

GLOBAL POWER EQUIPMENT GROUP INC.  
Form DEF 14A  
April 27, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

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 Section 240.14a-12

**GLOBAL POWER EQUIPMENT GROUP 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.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

(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 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(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:



**GLOBAL POWER EQUIPMENT GROUP INC.**

**400 East Las Colinas Boulevard, Suite 400**

**Irving, Texas 75039**

Dear Stockholder of Global Power Equipment Group Inc.:

You are cordially invited to attend the Annual Meeting of Stockholders of Global Power Equipment Group Inc. (the Company). The meeting will be held on Thursday, June 7, 2012, beginning at 9:00 a.m. local time, at The Roosevelt Hotel, 45 East 45<sup>th</sup> Street at Madison Avenue, New York, New York 10017.

Information about the meeting, nominees for election as directors and our executive compensation proposals are presented in the following Notice of Annual Meeting of Stockholders and proxy statement. At the meeting, management will make a presentation followed by a question and answer period.

It is important that your shares are represented at the Annual Meeting. Accordingly, please vote as soon as possible. I express our appreciation for your continued interest in the affairs of the Company. We look forward to your participation in the Annual Meeting.

/s/ David L. Keller

David L. Keller

*President and Chief Executive Officer*

Irving, Texas

April 27, 2012

**GLOBAL POWER EQUIPMENT GROUP INC.**

**400 East Las Colinas Boulevard, Suite 400**

**Irving, Texas 75039**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JUNE 7, 2012**

The Annual Meeting of Stockholders (the Annual Meeting ) of Global Power Equipment Group Inc. (the Company ) will be held on Thursday, June 7, 2012, at The Roosevelt Hotel, 45 East 45<sup>th</sup> Street at Madison Avenue, New York, New York 10017 at 9:00 a.m. local time for the following purposes:

1. to elect seven directors of the Board of Directors to serve until the next Annual Meeting or until their successors have been duly elected and qualified;
2. to ratify the appointment of BDO USA, LLP as the Company s independent registered public accounting firm for 2012;
3. to consider an advisory vote on the compensation of our named executive officers; and

4. to transact such other business as may properly come before the meeting or any adjournments or postponements thereof. Only stockholders of record at the close of business on April 12, 2012 are entitled to notice of, and to vote at, the Annual Meeting and at any adjournments or postponements thereof. A list of such stockholders will be available for inspection at the Company s headquarters located at 400 East Las Colinas Boulevard, Suite 400, Irving, Texas 75039, during ordinary business hours, for ten days prior to the Annual Meeting.

To make it easier for you to vote, Internet and telephone voting are available. The instructions on your enclosed proxy card describe how to use these services. Of course, if you prefer, you can vote by mail by completing your proxy card and returning it in the enclosed envelope. No postage is required if mailed in the United States. If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card. We urge you to vote your proxy promptly by Internet, telephone or mail, whether or not you plan to attend the Annual Meeting in person. If you do attend the Annual Meeting in person, you may withdraw your proxy and vote personally on all matters brought before the Annual Meeting.

**Important Notice Regarding the Availability of Proxy Materials for the 2012 Annual Meeting of Stockholders to be held on June 7, 2012.** Pursuant to Securities and Exchange Commission rules we have elected the full set delivery option of providing proxy materials to our stockholders whereby we are delivering to all stockholders paper copies of all of our proxy materials, including a proxy card, as well as providing access to our proxy materials on a publicly accessible website. This proxy statement and the Company s Annual Report to Stockholders for the year ended December 31, 2011 are available at <http://www.edocumentview.com/GLPW>. In accordance with such rules, cookies or other software that identifies visitors accessing these materials will not be used on this website.

**Your vote is very important.** Whether or not you plan to attend the Annual Meeting, please complete and return your proxy card or vote by telephone or via the Internet by following the instructions on your proxy card. Returning a proxy card or otherwise submitting your proxy does not deprive you of your right to attend the Annual Meeting and vote in person. Proxies are being solicited on behalf of the Board of Directors.

BY ORDER OF THE BOARD OF DIRECTORS,

/s/ Tracy D. Pagliara

Tracy D. Pagliara

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

*General Counsel, Secretary and Vice President of Business Development*

Irving, Texas

April 27, 2012

**GLOBAL POWER EQUIPMENT GROUP INC.**

**400 East Las Colinas Boulevard, Suite 400**

**Irving, Texas 75039**

**PROXY STATEMENT**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JUNE 7, 2012**

**GENERAL INFORMATION**

These proxy materials are furnished in connection with the solicitation of proxies by the Board of Directors (the Board of Directors or the Board ) of Global Power Equipment Group Inc., a Delaware corporation (the Company, us or our ), for the Annual Meeting of Stockholders (the Annual Meeting ) to be held on Thursday, June 7, 2012, at The Roosevelt Hotel, 45 East 4<sup>th</sup> Street at Madison Avenue, New York, New York 10017 at 9:00 a.m. local time, and at any adjournments or postponements of the Annual Meeting. This proxy statement and the related proxy form are first being distributed to stockholders on or about April 27, 2012. For directions to the meeting, please call 1-214-574-2709.

**PURPOSE OF MEETING**

The specific proposals to be considered and acted upon at the Annual Meeting are summarized in the accompanying Notice of Annual Meeting of Stockholders. Each proposal is described in more detail in this proxy statement.

**VOTING RIGHTS AND SOLICITATION OF PROXIES**

Only holders of our common stock ( Common Stock ) are entitled to vote at the Annual Meeting. At the close of business on April 12, 2012, the record date for determining the holders of Common Stock entitled to vote at the Annual Meeting (the Record Date ), there were 16,666,013 shares of Common Stock outstanding. Each holder of a share of Common Stock is entitled to one vote per share. All votes will be tabulated by the inspector of elections appointed for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

**Quorum Required**

Our bylaws provide that the holders of a majority of the votes represented by the Common Stock issued and outstanding, and entitled to vote at the Annual Meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted as present for the purpose of determining the presence of a quorum.

**Voting of Shares**

Whether you plan to attend the Annual Meeting or not, we urge you to vote by proxy. All shares represented by valid proxies that we receive through this solicitation, and that are not revoked, will be voted in accordance with your instructions on the proxy card or as instructed via Internet or telephone. You may specify whether your shares should be voted for or withhold for each of the nominees for director, and whether your shares should be voted for, against or abstain with respect to each of the other proposals. Voting by proxy will not affect your right to attend the Annual Meeting.

If your shares are registered directly in your name through our stock transfer agent, Computershare, or you have stock certificates, you may vote:

**By Internet or by telephone.** Follow the instructions on the enclosed proxy card to vote by Internet or by telephone.

**By mail.** Complete and mail the enclosed proxy card in the enclosed postage prepaid envelope. Your proxy will be voted in accordance with your instructions. If you sign the proxy card but do not specify how you want your shares voted, they will be voted as recommended by the Board.

**In person at the meeting.** If you attend the meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the Annual Meeting.

If your shares are held in street name (held in the name of a bank, broker or other nominee), you must provide the bank, broker or other nominee with instructions on how to vote your shares and can do so as follows:

**By Internet or by telephone.** Follow the instructions you receive from your broker to vote by Internet or telephone.

**By mail.** You will receive instructions from your broker or other nominee explaining how to vote your shares.

**In person at the meeting.** Contact the broker or other nominee who holds your shares to obtain a broker's proxy card and bring it with you to the meeting. You will not be able to attend the Annual Meeting unless you have a proxy card from your broker.

If your shares are registered in your name or if you have stock certificates, they will not be voted if you do not return your proxy card or vote at the Annual Meeting as described above, but, if you properly submit your proxy card without giving specific voting instructions, your shares will be voted in accordance with the Board's recommendations as specified below. The Company knows of no other matters to be presented at the Annual Meeting. However, if any other matters are properly presented, the proxy holders will be authorized to vote the shares represented by proxies according to their best judgment. Proxies will extend to, and be voted at, any adjournment or postponement of the Annual Meeting. You may revoke or change your proxy at any time before the Annual Meeting. To do this, send a written notice of revocation or another signed proxy with a later date to the Secretary of the Company at our principal executive office before the beginning of the Annual Meeting. You may also automatically revoke your proxy by attending the Annual Meeting and voting in person. All shares represented by a valid proxy received prior to the Annual Meeting will be voted.

If your shares are held in street name and you do not provide voting instructions to the bank, broker or other nominee that holds your shares as described above, the bank, broker or other nominee has the authority, even if it does not receive instructions from you, to vote your unvoted shares for Proposal 2, the ratification of our independent registered public accounting firm, but does not have authority to vote your unvoted shares for Proposal 1, the election of nominees to the Board or Proposal 3, the advisory vote on compensation of our named executive officers. If your broker cannot vote your shares on a particular matter because it has not received instructions from you and does not have discretionary voting authority on that matter or because your broker chooses not to vote on a matter for which it does have discretionary voting authority, this is referred to as a broker non-vote. Please note that if your shares are held of record by a broker, bank or other nominee and if you provide instructions to that nominee on a form received from the nominee, you may revoke or change your voting instructions only by contacting the nominee who holds your shares. You may not vote in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank or other nominee. In such event, your attendance at the Annual Meeting will not, by itself, revoke prior voting instructions.

#### **Solicitation of Proxies**

We will pay all of the costs of soliciting these proxies. In addition to solicitation by mail, our employees may, without additional compensation, solicit proxies by mail, e-mail, facsimile, in person or by telephone or



other forms of telecommunication. We will ask banks, brokers and other institutions, nominees and fiduciaries to forward these proxy materials to their principals and to obtain authority to execute proxies. The Company may reimburse these persons for their expenses in so doing. Proxies are solicited to give all record holders of the Company's Common Stock an opportunity to vote on the matters to be presented at the Annual Meeting, even if they cannot attend the meeting.

**NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS**

The Notice of Annual Meeting of Stockholders, this proxy statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 are available at <http://www.edocumentview.com/GLPW>. All website addresses given in this document are for information only and are not intended to be an active link or to incorporate any website information into this document.

**PROPOSAL NO. 1**

**ELECTION OF DIRECTORS**

Seven directors are being nominated for re-election to the Board of Directors by the holders of our Common Stock (the Nominees ). These directors are David L. Keller, Charles Macaluso, Carl Bartoli, Terence J. Cryan, Eugene I. Davis, Michael E. Salvati and Frank E. Williams, Jr. In the event any Nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee designated by our present Board of Directors to fill the vacancy. As of the date of this proxy statement, the Board of Directors is not aware of any Nominee who is unable or will decline to serve as a director.

