

MASONITE INTERNATIONAL CORP  
Form DEF 14A  
March 28, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934  
(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Masonite International Corporation  
(Exact 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.
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NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
AND  
PROXY STATEMENT  
ANNUAL GENERAL  
MEETING OF SHAREHOLDERS  
TO BE HELD ON MAY 13, 2014

March 28, 2014

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March 28, 2014

Dear Fellow Shareholder:

You are cordially invited to join Masonite International Corporation's Board of Directors and senior leadership at the 2014 annual general meeting of shareholders, which will be held at 8:30 a.m. local time on Tuesday, May 13, 2014 at the University Club of Tampa, 201 N. Franklin Street, Suite 3800, Tampa, FL, 33602.

The attached notice of the 2014 annual general meeting of shareholders and proxy statement provide important information about the meeting and will serve as your guide to the business to be conducted at the meeting. Your vote is very important to us. We urge you to read the accompanying materials regarding the matters to be voted on at the meeting and to submit your voting instructions by proxy. The Board of Directors recommends that you vote FOR proposals 1, 3, and 5 through 7 listed in the attached notice, FOR each of the nominees listed in proposal 2, and FOR "every year" in proposal 4.

You may submit your proxy either by returning the enclosed proxy card or voting instruction form or by submitting your proxy over the telephone or the Internet. If you submit your proxy before the meeting but later decide to attend the meeting in person, you may still vote in person at the meeting.

Thank you for your continued support.

/s/ Robert J. Byrne

Robert J. Byrne

Chairman of the Board

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the "Meeting") of the holders of common shares (the "Shareholders") of Masonite International Corporation, successor entity to Masonite Inc. and formerly known as Masonite Worldwide Holdings, Inc. (the "Company" or "Masonite") will be held at the University Club of Tampa, 201 N. Franklin Street, Suite 3800, Tampa, FL, 33602 on May 13, 2014 at the hour of 8:30 a.m. (Eastern Time) for the following purposes:

1. TO CONSIDER and, if deemed advisable, to pass a special resolution of the Shareholders to set the number of Directors of the Company (the "Board of Directors") at 9;

2. TO ELECT Frederick J. Lynch, Jody L. Bilney, Robert J. Byrne, Peter R. Dachowski, Jonathan F. Foster, George A. Lorch, Rick J. Mills, Francis M. Scricco and John C. Wills to the Board of Directors;

3. TO VOTE, on an advisory basis, on the compensation of our named executive officers as set forth in the Proxy Statement (as defined below);

4. TO VOTE, on an advisory basis, on the frequency of a shareholder vote on executive compensation;

5. TO APPOINT Deloitte & Touche LLP, an independent registered public accounting firm, as the auditors of the Company through to the next annual general meeting of the Shareholders and authorize the Board of Directors of the Company to fix the remuneration of the auditors;

6. TO CONSIDER and, if deemed advisable, to pass three special resolutions of the Shareholders (the "Amending Resolutions") that each have the effect of amending special resolutions passed at the Annual General and Special Meeting held on May 29, 2013 (the "Original Resolutions") relating to the following matters:

a. an amendment to the current Articles of the Company (the "Current Articles") that provides the Directors with the power to, by resolution, subdivide or consolidate the Company's share capital (the "Stock Split/Consolidation");

b. an amendment to the Current Articles of the Company to provide for advance notice requirements with respect to Director nominations (the "Advance Notice Requirement"); and

c. amendments to the Current Articles and to the shareholders agreement dated as of June 9, 2009, as amended and restated as of March 1, 2012 (the "Shareholders Agreement") relating to certain procedural, ancillary and administrative matters (the "Ancillary Amendments").

The purpose of the Amending Resolutions is to authorize the immediate implementation of the amendments contemplated by the Original Resolutions, as their implementation as set forth in the Original Resolutions was conditional upon completion of an initial public offering which has not occurred to date. The text of the Amending Resolution relating to the Stock Split/Consolidation is set forth in

Appendix "B" to the Proxy Statement, the text of the Amending Resolution relating to the Advance Notice Requirement is set forth in Appendix "C" to the Proxy Statement and the text of the Amending Resolution relating to the Ancillary Amendments, as well as a blackline document showing all amendments contemplated, is set forth in Appendix "D" to the Proxy Statement.

7. TO APPROVE the Masonite International Corporation 2014 Employee Stock Purchase Plan, as more particularly described in the Proxy Statement; and
8. TO RECEIVE the financial statements of the Company for the period ended December 29, 2013, together with the report of the auditors thereon; and
9. TO TRANSACT such further or other business as may properly come before the Meeting or any postponement or adjournment thereof.

The Board of Directors recommends that you vote FOR proposals 1, 3, and 5 through 7, FOR each of the nominees listed in proposal 2, and FOR "every year" in proposal 4. The Proxy Statement provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

DATED at Tampa, Florida this 28<sup>th</sup> day of March, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Robert E. Lewis

Robert E. Lewis

Senior Vice President,

General Counsel and Secretary

Masonite International Corporation

PLEASE SUBMIT YOUR PROXY BY TELEPHONE OR THE INTERNET, OR BY MARKING, SIGNING, DATING AND RETURNING A PROXY CARD OR VOTING INSTRUCTION FORM.

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to Be Held on May 13, 2014: This Proxy Statement and our Annual Report are available free of charge on <http://phx.corporate-ir.net/phoenix.zhtml?c=212381&p=proxy>.

MASONITE INTERNATIONAL CORPORATION  
PROXY STATEMENT

Unless otherwise indicated, or the context otherwise requires, "Company" or "Masonite" refers to Masonite International Corporation and its direct and indirect subsidiaries. Unless otherwise indicated, all dollar amounts are expressed in US dollars and references to "\$" are to US dollars.

This proxy statement (the "Proxy Statement") is furnished in connection with the solicitation of proxies by Masonite's Board of Directors on behalf of Masonite, for use at the annual general meeting (the "Meeting") of holders ("Shareholders") of common shares ("Common Shares") of the Company to be held at the University Club of Tampa, 201 N. Franklin Street, Suite 3800, Tampa, FL, 33602 on May 13, 2014 at 8:30 a.m. (Eastern Time), and at all postponements or adjournments thereof, for the purposes set forth in the accompanying notice of the Meeting (the "Notice of Meeting").

In accordance with the rules of the Securities and Exchange Commission (the "SEC"), we sent a Notice of Internet Availability of Proxy Materials on or about March 28, 2014 to our shareholders of record as of the close of business on March 18, 2014. We also provided access to our proxy materials over the Internet beginning on that date. If you received a Notice of Internet Availability of Proxy Materials by mail and did not receive, but would like to receive, a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

RECORD DATE; PROXIES; VOTING

Who Can Vote; Votes Per Share

The Board has set March 18, 2014 as the record date for the Meeting. At the Meeting, each Shareholder of record of Common Shares at the close of business on the record date will be entitled to vote on, all matters proposed to come before the Meeting, except to the extent such Shareholder has transferred any such Common Shares after the Record Date and the transferee of such Common Shares establishes ownership thereof and makes a written demand to the Secretary of the Company, not later than ten days before the date of the Meeting, to be included in the list of Shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares. Each such Shareholder of record will be entitled to one vote per Common Share on each matter submitted to a vote of shareholders, as long as those shares are represented at the Meeting, either in person or by proxy.

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of special shares (the "Special Shares"). As of March 3, 2014, there were 29,267,655 Common Shares and no Special Shares outstanding.

How to Vote; Submitting Your Proxy; Revoking Your Proxy

You may vote your shares either by voting in person at the Meeting or by submitting a completed form of proxy in the manner described in this Proxy Statement. By submitting your form of proxy, you are legally authorizing another person to vote your shares. The persons specified on the enclosed form of proxy are officers of the Company. A registered Shareholder who wishes to appoint any person other than those specified on the enclosed form of proxy to represent him, her or it at the Meeting may do so by crossing out the persons named in the enclosed form of proxy and inserting such other person's name in the blank space provided in the form of proxy or by completing another proper form of proxy. Such other person need not be a Shareholder. Please note that if you appoint as proxy any person other than those specified on your form of proxy and neither you nor your proxy attends the Meeting in person, then your shares will not be voted.



If your shares are not registered in your name but in the "street name" of a bank, broker or other holder of record (a "nominee"), then your name will not appear in Masonite's register of shareholders, and you are considered a "Beneficial Holder". Those shares are held in your nominee's name, on your behalf, and your nominee will be entitled to vote your shares. If your shares are held in street name, please refer to the information from your bank, broker or other nominee on how to submit voting instructions, which includes the deadlines for submission of voting instructions. Beneficial Holders may vote shares held in street name at the Meeting only if they obtain a signed proxy from the record holder (bank, broker or other nominee) giving the Beneficial Holder the right to vote the shares. To be valid, forms of proxy submitted by registered holders must be deposited at the offices of American Stock Transfer & Trust Company, LLC (the "Agent"), 6201 15<sup>th</sup> Avenue, Brooklyn, New York 11219, so as not to arrive later than 9:00 a.m. (Eastern Time) on May 12, 2014, or be provided, at the Meeting, to the chair of the Meeting (the "Chair of the Meeting"). If the Meeting is adjourned, forms of proxy must be deposited 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the forms of proxy are to be used, or be provided, at the Meeting, to the Chair of the Meeting or any reconvened meeting.

The document appointing a proxy must be in writing and completed and signed by a Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Instructions provided to the Agent by a Shareholder must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as officers, attorneys, executors, administrators, and trustees or similar appointment should so indicate and provide satisfactory evidence of such authority.

Your proxy is revocable. A Beneficial Holder that has given instructions to its nominee with respect to the voting of Common Shares may instruct the nominee to thereafter revoke the relevant proxy in accordance with the instructions provided to the Beneficial Holder by its bank, broker or other nominee. A registered Shareholder that has submitted a form of proxy may revoke the proxy: (i) by completing and signing a form of proxy bearing a later date and depositing it as aforesaid; or (ii) by depositing an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing: (A) at the registered office of the Company at any time up to and including the last business day preceding the day of the applicable Meeting, or any adjournment thereof, at which the proxy is to be used, or (B) with the Chair of the Meeting at the Meeting or any adjournment thereof.

Even if you plan to attend the Meeting, we encourage you to vote in advance so that your vote will be counted if you later decide not to attend the Meeting. Voting your proxy by the Internet, telephone or mail will not limit your right to vote at the Meeting if you later decide to attend in person, subject to compliance with the foregoing requirements.

#### How Your Proxy Will be Voted; Discretionary Authority of Proxies

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the instructions of the Shareholder as indicated in the form of proxy. In the absence of such specification, such Common Shares will be voted at the Meeting as follows: **FOR** the special resolution to set the number of directors at 9, as described under the heading "Number of Directors."

**FOR** the election of Frederick J. Lynch, Jody L. Bilney, Robert J. Byrne, Peter R. Dachowski, Jonathan F. Foster, George A. Lorch, Rick J. Mills, Francis M. Scricco and John C. Wills to

the Board of Directors to fill these positions as described under the heading "Election of Directors."

FOR, the approval, on an advisory basis, of the executive compensation paid by Masonite to its Named Executive Officers included in this Proxy Statement as described under the heading "Advisory Vote on Executive Compensation."

FOR, the option of "every year" as the frequency with which Shareholders are provided an advisory vote on the compensation of the Named Executive Officers included in the Proxy Statement as described under the heading "Advisory Vote on Frequency of Shareholder Vote on Executive Compensation."

FOR the appointment of Deloitte & Touche LLP ("Deloitte"), an independent registered public accounting firm, as auditors of the Company and to authorize the Board of Directors to fix the auditor's remuneration as described under the heading "Appointment of Independent Registered Accounting Firm."

FOR each of the Amending Resolutions authorizing the immediate implementation of the amendments contemplated by the Original Resolutions, which include the Stock Split/Consolidation Resolution, the Advance Notice Resolution, and the Ancillary Amendments Resolution as described under the heading "Amendments to Articles and Shareholders Agreement."

FOR the approval of the Masonite International Corporation Employee Stock Purchase Plan as described under the heading "Approval of the 2014 Employee Stock Purchase Plan."

The persons named in the accompanying form of proxy are conferred with discretionary authority to vote the Common Shares in respect of which they are appointed on any amendments to or variations of matters identified in the Notice of Meeting and Proxy Statement and on any other matters that are properly brought up at the Meeting. In addition, a Shareholder will confer discretionary authority to the proxy holder in respect of one or more of the items of business identified on the proxy form if the Shareholder properly completes and delivers the proxy but leaves blank the voting selection for that item on the form. In the event that amendments or variations to matters identified in the Notice of Meeting and Proxy Statement, or other matters are properly brought up at the Meeting, it is the intention of the persons designated in the enclosed proxy card to vote in accordance with their discretion and judgment on such matter or business. At the time of printing the Proxy Statement, the members of the Board knew of no such amendments, variations or other matters.

Quorum; Votes Necessary to Pass Resolutions

Pursuant to the Current Articles of the Company, a quorum for the transaction of business at the Meeting is at least 3 persons who are, or who represent by proxy, unrelated Shareholders, holding in the aggregate at least 15% of the Common Shares entitled to be voted at the Meeting. For purposes of determining a quorum, abstentions and broker "non-votes" present in person or by proxy are counted as represented. A broker "non-vote" occurs when a nominee (such as a broker) holding shares for a beneficial owner abstains from voting on a particular proposal because the nominee does not have discretionary voting power for that proposal and has not received instructions from the beneficial owner on how to vote those shares. Under current New York Stock Exchange ("NYSE") rules, your broker will not have discretion to vote your uninstructed shares with respect to all of the proposals described herein other than Proposal 5 (appointment of Deloitte & Touche LLP as the auditors of the Company and Board authorization to fix its remuneration). Your broker will have discretion to vote your uninstructed shares on Proposal 5.

The matters being considered and voted on at the Meeting are subject to differing standards for approval as follows: Proposal no. 1 (setting the number of Directors) is a special resolution pursuant to the Current Articles of the Company, and as such will be considered approved upon an affirmative vote by not less than two-thirds of the votes cast on the matter by Shareholders at the Meeting represented in person or by proxy;

Proposal no. 2 is the election of directors. Each Shareholder may, in respect of each Common Share held, cast one vote for each vacancy on the Board of Directors (i.e. up to 9 individuals if Proposal no. 1 is passed). There is no cumulative voting for the appointment of Directors. Each Shareholder should indicate its decision in respect of each nominee by voting "FOR" the nominee or "WITHHOLD" voting for the nominee. Those nominees receiving the most votes will be elected as Directors until all vacancies are filled. If the number of nominees for election is equal to the number of vacancies to be filled, then all such nominees will be declared elected by acclamation. Therefore, if Proposal no. 1 is not passed, the 7 individuals receiving the highest number of votes cast "FOR" the election will be elected to the Board;

Proposal no. 3 (vote on executive compensation) and 4 (vote on frequency of vote on executive compensation) are ordinary resolutions of the Shareholders, and will each be considered approved upon an affirmative vote of a majority (in excess of 50%) of the votes cast on the matter by Shareholders at the meeting represented in person or by proxy. Notwithstanding the approval or non-approval of these resolutions, they are advisory in nature and are non-binding;

Proposal no. 5 (appointment of Deloitte & Touche LLP as the auditors of the Company and Board authorization to fix its remuneration) is an appointment. Each Shareholder may cast a vote "FOR" or "WITHHOLD" voting for Deloitte as auditor, and their appointment is dependent on no other independent registered public accounting firm being put forward at the meeting and receiving more "FOR" votes than them;

Proposal no. 6 (vote on Amending Resolutions authorizing the immediate implementation of the amendments contemplated by the Original Resolutions, which include the Stock Split/Consolidation Resolution, the Advance Notice Resolution, and the Ancillary Amendments Resolution) are special resolutions of the Shareholders and will be considered approved pursuant to Section 259 of the Business Corporations Act (British Columbia) ("BCBCA") and Section 7.2 of the Shareholders Agreement, upon an affirmative vote of not less than two-thirds of the votes cast by Shareholders, present in person or represented by proxy, at the Meeting in respect of the matter; and

Proposal no. 7 (employee stock purchase plan) is an ordinary resolutions of the Shareholders, and will be considered approved upon an affirmative vote of a majority (in excess of 50%) of the votes cast on the matter by Shareholders at the Meeting represented in person or by proxy.

Abstentions and broker "non-votes" will not be counted as votes cast and will not affect the voting results for any of the above-noted matters.

#### Solicitation of Proxies; Tabulation of Votes

The Company will bear the cost of soliciting proxies on behalf of the Company. The Company has hired AST Phoenix Advisors ("Phoenix") to assist it in soliciting proxies for a fee of approximately \$7,000 plus reasonable expenses. In addition to Phoenix, our directors, officers and employees may also solicit proxies in person or by telephone, electronic transmission and facsimile transmission. We will not be specially compensating

our directors, officers and employees for those services, but they may be reimbursed for their out-of-pocket expenses incurred in connection with the solicitation. We will also reimburse brokers, fiduciaries and custodians for their costs in forwarding proxy materials to beneficial owners of our Common Shares. American Stock Transfer & Trust Company, LLC will act as our Scrutineer at the Meeting and assist us in tabulating the votes.

**NUMBER OF DIRECTORS (PROPOSAL 1)**

The Company is currently authorized to appoint 7 individuals to the Board of Directors. During the course of the last year, the Board of Directors used authority contained in its Current Articles and permitted pursuant to the BCBCA to appoint two additional individuals to the Board of Directors (for a total of 9 Directors) to serve on an interim basis until the convening of the Annual Meeting, at which point their appointments expires. The Company would like all of its current complement of Directors, including the newly appointed Directors, to continue to serve on the Board, and accordingly proposes to increase the authorized number of Directors to 9. Pursuant to the Current Articles, an increase in the number of Directors must be approved by special resolution. All of the Company's Shareholders are being asked to vote in favor of this resolution. If this resolution is not passed by the Company's Shareholders, then only 7 of the 9 individuals nominated for election to the Board may be so elected.

