

COLUMBUS MCKINNON CORP
Form DEF 14A
June 14, 2017

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

Schedule 14A Information

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
 Definitive Proxy Statement Only (as permitted by Rule 14a-6(e)(2))

Columbus McKinnon Corporation

(Name of Registrant as specified in its charter)

Payment of filing fee (check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11

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

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

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11: ___/

(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 2017
ANNUAL MEETING OF SHAREHOLDERS
AND PROXY STATEMENT

COLUMBUS MCKINNON CORPORATION

2

COLUMBUS MCKINNON CORPORATION

205 CrossPoint Parkway
Getzville, New York 14068

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD JULY 24, 2017

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Columbus McKinnon Corporation, a New York corporation, will be held at the Four Seasons Hotel Chicago, 120 East Delaware Place, Chicago, Illinois, on July 24, 2017, at 10:00 a.m., local time, for the following purposes:

1. To elect eight Directors to hold office until the 2018 Annual Meeting and until their successors have been elected and qualified;
2. To ratify the appointment of Ernst & Young LLP as independent registered public accounting firm for the fiscal year ending March 31, 2018;
3. To conduct a shareholder advisory vote on the compensation of our named executive officers;
4. To take action upon and transact such other business as may be properly brought before the meeting or any adjournment or adjournments thereof.

The Board of Directors has fixed the close of business on June 1, 2017, as the record date for the determination of shareholders entitled to receive notice of and to vote at the Annual Meeting.

It is important that your shares be represented and voted at the Annual Meeting. Whether or not you plan to attend, please sign, date and return the enclosed proxy card in the enclosed postage-paid envelope or vote by telephone or using the internet as instructed on the enclosed proxy card. If you attend the Annual Meeting, you may vote your shares in person if you wish. We sincerely appreciate your prompt cooperation.

ALAN S. KORMAN
Secretary

Dated: June 14, 2017

Important notice regarding the availability of proxy materials for the Annual Meeting of Shareholders to be held on July 24, 2017. The Company's Proxy Statement and Annual Report to shareholders for the fiscal year ended March 31, 2017 are available at <http://www.cmworks.com/investors/proxy>.

COLUMBUS MCKINNON CORPORATION

205 CrossPoint Parkway
Getzville, New York 14068

PROXY STATEMENT

This Proxy Statement and the accompanying form of proxy are being furnished in connection with the solicitation by the Board of Directors of Columbus McKinnon Corporation, a New York corporation ("our Company", "we" or "us"), of proxies to be voted at the Annual Meeting of Shareholders (the "Annual Meeting") to be held at the Four Seasons Hotel Chicago, 120 East Delaware Place, Chicago, Illinois, on July 24, 2017, at 10:00 a.m., local time, and at any adjournment or adjournments thereof. This Proxy Statement and other proxy materials are first being sent or given to shareholders on or about June 14, 2017.

The close of business on June 1, 2017 has been fixed as the record date for the determination of shareholders entitled to receive notice of and to vote at the meeting. At the close of business on June 1, 2017, we had outstanding 22,596,824 shares of our common stock, \$.01 par value per share, the holders of which are entitled to one vote per share on each matter properly brought before the Annual Meeting.

The shares represented by all valid proxies in the enclosed form will be voted if received in time for the Annual Meeting in accordance with the specifications, if any, made on the proxy card. If no specification is made, the proxies will be voted (i) FOR the nominees for Director named in this Proxy Statement, (ii) FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year ending March 31, 2018, and (iii) FOR the approval of the compensation of our named executive officers as disclosed in the Compensation Discussion and Analysis, the compensation tables and the related disclosure as contained elsewhere in this Proxy Statement.

In order for business to be conducted, a quorum must be present at the Annual Meeting. A quorum is a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting. Abstentions, broker non-votes and withheld votes will be counted in determining the existence of a quorum at the Annual Meeting.