Our bylaws provide that the size of its Board shall be fixed by the directors, with a minimum of two directors. The Board's size is currently fixed at seven directors. All directors are elected annually.

**Nominees for Directors**

Set forth below are the name, age, position of and biographical information about each Nominee, as of the date of this proxy statement.

Nominees	Age	Position(s) and Office(s) Held with the Company
David L. Keller	58	President, Chief Executive Officer and Director
Charles Macaluso	68	Chairman of the Board and Director
Carl Bartoli	73	Director
Terence J. Cryan	49	Director
Eugene I. Davis	57	Director
Michael E. Salvati	59	Director
Frank E. Williams, Jr.	77	Director

**David L. Keller** has served as our President, Chief Executive Officer and Director since September 2009.

Mr. Keller served as the President and Chief Operating Officer of The Babcock & Wilcox Company ( B&W ), a wholly owned subsidiary of McDermott International, Inc., from March 2001 until his retirement in June 2007. B&W, a company with approximately \$2 billion in revenues in 2006, supplies fossil-fuel fired boilers, commercial nuclear steam generators, environmental equipment and components, and boiler auxiliary equipment and provides related services, including construction services. Mr. Keller's prior position was President of Diamond Power International, Inc., a wholly owned subsidiary of B&W, from March 1998 to February 2001. During his tenure with B&W, Mr. Keller served as a Board Chairman or Director of subsidiaries and joint ventures in the People's Republic of China, Denmark, the United Kingdom, Australia and South Africa.

He holds a Bachelor of Science degree in Mathematics from the University of Akron.

*Director Qualifications.* Mr. Keller has comprehensive knowledge of the power generation industry. He brings with him a career of experience and understanding in the businesses in which we engage. In addition to his breadth of knowledge in the industry, Mr. Keller also has significant executive management experience. Prior to joining us, Mr. Keller served as the President and Chief Operating Officer of B&W, where he directly oversaw sales, manufacturing, accounting, legal, supply chain and personnel functions and where the revenues reached approximately \$2 billion under Mr. Keller's management in 2006.

**Charles Macaluso** has served as Chairman of our Board of Directors since January 2008. Since 1998, Mr. Macaluso has been a principal of Dorchester Capital LLC, a management consulting and corporate advisory service firm focusing on operational assessment, strategic planning and workouts.

Mr. Macaluso currently serves as a director of the following public companies: Darling International Inc., where he serves as chairman of its nominating and corporate governance committee, and Pilgrim's Pride Corporation. During the past five years, Mr. Macaluso also served as a director of Elder-Beerman Stores Corp, FLAG Telecom Group Limited and Global Crossing Limited.

*Director Qualifications.* Mr. Macaluso has had a career focused on operational assessment, strategic planning, crisis management and turnaround advisory services, most recently with Dorchester Capital LLC. Dorchester Capital also has a significant commitment to representing the interests of investor groups as a member of the boards of directors at a diverse array of companies, and Mr. Macaluso brings with him a strong commitment to stockholders' interests. He also has extensive executive and financial expertise. In addition, Mr. Macaluso brings significant board expertise, including service as Chairman on a number of public and private company boards and committees.

**Carl Bartoli** has served as our Director since January 2008. Mr. Bartoli previously served as President and Chief Executive Officer of Foster Wheeler USA Corporation and Executive Vice President of Foster Wheeler International Corporation for 13 years. As President and Chief Executive Officer of Foster Wheeler USA Corporation, he was responsible for the Process Plant Division, the Fire Heater Division, Foster Wheeler Constructors Corporation and Foster Wheeler Environmental Corporation. This followed a career in project and construction management at ABB Lummus Global (now CB&I/Lummus) and M.W. Kellogg Company (now KBR, Inc.) covering virtually all facets of the engineering, procurement, and construction of power generation, process, pharmaceutical and infrastructure facilities.

Since his retirement from Foster Wheeler, Mr. Bartoli has established and serves as President of C. Bartoli Consultants, LLC serving the utility and process industry in the development and execution of capital projects. He has also participated in the preparation of strategic plans, organizational restructuring and acquisition due diligence of engineering and construction firms. Mr. Bartoli has been affiliated with the Construction Industry Institute (CII), a research organization serving the engineering and construction industry, as a member of the Board of Advisors and Executive Committee.

Mr. Bartoli holds a Master of Science degree in Mechanical Engineering from Columbia University and a Bachelor of Science degree in Mechanical Engineering from Fairleigh Dickinson University.

*Director Qualifications.* Mr. Bartoli is an engineering and construction business executive with over 35 years of domestic and international experience in the process and utility industry. His experience covers all facets of the engineering and construction industry, including project management, project development, senior line management and executive P&L positions. Mr. Bartoli has also served on the boards of directors of a number of Foster Wheeler Corporation affiliated companies. Since his retirement from Foster Wheeler and the establishment of C. Bartoli Consultants, LLC, he has participated in many consulting assignments for the power generation, process and energy industries. He is also a consultant leader with the Gerson Lehrman Group in the energy and industrials sector and is an advisor to Anellotech, Inc., a company developing a cellulosic biomass conversion technology for the production of petrochemicals.

**Terence J. Cryan** has served as our Director since January 2008. Mr. Cryan has over 20 years of international business experience as an investment banker based in both the United States and Europe. In 2001, Mr. Cryan co-founded Concert Energy Partners, an investment banking and private equity firm based in New York City, and continues to serve as Managing Director. He also served as President and Chief Executive Officer of Medical Acoustics LLC from April 2007 through April 2010. Prior to 2001, Mr. Cryan was a Senior Managing Director in the Investment Banking Division at Bear Stearns.

Earlier in his career, Mr. Cryan served as a Managing Director, Energy & Natural Resources Industry Group and member of the Investment Banking Operating Committee at Paine Webber. Mr. Cryan joined Paine Webber following its acquisition of Kidder, Peabody in 1994.

Mr. Cryan has been an adjunct professor at the Metropolitan College of New York Graduate School of Business and serves as a director of a number of international companies, including public companies such as Uranium Resources, Inc. (October 2006 to present), and Gryphon Gold Corporation (August 2009 to present). During the past five years, Mr. Cryan also served as a director of The Providence Service Corporation. Mr. Cryan is also a frequent speaker at finance and energy industry gatherings.

Mr. Cryan holds a Master of Science in Economics from the London School of Economics and a Bachelor of Arts degree from Tufts University.

*Director Qualifications.* Mr. Cryan possesses extensive expertise in financings, mergers and acquisitions. He also has a broad energy industry background and executive-level experience. Mr. Cryan has over 20 years of experience in international business as an investment banker in the United States and Europe. As a co-founder of Concert Energy Partners and as former Managing Director, Energy & Natural Resources Industry Group at Paine Webber, Mr. Cryan has in depth knowledge of the energy industry. In addition, Mr. Cryan brings extensive board-level experience, serving on the boards of a number of international companies.

**Eugene I. Davis** has served as our Director since January 2008. Mr. Davis is Chairman and Chief Executive Officer of PIRINATE Consulting Group, LLC, a privately held consulting firm specializing in turnaround management, merger and acquisition consulting and hostile and friendly takeovers, proxy contests and strategic planning advisory services for domestic and international public and private business entities. Since forming PIRINATE in 1997, Mr. Davis has advised, managed, sold, liquidated and served as a Chief Executive Officer, Chief Restructuring Officer, Director, Committee Chairman and Chairman of the Board of a number of businesses operating in diverse sectors such as telecommunications, automotive, manufacturing, high-technology, medical technologies, metals, energy, financial services, consumer products and services, import-export, mining and transportation and logistics. Previously, Mr. Davis served as President, Vice Chairman and Director of Emerson Radio Corporation and Chief Executive Officer and Vice Chairman of Sport Supply Group, Inc. He began his career as an attorney and international negotiator with Exxon Corporation and Standard Oil Company (Indiana) and as a partner in two Texas-based law firms, where he specialized in corporate/securities law, international transactions and restructuring advisory.

Mr. Davis is also a director of Atlas Air Worldwide Holdings, Inc., DEX One Corp., Spectrum Brands, Inc., U.S. Concrete, Inc., and WMI Holdings Corp. He is also a director of Trump Entertainment Resorts, Inc. and Lumenis Ltd., whose common stock is registered under the Securities Exchange Act of 1934 but does not publicly trade. Mr. Davis is also on the board of GSI Group, Inc., but is not standing for election as a director at the 2012 Annual Meeting. During the past five years, Mr. Davis has also been a director of American Commercial Lines Inc., Delta Airlines, Foamex International Inc., Footstar, Inc., Granite Broadcasting Corporation, Ion Media Networks, Inc., Knology, Inc., Media General, Inc., Mosaid Technologies, Inc., Ogelbay Norton Company, Orchid Cellmark, Inc., PRG-Schultz International Inc., Roomstore, Inc., Rural/Metro Corp., SeraCare Life Sciences, Inc., Silicon Graphics International, Smurfit-Stone Container Corporation, Solutia Inc., Spansion, Inc., Tipperary Corporation, Viskase, Inc. and YRC Worldwide, Inc. Mr. Davis has also served on the board of Ambassadors International, Inc., which sold substantially all of its assets through a Chapter 11 bankruptcy process on May 25, 2011.

Mr. Davis holds a Bachelor's degree from Columbia College, a Master of International Affairs degree (MIA) in international law and organization from the School of International Affairs of Columbia University, and a Juris Doctorate from Columbia University School of Law.

*Director Qualifications.* Mr. Davis has substantial public board experience and expertise in the corporate governance arena acquired through his service on a number of public company boards and as the Chairman and Chief Executive Officer of PIRINATE. Mr. Davis is a well-seasoned businessman and brings to us significant executive experience in a variety of industries, including power and energy, telecommunications, automotive, manufacturing, high-technology, medical technologies, metals, financial services, consumer products and services, import-export, mining and transportation and logistics. In addition, he has significant financial expertise.

**Michael E. Salvati** has served as our Director since August 2011. Since December 2000, Mr. Salvati has been President at Oakridge Consulting, Inc., which provides interim management, management consulting and corporate advisory services to companies ranging in size from start-ups to multinational corporations. From February 2004 to May 2004, Mr. Salvati served as Chief Financial Officer of AMI Semiconductor, Inc. From September 1998 to February 2000, Mr. Salvati was Executive Vice President – Chief Operating Officer of National Financial Partners, Corp. From June 1996 to June 1998, Mr. Salvati was Chief Financial Officer of Culligan Water Technologies, Inc., where he oversaw the completion of nearly 50 acquisitions over a period of 18 months. Mr. Salvati was a partner at KPMG Peat Marwick LLP from 1990 to 1996.