**THE BOARD RECOMMENDS A VOTE "FOR" THIS SPECIAL RESOLUTION TO INCREASE THE NUMBER OF DIRECTORS TO NINE.**

**ELECTION OF DIRECTORS (PROPOSAL 2)**

At the Meeting, 9 Directors are to be elected (unless Proposal no. 1 is not approved by the Shareholders, in which case, only 7 Directors are to be elected). Each of the nominees set forth below currently serves as a Director of Masonite. The nominees for Director receiving a plurality of the votes cast at the Meeting will be elected Directors. Each nominee elected as a Director will continue in office until the 2015 Annual Meeting and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal. If any nominee becomes unable to serve, proxies may be voted for the election of such other person as the Board of Directors may designate.

In the event Proposal no. 1 is not approved by the Company's Shareholders, then the 7 individuals receiving the highest number of votes cast "FOR" their election shall be elected to the Board. Shareholders should be aware that, in this event, the Board of Directors has authority contained in its Current Articles, and is permitted pursuant to the BCBCA, to appoint two additional individuals to the Board of Directors (for a total of 9 Directors) to serve on an interim basis until the convening of the next annual general meeting of Shareholders.

The following table sets forth the names of, and certain information for, the individuals proposed to be nominated for election as Directors. The nominees make up the current Board of Directors of the Company. Biographies for each nominee, which include a summary of each nominee's present principal occupation and recent employment history, are set out below.

**THE BOARD RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH NOMINEE DESCRIBED BELOW AS DIRECTOR.**

Name and Province of Residence	Principal Occupation	Date Appointed as a Director
FREDERICK J. LYNCH Tampa, FL	President and Chief Executive Officer of Masonite	June 2009
JODY L. BILNEY <sup>(3)(4)</sup> Louisville, KY	Senior Vice President, Chief Consumer Officer, Humana. Inc.	January 2014
ROBERT J. BYRNE <sup>(4)</sup> Orlando, FL	President, Power Pro-Tech Services, Inc.	June 2009
PETER R. DACHOWSKI <sup>(2)(4)</sup> Berwyn, PA	Senior Adviser, Graham Partners Corporate Director	July 2013
JONATHAN F. FOSTER <sup>(1)(4)(5)</sup> New York, NY	Managing Director of Current Capital LLC and Corporate Director	June 2009
GEORGE A. LORCH <sup>(2)(3)(4)</sup> Naples, FL	Corporate Director	June 2009
RICK J. MILLS <sup>(1)(4)(5)</sup> Nashville, TN	Corporate Director	September 2013
FRANCIS M. SCRICCO <sup>(2)(3)(4)</sup> Boston, MA	Corporate Director	June 2009
JOHN C. WILLS <sup>(1)(4)</sup> Aiken, SC	Corporate Director	June 2009

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Human Resources and Compensation Committee.
- (3) Member of the Corporate Governance and Nominating Committee.
- (4) Independent member of the Board as defined under applicable NYSE listing standards.
- (5) Audit Committee financial expert.



## Biographies

The present principal occupations and recent employment history of each of the Directors nominated for election at the Meeting above are as follows:

Frederick J. Lynch, (age 49) has served as President of Masonite since July 2006 and as President and Chief Executive Officer of Masonite since May 2007. Mr. Lynch has served as a Director of Masonite since June 2009. Mr. Lynch joined Masonite from Alpharma Inc., where he served as President of the human generics division and Senior Vice President of global supply chain from 2003 until 2006. Prior to joining Alpharma Inc. in 2003, Mr. Lynch spent nearly 18 years at Honeywell International Inc. (formerly AlliedSignal Inc.), most recently as vice president and general manager of the specialty chemical business.

Jody L. Bilney, (age 52) has served as a Director of Masonite since January 2014. Ms. Bilney has served as the Senior Vice President and Chief Consumer Officer of Humana Inc. since April 2013. Prior to that, she served in various senior executive marketing roles with Bloomin' Brands Inc. from 2006 through March 2013, most recently serving as Executive Vice President and Chief Brand Officer. Prior to joining Bloomin' Brands, she held senior executive marketing positions with Openwave Systems, Inc., Charles Schwab & Co., Inc., and Verizon Communications, Inc.

Robert J. Byrne, (age 52) has served as a Director of Masonite since June 2009 and has been Chairman of the Board of Masonite since July 2010. Mr. Byrne is the founder and has served as the President of Power Pro-Tech Services, Inc., which specializes in the installation, maintenance and repair of emergency power and solar photovoltaic power systems since 2002. Power Pro-Tech is Mr. Byrne's fourth start-up. His other entrepreneurial ventures have been in telecommunications, private equity and educational software. From 1999 to 2001, Mr. Byrne was Executive Vice President and Chief Financial Officer of EPIK Communications, a start-up telecommunications company which merged with Progress Telecom in 2001 and was subsequently acquired by Level3 Communications. Having begun his career in investment banking, Mr. Byrne served as Partner at Advent International, a global private equity firm, from 1997 to 1999 and immediately prior to that, from 1993 to 1997, served as a Director of Orion Capital Partners.

Peter R. Dachowski, (age 65) has served as a Director of Masonite since July 2013. Mr. Dachowski spent 35 years with CertainTeed Corporation, a manufacturer of exterior and interior residential and commercial building envelope construction products, and its parent company Saint-Gobain, most recently serving as CertainTeed's Chairman and CEO from 2004 to 2011. Prior to joining CertainTeed, he was employed by The Boston Consulting Group as a Consultant and Engagement Manager from 1973 to 1976. He began his career as a Financial Analyst with the Treasury Department of Exxon Corporation in 1971. Mr. Dachowski is currently a Senior Advisor to Graham Partners, a middle-market private equity firm.

Jonathan F. Foster, (age 53) has served as a Director of Masonite since June 2009. Mr. Foster is the founder and Managing Director of Current Capital LLC, a private equity investing and management services firm. Previously, from 2007 until 2008, Mr. Foster served as a Managing Director and Co-Head of Diversified Industrials and Services at Wachovia Securities. From 2005 until 2007, he served as Executive Vice President Finance and Business Development of Revolution LLC. From 2002 until 2004, Mr. Foster was a Managing Director of The Cypress Group, a private equity investment firm and from 2001 until 2002 he served as a Senior Managing Director of Bear Stearns & Co. From 1999 until 2000, Mr. Foster served as the Executive Vice President, Chief Operating Officer and Chief Financial Officer of ToysRUs.com, Inc. Previously, Mr. Foster was with Lazard for over ten years in various positions, including as a Managing Director. Mr. Foster is a Director of Lear Corporation and Chemtura Corporation.

George A. Lorch, (age 72) has served as a Director of Masonite since June 2009. Mr. Lorch spent over 37 years with Armstrong World Industries, Inc., which designs and manufactures flooring and ceilings. From 1993 to 1994 Mr. Lorch served as the Chief Executive Officer and President of Armstrong World Industries, Inc. and from 1994 to 2000, he served as Chairman, Chief Executive Officer and President. In 2000, he became Chairman and Chief Executive Officer of Armstrong Holdings, Inc. and upon retirement at the end of 2000, he was named Chairman Emeritus. Currently, Mr. Lorch serves as Lead Director of the board of Pfizer, Inc. and has been a member of their board since 2000. He is also currently a Director on the boards of WPX Energy, Autoliv Inc. and HSBC North America Holdings Inc. and HSBC Finance Company, both subsidiaries of HSBC, a global bank based in the United Kingdom.

Rick J. Mills, (age 66) has served as a Director of Masonite since September 2013. Prior to his retirement in 2008, Mr. Mills spent over 37 years with Cummins, Inc., most recently serving as the Corporate Vice President and President of the Components Group from 2005 to 2008. Prior to that he served Cummins in a number of financial and operational roles, including Vice President and Group President of Filtration and Corporate Controller. Mr. Mills also currently serves as a Director of Commercial Metals Company and Flowserve Corporation.

Francis M. Scricco, (age 64) has served as a Director of Masonite since June 2009. Prior to joining our Board, Mr. Scricco was with Avaya, Inc., a global business communications provider, where he served as senior vice president, global services from March 2004 to February 2007 and subsequently as senior vice president, manufacturing, logistics and procurement until his retirement in October 2008. Prior to joining Avaya, Inc., he was employed by Arrow Electronics as its COO from 1997 to 2000 and then as its president and CEO from 2000 to 2002. Mr. Scricco's first operating role was as a general manager for General Electric. He began his career with The Boston Consulting Group in 1973. Mr. Scricco is currently a Director of Tembec, Inc., an integrated forest products company, and Chairman of the Board of Visteon Corporation, a global automotive supplier.

John C. Wills, (age 60) has served as a Director of Masonite since June 2009. Mr. Wills retired from Masco Corporation in 2007 where as Group President he was responsible for their worldwide plumbing business. He started his career with Procter & Gamble Corporation and entered the building product industry in 1985 when he joined Moen Incorporated in Canada. He also has retail big box experience participating in the start-up of The Home Depot in Canada in 1991, which at the time was called Aikenhead's Home Improvement Warehouse. Mr. Wills is currently a member of the boards of Armstrong Cabinets, Phillips Service Industries, Inc. and Global Emission Systems, Inc.

#### Director Qualifications

The Board of Directors seeks to ensure that the Board is composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the Board to satisfy its oversight responsibilities effectively. Consistent with the Company's Corporate Governance and Nominating Committee charter, in identifying candidates for membership on the Board, the Corporate Governance and Nominating Committee takes into account (1) individual qualifications, such as strength of character, mature judgment and industry knowledge or business experience, (2) diversity and the extent to which the candidate would fill a present need on the Board, and (3) all other factors it considers appropriate, including alignment with our shareholders. We believe that the backgrounds and qualifications of the Directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow our Board to fulfill its responsibilities.

In July 2013, Mr. Kenneth W. Freeman retired from the Board and the Board appointed Mr. Dachowski to fill the resulting vacancy. Additionally, later in 2013, the Board decided to increase the size of the Board by two and appointed Mr. Mills and Ms. Bilney to fill the resulting vacancies. In connection with the addition of these new Directors in 2013, the Board engaged the services of Heidrick & Struggles to assist with the Director candidate identification and review process.



When determining whether our current Directors have the experience, qualifications, attributes and skills, taken as a whole, to enable our Board to satisfy its oversight responsibilities effectively in light of our business and structure, our Board focused primarily on our longer-tenured Directors' contributions to our success in recent years, the specific expertise that the more recently elected Directors are expected to contribute, and on the information discussed in the biographies set forth under "Election of Directors-Biographies." With respect to Mr. Lynch, our Board considered in particular his current role as our Chief Executive Officer, his familiarity with our business operations, and his extensive management expertise. With respect to Mr. Foster, our Board considered in particular his experience as a Chief Financial Officer and member of the audit committee and board of directors of public companies, as well as his financial, investment banking and transactional experience. With respect to Mr. Byrne, our Board considered in particular his financial, investment banking and transactional experience and his proven entrepreneurial and operational skills in the industrial services industry. With respect to Mr. Dachowski, our Board considered in particular his extensive financial and building products industry experience. With respect to Mr. Lorch, our Board considered in particular his extensive management expertise and board experience at public companies, including serving as non-executive chairman of Pfizer and as a Director, Chairman and Chief Executive Officer of a public company in the building products industry. With respect to Mr. Mills, the Board considered his extensive management and financial experience in the manufacturing industry. With respect to Ms. Bilney, the Board considered her extensive marketing and branding experience with highly successful companies such as Humana Inc. With respect to Mr. Scricco, our Board considered in particular his extensive management experience, including as Chief Executive Officer of an electronics distribution business, his prior public-company board experience, his strategy consulting experience, and his familiarity with product marketing, distribution channels and branding. With respect to Mr. Wills, our Board considered in particular his sales and marketing experience in a large multiproduct public company in the building products industry and specifically his familiarity with big box retail customers such as The Home Depot.

While we do not currently have a policy with regard to the consideration of Director candidates recommended by Shareholders, any such candidates would be considered by the Corporate Governance and Nominating Committee on the same basis that it evaluates other nominees for Director. We are proposing to amend our Current Articles in connection with this meeting to include advance notice procedures related to the nomination of Directors by Shareholders. See "Amendments to Articles and Shareholders Agreement."

#### CORPORATE GOVERNANCE; BOARD AND COMMITTEE MATTERS

##### Board Structure and Director Independence

Our business, property and affairs are managed under the direction of our Board of Directors which has 9 Directors. Our Board of Directors has determined, after considering all the relevant facts and circumstances, that all of the Directors other than Mr. Lynch, our President and Chief Executive Officer, are independent, as "independence" is defined by the listing standards of the NYSE, because they have no direct or indirect material relationship with us (either directly or as a partner, Shareholder or officer of an organization that has a relationship with us) that would cause the independence requirements of the NYSE listing standards to not be satisfied. Members of our Board are kept informed of our business through discussions with our Chief Executive Officer, Chief Financial Officer and other officers, by reviewing materials provided to them, by visiting our offices and facilities, and by participating in meetings of the Board and its committees. We currently separate the roles of Chief Executive Officer and Chairman of the Board. This structure properly reflects our belief that our Shareholders' interests are best served by the day-to-day management direction of the Company under Mr. Lynch, as President and Chief Executive Officer, together with the leadership of our Chairman of the Board, Mr. Byrne.

##### Meetings of the Board

During the year ended December 29, 2013, there were 13 meetings of the entire Board and 25 committee meetings. All incumbent Directors attended at least seventy-five percent (75%) or more of the meetings of the

Board and of the committees on which they served. Absent extraordinary circumstances, we expect all Directors and nominees to attend our annual meetings of Shareholders. All Directors except for Mr. Freeman attended the 2013 Annual General and Special Meeting of shareholders.

#### Executive Sessions

As required by the NYSE listing standards, non-employee Directors meet by themselves, without management or employee-Directors present, at regularly scheduled in-person Board meetings, meetings of the committees of the Board and telephonic meetings, as appropriate. The Chairman of the Board, Mr. Byrne, or the Chair of the committee, as applicable, presides at these meetings.

#### Board Committees; Membership

We currently have the following committees: Audit Committee, Human Resources and Compensation Committee, and Corporate Governance and Nominating Committee, each of which has the responsibilities and composition described below. The Board has adopted charters for each of these committees describing the authority and responsibilities delegated to each committee by the Board. All committee charters are available at our website, [www.masonite.com](http://www.masonite.com), and available in print to any shareholder without charge, upon request to Masonite International Corporation, One Tampa City Center, 201 North Franklin Street, Suite 300, Tampa, FL 33602 Attention: Corporate Secretary, or by calling (800) 895-2723.

#### Audit Committee

The Audit Committee currently consists of Jonathan F. Foster (Chair), Rick J. Mills, and John C. Wills. Mr. Byrne was a member of the Audit Committee until he was replaced by Mr. Mills in September 2013. The Audit Committee met seven times in 2013. Each member of our Audit Committee is independent under applicable NYSE listing standards and meets the standards for independence required by U.S. securities law requirements applicable to public companies, including Rule 10A-3 of the Securities Exchange Act of 1934 (the "Exchange Act"). Each member is financially literate under applicable NYSE listing standards and our Board of Directors has determined that each of Mr. Foster and Mr. Mills is qualified as an audit committee financial expert within the meaning of applicable SEC regulations. The Audit Committee oversees and evaluates and, where necessary or advisable, makes recommendations as to the quality and integrity of the financial statements of the Company, the internal control and financial reporting systems of the Company, the compliance by the Company with legal and regulatory requirements in respect of financial disclosure, the qualification, independence and performance of the Company's independent auditors and the performance of the Company's internal audit functions. In addition, the Audit Committee is directly responsible for the appointment, compensation, retention, termination and oversight of the work of the independent auditor (including oversight of the resolution of any disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing audit reports or performing other audit, review or attest services for the Company, subject to any applicable approvals required from our Board of Directors or our Shareholders.

#### Human Resources and Compensation Committee

The Human Resources and Compensation Committee currently consists of Francis M. Scricco (Chair), Peter R. Dachowski and George A. Lorch. Mr. Freeman was a member of the Human Resources and Compensation Committee until he retired from the Board and was replaced by Mr. Dachowski in July 2013. The Human Resources and Compensation Committee met nine times in 2013. Each member of our Human Resources and Compensation Committee is independent under applicable NYSE listing standards and qualifies as a "non-employee director" for purposes of Rule 16b-3 under the Exchange Act. The Human Resources and Compensation Committee reviews and, as it deems appropriate, recommends to the Board of Directors policies, practices and procedures relating to the compensation and succession planning for the executive officers and other managerial employees and the establishment and administration of employee benefit plans. The Human Resources and

Compensation Committee also exercises all authority under the Company's employee equity incentive plans, subject to any applicable approvals required from our Board of Directors or our Shareholders. The Human Resources and Compensation Committee may delegate its authority as it deems appropriate to a subcommittee composed of one or more members. The Human Resources and Compensation Committee has utilized Frederic W. Cook & Co. ("Cook & Co.") as its independent consulting firm since 2010. For a discussion concerning the processes and procedures for considering and determining executive and director compensation and the role of executive officers and the compensation consultant in determining or recommending the amount or form of executive and director compensation, see "Compensation Discussion and Analysis" beginning on page 21 and "Director Compensation" beginning on page 16.

#### Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee currently consists of George A. Lorch (Chair), Francis M. Scricco and Jody L. Bilney. Mr. Freeman was a member of the Corporate Governance and Nominating Committee until he retired and was replaced by Mr. Dachowski in July 2013. Mr. Dachowski was replaced on the Corporate Governance and Nominating Committee by Ms. Bilney when she joined the Board in January 2014. The Corporate Governance and Nominating Committee met nine times in 2013. Each member of our Corporate Governance and Nominating Committee is independent under applicable NYSE listing standards. The Corporate Governance and Nominating Committee reviews and, as it deems appropriate, recommends to the Board of Directors policies and procedures relating to Director and Board of Directors committee nominations and corporate governance policies, oversees compliance with the Company's ethics training and compliance programs, reviews policies with respect to risk assessment and risk management and provides oversight for risk management processes, and establishes and administers assessment of board, committee and individual Director performance.

