company's legal compliance and ethics programs and monitoring compliance with the Company's governance principles, policies and code of business conduct and ethics; reviewing and approving director compensation and indemnification and insurance matters; and (vi) overseeing the annual performance evaluation of the Board and its committees.

The Board of Directors has adopted a Governance Committee charter, a copy of which is available at www.cooperstandard.com. In 2013, the Governance Committee met 5 times.

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Lead Director

Mr. Mastrocola is the Lead Director of the Board of Directors. The Lead Director (i) presides at meetings and sessions of the non-management members of the Board and communicates with management concerning the substance of such meetings and sessions; (ii) assists the Board's Chairman with the setting of agendas and other matters relating to meetings of the Board; (iii) together with the Chairman of the Compensation Committee, assists the Board in connection with its evaluations of the performance of the Company's Chief Executive Officer; and (iv) undertakes such other activities as may be requested by the Board or required by applicable laws, regulations or rules.

Corporate Governance

Independence of Directors

The Board of Directors has determined that Messrs. Kirt, Jutte, Sidlik, Van Oss, Way and Orlando Bustos (who served on the Board during 2013) are independent as determined pursuant to NYSE rules. Mr. Edwards is not independent as determined pursuant to NYSE rules because he is employed by the Company. Mr. Mastrocola is not independent as determined pursuant to NYSE rules because his brother is a partner at Ernst & Young LLP, the Company's independent auditors. Mr. Mastrocola's brother has no direct involvement of any kind in the relationship between Ernst & Young LLP and the Company or the review of the Company's financial statements.

Board Leadership

Mr. Edwards serves as Chairman of the Board of Directors as well as Chief Executive Officer of the Company. It is the Board's belief that this structure is in the best interest of the Company's stockholders at this time, as it promotes an efficient flow of communication between management and the Board, in particular with respect to the Board's oversight of the Company's strategic direction. The Board believes that the role of Mr. Mastrocola as Lead Director, together with the existence of a substantial majority of independent directors and the use of regular executive sessions of non-management directors, achieves an appropriate balance between the effective development of key strategic objectives and independent oversight of management's execution of strategic initiatives.

Executive Sessions

Non-management directors meet regularly in executive sessions without management. Non-management directors are all those who are not Company officers, and include directors who are not independent. Executive sessions of non-management directors are led by Mr. Mastrocola, the Lead Director, and are held in conjunction with each regularly scheduled Board meeting. Each committee of the Board also meets in executive session without management in conjunction with regularly scheduled committee meetings, as appropriate. At least once a year, the independent directors meet in an executive session led by one of the independent directors who is selected by all of the independent directors to lead the session.

Board's Role in Risk Oversight

The Board is actively involved in oversight of risks inherent in the operation of the Company's businesses and the implementation of its strategic plan. The Board performs this oversight role by using several different levels of review. In connection with its reviews of the operations of the Company's business units and corporate functions, the Board addresses the primary risks associated with those units and functions. In addition, the Board reviews the key risks associated with the Company's strategic plan as part of its consideration of the strategic direction of the Company.

The Board has delegated to the Audit Committee oversight of the Company's risk management process. Among its duties, the Audit Committee reviews with management (a) Company policies with respect to risk assessment and management of risks that may be material to the Company, (b) the Company's system of disclosure controls and system of internal controls over financial reporting, and (c) the Company's compliance with legal and regulatory requirements.

Each of the other Board committees also oversees the management of Company risks that fall within the committee's areas of responsibility. In performing this function, each committee has full access to management, as well as the ability to engage advisors, and each committee reports back to the full Board. The Audit Committee oversees risks related to the Company's financial statements, the financial reporting process, other financial matters, certain compliance issues and accounting and legal matters. The Audit Committee, along with the Governance Committee, is also responsible for reviewing certain legislative and regulatory developments that could materially impact the Company's contingent liabilities and risks. The Governance Committee also oversees risks related to the Company's governance structure and processes, related person transactions, compliance programs, succession planning, and Board and committee structure to ensure appropriate oversight of risk. The Compensation Committee considers risks related to the attraction and retention of key management and employees, and risks relating to the design of compensation programs and arrangements.