Mr. Salvati is a Certified Public Accountant and member of the American Institute of Certified Public Accountants, Illinois CPA Society. He currently serves as a member of the board of directors and Chair of the Audit Committee of Things Remembered, Inc., and Apollo Commercial Real Estate Finance Inc., positions he has held since August, 2007 and September 2009, respectively. Mr. Salvati's previous board memberships include Lazydays, Inc., NCH Nu World Marketing, Ltd., Coho Energy, Inc., Prime Succession, Inc., and Castle Holdco 4, Ltd.

Mr. Salvati received a Bachelor of Science degree in Microbiology and a Master of Science degree in Accounting from the University of Illinois at Champaign-Urbana.

*Director Qualifications.* Mr. Salvati has significant experience in the area of corporate advisory services, with an emphasis on strategic planning, capital structure and mergers and acquisitions. In his prior executive positions he was directly responsible for managing acquisition-led growth within the relevant companies which are skills that we believe bring value to the Company. Mr. Salvati's service on multiple public and private company boards over the last twelve years provides us with valuable insights into many of the issues that we face, and useful perspectives in relation to compensation and corporate governance matters. Mr. Salvati, as a former auditor, has significant experience and expertise in finance, controls, accounting and audit matters.

**Frank E. Williams, Jr.** has served as our Director since October 2009. Since 1969, Mr. Williams has served as Chairman and principal owner of Williams Enterprises of Georgia, Inc., a holding company controlling six subsidiaries active in various facets of the steel industry. Since 1995, he has also served as Chairman, Chief Executive Officer, and a 50 percent owner of Bosworth Steel Erectors, Inc. of Dallas, Texas, an erector of steel products in the Southwestern United States and as Chairman and a major shareholder of Willfab, Inc., a structural steel fabricator located in Cherokee County, Georgia. Mr. Williams is the Managing Partner and principal owner of Industrial Alloy Fabricators, LLC of Richmond, Virginia, a fabricator of alloy plate products for the pulp and chemical industries.

Mr. Williams has also served on the Board of Directors of Diamondhead Casino Corporation, a public company, since July 2002.

Mr. Williams has served as Chairman and Chief Executive Officer of the Gulf States Steel Reorganization Group. He has been appointed by bankruptcy courts as an official representative serving in a pro bono capacity on behalf of investors and debt holders of public companies in bankruptcy and he represented holders of our equity securities during our bankruptcy in 2007 and 2008.

Mr. Williams holds a Bachelor of Civil Engineering degree from the Georgia Institute of Technology.

*Director Qualifications.* Mr. Williams has over 40 years of experience in the steel industry. His in-depth experience and knowledge covers all facets of the steel industry, including steel fabrication and erection and fabrication of alloy plate products for the pulp and chemicals industries. Mr. Williams is the principal owner of Williams Enterprises of Georgia, Inc., a holding company controlling six subsidiaries active in various facets of the steel industry. In addition to his extensive knowledge of our industry, Mr. Williams brings significant public company experience.

Each of Messrs. Keller, Macaluso, Bartoli, Cryan, Davis, Williams and Salvati was recommended for nomination by the Nominating and Corporate Governance Committee, and was nominated for election by the full Board of Directors. Messrs. Macaluso, Bartoli, Cryan and Davis were appointed as our directors by the Bankruptcy Court upon our emergence from bankruptcy in January 2008. The Board appointed Mr. Keller as a director in September 2009 simultaneously with his employment as our President and Chief Executive Officer and appointed Mr. Williams as a director in October 2009. Mr. Salvati was recommended for nomination by a non-management director and was appointed as a director in August 2011. All of our directors, with the exception of Mr. Salvati, were re-elected for new one year terms at our Annual Meeting of Stockholders held on May 19, 2011.

**Vote Required**

The directors will be elected by a plurality of the votes cast by holders of the Company's Common Stock. The seven nominees for director receiving the highest number of affirmative votes will be elected. Abstentions and broker non-votes will not be counted as having been voted for purposes of election of directors. Stockholders may not cumulate votes in the election of directors.

**Recommendation of the Board of Directors**

**The Board recommends a vote FOR the election of each of the nominees.**

---

**THE BOARD, ITS COMMITTEES AND ITS COMPENSATION**

Our Board of Directors is responsible for establishing broad corporate policies and for overseeing the overall management of the Company. In addition to considering various matters which require its approval, our Board of Directors provides advice and counsel to, and ultimately monitors the performance of, our senior management.

**Board Leadership Structure and Committee Composition**

The Board of Directors takes a flexible approach to the issue of whether the offices of Chairman and Chief Executive Officer ( CEO ) should be separated or combined. This approach allows the Board to regularly evaluate whether it is in the best interests of the Company for the CEO or another director to hold the position of Chairman. Currently, the Company has separated the position of Chairman of the Board and Chief Executive Officer since the Company emerged from bankruptcy in January 2008. We believe that this is the appropriate leadership structure, as it permits our Chief Executive Officer, Mr. Keller, to focus his attention on running the business and developing corporate strategy, while our Chairman of the Board, Mr. Macaluso, provides independent leadership to the Board of Directors in performing its advisory, governance and oversight functions.

The Board of Directors has three (3) standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee.

The current membership of the standing committees is as follows:

Board Member	Audit	Compensation	Nominating /Corporate Governance
David L. Keller			
Charles Macaluso		X	
Carl Bartoli	X		X
Terence J. Cryan		Chairman	Chairman
Eugene I. Davis	Chairman		X
Michael E. Salvati	X		X
Frank E. Williams, Jr.	X	X	

**Audit Committee.** The Audit Committee assists the Board of Directors in overseeing our accounting and financial reporting processes and the audits of our consolidated financial statements, including monitoring the integrity of our financial statements and the independence and performance of our independent registered public accounting firm. The Audit Committee appoints and oversees an independent registered public accounting firm to audit our financial statements. In addition, the Audit Committee approves the scope of the annual audits and fees to be paid to our independent registered public accounting firm. The Audit Committee held five (5) meetings during 2011.

The Audit Committee regularly reviews and reassesses the adequacy of its Audit Committee Charter. A copy of the current Audit Committee Charter is available under the heading Corporate Governance of the Investor Relations section of our website at <http://www.globalpower.com/>.

Our Board of Directors has determined that:

Messrs. Bartoli, Davis, Salvati and Williams each qualifies as an audit committee financial expert, as defined by Item 407(d)(5) of Regulation S-K of the Securities Exchange Act of 1934, as amended (the Exchange Act );

each member of the Audit Committee:

is independent as defined in applicable rules of the NASDAQ Stock Market ( Nasdaq ),

meets the criteria for independence set forth in Rule 10A-3(b)(1) under the Exchange Act,

has not participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years, and

is able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.

**Compensation Committee.** The Compensation Committee reviews the performance of our executive officers, establishes compensation programs for the executive officers (including salary and short and long-term incentive programs) and reviews the overall compensation programs of the Company. The Compensation Committee also administers our stock incentive plans and awards. During 2011, the Compensation Committee held nine (9) meetings.

The Compensation Committee regularly reviews and reassesses the adequacy of its Compensation Committee Charter. A copy of the current Compensation Committee Charter is available under the heading Corporate Governance of the Investor Relations section of our website at <http://www.globalpower.com/>.

The CEO, Chief Financial Officer, General Counsel and Vice President, Human Resources of the Company generally attend portions of Compensation Committee meetings and provide input to the Compensation Committee with respect to issues affecting compensation, key responsibilities, corporate objectives and equity plan management and compliance. As discussed in the Compensation Discussion and Analysis section beginning on page 18 below, the CEO makes recommendations to the Compensation Committee regarding the compensation of our executives and participates in discussions of such compensation. From time to time, other members of management and Company personnel may attend Compensation Committee meetings to provide presentations and where subject matters involving their expertise are discussed. No member of management is present during discussions of his or her performance or compensation, and no member of management (including the CEO) is present during deliberations and voting with respect to the CEO's performance or compensation.

The Compensation Committee may retain, at our expense, independent compensation consultants. In 2011, the Compensation Committee re-appointed Towers Watson to provide it with advice for 2011, including with respect to the establishment of executive and director compensation for 2012, as further described below under Compensation Discussion and Analysis Benchmarking.

The Compensation Committee Charter provides that the Compensation Committee may delegate its authority to one or more subcommittees. As of the date of this proxy statement, the Compensation Committee has not delegated such authority.

**Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee of the Board of Directors (the Nominating and Corporate Governance Committee ) oversees the nomination of directors for service on the Board of Directors and its committees, reviews and considers developments in corporate governance practices, and recommends to the Board of Directors policies and procedures with respect to corporate governance. During 2011, the Nominating and Corporate Governance Committee held three (3) meetings.

The Nominating and Corporate Governance Committee regularly reviews and reassesses the adequacy of its Nominating and Corporate Governance Committee Charter. A copy of the current Nominating and Corporate Governance Committee Charter is available under the heading Corporate Governance of the Investor Relations section of our website at <http://www.globalpower.com/>.



### **Director Independence**

Our Board of Directors has reviewed the criteria for determining the independence of our directors under Nasdaq and Securities and Exchange Commission ( SEC ) rules. It has affirmatively determined that each of Messrs. Macaluso, Bartoli, Cryan, Davis, Salvati and Williams is independent under such criteria. Accordingly, during 2011 and continuing through the date of this proxy statement, our Board of Directors has been comprised of a substantial majority of directors who qualify as independent directors under the rules adopted by the SEC and Nasdaq.

In considering the independence of our directors, the Board of Directors specifically addressed those matters disclosed in Certain Relationships and Related Transactions, beginning on page 41 below. Except as disclosed in that section, there were no specific transactions, relationships or arrangements that were considered by the Board of Directors in determining the independence of any of our directors.

### **Board's Role in Risk Oversight**

The Board of Directors as a whole has ultimate responsibility for risk oversight and the standing committees of the Board of Directors assist in fulfilling this responsibility. In particular, the Audit Committee oversees risk management in the areas of internal control over financial reporting, disclosure controls and procedures, and legal and regulatory compliance. The Audit Committee also reviews with management our policies and practices with respect to risk assessment and management, and our exposure to material financial risk and management's efforts to monitor and control such exposure. The Compensation Committee oversees our compensation programs and reviews the conduct incented by those programs, including the impact on risk-taking by our executive officers and employees, as further described under Compensation Discussion and Analysis Risk Assessment beginning on page 26 below. The Nominating and Corporate Governance Committee oversees the organization, membership and structure of our Board of Directors and our corporate governance practices. The Committee members regularly report to the full Board of Directors on material developments in their areas of oversight.