Directors will be elected by a plurality of the votes cast at the Annual Meeting, meaning the eight nominees receiving the most votes will be elected. Votes cast FOR the nominees will count as "yes votes;" and WITHHOLD votes will be excluded entirely from the vote and will have no effect. A majority of the votes cast is required to approve the selection of the Company's auditors and the approval of a non-binding, advisory resolution regarding executive compensation. Votes may be cast FOR, AGAINST or ABSTAIN on the approval of these proposals. Abstentions are not counted in the number of votes cast and will have no effect on the results of the vote. Proxy cards that are executed and returned without any designated voting direction will be voted in the manner stated on the proxy card. Recent changes in regulations have eliminated the ability of a shareholder's bank or broker to vote uninstructed shares in the election of directors and on executive compensation on a discretionary basis. Thus, if a shareholder holds shares in street name and does not instruct his, her or its bank or broker how to vote in the election of directors or the one advisory vote on executive compensation, no votes will be cast on such shareholder's behalf with respect to these matters. If a shareholder holds shares in his, her or its own name and does not vote, no votes will be cast on such shareholder's behalf on any of the items of business at the Annual Meeting.

The execution of a proxy will not affect a shareholder's right to attend the Annual Meeting and to vote in person. A shareholder who executes a proxy may revoke it at any time before it is exercised by giving written notice to the Secretary, by appearing at the Annual Meeting and so stating, or by submitting another duly executed proxy bearing a later date.

PROPOSAL 1

NEW BOARD DEVELOPMENTS

On February 28, 2017, Timothy T. Tevens, former President and Chief Executive Officer and Director, elected retirement. His successor, Mark D. Morelli, was duly elected President and Chief Executive Officer and Director on February 28, 2017.

On May 10, 2017, Ms. Linda Goodspeed notified the Board of Directors that she would not stand for re-election to the Board at the 2017 Annual Meeting and that her term on the Board would end effective May 31, 2017. Ms. Goodspeed was a member of the Company's Corporate Governance and Nomination Committee and Compensation and Succession Committee. Ms. Goodspeed's decision to no longer serve on the Board does not arise from any disagreement or dispute with the Company or management. Pursuant to the Company's bylaws, its Directors may serve on the boards of directors of no more than four publicly traded companies inclusive of the Company's Board. On May 9, 2017 Ms. Goodspeed was elected to serve as a director for another company. Ms. Goodspeed, now serving on five (5) public boards, voluntarily resigned from the Company's Board in accordance with its governance policy.

ELECTION OF DIRECTORS

Our Certificate of Incorporation provides that our Board of Directors shall consist of not less than three nor more than nine Directors to be elected at each annual meeting of shareholders and to serve for a term of one year or until their successors are duly elected and qualified. Currently, the Board of Directors is comprised of eight members, as Ms. Goodspeed will not be standing for re-election.

Unless instructions to the contrary are received, it is intended that the shares represented by proxies will be voted for the election as Directors of Ernest R. Verebelyi, Mark D. Morelli, Richard H. Fleming, Stephen Rabinowitz, Nicholas T. Pinchuk, Liam G. McCarthy, R. Scott Trumbull and Heath A. Mitts, each of whom has been previously elected by our shareholders other than Mr. Morelli who joined the Board on February 28, 2017. If any of these nominees should become unavailable for election for any reason, it is intended that the shares represented by the proxies solicited herewith will be voted for such other person as the Board of Directors shall designate. The Board of Directors has no reason to believe that any of these nominees will be unable or unwilling to serve if elected to office. The following information is provided concerning the nominees for Director:

Ernest R. Verebelyi, age 69, was appointed a Director of the Company in January 2003 and was elected Chairman of the Board in August 2005. Mr. Verebelyi retired from Terex Corporation, a global diversified equipment manufacturer, in October 2002 where he held the position of Group President. Prior to joining Terex in 1998, he held executive, general management and operating positions at General Signal Corporation, Emerson, Hussmann Corporation, and General Electric. Mr. Verebelyi served as a director of CH Energy Group, Inc. (NYSE:CHG) starting in 2006 and was elected lead director in 2012 through its sale in June of 2013. Mr. Verebelyi's qualifications to serve on the Board include his senior leadership and public company board and governance experience and his strong background and expertise in the manufacturing sector with large multinational corporations, which is invaluable in evaluating the performance of management and other aspects of the Company.

Mr. Morelli, age 53, was appointed President and Chief Executive Officer and a Director of the Company in February, 2017. Mr. Morelli served as president and chief operating officer of Brooks Automation (NASDAQ:BRKS) from 2012 to 2016. Previous to his role at Brooks Automation, Mr. Morelli was the chief executive officer of Energy Conversion Devices, an alternative energy company. Prior to that, Mr. Morelli was with United Technologies from 1993 to 2007, where he progressed through product management, marketing, strategy and increasing responsibilities of general management. His last assignment was as president of Carrier Commercial Refrigeration. He began his

career as a U.S. Army officer and helicopter pilot, serving as a company commander of an attack helicopter unit. Mr. Morelli's qualifications to serve on the Board include his executive leadership experience in global technology and industrial companies, marketing expertise and his proven track record of building high performing organizations.