#### Board Role in Risk Oversight

Management has responsibility for managing overall risk to the enterprise. A management risk committee meets quarterly to assess identified risks and steps being taken to appropriately mitigate risk. The Board has delegated to the Corporate Governance and Nominating Committee the primary responsibility for overseeing our risk management framework and methods for identifying and managing management's adherence to the framework, including periodic review of the structure and effectiveness of our risk management committee. The Audit Committee reviews the guidelines and policies governing the process by which risk assessment and risk management are managed by management with the oversight of the Corporate Governance and Nominating Committee. The Audit Committee also reviews the Company's major financial risk exposures and management's actions to monitor and control such exposures. The Human Resources and Compensation Committee conducts a compensation plan risk assessment in order to ensure that our compensation plans focus on growth in shareholder value without incentivizing undue risk. Our Board receives reports from the committees and periodically assesses the enterprise-level risks that face the Company from a strategic point of view and reviews options for risk mitigation.

#### Corporate Governance Guidelines and Code of Ethics

Our Board has adopted corporate governance guidelines. Our Corporate Governance Guidelines reflect the principles by which we operate. From time to time, the Corporate Governance and Nominating Committee and the Board review and revise our Corporate Governance Guidelines in response to evolving best practices as appropriate. We have also adopted a Values Guide/Code of Conduct (the "Code of Conduct"), which applies to all of our Directors, officers and employees. We intend to post any amendments to or waivers from our Code of Conduct on our website to the extent applicable to our CEO, CFO, Corporate Controller, and any other officer who may function as a Chief Accounting Officer or a Director. Our Corporate Governance Guidelines, the Code of Conduct, and other information are available at our website, [www.masonite.com](http://www.masonite.com), and such information is

available in print to any Shareholder without charge, upon request to Masonite International Corporation, One Tampa City Center, 201 North Franklin Street, Suite 300, Tampa, FL 33602, Attention: Corporate Secretary, or by calling (800) 895-2723.

#### Compensation Committee Interlocks and Insider Participation

During fiscal 2013, Messrs. Scricco, Lorch, Dachowski and Freeman (until his retirement from the Board in July 2013) served on the Human Resources and Compensation Committee. Mr. Freeman served as the Chief Executive Officer of Masonite from 2005 until 2007. Other than Mr. Freeman, during fiscal 2013, no member of our Human Resources and Compensation Committee was an employee or officer or former officer of Masonite or had any relationships requiring disclosure under Item 404 of Regulation S-K. None of our executive officers has served on the board of directors or compensation committee of any other entity that has or has had one or more executive officers who served as a member of our Board or our Human Resources and Compensation Committee during fiscal 2013.

#### Certain Relationships and Related Party Transactions

The Current Articles and the Shareholders Agreement provide that the Board of Directors shall adopt and maintain an affiliate transactions policy ("Affiliate Transactions Policy") which addresses conflicts of interest amongst the directors and the Company and the duties of Directors with respect to disclosure of personal interests in a transaction. Further, the Current Articles provide that Directors or officers may: (i) act in a professional capacity for the Company (except as auditor of the Company) and receive remuneration for such services as if they were not a director or officer; or (ii) become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested, and they shall not be accountable to the Company for any remuneration or other benefits received by him or her in such capacities, subject in each case to compliance with the provisions of the BCBCA and the Affiliate Transactions Policy.

After our Common Shares became listed on the NYSE in September 2013, the Board adopted a new Related Person Transaction Policy. Since the Affiliate Transactions Policy has been made redundant by the more recently adopted Related Person Transaction Policy, at the Meeting it is proposed that the Affiliate Transactions Policy be removed from the Current Articles and Shareholders Agreement of the Company. See "Amendments to Articles and Shareholders Agreement."

The Company's Related Person Transaction Policy defines a "Related Person Transaction" as any transaction that would be required to be disclosed pursuant to Item 404(a) of Regulation S-K in which the Company was or is to be a participant, the amount involved exceeds \$120,000, and in which any Related Person had or will have a direct or indirect material interest, other than an employment relationship or transaction involving an executive officer and any related compensation. A "transaction" includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangement or relationships. A "Related Person" is (i) any person who is, or at any time since the beginning of the last fiscal year, was an executive officer, a director or a director nominee of the Company; (ii) a security holder who is known to the Company to own of record or beneficially more than 5% of any class of the Company's voting securities at the time of occurrence or existence of the Related Person Transaction; and (iii) a person who is an immediate family member of any of the foregoing persons (the term "immediate family" shall include any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and any person (other than a tenant or employee) sharing the household of any of the foregoing persons). Under the Related Person Transaction Policy, each Related Person Transaction must be approved or ratified in accordance with the guidelines set forth in the policy by the Corporate Governance and Nominating Committee or by the disinterested members of the Board. In considering whether to approve or ratify any Related

Person Transaction, the Corporate Governance and Nominating Committee or the disinterested members of the Board of Directors, as the case may be, shall consider all factors that in their discretion are relevant to the Related Person Transaction. Additionally, any employment relationship or transaction involving an executive officer and any related compensation must be approved by the Human Resources and Compensation Committee of the Board or recommended by the Human Resources and Compensation Committee to the Board for its approval. In considering whether to approve or ratify any Related Person Transaction, the Corporate Governance and Nominating Committee or the disinterested members of the Board of Directors, as the case may be, shall consider all factors that in their discretion are relevant to the Related Person Transaction. There were no transactions, or currently proposed transactions, considered to be a Related Person Transaction since the beginning of our last fiscal year and through the date of this Proxy Statement.

#### Communications with Directors

Interested parties, including shareholders, may contact the Chairman of the Board or one or more members of the Board or its committees by writing to them at: Board of Directors of Masonite International Corporation, c/o Masonite International Corporation, One Tampa City Center, 201 North Franklin Street, Suite 300, Tampa, Florida 33602.

#### Certain Legal Proceedings

As a result of a liquidity shortfall triggered by the unprecedented downturn in the U.S. housing and construction market that commenced in 2006, on March 16, 2009, Masonite and several affiliated Canadian companies, voluntarily filed to reorganize under the Company's Creditors Arrangement Act in Canada in the Ontario Superior Court of Justice. In addition, Masonite and its U.S. subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware. As such, our Director and Chief Executive Officer Mr. Frederick J. Lynch, our former Director Mr. Kenneth W. Freeman, and our named executive officers, Lawrence W. Repar and Glenwood E. Coulter, Jr. served as executive officers of a company that filed a petition under the federal bankruptcy laws at or within two years prior to the time of the filing.

#### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act, as amended, requires directors, executive officers and beneficial owners of more than ten percent (10%) of our Common Shares to file with the SEC initial reports of ownership and reports of changes in ownership of our Common Shares and any of our other equity securities. Based solely on a review of the copies of these forms received by us and on written representations from certain reporting persons that no Form 5 was required to be filed, we believe that all such reports were submitted on a timely basis during 2013 except for one Form 4 reporting one transaction for Mr. Glenwood E. Coulter, Jr. which was filed late.

#### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following tables show the amount of our Common Shares beneficially owned as of March 3, 2014, by those known to us to beneficially own more than 5% of our Common Shares, by our Directors and named executive officers individually and by our Directors and all of our executive officers as a group.

The percentage of Common Shares outstanding provided in the tables are based on 29,627,655 shares outstanding as of March 3, 2014. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities.

## 5% Owners:

Except as otherwise indicated below, based solely on filings made under Sections 13(d) and 13(g) of the Exchange Act as of March 3, 2014, the only Shareholders known to us to beneficially own more than 5% of any class of our voting securities are:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership			Percentage of Common Shares Beneficially Owned
	Common Shares Directly or Indirectly Owned	Warrants Exercisable Within 60 days of March 3, 2014	Total Common Shares Beneficially Owned	
Oaktree Capital Management, L.P. and certain affiliates <sup>(1)</sup>	4,086,372	1,273,190	5,359,562	17.5%
Mount Kellett Capital Management LP <sup>(2)</sup>	4,323,201	—	4,323,201	14.8%
Hotchkis and Wiley Capital Management, LLC <sup>(3)</sup>	2,459,348	—	2,459,348	8.4%
12 West Capital Management, LP <sup>(4)</sup>	1,518,584	598,385	2,116,969	7.1%
Gilder, Gagnon, Howe & Co. LLC <sup>(5)</sup>	1,676,227	192,283	1,868,510	6.3%
The Bank of Nova Scotia <sup>(6)</sup>	1,161,670	442,840	1,604,510	5.4%

(1) Based on the most recently available Schedule 13G filed with the SEC on February 7, 2014, as of December 31, 2013, the number of shares reported includes: (a) warrants exercisable for 278,487 Common Shares over which OCM Opportunities Fund V, L.P. has sole voting and dispositive power; (b) 984,653 Common Shares and warrants exercisable for 622,848 Common Shares over which OCM Opportunities Fund VI, L.P. has sole voting and dispositive power; (c) 499,247 Common Shares and warrants exercisable for 339,900 Common Shares over which OCM Opportunities Fund VII Delaware, L.P. has sole voting and dispositive power; (d) 3,363 Common Shares and warrants exercisable for 28,530 Common Shares over which OCM Opportunities Fund VIIb, L.P. has sole voting and dispositive power; (e) 404 Common Shares and warrants exercisable for 3,425 Common Shares over which OCM Opportunities Fund VIIb (Parallel), L.P. has sole voting and dispositive power; and (f) 2,598,705 Common Shares over which OCM Opportunities Fund VIIb Delaware, L.P. has sole voting and dispositive power. The mailing address for the holders listed above is c/o Oaktree Capital Group Holdings GP, LLC, 333 S. Grand Avenue, 28th Floor, Los Angeles, CA 90071.

The general partner of OCM Opportunities Fund V, L.P. is OCM Opportunities Fund V GP, L.P. The general partner of OCM Opportunities Fund VI, L.P. is OCM Opportunities Fund VI GP, L.P. The general partner of OCM Opportunities Fund VII Delaware, L.P. is OCM Opportunities Fund VII Delaware GP Inc. The sole shareholder of OCM Opportunities Fund VII Delaware GP Inc. is OCM Opportunities Fund VII, L.P. The general partner of OCM Opportunities Fund VII is OCM Opportunities Fund VII GP, L.P. The general partner of OCM Opportunities Fund VII GP, L.P. is OCM Opportunities Fund VII GP Ltd. The general partner of OCM Opportunities Fund VIIb, L.P. and OCM Opportunities Fund VIIb (Parallel), L.P. is OCM Opportunities Fund VIIb GP, L.P. The general partner of OCM Opportunities Fund VIIb GP, L.P. is OCM Opportunities Fund VIIb GP Ltd. The general partner of OCM Opportunities Fund VIIb Delaware, L.P. is Oaktree Fund GP, LLC. The general partner of OCM Opportunities Fund V GP, L.P. and OCM Opportunities Fund VI GP, L.P., and the sole shareholder of each of OCM Opportunities Fund VII GP Ltd. and OCM Opportunities Fund VIIb GP Ltd., and the managing member of Oaktree Fund GP, LLC is Oaktree Fund GP I, L.P. The general partner of Oaktree Fund GP I, L.P. is Oaktree Capital I, L.P. The general partner of Oaktree Capital I, L.P. is OCM Holdings I, LLC. The managing member of OCM Holdings I, LLC is Oaktree Holdings, LLC. The sole director of OCM Opportunities Fund VII GP Ltd. and OCM Opportunities Fund VIIb GP Ltd. is Oaktree Capital Management, L.P. The general partner of Oaktree Capital Management, L.P. is Oaktree Holdings, Inc. The managing member of Oaktree Holdings, LLC and the sole shareholder of Oaktree Holdings, Inc. is Oaktree Capital Group, LLC. The duly elected Manager of Oaktree Capital Group, LLC is Oaktree Capital Group Holdings GP, LLC.

(2)

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Based on the most recently available Schedule 13G filed with the SEC on February 14, 2014, as of December 31, 2013, the number of shares reported includes 4,323,201 Common Shares held by certain funds and managed accounts affiliated with Mount Kellett Capital Management LP. ("Mount Kellett") over which Mount Kellett, through one or more intermediate entities, has sole voting and dispositive power. The mailing address for the holder listed above is 623 Fifth Avenue, 18th Floor, New York, New York 10022.

Based on the most recently available Schedule 13G filed with the SEC on February 14, 2014, as of December 31, 2013, the number of shares reported includes: (a) 2,114,448 Common Shares over which Hotchkis and Wiley Capital Management, LLC ("HWCM") has sole voting power; and (b) 2,459,348 Common Shares over which (3)HWCM has sole dispositive power. HWCN beneficially owns 344,900 Common Shares where certain clients have retained voting power over the Common Shares held. Accordingly, HWCM has the power to dispose of more Common Shares than it can vote. The mailing address for the holder listed above is 725 S. Figueroa Street, 39th Floor, Los Angeles, CA 90017.

Based on the most recently available Schedule 13G filed with the SEC on September 19, 2013, as of September 9, (4)2013, the number of shares reported includes: (a) 1,041,867 Common Shares and warrants exercisable for 410,552 Common Shares over which 12 West Capital

Fund LP ("12 West Onshore Fund") has sole voting and dispositive power; and (b) 476,717 Common Shares and warrants exercisable for 187,833 Common Shares over which 12 West Capital Offshore Fund LP ("12 West Offshore Fund") has sole voting and dispositive power. 12 West Capital Management LP ("12 West Management"), which serves as the investment manager to 12 West Onshore Fund and 12 West Offshore Fund, and Joel Ramin, as the sole member of 12 West Capital Management, LLC, the general partner of 12 West Management, possess sole voting and dispositive power with respect to Common Shares held by 12 West Onshore Fund and 12 West Offshore Fund. The mailing address for the holder listed above is 90 Park Avenue, 41st Floor, New York New York 10016.

Based on the most recently available Schedule 13G filed with the SEC on February 14, 2014, as of December 31, 2013, the number of shares reported includes: (a) 1,527,252 Common Shares and warrants exercisable for 192,283 Common Shares held in customer accounts over which partners and/or employees of Gilder, Gagnon, Howe & Co. (5)LLC ("GGH") have shared dispositive power; (b) 30,053 Common Shares held in the account of the profit sharing plan of GGH over which GGH has sole voting and dispositive power; and (c) 118,922 Common Shares held in accounts owned by the partners of GGH over which GGH has shared dispositive power. The mailing address for the holder listed above is 3 Columbus Circle, 26th Floor, New York, NY 10019.

Based on information provided by The Bank of Nova Scotia, as of March 3, 2014, the number of shares (6) beneficially owned includes 1,161,670 Common Shares and warrants exercisable for 442,840 Common Shares over which The Bank of Nova Scotia has sole voting and dispositive power. The mailing address for the holder listed above is 44 King Street West, Toronto, Ontario, Canada, M5H 1H1.



## Directors and Executive Officers:

Name of Beneficial Owner <sup>(1)</sup>	Number of Shares Beneficially Owned as of March 3, 2014		
	Common Shares Directly or Indirectly Owned <sup>(2)</sup>	SARS Exercisable Within 60 Days of March 3, 2014 <sup>(3)</sup>	Total Stock-Based Ownership <sup>(4)</sup>
Frederick J. Lynch	160,327	275,204	435,531
Robert J. Byrne	57,176	—	57,176
Jonathan F. Foster	27,176	—	27,176
George A. Lorch	57,176	—	57,176
Francis M. Scricco	29,259	—	29,259
John C. Wills	27,176	—	27,176
Jody L. Bilney	—	—	—
Rick J. Mills	—	—	—
Peter R. Dachowski	—	—	—
Mark J. Erceg	35,834	5,755	41,589
Lawrence P. Repar	6,012	166,655	172,667
Glenwood E. Coulter, Jr.	69,310	19,215	88,525
Robert E. Lewis	10,239	4,370	14,609
All directors and executive officers as a group (14 persons)	490,937	527,410	1,018,347

As of March 3, 2014 (i) no Director or executive officer beneficially owned more than 1% of the outstanding Common Shares of the Company other than Mr. Lynch who owned 1.47%, and (ii) the Directors and executive officers of the Company as a group beneficially owned approximately 3.41% of the Common Shares of the Company (including Common Shares they can acquire within 60 days). The address of each of our Directors and executive officers listed above is c/o Masonite International Corporation, One Tampa City Center, 201 North Franklin Street, Suite 300, Tampa, Florida 33602.

(1) Includes the following number of Common Shares issuable upon the settlement of restricted stock units within 60 days of March 3, 2014: Mr. Lynch - 14,419; Mr. Erceg - 4,771; Mr. Repar - 6,012; Mr. Coulter - 3,817; and Mr. Lewis - 2,982. Also includes with respect to Mr. Byrne 57,176 Common Shares which are held in trust and, with respect to Mr. Wills, includes 27,176 Common Shares held by Jokaw Inc.

(2) The number of Common Shares shown in this column are not currently outstanding but are deemed beneficially owned because of the right to acquire them pursuant to SARs exercisable within 60 days of March 3, 2014. Since the SARs are settled in Common Shares, the table assumes that the SARs were converted to Common Shares using a price of \$57.75 per Common Share, the closing price of our Common Shares on the NYSE on March 3, 2014.

(3) These amounts are the sum of the number of shares shown in the prior columns.

## DIRECTOR COMPENSATION

Mr. Lynch, our President and Chief Executive Officer, does not receive any additional compensation for serving on our Board of Directors. Until March 21, 2013, the annual Director compensation program was structured as follows:

♣Annual cash retainer: \$100,000

♣Annual equity retainer: \$40,000

♣No meeting fees (Board or Committee)

♣Additional Cash Retainer for Committee Chairs: \$12,500

♣Additional Cash Retainer for the Non-Executive Chairman of the Board: \$50,000



The foregoing program was approved by our Board of Directors upon the recommendation of the Human Resources and Compensation Committee, effective October 1, 2012, after taking into consideration an analysis of director compensation among peer companies provided by Cook & Co. On March 21, 2013 the Human Resources and Compensation Committee increased the Additional Cash Retainer for the Non-Executive Chairman of the Board to \$55,000. All cash retainers are payable in equal installments at the beginning of each fiscal quarter.