### **Board Nomination Process**

The Nominating and Corporate Governance Committee believes that members of the Company's Board must possess certain basic personal and professional qualities in order to properly discharge their fiduciary duties to stockholders, provide effective oversight of the management of the Company and monitor the Company's adherence to principles of sound corporate governance. The Nominating and Corporate Governance Committee has identified certain threshold criteria for Board nominees. However, the Nominating and Corporate Governance Committee will also consider the contributions that a candidate can be expected to make to the collective functioning of the Board based upon the totality of the candidate's credentials, experience and expertise, the composition of the Board at the time, and other relevant circumstances.

*Integrity.* All candidates must be individuals of personal integrity and ethical character, and who value and appreciate these qualities in others.

*Absence of Conflicts of Interest.* Candidates should not have any interests that would materially impair his or her ability to: (i) exercise independent judgment; or (ii) otherwise discharge the fiduciary duties owed as a director to the Company and its stockholders.

*Fair and Equal Representation.* Candidates must be able to represent fairly and equally all stockholders of the Company without favoring or advancing any particular stockholder or other constituency of the Company.

*Oversight.* Candidates are expected to have sound judgment, borne of management or policy-making experience (which may be as an advisor or consultant), that demonstrates an ability to function effectively in an oversight role.

*Expertise.* Each candidate should possess professional and personal experiences and expertise relevant to the Company's purpose, mission, and strategy.

*Business Understanding.* Candidates must have a general appreciation regarding major issues facing public companies of a size and operational scope similar to the Company. These include: contemporary governance concerns; regulatory obligations of a public issuer; strategic business planning; competition in a global economy; and basic concepts of corporate finance.

*Available Time.* Candidates must have, and be prepared to devote, adequate time to the Board and its committees. It is expected that each candidate will be available to participate fully in Board activities including attendance at, and active participation in, meetings of the Board and any committees on which the candidate will serve, as well as the Company's Annual Meeting of Stockholders. Candidates shall be responsible for the management of other business and professional commitments, including service on the boards of other companies, so as not to interfere with or materially limit his or her ability to meet such Board and committee obligations.

*Exceptions.* Under exceptional and limited circumstances, the Nominating and Corporate Governance Committee may approve the candidacy of a nominee who does not satisfy all of these requirements if it believes the service of such nominee is in the best interests of the Company and its stockholders.

*Corporate Governance Guidelines.* Each candidate shall comply with the requirements set forth in the Corporate Governance Guidelines of the Company.

*Additional Qualifications.* In approving candidates for election as director, the Committee will also assure that:

at least a majority of the directors serving at any time on the Board are independent, as defined under the rules of Nasdaq;

at least three of the directors satisfy the financial literacy requirements required for service on the audit committee under the rules of Nasdaq;

at least one of the directors qualifies as an audit committee financial expert under the rules of the SEC;

at least some of the independent directors have experience as senior executives of a public or substantial private company; and

at least some of the independent directors have general familiarity with an industry in which the Company conducts a substantial portion of its business or in related industries.

The Nominating and Corporate Governance Committee also will consider properly submitted stockholder candidates for membership on the Board of Directors. Any stockholder of the Company wishing to submit a candidate for the Nominating and Corporate Governance Committee's consideration must provide a written notice recommending the candidate to the Corporate Secretary of Global Power Equipment Group Inc. at 400 East Las Colinas Boulevard, Suite 400, Irving, Texas 75039, by email to [corporatesecretary@globalpower.com](mailto:corporatesecretary@globalpower.com) (with a confirmation copy sent by mail) or by fax to 1-214-574-2712 (with a confirmation copy sent by mail).

The written notice must be submitted timely and include required information in accordance with the Company's bylaws (see *Stockholder Proposals For 2013 Annual Meeting* below for more information). Candidates recommended by our stockholders will be evaluated against the same criteria and under the same policies and procedures applicable to the evaluation of candidates proposed by directors or management.

## **Board Meetings**

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

The Board held eleven (11) meetings during 2011. Each director serving on the Board in 2011 attended 100% of the meetings of the Board and committees on which he served. Each director is expected to devote the time necessary to appropriately discharge his responsibilities and to rigorously prepare for and attend and participate in all Board meetings and meetings of Board committees on which he serves.

### **Annual Meetings of Stockholders**

Pursuant to our corporate governance guidelines and director nominations policy, directors are expected to attend the Annual Meeting of Stockholders. All of our directors, with the exception of Mr. Salvati who was appointed as a director in August 2011, attended the Annual Meeting of Stockholders held in May 2011.

### **Code of Business Conduct and Ethics**

Our Board of Directors has adopted a Code of Business Conduct and Ethics, which outlines the principles of legal and ethical business conduct under which the Company does business. The Code of Business Conduct and Ethics is applicable to all of our directors, officers and employees. The Code of Business Conduct and Ethics is available under the heading **Corporate Governance** of the Investor Relations section of our website at <http://www.globalpower.com/>. Upon request to our Secretary, the Company will provide a copy of the Code of Business Conduct and Ethics free of charge. Any substantive amendment of the Code of Business Conduct and Ethics and Ethics, and any waiver of the Code of Business Conduct and Ethics for executive officers or directors, will be made only after approval by our Board of Directors or a committee of the Board, and will be disclosed on our Web site. In addition, any such waiver will be disclosed within four days on a Form 8-K filed with the SEC if then required by applicable rules and regulations.

### **Communication with the Board of Directors**

Interested parties, including stockholders, may contact the Board of Directors or any committee of the Board of Directors by sending correspondence to the attention of Corporate Secretary, c/o Global Power Equipment Group Inc., 400 East Las Colinas Boulevard, Suite 400, Irving, Texas 75039 or [corporatesecretary@globalpower.com](mailto:corporatesecretary@globalpower.com). Any mail received by the Corporate Secretary will then be forwarded to the members of the Board of Directors or the appropriate committee for further action, if necessary. The non-management directors have requested that the Corporate Secretary not forward to them advertisements, solicitations for periodicals or other subscriptions, and other similar communications.

### **Director Compensation**

The compensation of our directors is determined by the Nominating and Corporate Governance Committee subject to approval by the entire Board of Directors. The objectives for our non-employee director compensation program are to attract highly-qualified individuals to serve on the Board of Directors and align directors' interests with the interests of our stockholders. The Nominating and Corporate Governance Committee reviews the program periodically to ensure that it continues to meet these objectives. To determine whether the director compensation program is competitive, the Nominating and Corporate Governance Committee considers general market information on program design. In recommending director compensation levels, the Nominating and Corporate Governance Committee also considers the significant amount of time that directors expend in fulfilling their duties to the Company as well as the skill level required by the Company of members of the Board of Directors. The Nominating and Corporate Governance Committee recommends any change it considers appropriate to the full Board of Directors for its review and approval, and includes the relevant information and data for the Board of Directors to use in its considerations.

Directors who are employed by our Company or any of our subsidiaries do not receive compensation for serving as directors. Directors who are not employees of our Company or any of our subsidiaries are entitled to receive:

an annual retainer as follows:

\$47,500 for each non-employee director;

\$10,000 for membership in each committee;

\$50,000 for the Board of Directors Chairperson;

\$20,000 for the Audit Committee Chairperson;

\$13,750 for the Compensation Committee Chairperson, and

\$13,750 for the Nominating and Corporate Governance Committee Chairperson.

In addition, directors are entitled to receive

a meeting fee of \$1,500 for each Board of Directors meeting attended in person;

a meeting fee of \$1,000 for each Board of Directors meeting attended telephonically;

a meeting fee of \$1,000 for each committee meeting attended in person or telephonically; and

a meeting fee of \$1,500 for each Board of Directors or committee meeting attended in person outside of normal Board and committee meetings.

We provide directors with an annual allowance in respect of continuing education, the amount of which is set by the Board of Directors from time to time. For 2012, this amount has been set at \$10,000, which will remain in effect until such amount may be changed by the Board of Directors. We also reimburse non-employee directors for out-of-pocket expenses incurred in connection with attending Board and committee meetings.

On January 22, 2011, each of the non-executive directors received 3,365 restricted shares of our Common Stock (which consisted of \$80,020 worth of shares calculated based on the closing price of our Common Stock on January 21, 2011) under our 2008 Director's Equity Incentive Plan. Of the 3,365 restricted shares, 842 shares vested on January 22, 2012 and 841 shares will vest on each of January 22, 2013, 2014 and 2015, subject to continued service as a director through the vesting dates.

---

**2011 DIRECTOR COMPENSATION**

The following table provides information on the compensation awarded to, earned by, or paid to each person who served as a non-employee director during 2011.

<b>Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Stock Awards (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Charles Macaluso	130,452	80,020	210,472
Carl Bartoli	95,283	80,020	175,303
Terence J. Cryan	92,877	80,020	172,897
Eugene I. Davis	105,000	80,020	185,020
Michael E. Salvati <sup>(2)</sup>	55,146		55,146
Frank E. Williams, Jr.	102,000	80,020	182,020

- (1) The amounts in this column represent the aggregate grant date fair value of shares of restricted stock granted to non-employee directors in 2011 computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 ( FASB ASC Topic 718 ). For a discussion of the assumptions we made in valuing the stock awards, see Note 2 Summary of Significant Accounting Policies Stock-Based Compensation Expense in the notes to our consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2011. The total number of unvested restricted shares held by each non-employee director as of December 31, 2011 is as follows:

<b>Name</b>	<b>Unvested Restricted Shares (#)</b>
Charles Macaluso	11,943
Carl Bartoli	11,943
Terence J. Cryan	11,943
Eugene I. Davis	11,943
Michael E. Salvati	
Frank E. Williams, Jr.	5,969

- (2) Mr. Salvati joined the Board of Directors on August 9, 2011.

**PROPOSAL NO. 2****RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed BDO USA, LLP as the Company's independent registered public accounting firm for 2012. The Board of Directors is asking stockholders to ratify this appointment. Although SEC regulations and the Nasdaq listing requirements require the Company's independent registered public accounting firm to be engaged, retained, and supervised by the Audit Committee, the Board considers the selection of an independent registered public accounting firm to be an important matter to stockholders. Accordingly, the Board considers a proposal for stockholders to ratify this appointment to be an opportunity for stockholders to provide input to the Audit Committee and the Board on a key corporate governance issue.