Richard H. Fleming, age 70, was appointed a Director of our Company in March 1999. In February 1999, Mr. Fleming was appointed Executive Vice President and Chief Financial Officer of USG Corp. (NYSE:USG). Effective May 1,

2012 Mr. Fleming retired from the position of Chief Financial Officer at USG. Prior thereto, Mr. Fleming served USG Corp. in various executive financial capacities, including Senior Vice President and Chief Financial Officer from January 1995 to February 1999 and Vice President and Chief Financial Officer from January 1994 to January 1995. Mr. Fleming also serves as a member of the Board of Directors of Boise Cascade Company (NYSE:BCC) and OE Holding, LLC, a private company. He is also a director for several not-for-profit entities including UCAN and the University of the Pacific. Mr. Fleming's qualifications to serve on the Board include his senior leadership and public company board and governance experience and his high level of expertise and background in finance and accounting matters and strategic planning.

Stephen Rabinowitz, age 74, was appointed a Director of the Company in October 2004. He retired in 2001 from his position as Chairman and Chief Executive Officer of General Cable Corporation, a leading manufacturer of electrical, communications and utility cable. Prior to joining General Cable as President and Chief Executive Officer in 1994, he served as President and CEO of AlliedSignal Braking Systems, and before that as President and CEO of General Electric's Electrical Distribution and Control business. He also held management positions in manufacturing operations and technology at the General Electric Company and the Ford Motor Company. Mr. Rabinowitz's qualifications to serve on the Board include his senior leadership and public company board and governance experience and his manufacturing and international operations expertise.

Nicholas T. Pinchuk, age 70, was appointed a Director of the Company in January 2007. Currently, he is Chairman, President and CEO of Snap-on Incorporated (NYSE:SNA), an S&P 500 company. Prior to that, Mr. Pinchuk served as Senior Vice President and President of Snap-on's Worldwide Commercial and Industrial Group since June 2002. Prior to joining Snap-on, Mr. Pinchuk served in several executive operational and financial management positions at United Technologies Corporation, including President, Global Refrigeration Operations of its Carrier Corporation unit and President of Carrier's Asia-Pacific Operations. He also served in financial and engineering managerial staff positions at the Ford Motor Company from 1972 to 1983. Mr. Pinchuk served as an officer in the United States Army in Vietnam. Mr. Pinchuk's qualifications to serve on the Board include his senior leadership and public company board and governance experience and his manufacturing and international operations expertise, especially in Asia-Pacific.

Liam G. McCarthy, age 61, was appointed a Director of the Company in November 2008. Mr. McCarthy retired as President and Chief Supply Chain Officer of Molex Incorporated (NASDAQ:MOLX), acquired December 9, 2013 by Koch Industries, Inc, in June, 2017. Prior thereto, Mr. McCarthy served Molex in various executive and management capacities, including President and Chief Operating Officer through December, 2015, Vice President, Operations, Europe from 2001 to 2005; President, Data Communications Division, Americas Region from 1998 to 2001; General Manager, Singapore from 1993 to 1998; Regional Marketing Manager, Far East South Region from 1991 to 1993; and Materials Director, Singapore from 1989 to 1991. Mr. McCarthy is also a Board Member of the Chicago Counsel on Global Affairs. Mr. McCarthy's qualifications to serve on the Board include his senior leadership and public company board and governance experience and his manufacturing and international operations and logistics expertise.

R. Scott Trumbull, age 68, was appointed a Director of the Company in January, 2014. Mr. Trumbull retired as Non-Executive Chairman of the Board of Franklin Electric Company, Inc. (NASDAQ:FELE) in May, 2015. He joined the Board of Franklin Electric in 1998 and was elected Chief Executive Officer of the company in December, 2002 until retiring in May, 2014. Prior to joining Franklin Electric, Mr. Trumbull began his career at Owens-Illinois in 1972, progressively advancing through various operational and leadership positions to the role of Executive Vice President and Chief Financial Officer. Mr. Trumbull serves on the Board of Directors of Welltower, Inc. (NYSE:HCN), Schneider National (private) and the Artisan Funds. Mr. Trumbull's qualifications to serve on the Board include his senior leadership and public company board and governance experience, his high level of finance and accounting background and extensive manufacturing and operations expertise.