Policy on Director Attendance at Stockholder Meetings

Directors are expected to attend in person regularly scheduled meetings of stockholders, except when circumstances prevent such attendance. When such circumstances exist and in the judgment of the Chairman it is deemed critical that all directors participate, or in

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the case of special stockholder meetings, directors may participate by telephone or other electronic means and will be deemed present at such meetings if they can both hear and be heard. All of our directors then serving were present at the Company's 2013 annual meeting of stockholders.

Other Matters Concerning Directors and Executive Officers

SEC regulations require the Company to describe certain legal proceedings, including bankruptcy and insolvency filings involving directors or executive officers of the Company or companies of which a director or executive officer was an executive officer at the time of filing. Messrs. Keith D. Stephenson and Allen J. Campbell served as executive officers of the Company at the time the Company filed for protection under Chapter 11 of the United States Bankruptcy Code in August 2009.

Corporate Governance and Code of Business Conduct and Ethics

The Board of Directors has adopted Corporate Governance Guidelines which set forth the corporate governance practices of the Company. The Board has also adopted a Code of Business Conduct and Ethics that applies to all directors, officers, and employees of the Company and its subsidiaries, including our chief executive officer, our chief financial officer and our controller. All of our corporate governance documents, including the Corporate Governance Guidelines, the Code of Business Conduct and Ethics and committee charters, are available on our website at www.cooperstandard.com or in printed form upon request by contacting Cooper-Standard at 39550 Orchard Hill Place, Novi, Michigan 48375, Attention: Investor Relations. The Board regularly reviews corporate governance developments and modifies these documents as warranted. Any modifications will be reflected on our website. The information on our website is not part of this proxy statement and is not deemed to be incorporated by reference in this proxy statement.

Nomination of Directors

It is the policy of the Governance Committee and Board to consider candidates for director recommended by stockholders. The committee will evaluate candidates recommended for director by stockholders using the same criteria that it uses in evaluating any other candidate. Stockholders wishing to make such a recommendation should send to the Governance Committee, at the address given below under Communications with the Board of Directors, all information that would be required were the stockholder nominating such candidate directly pursuant to the Company's By-Laws. In addition to nominees recommended by stockholders, the committee will consider candidates recommended by management, and members of the Board, search firms and other sources. Among the nominees for election to the Board at the Annual Meeting, only Mr. Sidlik has not previously been nominated to stand for election to the Board. Mr. Sidlik was appointed by the Board, effective January 1, 2014, to fill a vacancy created by the resignation of a director during 2013. As part of its process of identifying and evaluating candidates to fill the vacancy, the Governance Committee solicited recommendations from other directors and certain of the Company's stockholders. Mr. Sidlik was recommended to the committee and Board by one of the Company's stockholders.

In identifying and evaluating nominees for director, the committee takes into account the applicable requirements for directors under the Exchange Act and the listing rules of the NYSE. In addition, the committee considers other criteria as it deems appropriate and which may vary over time depending on the Board's needs, including certain core competencies and other criteria such as general understanding of various business disciplines (e.g., marketing, finance, etc.), the Company's business environment, educational and professional background, analytical ability, diversity of experience and viewpoint and willingness to devote adequate time to Board duties. The goal of the committee is to maintain a balanced and diverse Board, with members whose skills, viewpoint, background and experience complement each other and, together, contribute to the Board's effectiveness as a whole.

Stockholder Nominations

The Company's By-Laws provide certain procedures that a stockholder must follow to nominate persons for election to the Board of Directors. Nominations for director at an annual stockholder meeting must be submitted in writing to the Governance Committee in care of the Secretary at the Company's principal executive offices at 39550 Orchard Hill Place, Novi, Michigan 48375 in accordance with the procedures and deadlines outlined under Submitting Stockholder Proposals and Nominations for the 2015 Annual Meeting. The Secretary must receive the notice of a stockholder's intention to introduce a nomination at an annual stockholder meeting:

not later than the close of business on the 90th day nor earlier than the opening of business on the 120th day before the anniversary date of the immediately preceding annual meeting of stockholders; or

if the annual meeting is called for a date that is more than 30 days earlier or more than 60 days after such anniversary date, notice by the stockholder to be timely must be received not earlier than the opening of business on the 120th day before the meeting and not later than the later of (x) the close of business on the 90th day before the meeting or (y) the close of business on the 10th day following the day on which public announcement of the date of the annual meeting is first made by the Company.