As indicated above, our non-employee Directors also receive an annual grant of restricted stock units (with the number of restricted stock units granted determined by dividing \$40,000 by the fair market value of a Common Share on the grant date). On March 21, 2013 the Board of Directors, upon the recommendation of the Human Resources and Compensation Committee, determined that, commencing with the annual grant made immediately after the 2013 annual meeting of shareholders, the number of restricted stock units granted to the Non-Executive Chairman of the Board will be determined by dividing \$105,000 by the fair market value of a common share on the grant date. These grants are made annually immediately after a Director is re-elected to our Board of Directors and will vest on the first anniversary of the grant date, subject to the Director's continued service on the Board through the vesting date.

In addition, newly elected members of the Board of Directors receive a one-time grant of restricted stock units (with the number of restricted stock units granted determined by dividing \$100,000 by the fair market value of a Common Share on the grant date) that will vest on the first anniversary of the date on which the Director became a member of our Board of Directors, subject to the Director's continued service on the Board through the vesting date.

All Directors are reimbursed for reasonable costs and expenses incurred in the attending meetings of our Board of Directors and its committees.

Effective as of July 1, 2012, we implemented stock ownership guidelines that require each of our non-employee Directors to own meaningful equity stakes in Masonite to further align their economic interests with those of our shareholders. Our stock ownership guidelines require that our non-employee Directors own common shares in an amount not less than three times the amount of their annual cash retainer. Compliance with these guidelines will be measured once per fiscal year on the last day of the first fiscal quarter. Restricted stock units count as shares for purposes of the guidelines. There is no particular date by which the requisite share ownership level must be achieved. However, until the required level of ownership is achieved, each non-employee Director must retain at least fifty percent of the number of shares acquired by the Director upon the settlement of any restricted stock units. All of our non-employee Directors, other than Messrs. Dachowski and Mills and Ms. Bilney, currently own the requisite number of shares.

The following table sets forth total compensation awarded to, earned by or paid to each person who served as a Director during 2013, other than Mr. Lynch, our Chief Executive Officer. Ms. Bilney joined the Board in January 2014 and is therefore not included below.

Name	Fees Earned or Paid in Cash\$( <sup>1</sup> )	Stock/Unit Awards\$( <sup>2</sup> )	Total (\$)
Robert J. Byrne, Chairman	153,750	105,000	258,750
Peter R. Dachowski	50,000	136,111	186,111
Jonathan F. Foster	112,500	40,000	152,500
Kenneth W. Freeman	75,000	40,000	115,000
George A. Lorch	112,500	40,000	152,500
Rick J. Mills	25,000	126,178	151,178
Francis M. Scricco	112,500	40,000	152,500
John C. Wills	100,000	40,000	140,000

(1) This column includes the annual cash retainers described above. Mr. Foster received \$12,500 for serving as chair of the Audit Committee. Mr. Lorch received \$12,500 for serving as the chair of the Corporate Governance and Nominating Committee. Mr. Scricco received \$12,500 for serving as the chair of the Human Resources and Compensation Committee. Mr. Freeman retired from the Board in July 2013. Mr. Dachowski joined the Board in July 2013 and Mr. Mills joined in September 2013. Messrs. Freeman, Mills and Dachowski's cash retainers for 2013 were prorated based on their 2013 Board tenure.

(2) On May 29, 2013, each non-employee Director then on the Board other than Mr. Byrne was awarded 1,507 restricted stock units and Mr. Byrne was awarded 3,942 restricted stock units under the Masonite International Corporation 2012 Equity Incentive Plan (the "2012 Plan"). On July 2, 2013 Mr. Dachowski was awarded 4,164 restricted stock units and on September 30, 2013 Mr. Mills was awarded 2,564 restricted stock units under the 2012 Plan, each representing their initial award upon joining the Board and a prorated amount of their annual equity retainer. The amounts reported in this column reflect the aggregate grant date fair value of the restricted stock units computed in accordance with Accounting Standards Codification Topic 718 "Stock Compensation," as issued by the Financial Accounting Standards Board. The assumptions made when calculating the amounts are found in Note 8 to our Consolidated Financial Statements in Part II, Item 8 of our Annual Report on Form 10-K for the fiscal year ended December 29, 2013. As of December 29, 2013, the non-executive Directors held the following outstanding restricted stock units: Mr. Byrne - 3,942; Mr. Foster - 1,502; Mr. Lorch - 1,502; Mr. Scricco - 1,502; Mr. Wills - 1,502; Mr. Dachowski - 4,164; and Mr. Mills - 2,564.

#### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information about our Common Shares that may be issued upon exercise of options, warrants and rights under the 2012 Plan and the Masonite International Corporation 2009 Equity Incentive Plan ("2009 Plan"). All outstanding awards relate to Common Shares. Information is as of December 29, 2013, unless otherwise indicated.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	—	N/A	—
Equity compensation plans not approved by security holders <sup>(1)</sup>	2,431,621	( <sup>2</sup> ) 18.16	( <sup>3</sup> ) 1,721,327
Total	2,431,621	( <sup>2</sup> ) 18.16	( <sup>3</sup> ) 1,721,327

Under applicable Canadian laws, the 2012 Plan and the 2009 Plan were not required to be approved by security holders. For additional information concerning our equity compensation plans, see the discussion under Equity Incentive Plans on page 46 and in Note 8 to the Company's consolidated financial statements in the Annual Report on Form 10-K for the year ended December 29, 2013.

(1) Consists of outstanding (i) stock appreciation rights under the 2009 Plan and the 2012 Plan covering an aggregate of 1,812,658 Common Shares and (ii) restricted stock unit awards under the 2009 Plan and the 2012 Plan covering an aggregate of 618,963 Common Shares, some of which are subject to time-based vesting and some of which are subject to performance-based vesting.

(2) Reflects the weighted average exercise price of stock appreciation rights only. As restricted stock unit awards have no exercise price, they are excluded from the weighted average exercise price calculation set forth in column (b).

## COMPENSATION COMMITTEE REPORT

The Human Resources and Compensation Committee of the Board has reviewed and discussed the following section of this Proxy Statement entitled "Compensation Discussion and Analysis" with management. Based on this review and discussion, the Human Resources and Compensation Committee has recommended to the Board that this Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 29, 2013.

Submitted by the Human Resources and Compensation Committee of the Company's Board of Directors:

Francis M. Scricco (Chairman)

George A. Lorch

Peter R. Dachowski

## EXECUTIVE COMPENSATION

### Executive Summary

#### Our Business

We are a leading global designer and manufacturer of interior and exterior doors for the residential new construction; the residential repair, renovation and remodeling; and the non-residential building construction markets. Since 1925, we have provided our customers with innovative products and superior service at compelling values. As of December 29, 2013, we served more than 7,000 customers in 80 countries and had approximately 9,600 employees worldwide.

#### Executive Compensation Program Attributes

Our executive compensation program is supported by an underlying philosophy that compensation should attract and retain high caliber talent, reward performance and align with the interests of our shareholders. We execute this philosophy by providing our executives with base salaries, cash bonus awards under our annual cash bonus plan, grants of a combination of time-based and performance-based equity awards under our long-term incentive program, severance and change in control benefits, and other employee benefits. To focus our named executive officers ("NEOs") on delivering both short- and long-term results, a significant amount of target total direct compensation mix is weighted towards at-risk compensation.

#### Adoption of Compensation Best Practices

As part of our compensation philosophy, we have taken a number of actions to ensure a fair, balanced, and transparent executive compensation structure, including:

- Payouts under our executive annual cash bonus plan are based solely on our achievement of certain financial and operational performance goals;

- We award a significant percentage of our long-term incentive awards in the form of performance-vesting equity awards that are tied to the achievement of challenging financial objectives;

- We adopted stock ownership guidelines for our NEOs to ensure that they maintain a significant investment in our Common Shares, thereby aligning their economic interests with those of our Shareholders;

We implemented "claw back" policies that enable us to recover cash and equity-based incentive compensation from our employees, including our NEOs, following certain misconduct that requires the restatement or adjustment of our financials or if any such employee knowingly engages in misconduct when preparing our financials or governmental disclosures, and, for equity-based compensation only, following an employee's material violation of any restrictive covenants to which that employee is a party;

We have a policy that prohibits derivative transactions in our Common Shares, including: trading in puts, calls, covered calls, or other derivative products involving our securities; engaging in any hedging or monetization transaction with respect to our securities; or, holding company securities in a margin account or pledging our securities as collateral for a loan;

Effective as of January 1, 2014, we no longer have any plans or agreements that provide tax gross-ups under Section 280G of the Internal Revenue Code;

We no longer grant any equity awards that provide for "single trigger" vesting on or following a change of control. All awards now require a qualifying termination following a change of control ("double trigger") in order to accelerate vesting; and

Our NEOs receive no perquisites or other personal benefits, unless such benefits serve a reasonable business purpose, such as providing newly hired executives with relocation benefits.

#### 2013 Executive Compensation Highlights

Based on management's recommendation, in fiscal year 2013 we did not provide base salary merit increases to our NEOs due to difficult business conditions in fiscal years 2012 and 2013.

We exceeded the challenging performance targets that were established for fiscal year 2013 under our annual cash bonus plan, as our 2013 AIP Adjusted EBITDA was \$109.9 million which exceeded the target level of \$105.0 million, our AIP Net Revenue was \$1,733 million which exceeded the threshold level of \$1,690 million and our Cash Conversion Cycle improved by 3.3 days which exceeded the threshold level of one day improvement.

In fiscal year 2013, we decided to include performance based awards as a regular component of our annual long-term incentive award program, with 60% of Mr. Lynch's restricted stock unit awards and 50% of each other NEO's restricted stock unit awards being performance based. These equity awards require that we achieve certain pre-established performance criteria based on 2015 performance.

In August 2013, we granted stock appreciation rights to our NEOs in order to further align their interests with those of our Shareholders and to encourage retention.

#### 2013 Corporate Governance Highlights

Our Board is committed to maintaining sound governance practices and standards with respect to its oversight of our executive compensation program, including the following:

the Human Resources and Compensation Committee's independent compensation consultant, Cook & Co., is retained directly by the Human Resources and Compensation Committee and performs no other services for us; and

the Human Resources and Compensation Committee reviews employee compensation annually to confirm that such compensation does not encourage unnecessary risk-taking.

#### Introduction to Compensation Discussion & Analysis

Our Compensation Discussion and Analysis, or CD&A, explains the philosophy and objectives of our compensation program and our process for setting compensation for our named executive officers for the fiscal year ended December 29, 2013.

Our executive compensation program is overseen by the Human Resources and Compensation Committee. As discussed in greater detail below, we offer our NEOs a balanced compensation structure, comprised of the following components:

• Annual base salary

• Annual cash bonuses

• Long-term equity incentive awards

• Severance and change in control benefits

• Other employee benefits

In making its decisions on an executive's compensation, the Human Resources and Compensation Committee considers the nature and scope of all elements of an executive's total compensation package, the executive's responsibilities and his or her effectiveness in supporting our key strategic, operational and financial goals (but does not assign any specific weighting to any of the items considered).

#### Compensation Discussion & Analysis

##### Our Named Executive Officers

For the fiscal year ended December 29, 2013, the following individuals were our NEOs:

• Frederick J. Lynch, our President and Chief Executive Officer

• Mark J. Erceg, our Executive Vice President and Chief Financial Officer

• Lawrence P. Repar, our Executive Vice President, Global Sales and Marketing and Chief Operating Officer

• Glenwood E. Coulter, Jr., our Executive Vice President, Global Operations and Europe, and

• Robert E. Lewis, our Senior Vice President, General Counsel and Secretary.

#### Executive Compensation Objectives

Our executive compensation programs are overseen by the Human Resources and Compensation Committee, which is comprised of Messrs. Francis M. Scricco (Committee chair), George A. Lorch and Peter Dachowski. The Human Resources and Compensation Committee consults with the Board of Directors in determining the compensation package of our Chief Executive Officer, and has ultimate responsibility for determining the compensation for all of the NEOs. In making its compensation decisions, the Human Resources



and Compensation Committee considers, among other things, market data and trends, input from the Human Resources and Compensation Committee's independent compensation consultant Cook & Co. (whose role is discussed below), and, with respect to the NEOs other than our Chief Executive Officer, the recommendations of our Chief Executive Officer (as discussed in more detail below).

The Human Resources and Compensation Committee is responsible for establishing and annually reviewing the overall compensation philosophy of the Company for its executive officers. The key principles guiding the Human Resources and Compensation Committee in making compensation determinations are:

We offer a total compensation program comprised of base salary and variable compensation (consisting of short-term cash and long-term equity components) linked to business goals, designed to attract, retain and motivate talented executives to deliver the Company's financial and operating performance objectives and long-term vision.

To align the interests of management with those of our shareholders, our pay mix is weighted in favor of at-risk compensation, both in the form of annual cash bonus and equity awards.

Pay for performance is an important concept of our compensation philosophy. Consistent with this focus, our compensation program includes annual cash incentives and long-term equity incentives.

#### Compensation Philosophy and Pay Mix

The Human Resources and Compensation Committee strives to provide pay opportunities that generally align with the median of the market (i.e., within 15% above or below the 50<sup>th</sup> percentile), as determined using both our peer group and national market survey data, and considers competitive compensation practices and other relevant factors such as experience, contribution, internal equity, and performance in setting each NEO's target total direct compensation. Target total direct compensation represents the sum of target total cash compensation (base salary and target bonus) and target annual equity awards. Given our performance-based program, the actual amount of compensation realized will be contingent on our ability to perform against our pre-established performance goals and grow our stock price. Our compensation policy provides for a mix of performance-based and guaranteed compensation elements and our Human Resources and Compensation Committee strives to achieve an appropriate balance between these two types of compensation, as well as an appropriate mix of cash and equity-based compensation. The mix of compensation elements is primarily designed to reward individual performance and enterprise value growth and is weighted towards at-risk compensation, both in the form of performance-based annual cash bonuses and equity-based compensation, including performance-vested and time-vested awards.

The charts below illustrate the target total direct compensation for 2013 for Mr. Lynch and the average of the other four NEOs.

#### Benchmarking

##### 2011 Benchmarking Study

In 2011, the Human Resources and Compensation Committee approved the following list of companies as an appropriate peer group for benchmarking executive compensation:

American Woodmark Corp	Libbey Inc.
Apogee Enterprises Inc.	Louisiana-Pacific Corp.
Armstrong World Industries	Smith (AO) Corp.
Gibraltar Industries Inc.	Universal Forest Products Inc.
Grace (WR) & Co.	USG Corp.
Griffon Corp	Valspar Corp.
Lennox International Inc.	Vulcan Materials Co.

The general criteria examined in developing our peer group include:

Operational fit: companies in a similar industry with similar business operations;

Financial scope: companies of similar size and scale. Size for purposes of peer group development is measured primarily by revenue, generally defined as 1/2 to 2 times Masonite's revenues. Market capitalization, enterprise value, and assets are also considered; and

Competitors for talent: companies with whom Masonite competes for executive talent.

Cook & Co. utilized publicly available data from this peer group and other market information from third-party surveys to benchmark executive pay in 2011. As a result of this benchmarking exercise, it was determined that target total cash compensation for our executive officers was at or above the 50th percentile.

The Human Resources and Compensation Committee considered the results of such benchmarking in its determination that the target total cash compensation of our NEOs for 2013 was competitive with the marketplace. With respect to annual equity awards, the 2011 benchmarking exercise indicated that equity award values were significantly below the 50th percentile, and, accordingly, that the target total direct compensation of each of our NEOs was also below the 50th percentile. While the Human Resources and Compensation Committee was cognizant of the results of such benchmarking, the benchmarking had no impact on the size of the equity awards that were granted to the NEOs in February 2013. Rather, the Human Resources and Compensation Committee determined the size of the February 2013 equity awards by considering multiple factors (none of which were individually weighted), including individual performance levels and responsibilities, retention and competitive compensation practices. The Human Resources and Compensation Committee also determined that bringing the NEOs up to the market median in order to more closely align equity award values with those of the peer group and third-party survey data would be one of the factors it would consider in connection with future equity awards.

#### 2013 Benchmarking Study

Accordingly, the Human Resources and Compensation Committee engaged Cook & Co. to update the 2011 benchmarking exercise so that this information could be considered as a factor in making compensation decisions later in 2013. In updating the benchmarking exercise, Cook & Co. utilized updated data from the same peer group of companies that was used in 2011 as well as other market information from third-party surveys. Following this exercise, it was determined that target total cash compensation continued to be at or above the 50th percentile, but equity award values remained significantly below the 50th percentile and therefore target total direct compensation remained below the 50th percentile. The Human Resources and Compensation Committee considered this information as a factor in determining the size of the awards of stock appreciation rights that were granted to our NEOs in August 2013. The other factors considered in making these grants (none of which were individually weighted) included individual performance levels and responsibilities and providing an appropriate long-term retention incentive for the NEOs. Following the August grants, both the equity awards values and target total direct compensation of each NEO continued to be below the 50th percentile.

The Human Resources and Compensation Committee intends to continue to strive to provide pay opportunities that generally align each NEO's total direct compensation at the market median and expects that a significant portion of the NEO's total compensation package will continue to be focused on rewarding long-term future performance through a combination of at-risk cash and equity incentive awards. In this regard, bringing target total direct compensation up to the market median by increasing the size of annual equity awards is expected to continue to be a factor considered by the Human Resources and Compensation Committee in granting equity awards to our NEOs in 2014 and, if applicable, in subsequent years.

#### Role of our Human Resources and Compensation Committee

The Human Resources and Compensation Committee makes compensation decisions for our NEOs after reviewing our performance for the preceding fiscal year, our short- and long-term strategies, and current economic and market conditions, and carefully evaluating each NEO's performance during the preceding fiscal year against established organizational goals, leadership qualities, operational performance, business responsibilities, career with us, current compensation arrangements and long-term potential to enhance enterprise value. The Human Resources and Compensation Committee takes a holistic view in its assessment of executive compensation arrangements, taking into consideration the foregoing factors and shareholder considerations, not necessarily relying on any one factor exclusively in determining compensation for our NEOs. In making compensation decisions, the Human Resources and Compensation Committee receives advice from Cook & Co. and input from our Chief Executive Officer, as further discussed below.