Heath A. Mitts, age 46, was appointed a Director of the Company in May, 2015. Mr. Mitts is Executive Vice President and Chief Financial Officer at TE Connectivity Ltd. (NYSE: TEL). Prior thereto, Mr. Mitts was Senior Vice President and Chief Financial Officer of IDEX Corporation (NYSE:IEX). Prior to joining IDEX Corporation, Mr. Mitts was at PerkinElmer, Inc. in various senior financial management roles in both North America and in Singapore. He went to PerkinElmer after five years at Honeywell where he gained world-class training in financial planning and analysis, progressing through various managerial roles including Director of Finance. Mr. Mitt's qualifications to serve on the Board include his senior leadership and governance experience, his high level of finance and accounting background and his international industrial experience.

THE BOARD OF DIRECTORS RECOMMENDS UNANIMOUSLY A VOTE "FOR" EACH OF THE DIRECTOR NOMINEES.

PROPOSAL 2

RATIFICATION OF APPOINTMENT OF ERNST & YOUNG LLP AS
 INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
 FOR THE FISCAL YEAR ENDING MARCH 31, 2018

General

We are asking our shareholders to ratify our Audit Committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending March 31, 2018. In the event our shareholders fail to ratify the appointment, the Audit Committee will reconsider this appointment. Even if the appointment is ratified, 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 best interests of our Company and its shareholders.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting and will have the opportunity to make a statement if they desire to do so. It is also expected that those representatives will be available to respond to appropriate questions.

Principal Accountant Fees and Services

The aggregate fees billed to us by Ernst & Young LLP for fiscal years 2016 and 2017 are as follows:

	Fiscal Year	
	2017	2016
	(\$ in thousands)	
Audit Fees (1)	1,836	1,413
Audit Related Fees (2)	1,036	—
Tax Fees (3)	437	308
All Other Fees (4)	3	3
Total	3,312	1,724

Consists of fees billed for the audit of our annual financial statements, review of financial statements included in (1) our Quarterly Reports on Form 10-Q and services that are normally provided by the auditors in connection with statutory and regulatory filings or engagements.

(2) Consists of audit fees billed for required 8-K and 8-K/A filings related to the acquisition of STAHL CraneSystems on January 31, 2017.

(3) Consists of all tax related services.

(4) Consists of all other products and services provided other than the services reported under audit fees and tax fees.

THE BOARD OF DIRECTORS RECOMMENDS UNANIMOUSLY A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP TO SERVE AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING MARCH 31, 2018.

PROPOSAL 3

ADVISORY VOTE ON THE COMPENSATION
OF OUR NAMED EXECUTIVE OFFICERS

We are required pursuant to Section 14A of the Exchange Act to provide a non-binding stockholder vote on our executive compensation as described in this proxy statement (commonly referred to as "Say-on-Pay").

The advisory vote on executive compensation is a non-binding vote on the compensation of the Company's named executive officers, as described in the Compensation Discussion and Analysis section, the compensation tables, and the accompanying narrative disclosure, set forth in this proxy statement.

We maintain a compensation program that is comprehensive, consisting of base salary, annual incentives, long-term incentives and benefits, in support of our objective of providing superior value to shareholders and customers. Our program is designed to motivate and reward our executives for sustained superior performance through the use of variable compensation tied to short, intermediate and long-term results. Our business success depends on our ability to attract and retain executive talent through competitive compensation opportunities provided by our program.

For the reasons discussed above, the Board of Directors unanimously recommends that shareholders vote in favor of the following resolution:

“RESOLVED, that the shareholders hereby APPROVE, on a non-binding, advisory basis, the compensation paid to the Company’s named executive officers, as disclosed in the Company’s proxy statement prepared in connection with its 2017 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission in the Company’s Proxy Statement for the 2017 Annual Meeting of Shareholders (which disclosure includes the Compensation Discussion and Analysis, the executive compensation tables and narrative discussion).”

THE BOARD OF DIRECTORS RECOMMENDS UNANIMOUSLY A VOTE “FOR” THE APPROVAL OF THE COMPANY’S COMPENSATION OF ITS NAMED EXECUTIVE OFFICERS.

