	Department: Human Resources	Policy Number: HR-09
	Date Issued: October 20, 2003	Supersedes Number: Original
	Prepared by: Corporate Human Resources	
	Approved By: V.P. Human Resources	
Title: BUSINESS TRAVEL AND EXPENSE POLICY		

Scope: This policy applies to all employees at all TriMas locations.

Purpose: This policy has been prepared to establish standards and to achieve consistent application of company policy to all employees on business assignments. It is intended as a guide both for employees incurring expenses, and those employees authorized to approve expenses.

Policy: TriMas will reimburse employees for expenses incurred in the performance of their duties, provided the expenses are necessary, reasonable and appropriately documented. Reimbursed expenses should be on a conservative basis consistent with maintenance of the employee's normal living standards and the nature of the business assignment. It is Company policy to reimburse employees for the actual allowable expenses incurred while the employee is engaged in authorized Company business. Generally, travel and entertainment expenditures must meet two tests:

1. Be necessary to the conduct of Company business; and
2. Be ordinary and reasonable expenses.


It is Company policy that expenditures which do not meet these tests, or which violate laws or are contrary to other Company policies, or for which necessary documentation is not present, WILL NOT be reimbursed.

Procedure:

Approval of Expenses

The employee's immediate manager or the next higher authority will approve all expense reports. No employee is authorized to approve his or her own, a peer's, or a superior's expense report. The only exception is the CFO, who will approve expense reports of the CEO, and may approve the expense report of other officer's when the CEO is not available. In the absence of both the CEO and the CFO for an extended period of time, an Officer of the Company may approve a peer's expense report.

The act of approving expense reports is not simply an authorization to pay, it is a representation by the approval manager that the expenditures are necessary, the expenditures are in full accordance with the Company policy, and that they are reasonable in both amount and the furtherance of Company business. Each employee is responsible for understanding and complying with this policy. Managers, by signing approval, are responsible to verify conformity with this policy.

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Required Documentation

Employees traveling on a regular basis should submit their expense reports on a weekly basis using the approved expense report form. Two forms of evidence are required in support of expenditures submitted for reimbursement: specifically, receipts and proper explanations relative to the categories of expense. Receipts, including but not limited to the following, must be submitted with the expense report:

1. Hotel/Motel accommodations
2. Air/Rail/Bus transportation
3. Auto Rental/Gas for Auto Rental
4. Meals and entertainment expenses in excess of \$50 (local tax authorities may dictate a lower \$ amount (i.e., UK £10 or \$15 a day)
5. Business conferences/seminars
6. Parking, tolls, etc.
7. Telephone (photocopy of bill is acceptable), telegraph, fax, etc.

Extended Stay Option

The employee has the option, with the manager’s pre-approval, to extend a business trip to utilize lower airfares. This can be done if the action results in overall cost savings to the company and is not a business interruption.

Expense Advances

Departmental managers may authorize temporary expense advances up to \$1,000 for foreign travel and up to \$500 on an exception basis only for domestic travel. Temporary advances in excess of these limits will require the approval of the SBU President.

Administration and Audit Responsibility


Individuals authorized to approve expense reports of other employees will administer this policy. The approval manager has the primary responsibility for reviewing the reports for reasonableness of the amount expended, proper documentation, and sufficient business reason for incurring the expense. Direct any questions relating to this policy to the Business Unit Controller or the Corporate Controller for resolution.

Reimbursable Expenses

1. Meals

Meals are reimbursable only to the extent specified below - (When two or more TriMas employees are having a business meal, the highest-ranking employee in attendance should pay):

- a) The actual cost of meals, including tips and taxes, incurred on approved overnight business trips away from the home city of the employee are reimbursable.
- b) The actual cost of lunch and/or dinner, including tips and taxes, incurred on an extended day trip away from the home city of the employee are reimbursable.
- c) Meals should be appropriate to the nature of the employee’s business trip and consistent with his or her normal standard of living. The cost of meals will vary with location and circumstances.

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- d) When entertaining customers for reasons related to Company business, meal expenses should be shown on the expense report as “customer meals,” rather than “meals.” Receipts evidencing payment are required and must be attached to the expense report along with the names, titles, and the business purpose of those being entertained.
- e) When authorized by a department executive for testimonial, reward, recognition or other appropriate business purposes.

The Internal Revenue Service requires that any tax-deductible travel/entertainment cost be supported by records indicating the amount, date, place, type of entertainment, the business reason, and the persons entertained. This information MUST be included on the expense report.

2. Lodging

Employees on travel status are expected to utilize hotel accommodations consistent with convenience and good judgment. Reservations for lodging should be made, whenever possible, through the Company or by calling the Company authorized travel agent. Commercial/Corporate rates should be requested when making reservations.

Invoices for lodging are required for tax purposes, regardless of the amount, and must be attached to the expense report.

3. Transportation

Travel may be by air, rail, bus, taxi, rented car, or personal car, depending upon the circumstances and the length of the trip. Reservations for air travel and car rental must be made by calling the Company authorized travel agent. Good judgment should be exercised in all travel arrangements. Employees should attempt to use the lowest logical airfare without compromising the nature of the business trip.

A. Air Travel

- 1. Domestic – All domestic air travel will be in Coach class except when Business or First class does not cost more than the lowest available Coach fare. The following exceptions, when pre-approved by a Corporate Executive officer or a Corporate Vice President, give an employee the option to use Business class:
 - overnight flight if the employee is required to do business the following day
 - if an employee has certain physical conditions/disabilities
 - when Coach Class is completely sold out and no alternate flights are available;
or
 - within Europe, as there is little cost difference between "Eurobudget" (fixed flight times/airlines) and business class (flexible ticket). Often point-to-point business fare is cheaper than coach or if you're visiting more than one city. Thus, if business class is a less expensive form of travel, it should be used.

