

**2013 Award Nomination Form
Illinois Chapter of The ESOP Association**

Company of the Year

Company Name:	Holden Industries, Inc.
Contact Name:	Barbara Barkley
Address:	500 Lake Cook Road, Suite 400 Deerfield, IL 60015
Phone:	847-940-1500
Email:	bbarkley@holdenindustriesinc.com

We believe that Holden Industries should be considered for Company of the Year based on its commitment to and support of ESOPs and employee ownership, both internally within Holden and externally throughout the community.

On December 28, 2012, Holden celebrated its fifth anniversary as a 100% employee-owned company. During those five years, Holden has been active in and supportive of the ESOP Association, ESCA and NCEO. Holden representatives have served in leadership positions at the Illinois Chapter level, have spoken at numerous conferences and have served in leadership roles at ESCA. Holden operating units have hosted numerous Congressional visits at their facilities, and Holden employee owners (including both management and factory personnel) have made annual legislative visits in Washington D.C. to promote pro-ESOP legislative efforts.

Holden worked hard to initiate an ownership culture for months prior to implementing its ESOP, and has worked equally hard since then to maintain and enhance that culture. As part of that process, Holden has enacted amendments to its ESOP to shorten the eligibility period from one year of service to three months, so as to accelerate new employees' participation in the ESOP and further enhance the ownership culture. Holden has also made several acquisitions in the past two years, and provided past service credit to employees of those companies for the same reasons. As a non-leveraged ESOP from its inception, during its first five years the Holden ESOP has already paid out in excess of \$8 million in retirement benefits to participants.

Who We Are

Holden Industries, Inc. is a 100% employee-owned S-Corporation, headquartered in Deerfield, Illinois, which operates a diversified portfolio of manufacturing companies. Holden's Mission is to perpetuate the profitable growth of our company by providing the highest quality products and services to our customers worldwide, while consistently emphasizing opportunities for our employees and our commitment to ethics, excellence and innovation.

Celebrating Five Years as an ESOP Company

When the sole owner of Holden decided to exit the business, Joseph Haas (Holden's president) approached the owner with the proposal to sell the company to the employees through the ESOP structure. Mr. Haas secured the owner's commitment to allow him to proceed with an ESOP transaction, but only on terms that provided a full cash-out of the owner's interest at closing. Working with a team of leading professionals in the ESOP community, Holden management put together a transaction whereby a newly formed ESOP would acquire 100% ownership of Holden funded by a combination of senior and junior lien debt, as well as equity to be provided on a voluntary basis by each employee's individual decision to invest funds from his/her profit sharing and 401k accounts in addition to other eligible sources. Following months

of education regarding ESOPs generally and the specifics of the Holden ESOP, the almost 1,000 employees of Holden became employee owners by voluntarily investing almost \$32 million of existing retirement funds to buy the company. As a result, on December 28, 2007, the newly formed Holden ESOP acquired 100% of the stock of Holden from the former owner, putting the ownership and control of the company's future in the hands of Holden's managers and employees.

Holden makes annual contributions of shares to the ESOP so that all eligible employees become active participants. The first such contribution was made as of December 31, 2007, three days after the initial transaction. Holden continues to make annual contributions to the ESOP for allocation to all participating employee owners. The ESOP covers all domestic full and part-time non-union employees.

Holden believes that it performed better through the recession due to the strong employee ownership culture it had established at the inception of its ESOP. In addition, by engaging in four distinct operations, the employee owners enjoyed some benefit of diversification. During the four-year period ending December 31, 2011, Holden's stock price increased each year at an average annual rate in excess of 30%.

It's all about our employee owners

➤ Holden's ESOP Communication Advisory Committee is comprised of employee owners from both the offices and production facilities of our operating units with the purpose of promoting the employee ownership culture. The Committee plays a major role in promoting and maintaining the ownership culture throughout Holden. Examples of the Committee's contributions include the following: The Committee developed The Guiding Behaviors of Employee Owners that have become the cornerstone of building the employee ownership culture. In 2009, as a part of the ESOP Association Poster Contest, another employee developed The Guiding Behaviors poster that is now displayed at all of our locations. The graphic is also the company screen saver and is used for many of the gifts given to employees during Employee Ownership Month.



➤ The Committee worked with management to develop a means to communicate desired financial information to our employee owners. As a result, quarterly newsletters are sent to each employee owner's home featuring a message from the President containing financial performance data, business information, sales and marketing programs, and other pertinent employee owner news. Each issue contains a performance dashboard with the key value drivers: Sales Revenue, Gross Profit, Total SG&A, EBITDAE, Key Working Capital, and Cash to Cash Cycle, and the performance of each of the operating units is depicted with arrows in varying shades of green and red to show either up performance (green) or down performance (red) as indicated below.