CORPORATE GOVERNANCE

General Corporate Governance Policy

Our Board of Directors believes that its overriding responsibility is to offer guidance and the benefit of its collective experience to help our management understand the risks confronting, and opportunities available to, our Company. In furtherance of this responsibility, our Board of Directors has adopted a General Corporate Governance Policy setting forth certain policies, guidelines and procedures it deems important to the successful satisfaction of this responsibility. These policies and procedures include guidelines as to the eligibility, independence, evaluation, education, succession planning, compensation and indemnification of our Directors, as well as with respect to specific transactions requiring the prior formal approval of our Board of Directors. A copy of our General Corporate Governance Policy is posted on the Investor Relations section of the Company's website at www.cmworks.com.

Board Leadership Structure

The roles of the Company's Chairman of the Board and President and Chief Executive Officer have been served by separate individuals since 1998 which will continue under the newly appointed President and Chief Executive Officer, Mark D. Morelli. This leadership structure supports our belief that it is the President and Chief Executive Officer's responsibility to manage the Company and the Chairman's responsibility to manage the Board. Since Mr. Verebelyi's election as our Chairman of the Board in August 2005, that position has been filled by an independent Director. As directors continue to have more oversight responsibilities than ever before, we believe it is beneficial to have an independent Chairman whose sole job is leading the Board.

We believe our President and Chief Executive Officer and Chairman of the Board have had an excellent working relationship which will continue under Mr. Morelli's tenure. By separating the roles of the Chairman of the Board and President and Chief Executive Officer positions, we ensure there is no duplication of effort between them. We believe this provides strong leadership for our Board of Directors, while also positioning our President and Chief Executive Officer as the leader of the Company in the eyes of our customers, employees and other stakeholders. As part of our annual Board of Directors self-evaluation process, we evaluate our leadership structure to ensure that it continues to provide the optimal structure for our Company and shareholders. A Chair rotation and succession schedule is reviewed and updated annually by the Board in addition to the Chairman conducting individual reviews with the Directors on their interests and thoughts around Chair candidates, rotation and succession. We believe our current leadership structure is the optimal structure for our Company at this time.

Board Composition and Diversity

Our Corporate Governance and Nomination Committee is responsible for developing the general criteria, subject to approval by our Board of Directors, for use in identifying, evaluating and selecting qualified candidates for election or re-election to the Board. The Governance and Nomination Committee annually reviews the appropriate skills and characteristics required of Board members in the context of the current composition of the Board including, reviewing and updating a Board competency skills matrix for each Director. The Corporate Governance and Nomination Committee, in recommending candidates for election or re-election to the Board, seeks to create a Board that is strong in its collective knowledge and has a diversity of skills and experience with respect to accounting and finance, management and leadership, vision and strategy, business operations, business judgment, industry knowledge, corporate governance and global markets. When the Corporate Governance and Nomination Committee review a potential new candidate, it looks specifically at the candidate's qualifications in light of the needs of the Board and the Company at that time, given the attributes of the existing Directors.

Although the Company has no policy regarding diversity, the charter of the Corporate Governance and Nomination Committee includes as a statement of responsibility that the Committee assure that the composition of the Board of Directors includes appropriate breadth, depth and diversity of experience and capabilities. In identifying candidates for

Director, the Corporate Governance and Nomination Committee and the Board of Directors take into account (i) the comments and recommendations of Directors made in connection with the Board's annual self-evaluation regarding the qualifications and effectiveness of the existing Board of Directors or additional qualifications that may be required when selecting new board members, (ii) the requisite expertise and sufficiently diverse backgrounds of the Board of Directors' overall composition, (iii) the independence of outside Directors and other possible conflicts of interest of existing and potential members of the Board of Directors and (iv) all other factors it considers appropriate.

Board of Directors Independence

Our Board of Directors has determined that each of its current members, other than Mr. Morelli, is independent within the meaning of the NASDAQ Stock Market, Inc., listing standards as currently in effect. In addition, each member of the Audit Committee, the Corporate Governance and Nominating Committee and the Compensation and Succession Committee is independent.

Board of Directors Meetings and Attendance

The Board of Directors and its committees meet regularly throughout the year and also hold special meetings and act by written consent from time to time as appropriate. All Directors are expected to attend each meeting of the Board of Directors and the committees on which he or she serves, and are also invited, but not required, to attend the Annual Meeting. Agendas for meetings of the Board of Directors include executive sessions for the independent Directors to meet without the management Director present. During the fiscal year ended March 31, 2017, our Board of Directors held nine (9) meetings. Each Director, other than Mr. Morelli, has attended at least 75% of the aggregate number of meetings of our Board of Directors and meetings held by all committees of our Board of Directors on which he or she served and attended the 2016 Annual Shareholder Meeting.

