

**TOWER AUTOMOTIVE, INC.**  
**AMENDED AND RESTATED**  
**CHARTER OF THE COMPENSATION COMMITTEE**  
**OF THE BOARD OF DIRECTORS**  
**(As Adopted January 2003)**

**I. Purpose**

The primary function of the Compensation Committee is to assist the Board of Directors by overseeing matters relating to the compensation of the Company's leadership and such other related tasks as may be delegated to it by the Board of Directors.

The Compensation Committee performs a key role in the overall enterprise leadership and governance process by ensuring a clear relationship between total compensation, organization performance and returns to shareholders. This is based on the belief that total compensation programs properly aligned with economic value creation and the values and goals of the enterprise are essential tools in the delivery of sustainable value to shareholders.

**II. Membership**

- A. Independence—The Compensation Committee shall be comprised of three or more members, each of whom must qualify as an independent director ("Independent Director") under the New York Stock Exchange (NYSE) listing standards, and such additional standards as the Board of Directors may establish.
- B. Appointment—The members of the Compensation Committee shall be nominated by the Nominating and Corporate Governance Committee and appointed annually to one-year terms by the Board. The Nominating and Corporate Governance Committee shall recommend, and the Board shall designate, one member of the Compensation Committee as Chair.

**III. Meetings and Procedures**

Meetings of the Compensation Committee shall be subject to the Committee procedural rules set forth in the Company's Bylaws and its own rules of procedure, which shall be consistent with those Bylaws and the following:

- A. The Compensation Committee shall meet at least three (3) times annually and more frequently as circumstances require.
- B. Following each of its meetings, the Compensation Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Compensation Committee.

- C. The Compensation Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

#### **IV. Responsibilities and Duties**

The Compensation Committee shall have the following duties and responsibilities:

- A. To assist leadership and the enterprise in defining an Enterprise Leadership Team compensation policy that (1) supports the Company's objectives; (2) attracts and retains key leaders, (3) links total compensation with business objectives and performance, and (4) provides competitive total compensation opportunities appropriate to the market and tied to shareholder value creation.
- B. Act on behalf of the Board of Directors in setting the Enterprise Leadership Team total compensation program, oversee the administration of compensation programs approved by the Board of Directors and shareholders, and making decisions or developing recommendations for the Board of Directors with respect to the compensation of Enterprise Leadership Team members.
- C. Review and recommend to the Board of Directors for approval the annual base salary levels, annual incentive opportunity and payout levels, long-term incentive plan elements, opportunity levels and awards, Flexible Perquisite Plan, employment agreements (if and when appropriate), change in control provisions/agreements (if and when appropriate), severance and other benefits, and supplemental benefits of the Enterprise Leadership Team as required under securities law, and other key leaders of the enterprise.
- D. Establish annually the process for the Board's evaluation of the enterprise leader's performance.
- E. Evaluate annually enterprise leader's and other key leaders' compensation levels and payouts against (1) pre-established performance goals and objectives, and (2) appropriate peer group.
- F. Ensure linkage of the total compensation program with enterprise strategic and financial goals and plans.
- G. Review and assess performance target goals established before start of the plan year and determine when performance goals have been achieved at the end of the plan year.
- H. Review and recommend for approval new incentive plans to the Board of Directors that (1) are consistent with the total compensation philosophy, and (2) monitor the appropriateness of payouts under alternative business scenarios.

- I. Review the retirement plans and determine the fit with plan objectives and competitiveness of current benefit levels, approve any amendments, and review the results of the retirement plan investments for compliance with enterprise investment policies, tax law, the Employee Retirement Income Security Act of 1974 (ERISA), and related legal requirements.
- J. To recommend to the Board of Directors, pay levels for Board members, subject to approval by vote of the full Board, in recognition of the conflict of directors setting their own remuneration.
- K. In coordination with the Board and the Audit Committee, (or other appropriate Committees) to review and approve in advance the contents of SEC and other regulatory filings relating to compensation matters.
- L. In coordination with the Board, to conduct an annual performance evaluation of the Compensation Committee.
- M. To implement recommendations by the Board to the Committee.
- N. To produce an Annual Report on executive compensation, in accordance with applicable rules and regulations, to be included in the Company's annual Proxy Statement to shareholders.

**V. Committee Resources**

- A. The Committee may retain outside consultants to assist in determining and establishing compensation policies and may authorize independent studies of corporate compensation and benefits of generally comparable companies. The Committee has the sole authority to retain and terminate the outside consultants and determine their fees and retention terms.
- B. The Committee may be assisted on compensation projects by various members of the Company's staff, and may review compensation matters with the CEO and other members of the Enterprise Leadership Team.