#### Role of our Chief Executive Officer and Other Executive Officers

Our Chief Executive Officer reviews the base salaries of our NEOs (other than himself) on an annual basis and, if applicable, recommends base salary increases to the Human Resources and Compensation Committee, based on each NEO's performance and responsibilities. Mr. Lynch confers with our Senior Vice President of Human Resources, Gail N. Auerbach, and together they consider applicable market data provided by Cook & Co. Mr. Lynch and Ms. Auerbach also provide the Human Resources and Compensation Committee with input regarding our annual cash incentive plan (as discussed below) and equity grants for executive officers, including but not limited to recommendations regarding eligibility for such grants and the size of the applicable grant (determined as a percentage of base salary). Additionally, Mr. Erceg provides input to Mr. Lynch and the Human Resources and Compensation Committee with respect to the financial performance aspects of our annual bonus plan and any performance-based equity awards. Although Mr. Lynch often attends meetings of the Human Resources and Compensation Committee, he recuses himself from those portions of the meetings related to his compensation. The Human Resources and Compensation Committee, in consultation with the Board of Directors, is exclusively responsible for determining any base salary increases and for making any other compensation decisions with respect to Mr. Lynch.

#### Role of Compensation Consultant

The Human Resources and Compensation Committee has utilized Cook & Co. as its independent consulting firm since 2010. Cook & Co. is engaged by, and reports directly to, the Human Resources and Compensation Committee. Cook & Co. provides our Human Resources and Compensation Committee with input and guidance on all components of our executive compensation program and in 2013 advised the Human Resources and Compensation Committee with respect to (i) market data for base salary, annual bonus and long-term incentive compensation, (ii) setting the performance goals, and the applicable levels of achievement for such goals, for our annual incentive plan, and (iii) determining the size of the share reserve under our 2012 Plan. Except for the services described in the preceding sentence, Cook & Co. did not provide any services to us during 2013. The Human Resources and Compensation Committee has evaluated whether any work performed by Cook & Co. raised any conflict of interest and determined that it did not.

#### Elements of Our Executive Compensation Program

For 2013, our executive compensation program consisted of the following elements:

##### Base Salary

Base salary is designed to provide our NEOs with a fixed amount of income that is competitive in relation to the responsibilities of each NEO's position. In 2013, the annual base salaries of our NEOs were as follows:

Executive	Base Salary
Frederick J. Lynch	\$850,000
Mark J. Erceg	\$450,000
Lawrence P. Repar	\$630,000
Glenwood E. Coulter, Jr.	\$400,000
Robert E. Lewis	\$375,000

In light of the difficult economic environment in which our business operated in fiscal years 2012 and 2013, the Human Resources and Compensation Committee determined that none of Messrs. Lynch, Erceg, Coulter or Lewis would receive a base salary adjustment in 2013. Effective January 1, 2013, the Human Resources and Compensation Committee approved an increase in Mr. Repar's base salary from \$625,000 to \$630,000,

solely in order to compensate him for the loss of a cross-border tax preparation assistance reimbursement benefit that ended with the filing of his 2011 tax return.

#### Annual Cash Incentive Bonus

##### General

The compensation program for our NEOs includes our Annual Incentive Plan (AIP). The AIP is a formulaic short-term incentive plan which provides executive officers with a cash bonus award based on the achievement of annual performance goals. The Human Resources and Compensation Committee approves the AIP each year, including the applicable performance goals, weighting, payout parameters and specific targets for each performance goal. Each fiscal year, Mr. Lynch, following discussions with Ms. Auerbach and Mr. Erceg, makes recommendations to the Human Resources and Compensation Committee for the AIP performance goals (and the applicable targets for achievement of each such performance goal at threshold, target and maximum levels of performance) applicable to all NEOs (including himself) as well as any proposed changes in the terms of the AIP for that fiscal year. The Human Resources and Compensation Committee considers these recommendations, as well as input from Cook & Co. regarding both current incentive plan design trends and specific feedback regarding Mr. Lynch's recommendations, in approving the AIP for each fiscal year.

##### 2013 Annual Incentive Plan

After considering management's recommendation and input from Cook & Co., the Human Resources and Compensation Committee determined that the 2013 AIP would focus on our ability to grow the top line (AIP Net Revenue), profitability (AIP Adjusted EBITDA), and our ability to improve (i.e., shorten) the cash conversion cycle (Cash Conversion Cycle) (each as defined in the "AIP Definitions and Reconciliation" section below). For fiscal year 2013, the AIP performance goals and the individual weighting assigned to each performance goal as a percentage of the applicable target bonus were established as follows:

Performance Goal	Weighting
AIP Net Revenue	20%
AIP Adjusted EBITDA	60%
Cash Conversion Cycle	20%
Total	100%

The table below shows the threshold, target and maximum AIP performance goals for fiscal year 2013.

Performance Goal	Threshold	Target	Maximum
AIP Net Revenue	\$1,690 million	\$1,760 million	\$1,830 million
AIP Adjusted EBITDA	\$94.5 million	\$105 million	\$115.5 million
Cash Conversion Cycle	1 day improvement	5 days improvement	10 days improvement

For 2013, the AIP also required achievement of a minimum AIP Adjusted EBITDA of \$80 million in order for any AIP bonuses to be payable (even if the AIP Net Revenue and Cash Conversion Cycle performance goals are achieved at or above the threshold level). For both the AIP Net Revenue and the AIP Adjusted EBITDA performance goals, achievement below the threshold performance level results in no bonuses being paid under the AIP with respect to that performance goal, while performance at the threshold level results in a payout at 50% of the applicable bonus target for each such performance goal, performance at the target level results in a payout at 100% of the applicable bonus target for each such performance goal, and achievement at or above the maximum performance level results in a payout at 150% of the applicable bonus target for each such performance goal. For the Cash Conversion Cycle performance goal, achievement below the threshold performance level results in no bonus being paid under the AIP with respect to that performance goal, while performance at the

threshold level results in a payout at 20% of the bonus target for such performance goal, performance at the target level results in a payout at 100% of the bonus target for such performance goal, and achievement at or above the maximum performance level results in a payout at 200% of the applicable bonus target for such performance goal. Following the completion of the fiscal year, the AIP payout pool is calculated using data derived from the audited financial results. For each performance goal, performance between the threshold and target levels and between the target and maximum levels is determined using straight-line interpolation. Bonuses earned under the 2013 AIP were paid in March 2014.

Based on performance against the pre-established performance goals the 2013 AIP bonus was calculated as follows:

Performance Goals	Financial Weighting	Actual Results	Plan Payout	Weighted Payout
AIP Net Revenue ((\$) millions)	20.0%	\$1,733.5	81.2%	16.2%
AIP Adjusted EBITDA ((\$) millions)	60.0%	\$109.9	123.5%	74.1%
Cash Conversion Cycle (days)	20.0%	49.5	65.2%	13.0%
				103.3%

The actual 2013 bonus payouts for each NEO are calculated by multiplying (1) his annual base salary, times (2) his target bonus percentage, times (3) the AIP payout percentage of 103.3%. Applying this formula, the bonuses paid to each NEO under the 2013 AIP were as follows:

Executive	Base Salary	Target Bonus as Percentage of Base Salary	2013 Overall Plan Payout Percentage	2013 Bonus
Frederick J. Lynch	\$850,000	100%	103.3%	\$878,050
Mark J. Erceg	\$450,000	60%	103.3%	\$278,910
Lawrence P. Repar	\$630,000	60%	103.3%	\$390,474
Glenwood E. Coulter, Jr.	\$400,000	50%	103.3%	\$206,600
Robert E. Lewis	\$375,000	50%	103.3%	\$193,688

#### Long-Term Equity Incentive Awards

##### February 2013 Annual Long-Term Incentive Grant

In anticipation of our becoming a publicly traded company in 2013, the Human Resources and Compensation Committee concluded that a significant portion of the equity awards granted to our executive officers should be earned based on the level of our performance pursuant to the financial and operating objectives described below. Tying a portion of the annual equity grants to our long-term performance serves to tie a greater portion of our NEOs' compensation to the achievement of our financial and operating performance objectives and serves as a balance to the AIP, which measures our performance over a one-year period. The Human Resources and Compensation Committee determined that 60% of the target equity value granted to Mr. Lynch and 50% of the target equity value granted to each of Messrs. Erceg, Repar, Coulter and Lewis, respectively, would be restricted stock units subject to performance-based vesting conditions, as the Human Resources and Compensation Committee believed that a greater portion of Mr. Lynch's annual equity award should be earned based upon our long-term performance in light of his responsibilities for the Company as a whole.

The target equity value for this grant was based on a target percentage of base salary for each NEO, as previously approved by the Human Resources and Compensation Committee after taking into consideration the factors described in the "Benchmarking - 2011 Benchmarking Study" above, as follows:

Executive	Target Equity Value as a Percentage of Base Salary
Frederick J. Lynch	200%
Mark J. Erceg	100%
Lawrence P. Repar	90%
Glenwood E. Coulter, Jr.	90%
Robert E. Lewis	75%

On February 25, 2013, the Human Resources and Compensation Committee granted to each of our NEOs an award consisting of the following number of restricted stock units: Mr. Lynch: 72,095; Mr. Erceg: 19,084, Mr. Repar: 24,046, Mr. Coulter: 15,267 and Mr. Lewis: 11,927. For Messrs. Erceg, Repar, Coulter and Lewis 50%, and for Mr. Lynch 40%, of the restricted stock units granted pursuant to each award are subject to time vesting requirements, and for Messrs. Erceg, Repar, Coulter and Lewis the remaining 50%, and for Mr. Lynch the remaining 60%, of the restricted stock units granted pursuant to each award are subject to performance vesting criteria.

#### Performance-Vesting Restricted Stock Units

One-half of the performance-vesting restricted stock units vest on the third anniversary of the date of grant subject to the level at which the 2015 Adjusted EBITDA Margin performance goal is achieved, with 100% of the units vesting upon achievement at the target level, 50% of the units vesting for performance at the threshold level, and 200% of the units vesting for performance at the maximum level. The remaining one half of the performance-vesting restricted stock units vest on the third anniversary of the date of grant subject to the level at which the Return on Assets performance goal is achieved, with 100% of the units vesting upon achievement at the target level, 50% of the units vesting for performance at the threshold level, and 200% of the units vesting for performance at the maximum level. In each case, straight-line interpolation will be used to determine the number of units that will vest if the level of achievement is between threshold and target or between target and maximum and any outstanding units that do not vest once the applicable level of performance has been determined will be automatically forfeited. The performance-vesting restricted stock units are subject to accelerated vesting under certain circumstances as described in the "Potential Payments on Termination or Change in Control" section below. For purposes of this grant, "Adjusted EBITDA Margin" means 2015 Adjusted EBITDA (as defined under the AIP except that acquisitions and divestitures are counted in the year of completion) divided by 2015 Net Revenue (as defined under the AIP except that acquisitions and divestitures are counted in the year of completion), and "Return on Assets" means 2015 Adjusted EBITDA divided by total assets (as determined in accordance with generally accepted accounting principles). We believe that these performance targets will be challenging to achieve and will require substantial efforts from management in order to achieve them. Since only the target number of performance-vesting restricted stock units have been granted, additional shares will be issued upon vesting to the extent the level of performance achieved exceeds the target level.

### Time-Vesting Restricted Stock Units

We grant a portion of the annual long-term incentive grant in the form of time-vesting restricted stock units to help build ownership as a newly public company and to aid in our ability to retain our management team over a longer time horizon. The time-vesting restricted stock units vest over 3 years, with 50% vesting on the first anniversary of the date of grant, 30% on the second anniversary and 20% on the third anniversary, subject to accelerated vesting under certain circumstances as described in the "Potential Payments on Termination or Change in Control" section below.

#### August 2013 Retention Long-Term Incentive Grant (Stock Appreciation Rights)

On August 6, 2013 our Human Resources and Compensation Committee approved the grant of stock appreciation rights to certain employees of the Company, including the NEOs, in order to further align their interests with those of our Shareholders as our share price increases and to encourage retention. The Human Resources and Compensation Committee believes that grants of stock appreciation rights help to align the interests of our NEOs with those of our shareholders because these awards only provide value to our NEOs if our share price increases. After considering the factors described in the "Compensation Mix and Benchmarking - 2013 Benchmarking Study" above, the Human Resources and Compensation Committee increased the target percentage of base salary for purposes of determining the target equity value for annual long-term incentive awards for each of our NEOs as indicated below. This increased percentage was then used as a factor in determining the size of August 2013 grant of stock appreciation rights after taking into account the February 2013 annual long-term incentive grant.

Executive	Target Equity Value as a Percentage of Base Salary
Frederick J. Lynch	300%
Mark J. Erceg	150%
Lawrence P. Repar	100%
Glenwood E. Coulter, Jr.	100%
Robert E. Lewis	100%

The stock appreciation rights will cliff vest three years after the date of grant, subject to accelerated vesting under certain circumstances as described in the applicable stock appreciation rights agreement, and will be settled in Common Shares. The stock appreciation rights have an exercise price of \$32.68, which was the fair market value of the Company's Common Shares on the date of grant. A total of 217,050 stock appreciation rights were granted, with Mr. Lynch receiving 72,000 stock appreciation rights, Mr. Erceg receiving 15,500 stock appreciation rights, Mr. Repar receiving 15,500 stock appreciation rights, Mr. Coulter receiving 10,700 stock appreciation rights, and Mr. Lewis receiving 8,700 stock appreciation rights.

#### Executive Stock Ownership Guidelines

Effective as of July 1, 2012, we implemented stock ownership guidelines that require each of our NEOs and all of our other senior officers to own meaningful equity stakes in Masonite to further align their economic interests with those of our shareholders. Our stock ownership guidelines require that (1) our Chief Executive Officer owns Common Shares in an amount not less than five times his base salary and (2) all other executive officers (including our NEOs) own Common Shares in an amount not less than three times their respective base salaries. Compliance with these guidelines will be measured once per fiscal year on the last day of the first fiscal quarter. Vested stock appreciation rights and restricted stock units count as shares for purposes of the guidelines, but unvested stock appreciation rights do not count. To the extent performance-vesting restricted stock units are



granted, such restricted stock units will only count towards the guideline when and if earned. There is no particular date by which the requisite share ownership level must be achieved. However, until the required level of ownership is achieved, each executive must retain at least fifty percent of the number of shares acquired upon the exercise of stock appreciation rights or the settlement of any restricted stock units (net of shares forfeited to pay any applicable exercise price and to satisfy any applicable tax withholding).

#### Severance and Change in Control Benefits

Each NEO is entitled to receive severance benefits under the terms of his employment agreement upon either termination by us without cause or a resignation by the NEO for good reason. We provide these severance benefits in order to provide an overall compensation package that is competitive with that offered by the companies with whom we compete for executive talent. Additionally, severance benefits allow our executives to focus on our objectives without concern for their employment security in the event of a termination.

The severance benefits provided upon a qualifying termination of an NEO's employment in connection with a change in control are higher than severance benefits provided under other qualifying termination events, which is consistent with market practice. The Human Resources and Compensation Committee approved these enhanced change in control severance benefits because it considers maintaining a stable and effective management team to be important to protecting and enhancing the best interests of us and our shareholders. To that end, the Human Resources and Compensation Committee recognizes that the possibility of a change in control may exist from time to time, and that this possibility, and the uncertainty and questions it may raise among management may result in the departure or distraction of management to the detriment of us and our shareholders. Accordingly, the enhanced severance benefits have been put in place to encourage the attention, dedication and continuity of members of our management team to their assigned duties without the distraction that may arise from the possibility or occurrence of a change in control.

#### Other Compensation

We provide the following benefits to our NEOs on the same basis provided to all of our U.S. based employees:

- medical, dental and vision insurance;

- 401(k) plan;

- short- and long-term disability, life insurance, accidental death and dismemberment insurance; and

- health and dependent care flexible spending accounts.

In addition, upon the hiring of a new executive, we typically provide such executive with certain relocation benefits and each of our NEOs is eligible to participate in a non-qualified deferred compensation plan which permits him to defer base salary, bonuses and/or restricted stock units.

We believe these benefits are consistent with those offered by companies with which we compete for employees.

## Clawback Policies

### Annual Incentive Plan

We have implemented a clawback policy under the AIP to provide that if an employee knowingly engages in misbehavior or gross negligence ("Misconduct") when preparing our financial or operating results or governmental disclosures he or she will forfeit their right to any incentive payments. In addition, if an employee knowingly engages in such behavior and our financial results need to be restated or adjusted within two years after the period presented, such employee will be required to return to us the amount of any short-term or long-term incentive compensation, including equity grants, which were paid as a result of the Misconduct. The Human Resources and Compensation Committee is responsible for making the determination of Misconduct based on relevant facts and circumstances. The compensation recovery will be in addition to any other remedies available to the Company for any such Misconduct.

### Equity Incentive Plans

The award agreements under the 2009 Plan and the 2012 Plan provide that if we determine that a participant has materially violated any of his or her covenants regarding confidentiality, non-disclosure of confidential information and, during the applicable period of time following such participant's termination of employment as specified in such award agreement, non-competition and non-solicitation of employees, then the following will result:

- any outstanding awards, whether vested or unvested, will immediately be terminated and forfeited for no consideration;

- if shares of stock have already been distributed to the participant but the participant no longer holds some or all of such shares, the participant must repay us, in cash, an amount equal to the sum of (i) the total amount of any cash previously paid to the participant in respect of the award and (ii) the total amount of any value received by the participant upon any sale of the shares; and

- if shares of stock have been distributed to the participant and the participant continues to hold some or all of the shares, the participant will transfer such shares to the company for no consideration.

### Accounting and Tax Implications

As a general matter, the Human Resources and Compensation Committee takes into account the various tax and accounting implications of the compensation vehicles employed by the Company.

We account for stock-based compensation in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 Compensation - Stock Compensation, which requires us to recognize compensation expense for share-based payments. The Human Resources and Compensation Committee takes into account FASB ASC Topic 718 in determining the amounts of long-term incentive grants to executives and employees, awarding both stock appreciation rights and restricted stock units.