Employees may use First class when Coach and Business class are completely sold out and no alternate flights are available.

When traveling with clients, employees may use the same class of service that clients use.



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2. Intercontinental – For flights under nine hours, the Domestic portion of the air travel policy is applicable. For flights exceeding nine hours, employees may use Business class. Employees may use First Class when Business class is completely sold out and no alternate flights are available. Intercontinental flights are defined as flights that cross an ocean.

Non-refundable tickets should be purchased, whenever possible, in order to obtain the best price. If any portion of these tickets cannot be used for the original business purpose, it should be turned in to the Company authorized travel agent for proper filing and/or credit.

B. Automobile Use

Mileage will be reimbursed at the current IRS established rate to all employees for authorized business travel. This rate will be communicated at the beginning of each new calendar year.

- Airport – mileage for trips to the airport originating from the employee’s home or the Corporate office and subsequent return to home or office will be reimbursed.
- Other business locations - mileage for trips to other business locations will be reimbursed for mileage that exceeds your regular commute.

Mileage is not reimbursable for travel between the employee’s residence and the Company location to which the employee is assigned.

C. Auto Rentals

The general company policy on auto rentals is that the employee is to obtain a midsize or intermediate vehicle. Larger vehicles may be obtained, if circumstances dictate. You should book the most cost effective alternative. As a general rule, insurance should not be purchased when renting vehicles in the US. For non-US rentals, all insurance coverage should be accepted.

Because rental car companies refueling charges are usually at outrageous rates, employees are strongly encouraged to refuel their vehicle prior to returning it.

D. Local Transportation

The cost of taxi or limousine transportation to/from the place of business, hotel, airport, etc. is allowable where it is to the Company’s advantage to use this form of travel. In questionable circumstances, the traveler should document the reason as to why this form of travel was chosen.


E. Rail / Bus

Train, subway, or bus transportation is an acceptable form of transportation.

4. Entertainment

An employee will be reimbursed for reasonable entertainment expenses only if the entertainment is properly and clearly on behalf of the Company. The nature and extent of such entertainment should have prior approval from the employee’s department head. The names of the guests, their business affiliations, and business purpose are required to be shown on the expense report along with the names of the Company employees included in the group entertained.

The Internal Revenue Service requires that any tax deductible entertainment cost be supported by records, showing the amount spent, the date, place, and type of entertainment, the business reasons for the entertainment, and the name, title, and affiliation of the persons entertained.

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5. Other Reimbursable Expense

A. Telephone Usage

Long distance telephone calls connected with Company business are valid reimbursable expenses. Employees should use the lowest reasonable cost option available (e.g., corporate phone card whenever possible). When business calls are charged to a home telephone, cell phone or personal phone card, the itemized statement should be attached to the expense report (a copy is acceptable).

Travelers will be reimbursed for a reasonable number of personal telephone calls while traveling on business.

B. Personal Services

When business trips are five or more days in duration, reasonable laundry and valet costs are reimbursable when supported by appropriate receipts. Personal grooming services, including but not limited to, a haircut or shoeshine will not be reimbursed.

C. Tipping

Appropriate tipping, in circumstances where it is customary, is a reimbursable expense. As a general rule, tips should not be excessive, and should follow the local customs under the circumstances. Tips for restaurant services should be reported as part of the cost of the meal. All other tips should be reported separately on an expense report.

D. Foreign Travel

When foreign travel is required, the use of a widely accepted credit card is encouraged. The Company will settle any business expense incurred, upon the receipt of the credit card billing or other appropriate documentation. The costs associated with exchanging US currency into foreign currency (or vice versa) will also be reimbursed. Visa and Passport fees are reimbursable.

E. Travel of Spouses or TriMas Invitees

Expenses associated with spouse travel are reimbursable for functions where spouse attendance is customary. All travel of spouses or TriMas invitees at Company expense must be approved **in advance** by a Corporate Officer. This authorization must be documented by attaching the following information to the employee's expense report:

- Spouses name or TriMas invitee;
- Date of travel;
- Primary purpose of travel; and
- Explanation of spouse's assistance in furtherance of the Company's business (including date and time)

F. Membership Dues

Cost associated with membership in organizations such as country clubs, social or dining clubs, airline travel clubs, etc., will be reimbursed only if approved by TriMas' CEO or CFO.



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Non-Reimbursable Expenses:

The following is a list of expenses that are not allowable. This list is not all-inclusive, and any questionable items should be discussed with the Controller before being approved by the employee's approving supervisor.

- Airline or other trip insurance;
- Annual fees for personal credit cards;
- Automotive violations;
- Barber/Beauty shop;
- Car washes;
- Donations;
- Dues & Subscriptions (that were not formally authorized in advance);
- Entertainment (that was not authorized in advance);
- Expenses for travel companions/family members;
- Expenses related to vacation or personal days while on a business trip;
- Laundry/Dry cleaning (when away from home for less than 5 days);
- Lost baggage;
- Mileage for pool vehicles;
- Movies/Books/Magazines/Newspapers;
- Personal automobile insurance;
- Personal entertainment;
- Personal postage costs, postcards;
- Personal toiletries;
- Rentals of equipment for personal use;
- Saunas, massages;
- Shoe shines;
- Sightseeing or other recreational trips;
- Souvenirs/personal gifts;
- Theft losses;
- Tobacco products;
- Unauthorized attendance to conventions, meetings, and conferences; and
- Unexplained expenses