Representatives of BDO USA, LLP are expected to be present at the Annual Meeting and will be offered the opportunity to make a statement if they so desire. They will also be available to answer questions.

**Fees Paid to Auditors**

The following table sets forth the fees accrued or paid by the Company to BDO USA, LLP for the years ended December 31, 2011 and 2010.

**Audit and Non-Audit Fees**

	December 31,	
	2011	2010
Audit Fees <sup>(1)</sup>	\$ 938,886	\$ 902,617
Audit-Related Fees <sup>(2)</sup>	\$ 12,307	
Tax Fees <sup>(3)</sup>	\$ 32,427	\$ 44,181
All Other Fees		
<b>TOTAL</b>	<b>\$ 983,620</b>	<b>\$ 946,798</b>

- (1) Fees and expenses for 2011 audit services include fees associated with the annual audit, review of our interim financial statements, and the auditor's opinions related to internal control over financial reporting required by Section 404 of the Sarbanes-Oxley Act of 2002. Audit fees, and related expenses for 2010, were for professional services rendered for the annual audit of our consolidated financial statements, including the reviews of our quarterly reports on Form 10-Q and Form S-8 and our registration statements filed on Form 10 and related amendments and statutory audits required in international locations.
- (2) Fees and expenses are related to the sale of the Deltak business to Hamon Corporation on August 31, 2011.
- (3) Tax fees include fees for VAT services performed in our non-U.S. locations.

**Audit Committee Pre-Approval of Audit and Non-Audit Services**

The Audit Committee's policy is to pre-approve all audit and non-audit services provided to the Company by its independent registered public accounting firm (except for items exempt from pre-approval requirements under applicable laws and rules). All audit and non-audit services for 2011 were pre-approved by the Audit Committee.

When considered necessary, management prepares an estimate of fees for the service and submits the estimate to the Audit Committee for its review and pre-approval. Any modifications to the estimates will be submitted to the Audit Committee for pre-approval at the next regularly scheduled Audit Committee meeting. All fees paid to our independent registered public accounting firm during 2011 were in accordance with this pre-approval policy.

**Required Vote**

Ratification of the appointment of BDO USA, LLP as our independent registered public accounting firm for the year ending December 31, 2012 requires the affirmative vote of a majority of the votes cast at the Annual Meeting. Abstentions will have no effect on the results of this vote. Brokerage firms have authority to vote customers' unvoted shares held by the firms in street name on this proposal. If a broker does not exercise this authority, such broker non-votes will have no effect on the results of this vote.

If the stockholders fail to ratify the appointment, the Audit Committee will reconsider its selection. Even if the selection 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 it determines that such a change would be in the best interests of the Company and its stockholders.

**Recommendation of the Board of Directors**

**The Board recommends a vote FOR ratification of the appointment of BDO USA, LLP as the Company's independent registered public accounting firm for 2012.**



## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides an analysis of the compensation arrangements and decisions with respect to David L. Keller Chief Executive Officer; David L. Willis Chief Financial Officer; Dean J. Glover President of our Products Division; Kenneth W. Robuck President of our Services Division; and Gene F. Schockemoehl, Senior Vice President and President of Braden Manufacturing, L.L.C. We sometimes refer to these executives as our named executive officers.

### Executive Summary

We are committed to providing total direct compensation consisting of base salary, annual incentives and long-term incentives that supports our business strategies and aligns the interests of our executives with the interests of our stockholders. As a result, a meaningful portion of our named executive officers total direct compensation is variable and contingent upon financial and strategic performance.

The fixed components of total direct compensation include base salary and time-based restricted stock units, which generally vest in equal installments over a four-year period to enhance our retention incentives. The variable compensation elements consist of the following items:

An annual incentive opportunity, which is paid in cash based on the extent to which certain annual operating income and individual performance goals are achieved. The annual incentive opportunity helps to retain our named executive officers and encourages them to strive to achieve annual goals and initiatives.

An award of performance-based restricted stock units. The performance-based restricted stock units vest over time based in part on achievement of the annual operating income goal and in part on continuing employment of the named executive officer. The long-term incentive encourages our named executive officers to continue to make decisions and to deliver results over a broader time period, thus keeping a focus on the long-term horizon and the retention of our executives.

We supplement our pay-for-performance program with a number of compensation policies that are aligned with the long-term interests our stockholders. For example:

*Stock Ownership Policy.* Our stock ownership policy requires the officers and directors of the Company to hold a minimum level of the Company's shares of Common Stock to ensure that each executive has personal wealth tied to the long-term success of the Company and is therefore aligned with stockholders.

*Claw-Back Policy.* We maintain a claw-back policy, under which we may require the reimbursement of any incentive compensation paid to the executive officers of the Company if the payment was predicated upon financial results that were subsequently the subject of a restatement.

*No Excise Tax Gross-Ups.* We do not provide excise tax gross-ups for severance benefits received in connection with a change in control of the Company.

*No SERP.* We do not maintain a supplemental executive retirement plan, or any other type of defined benefit retirement plan.

### Our Compensation Objectives

Our compensation objectives are as follows:

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

to provide a target total reward opportunity sufficient to attract and retain high-caliber executives who can effectively manage Global Power's complex global business, taking into account the competitive marketplace as well as each executive's experience and performance;

to link the majority of the total compensation opportunity to performance-based incentives, annual financial and strategic goals, and the creation of sustainable stockholder value consistent with Global Power's long-term strategic goals;

to align our executives' interests with those of our stockholders by making stock-based incentives a core element of our executives' compensation;

to recognize the cyclical nature of our business and the need to manage for value throughout the business cycle; and

to provide flexibility to recognize, differentiate and reward individual performance.

#### **Consideration of Results of Shareholder Advisory Votes on Executive Compensation**

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we included two stockholder votes on executive compensation in our 2011 proxy statement. In those votes, which were advisory and not binding, our stockholders approved the compensation of our named executive officers as disclosed in the 2011 proxy statement (commonly referred to as a "say-on-pay" vote) and approved our Board's recommendation to hold future say-on-pay votes on an annual basis. The Compensation Committee views the results of these advisory votes, especially the strong support (approximately 99% of the votes cast) for the say-on-pay proposal, as confirmation that our compensation program, including our emphasis on pay-for-performance, is structured and designed to achieve our stated goals and objectives. We will continue to emphasize pay-for-performance alignment, and our 2011 compensation program for the named executive officers, as described below, continues to reflect this philosophy.

#### **Benchmarking**

We believe that each element of our compensation program should remain competitive in order to retain, and, if necessary, attract experienced, high-caliber executives. To achieve this objective, the Compensation Committee generally attempts to establish base salary, annual incentive and long-term incentive opportunities at the approximated median of the competitive market data described below. However, market data is regarded as a general reference point. The Compensation Committee retains the flexibility to make adjustments in order to respond to market conditions, promotions, individual performance or other relevant circumstances.

To help determine the competitive market, the Compensation Committee retained the consulting firm Towers Watson to review competitive compensation data, compare current Global Power compensation levels to the market, and assist in establishing compensation levels in 2011. In response, Towers Watson provided information about the market levels for the following components of our executives' compensation:

Base salary;

Target annual incentives;

Total target cash compensation, which is base salary plus target annual incentives;

Long-term incentive awards; and

Total direct compensation, which is total target cash compensation plus long-term incentive awards.

The market data was derived from several sources, including the companies in a compensation peer group established by the Compensation Committee, with the advice of Towers Watson, and selected compensation surveys. Each of these sources is described below.

*Compensation Peer Group.* At the Compensation Committee's request, management worked with Towers Watson to establish a compensation peer group of companies that reasonably corresponds to the market for executive talent. To be included in the peer group, a company had to have (i) the same General Industry Classification as Global Power and (ii) similar lines of business and operations as Global Power. The



Compensation Committee wanted the peer group to be weighted more toward to those providing services to reflect the industry shift of Global Power. Using these criteria, the Compensation Committee, upon the advice and recommendation of Towers Watson, established the following compensation peer group for 2011 compensation decisions:

Ameron International Corporation	Matrix Service Company
Astec Industries, Inc.	McDermott International, Inc.
Azz Incorporated	MYR Group Inc.
Chicago Bridge and Iron Company N.V.	PMFG Inc.
Donaldson Company, Inc.	Quanta Services, Inc.
Dycom Industries, Inc.	The Shaw Group Inc.
Foster Wheeler AG	Team Industries, Inc.
Graham Corporation	Willbros Group, Inc.
Aegion Corporation	

The 17 companies had a revenue range of \$60 million to \$7.2 billion, with median revenue of \$800 million.

Towers Watson gathered compensation data from the proxy statements filed by each member of the peer group. The peer group compensation data were adjusted to Global Power's corporate or division revenue, where applicable. To address the fact that the median peer group size was larger than Global Power's revenue, Towers Watson regressed or size-adjusted the peer group data for benchmarking purposes, using the applicable Global Power corporate or division revenues. Regression is a statistical technique that analyzes the relationship between two variables. In compensation analysis, it is most often used to measure the relationship between compensation and company revenue (or some other factor that strongly indicates the scope of a position). In this case, revenue was used.

*Compensation Surveys.* Towers Watson also used survey information collected from the 2009/2010 Watson Wyatt Top Management Compensation Survey, the 2009 Towers Perrin General Industry Executive Database, and the 2009 Mercer Executive Compensation Survey. Each survey is based on an extensive database comprised of 100 to 1,000 companies depending on the position. Together, the surveys provide a general overview of the market with respect to compensation levels.

*Coordination of the Various Sources of Market Data.* Recognizing that each data source has its own strengths and weaknesses, Towers Watson combined the data from the compensation peer group with the survey sources to provide different reference points and a broader context for assessment. In general, Towers Watson tailored the market data for each named executive officer to ensure that (i) executive roles were matched to market comparable positions based on job responsibilities and (ii) where applicable, premiums or discounts were applied to reflect additional incumbent responsibilities or the appropriate level of the position within the organization. Because the peer group and survey data sources were seen as equally relevant sources of market data, each generally was weighted equally to assess the competitiveness of the compensation levels at Global Power.

*Changes for 2012.* For 2012, upon the advice and recommendation of Towers Watson, the Compensation Committee modified the compensation peer group to (i) remove two of the largest companies in the group The Shaw Group Inc. and McDermott International Inc.; (ii) remove the smallest company Graham Corporation and add Powell Industries in its place; (iii) remove Ameron International Corporation and add The Babcock and Wilcox Company; and (iv) make other revisions to reflect corporate transactions that occurred in 2011. The Compensation Committee believes that this new group, consisting of 15 companies with a revenue range of \$122 million to \$4.1 billion and a median revenue of \$915 million, better reflects the current market in which we compete for executive talent.