Internal Revenue Code Section 162(m) (as interpreted by IRS Notice 2007-49) denies a federal income tax deduction for certain compensation in excess of \$1 million per year paid to the chief executive officer and the three other most highly-paid executive officers (other than the company's chief executive officer and chief financial officer) of a publicly-traded corporation. Certain types of compensation, including compensation based on performance criteria that are approved in advance by stockholders, are excluded from the deduction limit. In addition, "grandfather" provisions may apply to certain compensation arrangements that were entered into by a corporation before it was publicly held. The Human Resources and Compensation Committee's policy is to qualify compensation paid to our executive officers for deductibility for federal income tax purposes to the extent feasible. However, to retain highly skilled executives and remain competitive with other employers, the Human Resources and Compensation Committee will have the right to authorize compensation that would not otherwise

be deductible under Section 162(m) or otherwise and to pay bonuses in any amount, including discretionary bonuses or bonuses with performance goals that are different from those under the AIP.

#### AIP Definitions and Reconciliation

The definitions for each of the financial performance goals for purposes of the 2013 AIP are as follows:

"Adjusted EBITDA" is defined as net income (loss) attributable to Masonite adjusted to exclude depreciation; amortization of intangible assets; share based compensation expense; loss (gain) on disposal of property, plant and equipment; impairment of property, plant and equipment; registration and listing fees; restructuring costs; interest expense (income), net; other expense (income), net; income tax expense (benefit); loss (income) from discontinued operations, net of tax; and net income (loss) attributable to non-controlling interest. A reconciliation of Adjusted EBITDA to net income (loss) attributable to Masonite is included on page 108 of our Annual Report on form 10-K for the year ended December 29, 2013.

"AIP Net Revenue" is defined as net sales (as determined in accordance with generally accepted accounting principles), less net sales from any acquisitions or divestitures in the current year, plus or minus any changes to generally accepted accounting principles and other adjustments for unusual and nonrecurring events approved by the Human Resources and Compensation Committee or our Board of Directors, and plus or minus the impact of foreign exchange rate fluctuations versus prior year.

"AIP Adjusted EBITDA" is defined as Adjusted EBITDA, less Adjusted EBITDA from any acquisitions or divestitures in the current year, plus transaction costs (including fees and expenses) incurred related to acquisitions or divestitures, plus transaction costs (including fees and expenses) associated with debt or equity offerings, plus costs, expenses or other adjustments related to non-budgeted Board initiatives undertaken in the current year, plus conversion costs for new retail business wins, plus or minus any changes to generally accepted accounting principles and other adjustments for unusual and nonrecurring events approved by the Human Resources and Compensation Committee or our Board of Directors, and plus or minus the impact of foreign exchange rate fluctuations versus prior year.

"Cash Conversion Cycle" is defined as year-ending Days on Hand (defined as ending inventory divided by trailing 12 months cost of goods sold times 365) plus year-ending Days Sales Outstanding (defined as ending accounts receivable divided by trailing 12 months net sales times 365), less year-ending Days Payable Outstanding (defined as accounts payable plus accrued expenses, divided by trailing 12 months cost of goods sold, times 365). Ending inventory, accounts receivable, accounts payable, net sales and cost of goods sold are determined in accordance with generally accepted accounting principles and adjusted for acquisitions or divestitures in the current year, plus or minus the impact of foreign exchange rate fluctuations, and plus or minus any changes to generally accepted accounting principles and other adjustments for unusual and nonrecurring events approved by the Human Resources and Compensation Committee or our Board of Directors. For purposes of the AIP, the performance goals for Cash Conversion Cycle are established as the number of days improvement from the prior year to the current year.

## Summary Compensation Table

The following table summarizes the total compensation paid to or earned by each of our named executive officers for services provided to us during the fiscal years ended December 29, 2013 and December 30, 2012.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) <sup>(1)</sup>	Option Awards (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(3)</sup>	All Other Compensation (\$) <sup>(4)</sup>	Total (\$)
Frederick J. Lynch, President and Chief Executive Officer	2013	850,000	—	1,700,000	606,163	878,050	13,856	4,048,069
	2012	850,000	—	2,234,624	—	850,000	12,026	3,946,650
Mark J. Erceg, Executive Vice President and Chief Financial Officer	2013	450,000	—	450,001	130,493	278,910	13,668	1,323,072
	2012	450,000	50,000	467,377	—	315,090	13,000	1,295,467
Lawrence P. Repar, Executive Vice President, Global Sales and Marketing and Chief Operating Officer	2013	630,000	—	567,005	130,493	390,474	13,720	1,731,693
	2012	625,000	75,000	597,248	—	437,625	32,322	1,767,195
Glenwood E. Coulter, Jr., Executive Vice President, Global Operations and Europe	2013	400,000	—	359,996	90,083	206,600	15,069	1,071,747
	2012	400,000	50,000	377,366	—	233,400	15,447	1,076,213
Robert E. Lewis, Senior Vice President, General Counsel and Corporate Secretary <sup>(5)</sup>	2013	375,000	—	281,239	73,245	193,688	14,166	937,337

Amounts in this column reflect the aggregate grant date fair value of restricted stock units granted during the applicable fiscal year in accordance with FASB ASC Topic 718. For a discussion of the assumptions made in the (1) valuation of restricted stock units granted in 2013, please see note 8 "Share Based Compensation" in the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 29, 2013.

The amounts shown include the grant date fair value of performance-vesting restricted stock units granted in February 2013, based on the probable outcome of the related performance conditions at target levels, calculated in accordance with FASB ASC Topic 718. These restricted stock units are subject to achievement of the performance conditions as described in the heading above entitled "Compensation Discussion and Analysis-Elements of Our Executive Compensation Program-Long-Term Equity Incentive Awards-February 2013 Annual Long-Term Incentive Grant-Performance-Vesting Restricted Stock Units." The grant date fair value of the performance-vesting restricted stock units based on the maximum level of performance is as follows: Mr. Lynch, \$2,040,000; Mr. Erceg, \$450,001; Mr. Repar, \$567,005; Mr. Coulter, \$360,019; and Mr. Lewis, \$281,262.

(2) Amounts shown in this column represent the aggregate grant date fair value of stock appreciation rights granted in August 2013 in accordance with FASB ASC Topic 718. For a discussion of the assumptions made in the valuation of stock appreciation rights granted in 2013, please see note 8 "Share Based Compensation" in the consolidated

financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 29, 2013. Amounts shown in this column represent performance-based cash incentive awards that were earned during the specified year and paid in the following year. See "Compensation Discussion and Analysis-Elements of Our  
(3) Executive Compensation Program-Annual Cash Incentive Bonus" for a description of the awards for fiscal year 2013.

Amounts shown in this column for 2013 include company contributions to our 401(k) plan of \$12,596 for Mr. Lynch, \$12,918 for Mr. Erceg, \$11,788 for Mr. Repar, \$12,231 for Mr. Coulter and \$12,750 for Mr. Lewis; and  
(4) taxable fringe benefits paid by us for group term life insurance of \$1,260 for Mr. Lynch, \$750 for Mr. Erceg, \$1,932 for Mr. Repar, \$2,838 for Mr. Coulter and \$1,416 for Mr. Lewis.

(5) Mr. Lewis was not a named executive officer prior to 2013.

#### Employment Agreements

##### Frederick J. Lynch

We entered into an "at will" employment agreement with Mr. Lynch, effective as of December 31, 2012 with a three-year term, pursuant to which he continues to serve as our President and Chief Executive Officer. Mr. Lynch's base salary is \$850,000 and he is eligible to earn an annual bonus targeted at 100% of his base salary, subject to the achievement of applicable performance goals.

##### Mark J. Erceg

We entered into an "at will" employment agreement with Mr. Erceg, effective as of December 31, 2012 with a three-year term, pursuant to which he continues to serve as our Executive Vice President and Chief Financial Officer. Mr. Erceg's base salary is \$450,000 and he is eligible to earn an annual bonus targeted at 60% of his base salary, subject to the achievement of applicable performance goals.

##### Lawrence P. Repar

We entered into an "at will" employment agreement with Mr. Repar, effective as of November 1, 2012 with a three-year term, pursuant to which he continues to serve as our Executive Vice President, Global Sales and Marketing, and Chief Operating Officer. Mr. Repar's base salary is \$630,000 and he is eligible to earn an annual bonus targeted at 60% of his base salary, subject to the achievement of applicable performance goals.

##### Glenwood E. Coulter, Jr.

We entered into an "at will" employment agreement with Mr. Coulter, effective as of November 1, 2012 with a three-year term, pursuant to which he continues to serve as our Executive Vice President, Global Operations and Europe. Mr. Coulter's base salary is \$400,000 and he is eligible to earn an annual bonus targeted at 50% of his base salary, subject to the achievement of applicable performance goals.

##### Robert E. Lewis

We entered into an "at will" employment agreement with Mr. Lewis, effective as of November 1, 2012 with a three-year term, pursuant to which he continues to serve as our Senior Vice President, General Counsel and Corporate Secretary. Mr. Lewis' base salary is \$375,000 and he is eligible to earn an annual bonus targeted at 50% of his base salary, subject to the achievement of applicable performance goals.

All of our NEOs are eligible to participate in our Deferred Compensation Plan (as discussed in greater detail below) and all of our employee benefit plans, including the 401(k) plan. Messrs. Lynch, Erceg, Coulter and Lewis are entitled to four weeks of vacation per year and Mr. Repar is entitled to five weeks of vacation. In addition, all of our NEOs are subject to covenants, during the term of their employment and for a period of 24 months thereafter, not to (i) engage in any business that competes with us, (ii) solicit customers, or (iii) solicit or hire our employees.

#### 2013 Amendment to Employment Agreements

On October 28, 2013, we entered into an amendment to the employment agreements with each of our NEOs which eliminated certain excise tax gross-up provisions thereunder in connection with a change in control as a result of certain excess parachute payments under Internal Revenue Code Sections 280G and 4999, and in lieu thereof, provided for a best pay cap reduction for any excess parachute payments unless the executive would receive a greater after-tax benefit without the reduction and after paying the related excise tax, as further discussed

below. In addition, the amendment removed a previously existing contingency that we complete an initial public offering in order for the tax gross-up provision to be eliminated.

## Grants of Plan Based Awards for 2013

NAMED EXECUTIVE OFFICER	GRANT DATE	ESTIMATED FUTURE PAYOUTS UNDER NON-EQUITY INCENTIVE PLAN AWARD <sup>(1)</sup>			ESTIMATED FUTURE PAYOUTS UNDER EQUITY INCENTIVE PLAN AWARD <sup>(2)</sup>		
		THRESHOLD (\$)	TARGET (\$)	MAXIMUM (\$)	THRESHOLD (#)	TARGET (#)	MAXIMUM (#)
Frederick J. Lynch Annual Cash Bonus	—	374,000	850,000	1,360,000	—	—	—
Performance-Vesting Restricted Stock Units	02/25/13	—	—	—	21,629	43,257	86,514
Time-Vesting Restricted Stock Units	02/25/13	—	—	—	—	—	—
Stock Appreciation Rights	08/06/13	—	—	—	—	—	—
Mark J. Erceg Annual Cash Bonus	—	118,800	270,000	432,000	—	—	—
Performance-Vesting Restricted Stock Units	02/25/13	—	—	—	4,771	9,542	19,084
Time-Vesting Restricted Stock Units	02/25/13	—	—	—	—	—	—
Stock Appreciation Rights	08/06/13	—	—	—	—	—	—
Lawrence P. Repar Annual Cash Bonus	—	166,320	378,000	604,800	—	—	—
Performance-Vesting Restricted Stock Units	02/25/13	—	—	—	6,012	12,023	24,046
Time-Vesting Restricted Stock Units	02/25/13	—	—	—	—	—	—
Stock Appreciation Rights	08/06/13	—	—	—	—	—	—
Glenwood E. Coulter, Jr. Annual Cash Bonus	—	88,000	200,000	320,000	—	—	—
Performance-Vesting Restricted Stock Units	02/25/13	—	—	—	3,817	7,634	15,268
Time-Vesting Restricted Stock Units	02/25/13	—	—	—	—	—	—
	08/06/13	—	—	—	—	—	—

Stock Appreciation  
Rights

Robert E. Lewis

Annual Cash Bonus	—	82,500	187,500	300,000	—	—	—
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Performance-Vesting

Restricted Stock	02/25/13	—	—	—	2,982	5,964	11,928
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Units

Time-Vesting

Restricted Stock	02/25/13	—	—	—	—	—	—
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Units

Stock Appreciation  
Rights

	08/06/13	—	—	—	—	—	—
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## Grants of Plan Based Awards for 2013 (continued)

NAMED EXECUTIVE OFFICER	ALL OTHER AWARDS NUMBER OF SHARES OR UNITS (#) <sup>(3)</sup>	ALL OTHER OPTION AWARDS NUMBER OF SECURITIES UNDERLYING OPTIONS (#) <sup>(4)</sup>	EXERCISE PRICE OF OPTION AWARDS(\$/Sh)	GRANT DATE FAIR VALUE OF OPTION AWARDS (\$) <sup>(5)</sup>
Frederick J. Lynch				
Annual Cash Bonus	—	—	—	—
Performance-Vesting Restricted Stock Units	—	—	—	—
Time-Vesting Restricted Stock Units	28,838	—	—	680,000
Stock Appreciation Rights	—	72,000	32.68	606,163
Mark J. Erceg				
Annual Cash Bonus	—	—	—	—
Performance-Vesting Restricted Stock Units	—	—	—	—
Time-Vesting Restricted Stock Units	9,542	—	—	225,000
Stock Appreciation Rights	—	15,500	32.68	130,493
Lawrence P. Repar				
Annual Cash Bonus	—	—	—	—
Performance-Vesting Restricted Stock Units	—	—	—	—
Time-Vesting Restricted Stock Units	12,023	—	—	283,502
Stock Appreciation Rights	—	15,500	32.68	130,493
Glenwood E. Coulter, Jr.				
Annual Cash Bonus	—	—	—	—
Performance-Vesting Restricted Stock Units	—	—	—	—
Time-Vesting Restricted Stock Units	7,633	—	—	179,986
Stock Appreciation Rights	—	10,700	32.68	90,083
Robert E. Lewis				
Annual Cash Bonus	—	—	—	—
Performance-Vesting Restricted Stock Units	—	—	—	—
Time-Vesting Restricted Stock Units	5,963	—	—	140,608
Stock Appreciation Rights	—	8,700	32.68	73,245

(1) The amounts set forth in the "Threshold," "Target" and "Maximum" columns above indicate the threshold, target and maximum amounts for each of the NEOs under our 2013 AIP. The actual payouts were approved by the Human Resources and Compensation Committee on February 24, 2014 and are included in the "Non-Equity Incentive Plan Compensation column" on the Summary Compensation Table. Amount in these columns reflects a bonus target of 100% of base salary for Mr. Lynch, 60% of base salary for Messrs. Erceg and Repar and 50% of base salary for Mr. Coulter and Mr. Lewis.

(2) The amounts set forth in the "Threshold," "Target" and "Maximum" columns above correspond to the number of shares that would be earned by each of the NEOs upon achievement of the applicable 2015 Adjusted EBITDA Margin and Return on Assets performance measures at the specified threshold, target and maximum levels, respectively. Subject to achievement of the applicable performance measure, the performance-vesting restricted stock units are scheduled to vest on the third anniversary of the date of grant. See "Compensation Discussion and

Analysis-Elements of Our Executive Compensation Program-Long-Term Equity Incentive Awards-February 2013 Annual Long-Term Incentive Grant-Performance-Vesting Restricted Stock Units" for a description of the performance-vesting restricted stock units and the applicable performance measures.

(3) The time-vesting restricted stock units are scheduled to vest over 3 years, with 50% vesting on the first anniversary of the date of grant, 30% on the second anniversary and 20% on the third anniversary.

(4) The stock appreciation rights are scheduled to cliff vest 3 years after the date of grant.

Amounts in this column reflect the grant date fair value of performance-vesting and time-vesting restricted stock units granted in February 2013 and stock appreciation rights granted in August 2013 in accordance with FASB

(5) ASC Topic 718. For a discussion of the assumptions made in the valuation of such awards, please see note 8 "Share Based Compensation" in the consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 29, 2013.

The amounts shown include the grant date fair value of performance-vesting restricted stock units granted in February 2013, based on the probable outcome of the related performance conditions at target levels, calculated in accordance with FASB ASC Topic 718. These restricted stock units are subject to achievement of the performance conditions as described in the heading above entitled "Compensation Discussion and Analysis-Elements of Our Executive Compensation Program-Long-Term Equity Incentive Awards-February 2013 Annual Long-Term Incentive Grant-Performance-Vesting Restricted Stock Units." The grant date fair value of the performance-vesting restricted stock units based on the maximum level of performance is as follows: Mr. Lynch, \$2,040,000; Mr. Erceg, \$450,001; Mr. Repar, \$567,005; Mr. Coulter, \$360,019; and Mr. Lewis, \$281,262.