The By-Laws also provide, among other things, that the stockholder nomination notice must contain all information relating to such nominee that is required to be disclosed in solicitations of proxies for elections of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serve as director if elected).

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Communications with the Board of Directors

The Board has established procedures for stockholders and other interested parties to communicate with the Board. A stockholder or other interested party may contact the Board by writing to the Lead Director or the non-management or independent members of the Board to their attention at the Company's principal executive offices at 39550 Orchard Hill Place, Novi, Michigan 48375. Any stockholder must include the number of shares of the Company's common stock he or she holds and any interested party must detail his or her relationship with the Company in any communication to the Board. Communications received in writing are distributed to the Lead Director or non-management or independent members of the Board as a group, as appropriate, unless such communications are considered, in the reasonable judgment of the Company's Secretary, improper for submission to the intended recipient(s). Examples of communications that would be considered improper for submission, include, without limitation, customer complaints, solicitations, communications that do not relate directly or indirectly to the Company or the Company's business or communications that relate to improper or irrelevant topics.

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The following table and accompanying footnotes show information regarding the beneficial ownership of the issued and outstanding common stock of Cooper-Standard Holdings Inc. by (i) each person known by us to beneficially own more than 5% of the issued and outstanding common stock of Cooper-Standard Holdings Inc. as of the dates indicated in the footnotes and (ii) (A) each of our directors, (B) each named executive officer and (C) all directors and executive officers as a group, each as of March 27, 2013.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Rule 13d-3 Percentage ⁽¹⁾	Fully Diluted Percentage ⁽²⁾
Significant Owners:	Shares	%	%
Silver Point Capital L.P. ⁽³⁾	5,378,145	31.7	28.7
Oak Hill Advisors, L.P. ⁽⁴⁾	3,048,623	17.8	16.3
Capital World Investors ⁽⁵⁾	2,826,038	16.4	15.1
Archer Capital Management, L.P. ⁽⁶⁾	1,017,442	6.0	5.4
Directors and named executive officers:			
Allen J. Campbell ⁽⁷⁾	135,559*		
Juan Fernando de Miguel Posada			
Jeffrey S. Edwards ⁽¹¹⁾	50,000*		
Song Min Lee			
Keith D. Stephenson ⁽⁹⁾	126,818*		
Michael C. Verwilst ⁽¹⁰⁾	19,734*		
Larry J. Jutte ⁽¹²⁾	16,061*		
Jeffrey E. Kirt ⁽⁴⁾	1,922*		
David J. Mastrocola ⁽¹²⁾	16,061*		
Thomas W. Sidlik			
Stephen A. Van Oss ⁽¹²⁾	16,061*		
Kenneth L. Way ⁽¹²⁾	16,061*		
Directors and executive officers as a group (15 persons ⁽¹³⁾)	431,264	2.5	2.3

* Less than 1% of issued and outstanding shares of common stock.

⁽¹⁾ SEC rules require that the Company disclose beneficial ownership percentages calculated in the manner prescribed by Rule 13d-3 under the Exchange Act. Under the terms of Rule 13d-3, shares of common stock that may be acquired within 60 days are deemed to be beneficially owned. Percentage ownership of the common stock under the terms of Rule 13d-3 is based on the assumption that the person or entity whose ownership is being reported has converted all instruments held by such person or entity convertible into common stock within 60 days, but that no other holder of such convertible instruments has done so. Therefore, the percentage ownership set forth in this column assumes that the person or entity whose ownership is reported has exercised all