## Elements of Total Direct Compensation

A brief summary of the components of the base salary, annual incentive opportunities and long-term incentive opportunities for our named executive officers is set forth below.

### *Annual Base Salaries*

The Compensation Committee intends to provide our named executive officers with competitive base salaries that are commensurate with their job responsibilities, experience and performance.

As part of its annual management performance evaluation, the Compensation Committee reviewed the base salary levels of the named executive officers to determine whether any adjustments were appropriate for 2011. The Compensation Committee reviewed the survey data, performance evaluations conducted by the Chief Executive Officer, and base salary histories. Based on this review, the Compensation Committee approved a 2% to 3% base salary merit increase for the named executive officers other than Mr. Willis and Mr. Keller. This merit increase was in line with the 2.5% merit pool authorized for the general employee population. The Compensation Committee also approved a 6% salary increase for Mr. Willis and a 10% salary increase for Mr. Keller in an effort to bring their base salary levels closer to the market median levels for their position.

For more information about the 2011 base salaries for each of our named executive officers, please refer to the Salary column of and the related footnotes to the Summary Compensation Table on page 28.

### *Annual Incentive Compensation*

The Compensation Committee grants annual incentive opportunities to our named executive officers to motivate them to increase the value of the Company.

### *Annual Incentive Opportunities*

In 2011, the Compensation Committee established threshold, target and maximum award opportunities for each of the named executive officers, which were expressed as a percentage of base salary. The Compensation Committee increased Mr. Willis's target annual incentive opportunity to bring it closer to the market median of the survey data. The Committee did not adjust the target annual incentive opportunity for each of the other named executive officers, because the levels were already competitively positioned for his role. The threshold, target and maximum levels are set forth in the table below.

	<b>Threshold</b>	<b>Target</b>	<b>Maximum</b>
D. Keller	40%	80%	160%
D. Willis	32.5%	65%	130%
D. Glover	32.5%	65%	130%
K. Robuck	32.5%	65%	130%
G. Schockemoehl	27.5%	55%	110%

### *Performance Goals*

The annual incentive opportunity for each named executive officer was allocated as follows: (i) 70% was based on the extent to which we achieved certain financial performance goals set forth below; and (ii) the remaining 30% was based on the extent to which the executive achieved specified individual goals set forth below.

### Financial Goals 70%

In 2011, the Compensation Committee decided to change the financial performance goal under the annual incentive plan from EBITDA to an equivalent percentage of specified divisional operating income performance goals. The Compensation Committee believed that operating income would be a more appropriate measure going

forward because it is tied to a GAAP (Generally Accepted Accounting Principles) measure. For this purpose, we define operating income as the subtotal of net income or (loss) for the year plus (a) the following to the extent deducted in calculating net income for such period: interest charges; letter of credit fees; the provision for federal, state, local and foreign income taxes; other non-recurring, non-cash expenses; and any other non-cash write-downs or non-cash write-offs including fixed asset impairment or write-downs, intangible asset impairments, deferred tax asset write-offs and non-cash stock compensation expenses; and minus (b) the following, to the extent included in calculating such net income: federal, state, local and foreign income tax benefits recorded by the Company; interest income; and all extraordinary, non-recurring, non-cash items increasing net income for such period.

The Compensation Committee established threshold, target and maximum performance levels for the operating income goals for both the corporate and divisional level executives. If actual performance for an operating income goal fell below the threshold level, then no bonus would be funded with respect to that goal. If actual performance for an operating income goal exceeded the maximum performance level, then the bonus for that goal would be capped.

For 2011, the financial performance goal for Messrs. Keller and Willis was based on the subtotal of the Products and Services operating income goals because they have broad overall responsibilities across all business units. The financial performance goals for the remaining executive officers were based 70% on their divisional goal (Mr. Glover Products, Mr. Robuck Services and Mr. Schockemoehl Braden Manufacturing, L.L.C.) and 30% on the subtotal of the Products and Services operating income to reflect their individual areas of focus.

The 2011 operating income targets and actual performance results for purposes of the annual incentive plan were as follows:

	Threshold	Target	Maximum	Actual	Achievement Level
Products OI <sup>(1)</sup>	\$ 14,064,000	\$ 17,580,000	\$ 24,153,000	\$ 24,063,000	198.6%
Services OI	\$ 20,870,000	\$ 26,088,000	\$ 33,861,000	\$ 25,782,000	96.1%
Subtotal of Products and Services OI for Corporate Executives	\$ 34,934,000	\$ 43,668,000	\$ 58,014,000	\$ 49,845,000	143.1%
Braden Manufacturing, L.L.C.	\$ 13,882,000	\$ 17,353,000	\$ 23,165,000	\$ 21,252,000	167.1%

- (1) Reflects adjusted targets for the Products Division. The Product Division's operating income targets were adjusted in connection with the sale of the Deltak business to Hamon Corporation on August 31, 2011 to reflect the \$2.3 million of operating income that management forecasted for Deltak for the final four months of the year. The adjusted targets took into account the fact that Deltak was operated in the ordinary course throughout the sale process, and also ensured that the completion of the sale would not adversely impact the achievement of such targets. The Compensation Committee decided that this approach was appropriate given the strategic nature of the Deltak divestiture.

#### Individual Goals 30%

The Compensation Committee bases a meaningful portion of the annual incentive opportunity on the achievement of individual goals, in order to provide flexibility to recognize, differentiate and reward individual performance. The individual goals were developed and approved by the Compensation Committee in consultation with the Chief Executive Officer. The individual goals for each named executive officer consisted of a combination of strategic and operational objectives, including those set forth in below:

*Mr. Keller:* Achieving merger and acquisition objectives; implementing an executive management succession plan; improving the safety culture at the Company; and developing a revised investor relations strategy.

*Mr. Willis:* Maintaining effective internal controls; developing a revised investor relations strategy; supporting merger and acquisition objectives; and implementing enterprise risk management objectives.

*Mr. Glover:* Achieving merger, acquisition and divestiture objectives; achieving improvements in safety; and implementing enterprise risk management objectives.

*Mr. Robuck:* Achieving improvements in safety; restructuring the sales and business development department; implementing the strategic plan in our Services Division; and successful completion of existing projects with major clients.

*Mr. Schockemoehl:* Achieving quality and on-time delivery objectives; achieving improvements in safety; achieving new product improvements across the product line; and implementing enterprise risk management objectives.

The Compensation Committee reviewed Mr. Keller's performance with respect to his 2011 individual goals. With regard to the other named executive officers, Mr. Keller made recommendations to the Compensation Committee concerning the level of performance of each officer with respect to the person's goals for 2011. After taking Mr. Keller's recommendations into consideration, and after making its own assessment of each person's performance, the Compensation Committee approved the following individual achievement levels, as a percentage of target: Keller 156.67%; Willis 165.00%; Glover 160.00%; Robuck 163.33%; and Schockemoehl 150.00%.

#### *Payouts*

The aggregate financial and individual achievement levels, as a percentage of the 2011 target annual incentive for each named executive officer, were as follows: Keller 147.14%; Willis 149.64%; Glover 175.37%; Robuck 126.14%; and Schockemoehl 156.91%. The amount of the 2011 annual incentive payments for each named executive officer is set forth in the Non-Equity Incentive Plan Compensation column of, and the related footnotes to, the Summary Compensation Table of this proxy statement at page 28.

For more information on the 2011 annual incentive opportunities for our named executive officers, please refer to the Grants of Plan-Based Awards During 2011 section of this proxy statement at page 30.

#### *Long-Term Incentive Compensation*

We view grants of equity to our named executive officers as a means of motivating them to increase the value of the Company over time and as a means of encouraging them to remain in the Company's employ.

When considering appropriate award levels, the Compensation Committee considers its assessment of each executive's general performance during the year, as well as their relative roles and responsibilities and potential within the Company, the estimated accounting expense, the potential dilution that will occur to our stockholders and the median levels of the market survey.

Once the Compensation Committee established the target number of shares of Common Stock for each named executive officer, one half of the amount was awarded as time-based restricted stock units and the other half was awarded as performance-based restricted stock units.

*Time-Based Restricted Stock Units.* In order to enhance our retention incentives, the restricted stock units generally vest in equal installments over a four year period, provided that the executive remains employed on the applicable vesting date.

*Performance-Based Restricted Stock Units.* In order to enhance our pay-for-performance philosophy, the performance-based restricted stock units generally vest in equal installments over a four year period, provided that (i) the Company attains its operating income annual target under the annual incentive plan for the applicable year, and (ii) the executive remains employed on the applicable vesting date.



The following chart illustrates the number of time-based restricted stock units and performance-based restricted stock units granted to each named executive officer in 2011.

	# of Time-Based Restricted Stock Units	# of Performance-Based Restricted Stock Units
D. Keller	16,752	16,748
D. Willis	5,000	5,000
D. Glover	4,000	4,000
K. Robuck	5,000	5,000
G. Schockemoehl	2,750	2,750

The Compensation Committee believed that the number of shares granted to each of our named executive officers as reflected in the table above was appropriate in light of the relative contributions to our success made and expected to be made by each individual named executive officer.

#### *Payout of Awards*

As described above under the description of *Annual Incentive Compensation*, our 2011 operating income for purposes of the annual incentive plan was \$49,845,000, which exceeded the target level of \$43,668,000. As a result, the performance-based restricted stock units allocated to the 2011 performance period (*i.e.*, 12.5% of the 2008, 2009, 2010 and 2011 grants) were fully earned by the named executive officers. For each named executive officer's actual payout, please refer to the 2011 Stock Vested section on page 32 of this proxy statement.

#### **Severance and Change in Control Protections**

The Company maintains employment agreements for each of its named executive officers in order to attract and retain highly-qualified executives and to protect the Company's interests. The Company believes that maintaining employment agreements with our named executive officers promotes stability at the Company, which is important given the highly competitive nature of the market in which it operates.

Each named executive officer is entitled to severance benefits under his employment agreement in the event of an involuntary termination of employment without cause or a termination by the executive for good reason. In exchange for the severance benefits, the named executive officers must sign a release of claims against the Company, agree not to disclose Company confidential information, and agree not to compete against the Company or solicit its employees or customers for one year after termination. These provisions protect the Company's interests and help to ensure its long-term success. Each named executive officer other than Mr. Keller is also entitled to severance if the Company elects not to renew the term of his agreement.