## Outstanding Equity Awards at 2013 Fiscal Year-End

Name	Options/SARs		Equity Incentive Plan Awards:		
	Number of Securities Underlying Unexercised Options (# Exercisable)	Number of Securities Underlying Unexercised Options (# Unexercisable)	Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
Frederick J. Lynch	247,785	—	—	13.64	07/09/19
	66,426	—	—	19.06	12/12/19
	65,781	21,927	(1) —	20.19	07/05/21
	—	72,000	(2) —	32.68	08/06/23
Mark J. Erceg	8,849	8,849	(1) —	20.19	07/05/21
	—	15,500	(2) —	32.68	08/06/23
Lawrence P. Repar	204,727	—	—	13.64	07/09/19
	28,423	—	—	19.06	12/12/19
	21,766	7,255	(1) —	20.19	07/05/21
	—	15,500	(2) —	32.68	08/06/23
Glenwood E. Coulter, Jr.	15,159	—	—	19.06	12/12/19
	13,931	4,643	(1) —	20.19	07/05/21
	—	10,700	(2) —	32.68	08/06/23
Robert E. Lewis	6,250	18,750	(1) —	17.37	04/15/22
	—	8,700	(2) —	32.68	08/06/23

## Stock Awards

Name	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market Value of Shares or Units of Stock That Have Not Vested (\$)
Frederick J. Lynch	100,316	(3) 5,943,723	43,257	(4) 2,562,977
Mark J. Erceg	36,987	(5) 2,191,480	9,542	(4) 565,364
Lawrence P. Repar	43,064	(6) 2,551,542	12,023	(4) 712,363
Glenwood E. Coulter, Jr.	25,561	(7) 1,514,489	7,634	(4) 452,315
Robert E. Lewis	10,838	(8) 642,152	5,964	(4) 353,367

- Represents the unvested portion of stock appreciation rights granted on July 5, 2011, which vest as follows: fifty (1) percent (50%) on December 31, 2012; twenty-five percent (25%) on December 31, 2013; and twenty-five percent (25%) on December 31, 2014.
- (2) Stock appreciation rights granted on August 6, 2013 are scheduled to cliff vest on August 6, 2016. Represents the unvested portion in the aggregate of: (i) 32,277 restricted stock units granted to Mr. Lynch on July 5, 2011, which vest as to fifty percent (50%) on November 1, 2012, twenty-five percent (25%) on November 1, 2013, and twenty-five percent (25%) on November 1, 2014; (ii) 3,000 restricted stock units granted to Mr. Lynch on March 15, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iii) 20,000 restricted stock units granted to Mr. Lynch on (3) May 30, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iv) 77,825 restricted stock units granted to Mr. Lynch on December 5, 2012, which vest as to thirty-three percent (33%) on December 5, 2013, thirty-three percent (33%) on December 5, 2014, and thirty-three percent (33%) on December 5, 2015; and (v) 28,838 restricted stock units granted to Mr. Lynch on February 25, 2013, which vest as to fifty percent (50%) on May 1, 2014, thirty percent (30%) on May 1, 2015, and twenty percent (20%) on May 1, 2016.
- The performance-vesting restricted stock units granted on February 25, 2013 are scheduled to vest on February 25, 2016, subject to achievement of the applicable Adjusted EBITDA Margin and Return on Assets at the end of the 2015 fiscal year. Amounts shown in this column represent the number of shares that would be earned by each of the NEOs upon achievement of the applicable 2015 Adjusted EBITDA Margin and Return on Assets performance measures at the target levels, respectively. The maximum number of shares that may be earned by each NEO are as (4) follows: Mr. Lynch, 86,514; Mr. Erceg, 19,084; Mr. Repar, 24,046; Mr. Coulter, 15,268; and Mr. Lewis, 11,928. See "Compensation Discussion and Analysis-Elements of Our Executive Compensation Program-Long-Term Equity Incentive Awards-February 2013 Annual Long-Term Incentive Grant-Performance-Vesting Restricted Stock Units" for a description of the performance-vesting restricted stock units and the applicable performance measures.
- Represents the unvested portion in the aggregate of: (i) 24,190 restricted stock units granted to Mr. Erceg on July 5, 2011, which vest as to fifty percent (50%) on November 1, 2012, twenty-five percent (25%) on November 1, 2013, and twenty-five percent (25%) on November 1, 2014; (ii) 1,000 restricted stock units granted to Mr. Erceg on (5) March 15, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iii) 10,000 restricted stock units granted to Mr. Erceg on May 30, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iv) 15,898 restricted stock units granted to Mr. Erceg on November 1, 2012, which vest as to fifty percent (50%) on November 1, 2014, and fifty percent (50%) on November 1, 2015; and (v) 9,542 restricted stock units granted to Mr. Erceg on February 25, 2013, which vest as to fifty percent (50%) on May 1, 2014, thirty percent (30%) on May 1, 2015, and twenty percent (20%) on May 1, 2016.
- Represents the unvested portion in the aggregate of: (i) 10,680 restricted stock units granted to Mr. Repar on July 5, 2011, which vest as to fifty percent (50%) on November 1, 2012, twenty-five percent (25%) on November 1, 2013, and twenty-five percent (25%) on November 1, 2014; (ii) 2,000 restricted stock units granted to Mr. Repar (6) on March 15, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iii) 10,000 restricted stock units granted to Mr. Repar on May 30, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; and (iv) 22,371 restricted stock units granted to Mr. Repar on November 1, 2012, which vest as to fifty percent (50%) on November 1, 2014, and fifty percent (50%) on November 1, 2015; and (v) 12,023 restricted stock units granted to Mr. Repar on February 25, 2013, which vest as to fifty percent (50%) on May 1, 2014, thirty percent (30%) on May 1, 2015, and twenty percent (20%) on May 1, 2016.
- (7) Represents the unvested portion in the aggregate of (i) 6,836 restricted stock units granted to Mr. Coulter on July 5, 2011, which vest as to fifty percent (50%) on November 1, 2012, twenty-five percent (25%) on November 1, 2013, and twenty-five percent (25%) on November 1, 2014; (ii) 1,000 restricted stock units granted to Mr. Coulter on

March 15, 2012, which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iii) 10,000 restricted stock units granted to Mr. Coulter on May 30, 2012 which vest as to fifty percent (50%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, and twenty-five percent (25%) on July 1, 2015; (iv) 10,719 restricted stock units granted to Mr. Coulter on November 1, 2012, which vest as to fifty percent (50%) on November 1, 2014, and fifty percent (50%) on November 1, 2015; and (v) 7,633 restricted stock units granted to Mr. Coulter on February 25, 2013, which vest as to fifty percent (50%) on May 1, 2014, thirty percent (30%) on May 1, 2015, and twenty percent (20%) on May 1, 2016.

Represents the unvested portion in the aggregate of (i) 6,500 restricted stock units granted to Mr. Lewis on March 15, 2012, which vest as to twenty-five percent (25%) on July 1, 2013, twenty-five percent (25%) on July 1, 2014, (8) and fifty (50%) on July 1, 2015; and (ii) 5,963 restricted stock units granted to Mr. Lewis on February 25, 2013, which vest as to fifty percent (50%) on May 1, 2014, thirty percent (30%) on May 1, 2015, and twenty percent (20%) on May 1, 2016.

#### Option Exercises and Stock Vested for 2013

The following table provides information regarding the amounts received by our named executive officers upon the vesting of restricted stock units and the exercise of stock appreciation rights during the year ended December 29, 2013.

NAMED EXECUTIVE OFFICER	OPTION AWARDS		STOCK AWARDS	
	NUMBER OF SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ON EXERCISE (\$) <sup>(1)</sup>	NUMBER OF SHARES ACQUIRED ON VESTING (#)	VALUE REALIZED ON VESTING (\$) <sup>(2)</sup>
Frederick J. Lynch	50,000	1,903,000	111,910	4,909,787
Mark J. Erceg	157,698	3,580,322	27,967	1,062,907
Lawrence P. Repar	—	—	39,371	1,570,060
Glenwood E. Coulter, Jr.	130,281	4,673,179	23,985	955,744
Robert E. Lewis	—	—	1,625	53,105

(1) Value realized on exercise of stock appreciation rights is calculated based on the difference between the per share price of our stock at the time of exercise and the exercise price of such stock appreciation rights.

(2) Value realized on vesting of restricted stock units is calculated by multiplying the number of restricted stock units that vested by the per share price of our stock on the applicable vesting date.

#### Nonqualified Deferred Compensation for 2013

The following table provides information regarding contributions, earnings and balances for our named executive officers under our nonqualified deferred compensation plan.

NAMED EXECUTIVE OFFICER	EXECUTIVE CONTRIBUTIONS IN 2013 (\$)	AGGREGATE EARNINGS IN 2013 (\$)	WITHDRAWALS/DISTRIBUTIONS IN 2013 (\$)	AGGREGATE BALANCE AT DECEMBER 31, 2013 (\$)
Frederick J. Lynch	—	79,186	—	504,186
Mark J. Erceg	123,727 <sup>(1)</sup>	22,191	—	243,915
Lawrence P. Repar	—	—	—	—
Glenwood E. Coulter, Jr.	—	—	—	—
Robert E. Lewis	—	—	—	—

(1) Mr. Erceg deferred \$54,000 of his 2012 base salary and \$70,200 of his 2013 AIP Bonus.

#### Deferred Compensation Plan

The Masonite International Corporation Deferred Compensation Plan (Deferred Compensation Plan) is an unfunded non-qualified deferred compensation plan that permits certain key employees to defer a portion of their compensation to a future time. Eligible employees may elect to defer a portion of their base salary, bonus and/or restricted stock units and eligible directors may defer a portion of their director fees or restricted stock units under the Deferred Compensation Plan. All contributions to the plan on behalf of the participant are fully vested (other than restricted stock unit deferrals which remain subject to the vesting terms of the applicable equity incentive plan) and are placed into a grantor trust, commonly referred to as a "rabbi trust." Although we are permitted to make matching contributions under the terms of the Deferred Compensation Plan, we have not elected to do so. The Deferred Compensation Plan invests the contributions in diversified securities from a selection of investments chosen by the participants who may periodically reallocate the assets in their respective accounts. Participants are entitled to receive the benefits in their accounts upon separation of service or upon a specified date, with benefits payable as a single lump sum or in annual installments. In the event of a change in control, each participant's account will be distributed in the form of a single lump-sum payment on the second anniversary of the change in control, unless such participant elects, during the 12 month period beginning on the change in control, to receive a single lump-sum payment or installments commencing on either (i) any specified date that is at least 5 years after the second anniversary of the change in control or (ii) the seventh anniversary of the change in control.



#### Potential Payments on Termination or Change in Control

##### NEO Employment Agreements

The employment agreements entered into with each of our NEOs entitle them to receive the payments and benefits described below upon each termination and change in control event described below.

##### Frederick J. Lynch

Termination without cause or with good reason, other than in connection with a change in control

If Mr. Lynch's employment is terminated by us other than for cause (as defined below) or disability (as defined below), or if he resigns for good reason (as defined below), and such termination is not in connection with a change in control, he will be entitled to receive:

• a lump sum payment of an amount equal to a pro-rata portion of the annual bonus, based on actual performance, that he would have been paid if he had remained employed by us; and

• continued payment of his base salary for 24 months; and

• continued participation in our medical, dental and hospitalization coverage for 12 months on the same terms and conditions as immediately prior to his date of termination (i.e., at active employee rates).

Termination without cause or for good reason in connection with a change in control

In the event Mr. Lynch's employment is terminated by us other than for cause or disability, or by Mr. Lynch for good reason, either during the two-year period following a change in control or if his employment is terminated at the request of a third party or otherwise arises in anticipation of a change in control, he will be entitled to receive:

• a lump sum payment of an amount equal to a pro-rata portion of the annual bonus, based on actual performance, that he would have been paid if he had remained employed by us; and

• a lump sum payment equal to two times the sum of his base salary and the average amount of his annual bonuses earned during the two calendar years immediately preceding the date of termination; and

• continued participation in our medical, dental and hospitalization coverage for 24 months on the same terms and conditions as immediately prior to his date of termination (i.e., at active employee rates).

Pursuant to the amendment to Mr. Lynch's employment agreement, dated October 28, 2013, if any payments or benefits provided to Mr. Lynch in connection with a change in control occurring after January 1, 2014 are subject to excise taxes as a result of the application of Sections 280G and 4999 of the Internal Revenue Code, such payments and benefits will be reduced so that no excise tax is payable, but only if this reduction results in a more favorable after-tax position for Mr. Lynch. Prior to the amendment, Mr. Lynch would have been entitled to a tax gross-up payment if any payments or benefits provided to Mr. Lynch in connection with a change in control exceeded 310% of the average of his taxable income over the five calendar years preceding the year in which the change in control occurred (the "Base Amount") and such change in control occurred prior to the later of January 1, 2014 or the completion of an initial public offering.



Termination upon expiration of the term

If Mr. Lynch's employment terminates as a result of the expiration of the term, Mr. Lynch will be entitled to receive:  
• continued payment of his base salary for 24 months; and

• continued participation in our medical, dental and hospitalization coverage for 12 months on the same terms and conditions as immediately prior to his date of termination (i.e., at active employee rates).

All Other NEOs

Termination without cause or with good reason, other than in connection with a change in control

If the employment of Messrs. Erceg, Repar, Coulter or Lewis is terminated by us other than for cause or disability (as defined below), or if any such NEO resigns for good reason (as defined below), and such termination is not in connection with a change in control, he will be entitled to receive:

• a lump sum payment of an amount equal to a pro-rata portion of the annual bonus, based on actual performance, that he or she would have been paid if he or she had remained employed by us; and

• continued payment of base salary for 24 months; and

• continued participation in our medical, dental and hospitalization coverage for 12 months on the same terms and conditions as immediately prior to such NEO's date of termination (i.e., at active employee rates).

Termination without cause or for good reason in connection with a change in control

In the event the employment of Messrs. Erceg, Repar, Coulter or Lewis is terminated by us other than for cause or disability, or by such NEO for good reason, either during the two year period following a change in control (as defined above) or if such NEO's employment is terminated at the request of a third party or otherwise arises in anticipation of a change in control, he or she will be entitled to receive:

• a lump sum payment of an amount equal to a pro-rata portion of the annual bonus, based on actual performance, that he or she would have been paid if he or she had remained employed by us; and

• a lump sum payment equal to two times the sum of base salary and the average amount of such NEO's annual bonuses earned during the two calendar years immediately preceding the date of termination; and

• continued participation in our medical, dental and hospitalization coverage for 24 months on the same terms and conditions as immediately prior to such NEO's date of termination (i.e., at active employee rates).

If any payments or benefits provided to Messrs. Erceg, Repar, Coulter or Lewis in connection with a change in control are subject to excise taxes as a result of the application of Sections 280G and 4999 of the Internal Revenue Code, such payments and benefits will be reduced so that no excise tax is payable, but only if this reduction results in a more favorable after-tax position for such executive.

Termination upon expiration of the term

If Messrs. Erceg, Repar, Coulter Lewis's employment terminates as a result of the expiration of the term, each such NEO will be entitled to receive:

• continued payment of base salary for 24 months; and

- continued participation in our medical, dental and hospitalization coverage for 12 months on the same terms and conditions as immediately prior to his or her date of termination (i.e., at active employee rates).

Release

All severance payments to our NEOs are subject to the execution and non-revocation of an effective release in our favor.

Definitions

For purposes of all of the employment agreements:

"cause" is generally defined as:

• conviction of, or plea of no contest to a felony (other than in connection with a traffic violation);

• the NEO's continued failure to substantially perform his or her material duties under the employment agreement;

• an act of fraud or gross or willful material misconduct; or

• a material breach by the NEO of the restrictive covenants of the employment agreement.

"change in control" means:

• an acquisition of more than 50% of our voting securities (other than acquisitions from or by us);

• an acquisition of more than 30% of our voting securities in one or a series of related transactions during any 12-month period (other than acquisition from or by us);

• certain changes in a majority of the board of directors;

• a merger or consolidation of the Company other than a merger or consolidation in which the Company is the surviving entity (other than a recapitalization in which no person or entity acquires more than 50% of our voting securities) ; or

• a sale or disposition of at least 40% of the total gross fair market value of our assets, other than a sale or disposition of all or substantially all of our assets to a person or entity that owns more than 50% of our voting securities.

- "disability" is generally defined as the NEO being unable to perform his material duties under the employment agreement due to illness, physical or mental disability or other similar incapacity that continues for 180 consecutive days or 240 days in any 24-month period.

"good reason" is generally defined as:

- any material diminution or material adverse change to the applicable NEO's title, duties or authorities;
- a reduction in the NEO's base salary or target bonus, except for a base salary reduction of up to 10% as part of across-the-board reductions in base salary for all senior executives;
- a material adverse change in the applicable NEO's reporting responsibilities or the assignment of duties substantially inconsistent with his or her position or status with the Company;
- a relocation of the NEO's primary place of employment to a location more than 25 miles further from his or her primary residence than the current location of the Company's offices;
- any material breach by the Company of the material provisions of the employment agreement or any other agreement with the Company or its affiliates;
- the failure of any successor of the Company to assume in writing the obligations under the employment agreement; or
- any material diminution in the aggregate value of employee benefits provided to the NEO on the effective date of the employment agreement; however, if such reduction occurs at any time other than within the 2 year period following a change in control, such NEO will not have good reason for across-the-board reductions in benefits applicable to all senior executives.

#### NEO Equity Award Agreements

The equity award agreements governing the outstanding restricted stock units and stock appreciation rights held by the NEOs provide for certain accelerated vesting of the underlying award, as summarized below:

##### Change in Control

For purposes of the 2009 Plan and the 2012 Plan and the applicable equity award agreements, a "change in control" generally has the same meaning as set forth in the employment agreements with the NEOs as described above.

##### Awards Granted Prior to July 2, 2013

All unvested restricted stock units and stock appreciation rights granted under the 2009 Plan and granted prior to July 2, 2013 under the 2012 Plan will become fully vested on the six month anniversary of a change in control if the participant is continuously employed by the Company through such date; provided, that if the participant's employment is terminated without "cause" (as defined above for the NEOs) during such six-month period, any such unvested awards will become fully vested on the termination date. With respect to any performance-based restricted stock units, if such change in control occurs on or before the end of the applicable performance period, the number of units subject to such accelerated vesting will be counted at target, and if such change in control occurs after the end of the applicable performance period, the number of units subject to such accelerated vesting will be determined based on the Company's actual performance against the applicable performance goal.

#### Awards Granted On or After July 2, 2013

With respect to all unvested restricted stock units and stock appreciation rights granted on or after July 2, 2013, if within 30 days prior or 24 months following the completion of a change in control or at any time prior to a change in control at the request of a prospective purchaser whose proposed purchase would constitute a change in control upon its completion, the participant's employment is terminated either without "cause" or by the participant for "good reason" (each as defined above for the NEOs), any such awards will become fully vested on the date of such termination of employment.

#### Death or Disability

If a participant's employment is terminated due to death or disability, all awards will become fully vested (except for certain stock appreciation rights granted on July 5, 2011 which are not subject to accelerated vesting upon death or disability). With respect to any performance-based restricted stock units, the number of units subject to such accelerated vesting will be counted at target.