Six Months Ended June 30, 2008

- Each newly eligible employee owner receives a personalized welcome letter from the CEO and President of Holden Industries. Among other information, included is “The Guiding Behaviors of Employee Owners” which have become the foundation of the Company’s communication and education efforts toward building an ownership culture.
- Members of the Committee conduct a new-hire orientation program including ESOP education and a review of ESOP activities, message boards, and the history of the ESOP.
- Activities, games, refreshments, and gifts are a part of the annual celebration during October for Employee Ownership Month. Each year the Committee puts together a month full of education and fun promoting employee ownership.
- Members of the Committee play an important role in connection with all Congressional visits to their facilities, interacting directly with the Representative or Senator to share the story of our ESOP and what employee ownership is all about. Several Committee members attend the ESOP Association Annual Conference in Washington D.C. each year, during which they participate in legislative visits to Congressional offices on Capitol Hill as well as attending the conference sessions and networking with employee owners from other ESOP companies.
- Annually Holden’s CEO, along with other members of management, conduct an all-employee meeting at each primary location called the Road Show. During the Road Show, Holden’s overall business strategy is explained, the previous year-end financial results are detailed, and the annual valuation is announced. Insights into the economy and future company projections are also shared. The annual event has become a great interest to employee owners to gain a better understanding of the company and the ESOP.
- A website called “My ESOP” for employee owners is another communication venue maintained by the Company where employees can read about the history of the Company, review current financial performance, access past newsletters, and make suggestions.
- We are involved in the communities where we work and live. In conjunction with Employee Ownership Month an annual food drive is conducted. In addition, other community service initiatives are embraced including blood mobile drives, supplies to soldiers in Afghanistan, and participation in educational partnerships with high schools and universities.
- A Holden ESOP flag, designed by an employee owner, hangs proudly at all of our locations.



The Holden ESOP flag is displayed at the Town Hall meeting in Gurnee, IL, with former Representative Bob Dold, a co-sponsor of H.R. 1244

- In addition to the ESOP, Holden provides a comprehensive set of benefits for our employee owners, including: health, life and disability insurance; Flexible Spending Accounts; a 401k Plan; an Employee Assistance Plan; and continuing education assistance. We reward and recognize our employee owners through a Service Awards program, Achievement and Performance Recognition Awards, Safety Awards, and Attendance Awards.

Our involvement in The ESOP Association

Holden Industries, Inc. is a very active member of the ESOP Association. Highlights of association involvement:

- Art Miller, Executive Vice President and General Counsel, served as a Vice President and President of the Illinois Chapter of the ESOP and continues to serve on the Executive Committee of the Chapter.
- Each year, Holden representatives attend the Illinois Chapter Annual Spring Conference, ESOP Association Annual Conference, Illinois Chapter Golf Outing, Midwest Regional Conference and ESOP Association Las Vegas Conference & Trade Show.
- Holden management team members have attended ESOP Association Directors Retreats, as well as Illinois Chapter HR and CFO Roundtable events
- Holden is an Annual Sponsor of the Illinois Chapter.
- Wendy Yates, an employee owner at Holden's Wildeck operation in Wisconsin, serves as a Vice President of the Wisconsin Chapter. Wildeck representatives participate in and have hosted Wisconsin Chapter events.
- Two Holden employee owners have been Chapter Employee Owners of the Year: Jack Sites in Wisconsin in 2010 and Mike Ortiz in Illinois in 2011.
- Several employee owners from the ESOP Communication Advisory Committee attend the annual National ESOP Association conference in Washington, DC each year. The Committee members get an opportunity to visit Capitol Hill and promote employee ownership.
- Holden has participated in the Annual Awards for Communication Excellence for four years, winning one 1st-place and several runner-up awards.
- Holden representatives have spoken at several Chapter and Regional conferences.

Our involvement in other employee ownership associations

- Holden is an active member of ESCA, initially serving as a general member, then joining the Leadership & Development Council where Art Miller served as Chairman during 2012, and most recently joining the Board of Directors. Holden representatives participate in ESCA meetings throughout the year.
- Holden is a member of NCEO, and Holden representatives attend the NCEO Annual Conference and, from time to time, attend other local NCEO sponsored events.
- Holden personnel have been speakers at the two most recent NCEO conferences.

Telling our story to Congress Representatives

- Holden is very active in legislative affairs on behalf of ESOP companies.
- During the past three years, Holden has hosted six Congressional visits to its facilities in Illinois, Wisconsin and Ohio.
- Holden representatives make multiple visits to Washington D.C. each year during which they visit the offices of their Representatives and Senators to promote employee ownership and pending legislation relating thereto, as well as other issues of concern to ESOP companies.