The restricted stock units granted to our named executive officers provide for full accelerated vesting of all restricted stock units (including both time-based and performance-based restricted stock units) if the Company undergoes a change of control. The committee believes that the immediate vesting upon a change of control in our restricted stock unit agreements is appropriate on the basis that our named executive officers should receive the full benefit of restricted share units if the Company is sold or otherwise comes under the control of an outside party. The named executive officers are not entitled to enhanced cash severance benefits as the result of a change in control, and we do not provide excise tax gross-up protection with respect to any benefits received in connection with a change of control.

Please refer to the Estimated Payments Upon Termination Without Cause or Related to a Change in Control section of this proxy statement on page 33 for information regarding potential payments and benefits, if any, that each named executive officer is entitled to receive under his employment agreement or outstanding and unvested restricted stock unit awards.

### **Retirement and Welfare Benefits**

We make available to each of our named executive officers certain benefits that are generally available to all salaried employees, including medical, dental, vision, life, accidental death and dismemberment, travel accident and short and long-term disability insurance. All of our named executive officers are entitled to participate in the Company's 401(k) plan and its flexible spending benefit plan and four weeks of paid vacation each year. We make these benefits available so that we can provide a competitive compensation package to our salaried employees and our named executive officers.

### **Perquisites**

We provide our named executive officers modest perquisites, such as:

a housing allowance of \$1,500 per month, and an automobile allowance of \$650 per month for Mr. Keller to cover his costs while working away from home;

reimbursements for executive physicals and tax return preparation (other than for Mr. Keller), which we believe are important to the physical and financial stability of our executive team;

reimbursement of country club dues for each of Messrs. Glover, Robuck, Schockemoehl and Willis, which was included in each such executive's employment agreement although not exercised by either Messrs. Schockemoehl or Willis in 2011; the Compensation Committee has decided to discontinue this practice for new hires;

an automobile allowance for Mr. Robuck of \$7,800 per year; and

relocation benefits for Mr. Willis of \$35,577 in connection with our move from Tulsa, Oklahoma to our new headquarters in Irving, Texas in 2011.

The Company believes that these perquisites are reasonable in amount and provide our named executive officers with benefits comparable to those they would receive at other companies within the compensation peer group.

For more information about the perquisites provided in 2011 to each named executive officer, please refer to the All Other Compensation column of and the related footnotes to the Summary Compensation Table on page 28.

### **Stock Ownership Guidelines**

The Board recognizes that ownership by the directors and the named executive officers in the Company's Common Stock will align their interests with the interests of the Company's stockholders. The Compensation Committee undertook to review (i) the market practices of the Company's compensation peer group, (ii) a September 13, 2010 survey conducted by Frederic W. Cook & Co., Inc. regarding Executive Stock Ownership Policies Trends and Developments, and (iii) management's recommendations regarding different structure alternatives. On January 24, 2011, the Compensation Committee approved the following stock ownership guidelines for the Company's directors and named executive officers:

for the Chief Executive Officer, the lesser of three times his or her base salary or 75,000 shares;

for the other named executive officers, the lesser of two times his or her base salary or 40,000 shares; and

## Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

for the members of the Board of Directors, the lesser of three times his or her annual cash retainer or 8,000 shares. The target date for the existing directors and named executive officers to meet these stock ownership guidelines is January 1, 2015 and the target date for any new directors or named executive officers to meet these stock ownership guidelines is five years from the date of his or her appointment or date on which he or she begins employment at the Company. For purposes of these guidelines, the director or named executive officer will be deemed to own the Company's shares that are beneficially owned by such person, including equity

awards that will payout within 60 days of the applicable measuring date. The following table summarizes the progress of our named executive officers toward satisfying the applicable stock ownership requirement as of April 12, 2012.

Named Executive Officer	Ownership Guidelines for Shares or Units	
	by 1/1/2015 (based on 4/12/2012 stock price)	Beneficial Ownership of Shares or Units as of 4/12/2012
D. Keller	61,778	61,228
D. Willis	24,006	88,758
D. Glover	25,033	117,449
K. Robuck	26,300	81,490
G. Schockemoehl	22,497	150,499

The Compensation Committee will periodically review and adjust, if appropriate, the fixed number of shares based on stock price, adjustments to compensation, evolving market practices, and such other factors as it deems appropriate. In establishing a named executive officer's total direct compensation each year, the Compensation Committee may consider each named executive officer's compliance with these guidelines.

#### Claw-back Policy

On November 10, 2010, the Board approved a compensation recovery policy applicable to executive officers, including the named executive officers. In general, the policy provides that, for every annual incentive or other performance-based compensation awarded to a named executive officer on or after January 1, 2011, the named executive officer must repay or forfeit compensation received by him or her from such award if:

the payment, granting or vesting of such compensation was based on the achievement of financial results that were subsequently the subject of a restatement of the Company's consolidated financial statements;

the Board determines in its sole discretion that the named executive officer engaged in fraud or misconduct that caused or contributed to the need for the restatement;

the named executive officer received more compensation than he or she would have had if the financial results had been properly reported; and

the Board determines in its sole discretion that it is in the best interests of the Company and its stockholders for the named executive officer to repay or forfeit all or any portion of the compensation.

The Board has the full and final authority to make all determinations under the policy, including whether it applies and, if so, the amount of compensation to be repaid or forfeited. Each named executive officer was required to sign an agreement that he had received, read and understood the policy. In addition, the policy provides that repayment and forfeiture remedies are not the exclusive remedies and that the Company may pursue every other right or remedy at law or in equity available. The Board has taken pro-active steps to comply with future requirements regarding compensation recovery.

#### Risk Assessment

The Company believes that its compensation policies and practices for all employees, including executive officers, do not create risks that are reasonably likely to have a material adverse effect on the Company. Although a significant portion of our executive compensation program is performance-based, we have focused on aligning our compensation policies with the long-term interests of our stockholders and avoiding rewards that could create excessive or inappropriate risks to the Company, as evidenced by the following:

Our executive compensation program reflects an appropriate mix of compensation elements and balances current and long-term performance objectives, cash and equity compensation, and risks and rewards associated with executive roles.

We use financial and individual performance goals that are consistent with our business objectives and correlate to long-term value. The individual goals for the officers consist of a combination of strategic and operational objectives. Our performance goals are set at levels that we believe are reasonable in light of past performance and market conditions.

We do not use highly-leveraged performance goals. Instead, incentive opportunities are based on balanced performance metrics that promote disciplined progress toward long-term goals, and all payouts are capped at a pre-established percentage of the target payment opportunity.

Our financial goals and results directly tie to our audited financial statements, subject to adjustments outlined in our incentive plans. These results are highly scrutinized by our finance and accounting departments as well as our external auditor.

We retain discretion to adjust compensation levels based on the quality of Company performance, individual performance and adherence to the Company's ethics and compliance programs, among other things.

Our long-term incentive opportunities generally vest over a period of four years in order to focus our executives on long-term performance and enhance retention. Our performance shares are granted annually and have overlapping four-year performance periods, so any risks taken to increase the payout under one award could jeopardize the potential payouts under other awards.

Utilizing the expertise of outside consultants, we evaluate our compensation programs and practices against our established peer group to confirm that our compensation programs are consistent and competitive with market practice.

As described above, we have adopted several risk mitigating strategies, such as stock ownership guidelines and a claw-back policy .

#### **Section 162(m) of the Tax Code**

Section 162(m) of the Internal Revenue Code provides that the Company generally may not deduct, for federal income tax purposes, annual compensation in excess of \$1 million paid to certain named executive officers. Certain performance-based compensation paid pursuant to shareholder approved plans is not subject to the deduction limit.

The performance-based restricted stock units granted to certain of our named executive officers generally are intended to qualify as performance-based compensation for purposes of Section 162(m) and be deductible for federal income tax purposes. Given our net operating loss carryforwards available to offset taxable income, the Compensation Committee has not adopted a policy that requires all compensation to be deductible. In this regard, the Compensation Committee wants to preserve the ability to award cash or equity compensation to an executive that is not deductible under Section 162(m) if we believe that it is in our stockholders' best interests.

## COMPENSATION COMMITTEE REPORT

The Compensation Committee, comprised of independent directors, reviewed and discussed the above Compensation Discussion and Analysis with the Company's management. Based on that review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement and incorporated in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

Compensation Committee:

Terence J. Cryan (Chair)

Charles Macaluso

Frank E. Williams, Jr.

### 2011 SUMMARY COMPENSATION TABLE

The following table presents information regarding the compensation earned by our Chief Executive Officer, Chief Financial Officer and the next three highest paid executive officers in each of 2009, 2010 and 2011. We sometimes refer to these individuals collectively as our named executive officers.

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(2)</sup>	All Other Compensation (\$) <sup>(3)</sup>	Total (\$)
David L. Keller <sup>(4)</sup> Chief Executive Officer	2011	478,500	827,402	563,252	35,637	1,904,791
	2010	435,000	328,152	675,120	15,230	1,453,502
David L. Willis Chief Financial Officer	2009	130,229	562,507	146,537	11,700	850,973
	2011	294,998	633,446	286,933	42,774	1,258,151
Dean J. Glover President of Products Division	2010	278,300	752,299	292,354	7,162	1,330,115
	2009	253,000	236,392	203,870	14,726	707,988
Kenneth W. Robuck President of Services Division	2011	312,120	521,847	355,783	15,439	1,205,189
	2010	306,000	524,318	361,998	8,533	1,200,849
Gene L. Schockemoehl Senior Vice President and President of Braden Manufacturing, L.L.C.	2009	306,000	222,032	244,174	12,772	784,978
	2011	327,924	700,791	269,859	23,325	1,321,899
Gene L. Schockemoehl Senior Vice President and President of Braden Manufacturing, L.L.C.	2010	321,494	709,364	367,789	27,479	1,426,126
	2009	307,650	245,817	346,846	25,656	925,969
Gene L. Schockemoehl Senior Vice President and President of Braden Manufacturing, L.L.C.	2011	280,500	476,877	242,081	10,090	1,009,548
	2010	275,000	476,957	278,300	11,030	1,041,287
President of Braden Manufacturing, L.L.C.	2009	275,000	164,325	276,788	5,420	721,533

- (1) This column reflects the aggregate grant date fair value of restricted stock units granted to our named executive officers in the applicable year, computed in accordance with FASB ASC Topic 718. For each year covered by the Summary Compensation Table, the Compensation Committee approved a restricted stock unit award for each of the named executive officers that vests in equal installments over a four-year period. One half of each restricted stock unit award vests based on continued employment (time-based RSUs) and the other half of the restricted stock unit award vests based on both continued employment and the satisfaction of separate performance goals that are established for each year in the four-year vesting period (performance-based RSUs). We consider each annual installment of performance-based RSUs to be the subject of a separate annual grant for purposes of reporting the value of stock awards in the Summary Compensation Table. Thus, for example, the value reported above for 2011 stock awards to our named executive officers consists of the

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

grant date fair value of the time-based RSUs approved by the Compensation Committee in 2011 and the grant date fair value of 25% of any performance-based RSUs approved by the Compensation Committee in each of 2008, 2009, 2010 and 2011. Additional details



regarding 2011 stock awards can be found in the table 2011 Grants of Plan-Based Awards on page 30. For a discussion of the assumptions we made in valuing the stock awards, see Note 2 Summary of Significant Accounting Policies Stock-Based Compensation Expense in the notes to our consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2011. Certain numbers for the prior year have been updated to better reflect how the Company accounts for restricted stock unit awards.