Risk Oversight

Our Board of Directors oversees an enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance shareholder value. A fundamental part of the Company's risk management is not only understanding the risks it faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. The involvement of the full Board of Directors in setting the Company's business strategy is a key part of its assessment of management's appetite for risk and also a determination of what constitutes an appropriate level of risk for the Company.

While the Board of Directors has the ultimate oversight responsibility for the risk management process, various committees of the Board also have responsibility for risk management. In particular, the Audit Committee oversees the Company's enterprise risk management process, as well as focuses on financial and fraud risks, including internal controls, and receives an annual risk assessment report from the Company's General Counsel and internal auditors. The Company's General Counsel and his staff also assist the Board of Directors in fulfilling its oversight responsibility with respect to regulatory compliance and legal issues that affect the Company. In addition, in setting compensation, the Compensation Committee strives to create incentives that encourage a level of appropriate risk-taking behavior consistent with the Company's business strategy and goals.

Audit Committee

Our Board of Directors has a standing Audit Committee comprised of Mr. Trumbull, as Chairman, and Messrs. Rabinowitz, Fleming, McCarthy and Mitts. Each member of our Audit Committee is independent as defined under Section 10A(m) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and section 3 of the Sarbanes-Oxley Act of 2002, and under the NASDAQ Stock Market, Inc., rules currently in effect. In addition, pursuant to the requirements of Section 407 of the Sarbanes-Oxley Act of 2002, our Board of Directors has determined that Messrs. Trumbull, Fleming and Mitts qualify as "audit committee financial experts." The duties of our Audit Committee consist of (i) appointing or replacing our independent auditors, (ii) pre-approving all auditing and permitted non-audit services provided to us by our independent auditors, (iii) reviewing with our independent auditors and our management the scope and results of our annual audited financial statements, our effectiveness of internal control over financial reporting, our quarterly financial statements and significant financial reporting issues and judgments made in connection with the preparation of our financial statements, (iv) reviewing our management's assessment of the effectiveness of our internal controls, (v) reviewing insider and affiliated party transactions (vi)

establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting or internal controls and (vii) overseeing the enterprise risk management system. The Audit Committee is governed by a written charter approved by the Board of Directors. A copy of this charter is posted on the Investor Relations section of our website at www.cmworks.com . Our Audit Committee held seven (7) meetings during the fiscal year ended March 31, 2017.

Compensation and Succession Committee

Our Compensation and Succession Committee consists of Mr. Rabinowitz, as Chairman, Ms. Goodspeed (not standing for re-election) and Messrs. Pinchuk, McCarthy and Trumbull. Each Director who serves on the Compensation and Succession

Committee is an independent Director under the NASDAQ Stock Market, Inc., rules currently in effect. The principal functions of this Committee are to (i) review and make recommendations to the Board of Directors concerning our compensation strategy, (ii) establish corporate performance measures and goals under our performance-based incentive programs, (iii) determine individual compensation targets for our executive officers under our incentive programs, (iv) evaluate and certify whether performance goals have been met at the end of the performance period, (v) determine salary increases and award amounts for individual executive officers, (vi) review and approve (or recommend to the Board of Directors for approval) any material changes to our salary, incentive, and benefit programs and assure that these programs are administered in a manner consistent with the compensation strategy, (vii) review and make recommendations to the Board of Directors concerning equity grants, (viii) assess and evaluate risk in connection with our compensation plans and programs, (ix) review and make recommendations to the Board of Directors concerning compensation and bonus for the Chief Executive Officer and Chief Financial Officer, and (x) perform other functions as identified in the Compensation and Succession Committee charter. The Compensation and Succession Committee is governed by a written charter approved by the Board of Directors which is posted on the Investor Relations section of our website at www.cmworks.com. Our Compensation and Succession Committee held five (5) meetings during the fiscal year ended March 31, 2017. Additional information on the Compensation and Succession Committee's processes and procedures are addressed in the Compensation Discussion and Analysis section below.