- options or warrants to purchase our common stock, but that no other person or entity has done so.
- (2) Fully-diluted percentage is based upon **16,949,745** shares of common stock outstanding as of March 27, 2014, plus **1,757,873** shares of common stock issuable upon exercise of warrants to purchase our common stock, but does not include shares of common stock issuable upon vesting of restricted stock units or exercise of options to purchase our common stock issued pursuant to our employee benefit plans.
- (3) Based solely on the Schedule 13G/A filed with the SEC on February 14, 2014. As of December 31, 2013: Silver Point Capital, L.P. had sole voting and dispositive power with respect to 5,278,145 shares of common stock; Edward A. Mulé, co-founder and partner of Silver Point Capital, L.P., had sole voting and dispositive power with respect to 100,000 shares of common stock and shared voting and dispositive power with respect to 5,278,145 shares of common stock; and Robert J. O Shea, manager of Silver Point Capital, L.P., had shared voting and dispositive power with respect to 5,278,145 shares of common stock. The address for Silver Point Capital, L.P. is Two Greenwich Plaza, 1st Floor, Greenwich, Connecticut 06830.

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- (4) Based solely on a Schedule 13G/A filed with the SEC on February 14, 2014. The amount shown includes, as of December 31, 2013: (i) 206,276 shares of common stock held by Oak Hill Credit Opportunities Master Fund, Ltd. (OHCOF); (ii) 393,371 shares of common stock held by Oak Hill Credit Alpha Master Fund, L.P. and related accounts (Alpha); (iii) 1,558,720 shares of common stock held by OHA Strategic Credit Master Fund, L.P. (SCF); (iv) 149,701 warrants held by SCF; (v) 430,198 shares of common stock held by OHA Strategic Credit Master Fund II, L.P. (SCF II); (vi) 29,834 warrants held by SCF II; (vii) 248,762 shares of common stock held by separately managed accounts (Separate Accounts); and (viii) 31,761 warrants held by Separate Accounts. Oak Hill Advisors, L.P. (OHA) is the investment advisor to Separate Accounts, OHCOF, Alpha, SCF and SCF II, and certain of its affiliates and principals, either directly or indirectly, exercise voting and dispositive power over the securities owned by them. OHA and its affiliates and principals disclaim beneficial ownership of such securities, except to the extent of their direct pecuniary interest therein. Mr. Kirt is a partner of Oak Hill Advisors, L.P. and may be deemed to have beneficial ownership of the foregoing securities. Mr. Kirt disclaims beneficial ownership of the foregoing securities except to the extent of his pecuniary interest in such securities. The address for Oak Hill Advisors, L.P. is 1114 Avenue of the Americas, 27th Floor, New York, New York 10036.
- (5) Based solely on a Schedule 13G/A filed with the SEC on February 13, 2014. As of December 31, 2013, Capital World Investors had sole voting and investment power with respect to 2,826,038 shares of common stock, including 248,444 shares of common stock issuable upon exercise of warrants, as a result of Capital Research and Management Company acting as an investment advisor registered under the Investment Advisers Act of 1940. The address for Capital World Investors is 333 South Hope Street, Los Angeles, California 90071.
- (6) Based solely on a Schedule 13G/A filed with the SEC on February 14, 2014 by Archer Capital Management, L.P. (Archer), as the investment manager to certain private investment funds, Canton Holdings, L.L.C. (Canton), as the general partner of Archer, and Joshua A. Lobel and Eric J. Edidin (together, the Principals), as principals of Canton. As of December 31, 2013, Archer, Canton and the Principals had shared voting and dispositive power with respect to 1,017,442 shares of common stock,. The address for Archer, Canton and the Principals is 570 Lexington Avenue, 40th Floor, New York, New York 10022.
- (7) Includes 7,291 shares of common stock issuable upon exercise of warrants and 78,450 shares of common stock underlying stock options.
- (8) Includes 16,667 shares of common stock underlying stock options.
- (9) Includes 7,292 shares of common stock issuable upon exercise of warrants and 69,750 shares of common stock underlying stock options.
- (10) Mr. Verwilst s employment with the Company terminated on February 8, 2013 and he is no longer subject to the general reporting requirements of Section 16(a) of the Exchange Act with respect to his beneficial ownership of our common stock. Mr. Verwilst s beneficial ownership information as reported is therefore presented as of February 8, 2013.
- (11) These are 50,000 shares of common stock underlying stock options.