- (2) This column reflects amounts earned by our named executive officers under our annual Incentive Compensation Plan. The terms of the plan are described more fully in the Compensation Discussion and Analysis section of this proxy statement beginning on page 18.
- (3) The amounts in the All Other Compensation column are valued on the basis of the aggregate incremental cost to us and consist of the following compensation items for 2011: for Mr. Keller, 401(k) matching contributions of \$9,837, a housing allowance of \$18,000 and a car allowance of \$7,800; for Mr. Willis, tax preparation expenses of \$535, 401(k) matching contributions of \$6,662 and relocation expenses of \$35,577; for Mr. Glover, tax preparation fees of \$475, 401(k) matching contributions of \$8,095 and country club dues of \$6,869; for Mr. Robuck, tax preparation expenses of \$1,500, 401(k) matching contributions of \$9,800, car allowance of \$7,800 and country club dues of \$4,225; and for Mr. Schockemoehl, tax preparation fees of \$1,100 and 401(k) matching contributions of \$8,990.
- (4) Mr. Keller was appointed as our President and Chief Executive Officer effective September 14, 2009.

#### **Employment Agreements**

The key terms of the employment agreements with each of our named executive officers are set forth below.

**David L. Keller's Employment Agreement.** Effective as of September 14, 2009, we entered into a three-year employment agreement with Mr. Keller, our President and Chief Executive Officer. We also agreed to use our best efforts to cause him to be elected to our Board of Directors at each stockholder meeting at which the directors are elected.

Pursuant to his employment agreement, Mr. Keller receives a salary of no less than \$435,000 per year and is entitled to an annual bonus opportunity under our annual Incentive Compensation Plan, with a target bonus equal to 80 percent, and a maximum bonus equal to 160 percent, of his base salary. Mr. Keller is entitled to participate in our 401(k) and flexible benefit plans and to four weeks of paid vacation per year. We also provide to Mr. Keller life, accidental death and dismemberment, short and long-term disability, business travel accident insurance (but not medical or dental insurance), cover the costs of housing and car allowances, and reimburse his documented business expenses.

The term of Mr. Keller's employment agreement expires on September 13, 2012. The employment agreement provides that not later than June 13, 2012, the Company and Mr. Keller will discuss whether or not they then mutually agree that the term of Mr. Keller's employment should be extended for an additional year through September 13, 2013, and if they do so mutually agree, each will confirm that fact in a writing delivered to the other by not later than July 13, 2012. It is currently intended that the discussions concerning a potential extension of Mr. Keller's employment agreement beyond September 13, 2012 will be concluded on or before July 13, 2012.

**Employment Agreements with Our Other Named Executive Officers.** We have entered into two-year employment agreements with all of our other named executive officers on the following dates:

David L. Willis, on January 28, 2008;

Dean J. Glover, on September 1, 2008;

Kenneth W. Robuck on October 1, 2007; and

Gene F. Schockemoehl on November 21, 2006.

Each agreement automatically renews for a one-year term at the end of the initial or additional employment term, unless we have provided the officer with advance written notice of termination. Pursuant to the employment agreements, we pay each named executive officer base salary and provide them an annual cash bonus opportunity.

The employment agreements with all of our named executive officers, including Mr. Keller, also contain customary confidentiality, nonsolicitation and noncompetition covenants. The nonsolicitation and noncompetition obligations continue for twelve months after termination. The confidentiality obligations continue indefinitely.

### 2011 GRANTS OF PLAN-BASED AWARDS

The following table presents information relating to cash-based annual incentives and time- and performance-based restricted stock unit (TRSU and PRSU) awards granted to our named executive officers in 2011.

Name	Grant Date	Approval Date	Type of Award	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards	All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock Awards <sup>(2)</sup> (\$)
				Threshold (\$)	Target (\$)	Maximum (\$)	Target (#)		
David L. Keller									
			Annual Cash						
Incentive Compensation Plan	N/A	N/A	Award	191,400	382,800	756,600			N/A
2011 Equity Incentive Plan	7/21/2011	7/21/2011	PRSU				4,187		106,015
	7/21/2011	7/21/2011	TRSU					16,752	424,161
2008 Management Incentive Plan	1/21/2011	3/23/2010	PRSU				2,083		49,534
	1/21/2011	9/14/2009	PRSU				10,416		247,692
David L. Willis									
			Annual Cash						
Incentive Compensation Plan	N/A	N/A	Award	95,874	191,749	383,497			N/A
2011 Equity Incentive Plan	7/21/2011	7/21/2011	PRSU				1,250		31,650
	7/21/2011	7/21/2011	TRSU					5,000	126,600
2008 Management Incentive Plan	1/21/2011	3/23/2010	PRSU				6,944		165,128
	1/21/2011	2/9/2009	PRSU				8,678		206,363
	1/21/2011	6/23/2008	PRSU				4,361		103,705
Dean J. Glover									
			Annual Cash						
Incentive Compensation Plan	N/A	N/A	Award	101,439	202,878	405,756			N/A
2011 Equity Incentive Plan	7/21/2011	7/21/2011	PRSU				1,000		25,320
	7/21/2011	7/21/2011	TRSU					4,000	101,280
2008 Management Incentive Plan	1/21/2011	3/23/2010	PRSU				4,167		99,091
	1/21/2011	2/9/2009	PRSU				8,100		192,618
	1/21/2011	6/23/2008	PRSU				4,354		103,538
Kenneth W. Robuck									
			Annual Cash						
Incentive Compensation Plan	N/A	N/A	Award	106,575	213,151	426,301			N/A
2011 Equity Incentive Plan	7/21/2011	7/21/2011	PRSU				1,250		31,650
	7/21/2011	7/21/2011	TRSU					5,000	126,600
2008 Management Incentive Plan	1/21/2011	3/23/2010	PRSU				5,556		132,122
	1/21/2011	2/9/2009	PRSU				8,100		192,618
	1/21/2011	6/23/2008	PRSU				9,159		217,801
Gene F. Schockemoehl									
			Annual Cash						
Incentive Compensation Plan	N/A	N/A	Award	77,138	154,275	308,550			N/A
2011 Equity Incentive Plan	7/21/2011	7/21/2011	PRSU				687		17,395

Edgar Filing: GLOBAL POWER EQUIPMENT GROUP INC. - Form DEF 14A

2008 Management Incentive Plan	7/21/2011	7/21/2011	TRSU		2,752	61,681
	1/21/2011	3/23/2010	PRSU	3,472		82,564
	1/21/2011	2/9/2009	PRSU	5,069		120,541
	1/21/2011	6/23/2008	PRSU	7,851		186,697

- (1) These columns show the dollar value of the potential payout to each named executive officer for 2011 under our annual Incentive Compensation Plan at threshold, target and maximum levels. Amounts we actually paid during 2012 for 2011 performance under the Incentive Compensation Plan are included in the Non-Equity Incentive Plan Compensation column of the 2011 Summary Compensation Table on page 28.

- (2) These amounts reflect the aggregate grant date fair value of restricted stock unit awards computed in accordance with FASB ASC Topic 718. The awards of performance-based restricted stock units (reflected in the column captioned Estimated Future Payouts Under Equity Incentive Plan Awards Target ) provide only for a single estimated payout. If the target level of performance is not achieved, there is no payout. If the target level of performance is achieved, the target number of shares in this column, and only that amount, is delivered to the executive even if performance is far better than target. Therefore, the values of the performance-based restricted stock units included in this column represent the grant date fair value at both target and maximum . For a discussion of the assumptions we made in valuing the stock awards, see Note 2 Summary of Significant Accounting Policies Stock-Based Compensation Expense in the notes to our consolidated financial statements contained in our Annual Report on Form 10-K.

**2011 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

The following table sets forth information regarding each unvested time-based and performance-based restricted stock unit award held by each of our named executive officers as of December 31, 2011.

Name	Number of Shares or Units That Have Not Vested (#)	Market Value of Shares or Units That Have Not Vested (\$) <sup>(1)</sup>	Equity Incentive Plan Awards:	Equity Incentive Plan Awards:
			Number of Unearned Shares or Units That Have Not Vested (#) <sup>(2)</sup>	Market or Payout Value of Unearned Shares or Units That Have Not Vested (\$) <sup>(1)</sup>
David L. Keller	43,835	1,041,081	43,829	1,040,939
David L. Willis	47,553	1,129,384	47,549	1,129,289
Dean J. Glover	37,056	880,080	37,053	880,009
Kenneth W. Robuck	47,028	1,116,915	47,025	1,116,844
Gene F. Schockemoehl	31,159	740,026	31,153	739,884

- (1) The market value of the unvested time- and performance-based restricted stock units reported in this column is computed by multiplying the closing market price of our Common Stock on the last trading day of 2011 by the number of unvested time-based and performance-based restricted stock units held by each named executive officer.
- (2) Our awards of performance-based restricted stock units provide for payout of the full number of shares of Common Stock subject to the award if the applicable performance goals are achieved or exceeded, which is the number of shares reported in this column for each named executive officer.
- (3) The following table shows the vesting schedules for the unvested restricted stock units outstanding as of December 31, 2011.

**Vesting Schedule (#)**

Name	March 31,	March 31,	March 31,	March 31,
	2012	2013	2014	2015
David L. Keller	33,375	33,373	12,541	8,375
David L. Willis	42,469	33,745	16,388	2,500
Dean J. Glover	35,243	26,533	10,333	