Corporate Governance and Nomination Committee

Our Corporate Governance and Nomination Committee is responsible for (i) evaluating the composition, skills, organization and governance of our Board of Directors and its committees, (ii) monitoring compliance with our system of corporate governance and (iii) developing criteria, investigating and making recommendations with respect to candidates for membership on our Board of Directors. This Committee is chaired by Mr. Fleming and includes Ms. Goodspeed (not standing for re-election) and Messrs. Pinchuk and Mitts. Each member of the Corporate Governance and Nomination Committee is an independent Director under the NASDAQ Stock Market, Inc., rules currently in effect. Our Corporate Governance and Nomination Committee does not solicit direct nominations from our shareholders, but will give due consideration to written recommendations for nominees from our shareholders for election as directors that are submitted in accordance with our By-Laws. See the information contained in our By-Laws under the heading "Shareholders' Proposals." Generally, a shareholder who wishes to nominate a candidate for Director must give us prior written notice thereof, which notice must be personally delivered or mailed via registered first class mail, return receipt requested, to our Secretary and must be received by our Secretary not less than 90 days nor more than 120 days prior to the one-year anniversary of the previous year's Annual Meeting. If such nomination is given in connection with a special meeting for the election of Directors, it must be received not earlier than the 120th day prior to such special meeting and not later than the close of business on the later of (i) the 90th day prior to such special meeting or (ii) the 10th day following the day on which the public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. The shareholder's recommendation for nomination must contain the following information as to each nominee for Director: the nominee's name, age, business address and residence address; the nominee's principal occupation or employment for the previous five years; the number of shares of our common stock owned by such candidate; and any other information relating to the nominee that is required to be disclosed in solicitations of proxies for elections of directors pursuant to our By-Laws and Regulation 14A under the Exchange Act. A shareholder's recommendation must also set forth: such shareholder's name and address as they appear on our books and records; the number of shares of each class of our capital stock that are beneficially owned and held of record by such shareholder; any material interest of such shareholder in such nomination; any other information that is required to be provided by such shareholder pursuant to our By-Laws and Regulation 14A under the Exchange Act in his or her capacity as a proponent to a shareholder proposal; and a signed consent from each nominee recommended by such shareholder that such nominee is willing to serve as a Director if elected. Any nomination not made in strict accordance with the foregoing provisions will be disregarded at the

direction of our Chairman of the Board. The Corporate Governance and Nomination Committee is governed by a written charter approved by the Board of Directors which is posted on the Investor Relations section of our website at www.cmworks.com. Our Corporate Governance and Nomination Committee held five (5) meetings during fiscal year ended March 31, 2017.

Code of Ethics

Our Board of Directors adopted a Code of Ethics which governs all of our Directors, officers and employees, including our Chief Executive Officer and other executive officers. This Code of Ethics is posted on the Corporate Governance section of the Company's website at www.cmworks.com. The Company will disclose on its website any amendment to this Code of Ethics or waiver of a provision of this Code of Ethics, including the name of any person to whom the waiver was granted. Our Chief Compliance Officer has responsibility to implement and maintain an effective ethics and compliance program. He also has responsibility to provide updates on our ethics and compliance program to the Audit Committee.

Director Stock Ownership Guideline

Our General Corporate Governance Policy contains a guideline whereby all Directors are asked to beneficially own not less than 9,000 shares of our common stock within five years of becoming a Director. Any Restricted Stock Units granted to a Director pursuant to the Columbus McKinnon Corporation 2016 Long Term Incentive Plan (the "Omnibus Plan") or any successor plan are included in determining the number of shares owned by such Director for these purposes. All Directors are in compliance with this Policy.

Director Compensation

The following table sets forth the annual target compensation provided to the Company's Directors during the fiscal year ended March 31, 2017:

Director	Annual Retainer - Cash (\$)	Annual Retainer - Stock (\$)	Restricted Stock Units (1) (\$)	Chairman of the Board (\$)	Committee Chair Fees (\$)	Target Annual Compensation (\$)
Heath A. Mitts	55,000	55,000	37,230	0	0	147,230
Richard H. Fleming	55,000	55,000	37,230	0	8,000	155,230
Linda A. Goodspeed	55,000	55,000	37,230	0	0	147,230
Liam G. McCarthy	55,000	55,000	37,230	0	0	147,230
Nicholas T. Pinchuk	55,000	55,000	37,230	0	0	147,230
Stephen Rabinowitz	55,000	55,000	37,230	0	10,000	157,230