For purposes of the 2009 Plan and the 2012 Plan and the applicable equity award agreements, a "disability" generally means the inability of a participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

The following table sets forth, for each of our NEOs the amount of the severance payments and benefits and the accelerated vesting of the restricted stock units and stock appreciation rights that the NEO would have been entitled to under the various termination and change in control events described above, assuming they had terminated employment on December 31, 2013.

## Summary of Potential Payments upon Termination and/or Change of Control

The following sets forth, for each of our NEOs the amount of the severance payments and benefits and the accelerated vesting of the restricted stock units and stock appreciation rights that the NEO would have been entitled to under the various termination and change in control events described above, assuming they had terminated employment on December 29, 2013.

		Cash Severance	Pro-Rata Bonus <sup>(1)</sup>	Health and Welfare Benefits <sup>(2)</sup>	Accelerated Vesting of RSUs <sup>(3)</sup>	Accelerated Vesting of SARs <sup>(4)</sup>	Tax Gross-Up Payment <sup>(5)</sup>	Total
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Frederick J. Lynch	Without Cause/For Good Reason Without a CIC	1,700,000 <sup>(6)</sup>	878,050	16,333	—	—	—	2,594,383
	Without Cause/For Good Reason in connection With a CIC	3,428,050 <sup>(7)</sup>	—	32,666	8,506,700	2,769,509	3,567,541	18,304,466
	Termination upon Expiration of the Employment Agreement	1,700,000 <sup>(6)</sup>	—	16,333	—	—	—	1,716,333
	Death or Disability	—	—	—	8,506,700	2,769,509	—	11,276,209
Mark J. Erceg	Without Cause/For Good Reason Without a CIC	900,000 <sup>(6)</sup>	278,910	15,116	—	—	—	1,194,026
	Without Cause/For Good Reason in connection With a CIC	1,494,000 <sup>(7)</sup>	—	30,232	2,756,843	757,477	—	5,038,552
	Termination upon Expiration of the Employment Agreement	900,000 <sup>(6)</sup>	—	15,116	—	—	—	915,116
	Death or Disability	—	—	—	2,756,843	757,477	—	3,514,320
Lawrence P. Repar	Without Cause/For Good Reason Without a CIC	1,260,000 <sup>(6)</sup>	390,474	15,116	—	—	—	1,665,590
	Without Cause/For Good Reason in connection With a CIC	2,088,099 <sup>(7)</sup>	—	30,232	3,263,905	695,215	—	6,077,451
	Termination upon Expiration of the Employment Agreement	1,260,000 <sup>(6)</sup>	—	15,116	—	—	—	1,275,116
	Death or Disability	—	—	—	3,263,905	695,215	—	3,959,120

Glenwood E. Coulter, Jr.	Without Cause/For Good Reason Without a CIC	800,000	(6)	206,600	11,200	—	—	—	1,017,800
	Without Cause/For Good Reason in connection With a CIC	1,240,000	(7)	—	22,400	1,966,804	465,655	—	3,694,858
	Termination upon Expiration of the Employment Agreement	800,000	(6)	—	11,200	—	—	—	811,200
	Death or Disability	—	—	—	—	1,966,804	465,655	—	2,432,458
Robert E. Lewis	Without Cause/For Good Reason Without a CIC	750,000	(6)	193,688	15,116	—	—	—	958,803
	Without Cause/For Good Reason in connection With a CIC	1,107,797	(7)	—	30,232	995,519	1,016,409	—	3,149,956
	Termination upon Expiration of the Employment Agreement	750,000	(6)	—	15,116	—	—	—	765,116
	Death or Disability	—	—	—	—	995,519	1,016,409	—	2,011,928

(1) Represents the full annual cash performance bonus amount for 2013.

Represents the value of continued health and welfare benefits at active employee rates, based upon the NEO's

(2) benefit election as of December 29, 2013, for a period of 12 months upon a termination without cause or for good reason without a change in control or due to

expiration of the employment agreement, or 24 months upon a termination without cause or for good reason with a change in control, as applicable.

Amounts shown are calculated by aggregating the sums determined by multiplying, for each award, (x) the number of restricted stock units that receive accelerated vesting as a result of the applicable termination of employment, by (3)(y) the closing stock price on December 29, 2013 of \$59.25. The value of accelerated performance-vesting restricted stock units is calculated assuming that the applicable performance measures are achieved at the target levels.

Amounts shown are calculated by aggregating the sums determined by multiplying, for each award, (x) the number of shares subject to stock appreciation rights that receive accelerated vesting as a result of the applicable (4) termination of employment, by (y) the difference between the closing price per share of our common stock on December 29, 2013 of \$59.25, and the applicable exercise price of the stock appreciation right.

Amount shown represents the additional amount estimated to be payable to make Mr. Lynch whole for the federal excise tax on certain excess parachute payments (including payment of the taxes on the additional amount itself). This excise tax is payable if the value of certain payments that are contingent upon a change in control, referred to as parachute payments, exceeds a safe harbor amount. Pursuant his employment agreement, Mr. Lynch was entitled to a tax gross-up payment if any payments or benefits provided to him in connection with a change in (5) control exceeded 310% of the average of his taxable income over the five calendar years preceding the year in which the change in control occurred and such change in control occurred prior to the later of January 1, 2014 or the completion of an initial public offering. The valuation of parachute payments for purposes of the excise tax is not, in all cases, the same as the cash value shown in the above table. The computation of the excise tax is complex, is subject to various questions of interpretation, and depends upon a number of variables that cannot be known at this time. Effective as of January 1, 2014, Mr. Lynch's employment agreement was amended to eliminate this excise tax gross-up provision.

(6) Represents a cash severance amount equal to 24 months of base salary.

Represents a cash severance amount equal two times (2x) the sum of base salary and the average amount of the (7) NEO's annual cash performance bonuses earned during the two calendar years immediately preceding the date of termination.

#### Equity Incentive Plans

##### Masonite International Corporation 2012 Equity Incentive Plan

We adopted the 2012 Plan effective as of July 12, 2012 and amended it on June 21, 2013 to increase the aggregate number of Common Shares available for issuance thereunder. The 2012 Plan authorizes the grant of stock-based awards to our employees, consultants or non-employee directors, and is administered by the Human Resources and Compensation Committee. A total of 2,000,000 Common Shares plus any unissued shares that remained under the 2009 Plan as of the effective date of the 2012 Plan were reserved for issuance under the 2012 Plan, subject to any recapitalization adjustments. Additionally, if any award under the 2012 Plan expires, terminates, is forfeited or is cancelled, the associated shares will be available again for grant. Any awards settled in cash will not be counted against the foregoing maximum share limitations. With respect to stock appreciation rights settled in Common Shares, upon settlement, only the number of Common Shares delivered to a participant will count against the aggregate and individual share limitations set forth above. No person is eligible to be granted performance-based awards in the aggregate covering more than 750,000 shares during any fiscal year or cash awards in excess of \$10,000,000 for any fiscal year. As of December 29, 2013, a total of 1,721,327 shares remained available for future grants under this plan.

##### Masonite Worldwide Holdings Inc. 2009 Equity Incentive Plan

The 2009 Plan became effective on June 9, 2009 and authorized the grant of stock-based awards to our employees, independent contractors and directors. No awards have been granted under the 2009 Plan since May 30, 2012 (and no future awards will be granted under the 2009 Plan); however, all outstanding awards under the 2009 Plan will continue to be governed by their existing terms. All unissued shares from the 2009 Plan were allocated to the 2012 Plan for potential future issuance thereunder. A total of 3,889,815 Common Shares were reserved for issuance under the 2009 Plan, subject to any recapitalization adjustments. To the extent shares subject to an award are not issued or delivered due to (i) the expiration, cancellation, forfeiture or other termination of such award, (ii) the withholding of

such shares in satisfaction of applicable tax withholding, or (iii) the settlement of all or a portion of such award in cash, such shares will not be counted against the foregoing maximum share limitation. As of December 29, 2013, a total of 1,723,420 shares were subject to outstanding awards granted under the 2009 Plan.

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Use of Other Consulting Resources by Company

The Company from time to time will utilize certain third party consulting resources for various business purposes. For example, the Company retains Mercer Consulting for Health & Welfare consulting and pension actuarial work.

ADVISORY VOTE ON EXECUTIVE COMPENSATION (PROPOSAL 3)

In accordance with the requirements of Section 14A of the Exchange Act and the related rules of the SEC, our Shareholders are being asked to approve, in an advisory, non-binding vote, the compensation of our NEOs as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion.

In considering their vote, we urge Shareholders to review the information on our compensation policies and decisions regarding the NEOs presented in the Compensation Discussion and Analysis on pages 21 to 32, as well as the discussion regarding the Human Resources and Compensation Committee on pages 10 to 11.

This advisory resolution, commonly referred to as a "say-on-pay" resolution, is non-binding. Although this resolution is non-binding, the Board and the Human Resources and Compensation Committee value the opinions of our Shareholders and will review and consider the voting results when making future compensation decisions for our NEOs.

We believe that our compensation components provide a reasonable balance of base compensation, cash incentive compensation and long-term equity-based incentive compensation that is closely aligned with the Company's overall performance. The Company aims to provide executive officers with a reasonable level of security through base salary and benefits, while rewarding them through cash and equity-based incentive compensation to achieve business objectives and create shareholder value. We believe that each of our compensation components is integral to attracting, retaining and rewarding qualified NEOs.

The text of the resolution in respect of Proposal no. 3 is as follows:

RESOLVED, that, the compensation paid to the Company's Named Executive Officers as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

**ADVISORY VOTE ON FREQUENCY OF SHAREHOLDER VOTE ON EXECUTIVE COMPENSATION  
(PROPOSAL 4)**

In accordance with the requirements of Section 14A of the Exchange Act and the related rules of the SEC, our Shareholders are also entitled to vote, on an advisory basis, on whether the "say on pay" vote, as required by Section 14A of the Exchange Act (and as described above in Proposal 3), should occur every one, two, or three years. The vote on the frequency of the "say on pay" vote, just as with the "say on pay" vote itself, is advisory only, and it also is not binding on the Company or on our Board of Directors. Although the vote is non-binding, the Human Resources and Compensation Committee and the Board will carefully consider the outcome of the vote when determining the frequency of future shareholder advisory votes on executive compensation.

After careful consideration, the Board has determined that a "say on pay" vote that occurs every year is the most appropriate alternative for our Company at this time. Therefore, the Board recommends that you vote for a one-year frequency for the "say on pay" vote - that is, that the "say on pay" vote be held "EVERY YEAR."

In formulating its recommendation, the Board considered that an annual "say on pay" vote will allow our Shareholders to provide us with their direct input on the compensation paid to the Company's named executive officers as disclosed in the Proxy Statement each year. We understand that our Shareholders may have different views as to what is the best approach for our Company, just as we recognize that the Board may in the future determine to recommend a different frequency cycle, and we look forward to hearing from our Shareholders as to their preferences on the frequency of future advisory votes on executive compensation.

Although the Board recommends a "say-on-pay" vote be held every year, you are free to vote one of four choices for this Proposal 4 on the proxy card: one year, two years, three years, or "abstain."

The text of the resolution in respect of Proposal no. 4 is as follows:

RESOLVED, that the option of once every one year, two years or three years that receives the highest number of votes cast for this resolution will be determined to be the preferred frequency with which the Company is to hold an advisory shareholder vote to approve the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE OPTION OF "EVERY YEAR" AS THE FREQUENCY WITH WHICH SHAREHOLDERS ARE PROVIDED AN ADVISORY VOTE ON THE COMPENSATION PAID TO THE NAMED EXECUTIVE OFFICERS AS DISCLOSED IN OUR PROXY STATEMENT.**

#### AUDIT COMMITTEE REPORT

The Audit Committee operates pursuant to a charter which is reviewed annually by the Audit Committee. Additionally, a brief description of the primary responsibilities of the Audit Committee is included in "Corporate Governance; Board and Committee Matters - Board Committees; Membership - Audit Committee" on page 10 of this Proxy Statement. Under the Audit Committee charter, management is responsible for the preparation, presentation and integrity of the Company's financial statements, the application of accounting and financial reporting principles and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The independent registered public accounting firm is responsible for auditing the Company's financial statements and expressing an opinion as to their conformity with U.S. generally accepted accounting principles. In addition, the independent registered public accounting firm is responsible for auditing and expressing an opinion on the Company's internal controls over financial reporting.

In the performance of its oversight function, the Audit Committee reviewed and discussed the audited financial statements of the Company with management and with Deloitte & Touche LLP ("Deloitte"), the Company's independent registered public accounting firm. The Audit Committee also discussed with Deloitte the matters required to be discussed by Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 16 "Communications with Audit Committees." In addition, the Audit Committee received the written disclosures and the letter from Deloitte required by applicable requirements of the PCAOB regarding Deloitte's communications with the Audit Committee concerning independence, and discussed with the independent registered public accounting firm their independence.

Based upon the review and discussions described in the preceding paragraph, the Audit Committee recommended to the Board that the audited financial statements of the Company be included in the Annual Report on Form 10-K for the year ended December 29, 2013 filed with the SEC.

Submitted by the Audit Committee of the Company's Board of Directors:

Jonathan F. Foster (Chair)

Rick J. Mills

John C. Wills

APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
(PROPOSAL 5)

Our consolidated financial statements for the year ended December 31, 2013 have been audited by Deloitte & Touche LLP, independent auditors ("Deloitte"). On the recommendation of the Audit Committee, the Board of Directors recommends the appointment of Deloitte as the independent registered public accounting firm for the fiscal year ending December 28, 2014 and to authorize the Board to fix its remuneration for such term.

A representative of Deloitte is expected to be present at the Annual Meeting in order to respond to appropriate questions and to make any other statement deemed appropriate.

Service Fees Paid to the Independent Registered Public Accounting Firm

Deloitte & Touche LLP, based in the United States, began acting as our independent auditors with respect to the audit of our financial statements for the 2012 and 2013 fiscal years. Prior to that Deloitte LLP, based out of Canada, audited our financial statements, including for the 2011 fiscal year. The fees charged by Deloitte & Touche LLP and Deloitte LLP for professional services rendered in connection with all audit and non-audit related matters for the years ended December 29, 2013 and December 30, 2012 were as follows:

Type of Fees	Deloitte & Touche LLP		Deloitte LLP			
	2013 (\$)	2012 (\$)	2013 (\$)	2012 (\$)		
Audit Fees	2,000,000	2,000,000	—	—		
Audit-Related Fees	320,368	371,816	179,118	149,770		
Tax Fees	—	32,500	—	—		
All Other Fees	—	41,000	—	—	Appendix B	001-14817
(i)	PACCAR Inc Long Term Incentive Plan		DEF14A	March 10, 2011	Appendix A	001-14817
(j)	PACCAR Inc Long Term Incentive Plan, Nonstatutory Stock Option Agreement and Form of Option Grant Agreement		8-K	January 25, 2005	99.1	001-14817
(k)	Amendment One to PACCAR Inc Long Term Incentive Plan, Nonstatutory Stock Option Agreement and Form of Option Grant		10-Q	August 7, 2013	10(k)	001-14817

Agreement

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**Table of Contents****PACCAR Inc Form 10-Q**

<b>Exhibit Number</b>	<b>Exhibit Description</b>	<b>Form</b>	<b>Date of First Filing</b>	<b>Exhibit Number</b>	<b>File Number</b>
(l)	PACCAR Inc Long Term Incentive Plan, 2014 Form of Nonstatutory Stock Option Agreement	10-Q	August 7, 2013	10(l)	001-14817
(m)	PACCAR Inc Long Term Incentive Plan, Form of Restricted Stock Award Agreement	8-K	February 5, 2007	99.1	001-14817
(n)	PACCAR Inc Long Term Incentive Plan, 2010 Form of Restricted Stock Award Agreement	10-K	February 26, 2010	10(m)	001-14817
(o)	PACCAR Inc Long Term Incentive Plan, Alternate Form of Restricted Stock Award Agreement	10-K	March 1, 2011	10(n)	001-14817
(p)	PACCAR Inc Savings Investment Plan, Amendment and Restatement effective January 1, 2009	10-K	March 1, 2011	10(r)	001-14817
(q)	Memorandum of Understanding, dated as of May 11, 2007, by and among PACCAR Engine Company, the State of Mississippi and certain state and local supporting government entities	8-K	May 16, 2007	10.1	001-14817
(r)	Letter Waiver Dated as of July 22, 2008 amending the Memorandum of Understanding, dated as of May 11, 2007, by and among PACCAR Engine Company, the State of Mississippi and certain state and local supporting governmental entities	10-Q	October 27, 2008	10(o)	001-14817
(s)	Second Amendment to Memorandum of Understanding dated as of September 26, 2013, by and among PACCAR Engine Company, the Mississippi Development Authority and the Mississippi Major Economic Impact Authority	10-Q	November 7, 2013	10(u)	001-14817
(12)	Statements Re: Computation of Ratios:				
(a)	Computation of ratio of earnings to fixed charges of the Company pursuant to SEC reporting requirements for the nine months ended September 30, 2014 and 2013*				
(b)	Statement re: computation of ratio of earnings to fixed charges of the Company pursuant to SEC reporting requirements for each of the five years ended December 31, 2009 – 2013	10-K	February 27, 2014	12(a)	001-14817



**Table of Contents****PACCAR Inc Form 10-Q**

<b>Exhibit Number</b>	<b>Exhibit Description</b>	<b>Date of First</b>		<b>Exhibit</b>	<b>File</b>
		<b>Form</b>	<b>Filing</b>	<b>Number</b>	<b>Number</b>
(31)	Rule 13a-14(a)/15d-14(a) Certifications:				
	(a) Certification of Principal Executive Officer*				
	(b) Certification of Principal Financial Officer*				
(32)	Section 1350 Certifications:				
	Certification pursuant to rule 13a-14(b) and section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. section 1350)*				
(101.INS)	XBRL Instance Document*				
(101.SCH)	XBRL Taxonomy Extension Schema Document*				
(101.CAL)	XBRL Taxonomy Extension Calculation Linkbase Document*				
(101.DEF)	XBRL Taxonomy Extension Definition Linkbase Document*				
(101.LAB)	XBRL Taxonomy Extension Label Linkbase Document*				
(101.PRE)	XBRL Taxonomy Extension Presentation Linkbase Document*				

\* filed herewith