

MOTORCAR PARTS AMERICA INC  
Form DEF 14A  
November 20, 2017  
TABLE OF CONTENTS

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**SCHEDULE 14A INFORMATION**

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

**MOTORCAR PARTS OF AMERICA, INC.**  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

**MOTORCAR PARTS OF AMERICA, INC.  
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
To Be Held On December 18, 2017**

To Our Shareholders:

We will hold our annual meeting of the shareholders of Motorcar Parts of America, Inc. (the Company) on December 18, 2017 at 10:00 a.m. (PT) at the offices of the Company at 2929 California Street, Torrance, California 90503. As further described in the accompanying Proxy Statement, at this meeting we will consider and act upon:

- (1) The election of the ten directors named in the accompanying proxy statement to our Board of Directors to serve for a term of one year or until their successors are duly elected and qualified;
- (2) The ratification of the appointment of Ernst & Young LLP as our independent registered public accountants for the fiscal year ended March 31, 2018;
- (3) The approval of our Third Amended and Restated 2010 Incentive Award Plan;
- (4) The approval, on a non-binding advisory basis, of the compensation of our named executive officers (say on pay);
- (5) The approval, on a non-binding advisory basis, of the frequency of future advisory votes on the compensation of our named executive officers (say on frequency); and
- (6) The transaction of such other business as may come properly before the meeting or any meetings held upon adjournment or postponement of the meeting.

Our Board of Directors (the Board) has fixed the close of business on October 30, 2017 as the record date for the determination of shareholders entitled to vote at the meeting or any meetings held upon adjournment or postponement of the meeting. Only record holders of our common stock at the close of business on that day will be entitled to vote. A copy of our Annual Report on Form 10-K for the year ended March 31, 2017 and the Form 10-K/A we filed with the Securities and Exchange Commission on July 31, 2017 are enclosed with this notice, but are not part of the proxy soliciting material.

We invite you to attend the meeting and vote in person. If you cannot attend, to assure that you are represented at the meeting, please sign and return the enclosed proxy card as promptly as possible in the enclosed postage prepaid envelope. If you attend the meeting, you may vote in person, even if you previously returned a signed proxy.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be Held on December 18, 2017.**

Our proxy statement and our Annual Report on Form 10-K for the year ended March 31, 2017 and the Form 10-K/A we filed with the Securities and Exchange Commission on July 31, 2017 are available at <http://www.cstproxy.com/motorcarparts/2018>.

By order of the Board of Directors

Michael M. Umansky,  
Secretary

Torrance, California  
November 20, 2017

TABLE OF CONTENTS

**YOUR VOTE IS EXTREMELY IMPORTANT**

In order to assure your representation at the Annual Meeting, you are requested to vote, at your earliest convenience, by any of the methods described in the accompanying Proxy Statement. If you decide to attend the Annual Meeting and vote in person, any previous vote by proxy will be revoked automatically and only your vote at the Annual Meeting will be counted.

This year's Annual Meeting is a particularly important one, and YOUR vote is extremely important.

If you have questions or need assistance voting your shares please contact:

105 Madison Avenue  
New York, New York 10016  
proxy@mackenziepartners.com  
Call Collect: (212) 929-5500  
or  
*Toll-Free (800) 322-2885*

Your vote is extremely important, no matter how many or how few shares you own. The Board urges you to vote your shares to elect the Board's nominees. Even if you plan to attend the Annual Meeting in person, please promptly sign, date and return the enclosed white proxy card in the enclosed postage-paid envelope by following the instructions provided on the enclosed white proxy card to be sure that your shares are voted at the Annual Meeting.

TABLE OF CONTENTS

**TABLE OF CONTENTS**

Notice of Annual Meeting of Stockholders

<u>GENERAL INFORMATION</u>	1
<u>PROPOSAL NO. 1 – ELECTION OF DIRECTORS</u>	2
<u>Information Concerning our Board of Directors and our Nominees to our Board of Directors</u>	3
<u>Corporate Governance Overview</u>	6
<u>Governance Policies and Guidelines</u>	7
<u>Certain Relationships and Related Transactions</u>	8
<u>Director Independence, Board of Directors and Committees of the Board of Directors</u>	8
<u>Engagement with Stockholders</u>	9
<u>Information about Our Non-Director Executive Officers and Significant Employees</u>	9
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	11
<u>Compensation Discussion and Analysis</u>	11
<u>Executive Compensation Summary</u>	11
<u>Tax Considerations</u>	16
<u>Accounting Considerations</u>	17
<u>Compensation Committee Report</u>	17
<u>Compensation Risk Analysis</u>	17
<u>Summary Compensation Table</u>	18
<u>2017 Grants of Plan-Based Awards</u>	19
<u>Outstanding Equity-Based Awards at Fiscal Year End</u>	19
<u>Option Exercises and Stock Vested</u>	20
<u>Non-Qualified Deferred Compensation</u>	21
<u>Employment Agreements</u>	22
<u>Potential Payments Upon Termination of Change in Control Table</u>	24
<u>Director Equity Compensation Policy</u>	25
<u>2017 Director Compensation</u>	26
<u>Indemnification of Executive Officers and Directors</u>	26
<u>Compensation Committee Interlocks and Insider Participation</u>	27
<u>Security Ownership of Certain Beneficial Owners and Management</u>	28
<u>PROPOSAL NO. 2 – RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS</u>	30
<u>AUDIT COMMITTEE REPORT</u>	30
<u>PROPOSAL NO. 3 – APPROVAL OF OUR THIRD AMENDED AND RESTATED 2010 INCENTIVE AWARD PLAN</u>	31
<u>PROPOSAL NO. 4 – ADVISORY VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS VOTES ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	38

<u>PROPOSAL NO. 5 – ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS</u>	<u>38</u>
<u>MISCELLANEOUS</u>	<u>39</u>
<u>Shareholder Proposals</u>	<u>39</u>
<u>Shareholder Communication with our Board</u>	<u>39</u>
<u>Other Matters</u>	<u>39</u>
<u>Annual Report on Form 10-K</u>	<u>39</u>
<u>Proxies</u>	<u>39</u>
<u>Householding of Proxy Materials</u>	<u>39</u>

TABLE OF CONTENTS

**MOTORCAR PARTS OF AMERICA, INC.**

**2929 California Street  
Torrance, California 90503**

**GENERAL INFORMATION**

We are sending you this proxy statement on or about November 20, 2017 in connection with the solicitation of proxies by our Board of Directors. The proxies are for use at our annual meeting of shareholders, which we will hold at 10:00 a.m. (PT) on December 18, 2017, at the offices of the Company at 2929 California Street, Torrance, California 90503. The proxies will remain valid for use at any meetings held upon adjournment or postponement of that meeting. The record date for the meeting is the close of business on October 30, 2017. All holders of record of our common stock at the close of business on the record date are entitled to notice of the meeting and to vote at the meeting and any meetings held upon adjournment or postponement of that meeting. Our principal executive offices are located at 2929 California Street, Torrance, California 90503, and our telephone number is (310) 212-7910. The date of this Proxy Statement is November 20, 2017.

A proxy form is enclosed. Whether or not you plan to attend the meeting in person, please date, sign and return the enclosed proxy as promptly as possible, in the postage prepaid envelope provided, to ensure that your shares will be voted at the meeting. If you are a shareholder of record, you may revoke your proxies at any time prior to the voting at the meeting by submitting a later dated proxy, giving timely written notice of revocation to our secretary or attending the meeting and voting in person. If you are a holder in street name, you may revoke your proxy by following the specific voting directions provided to you by your bank, broker or other intermediary to change or revoke any instructions you have already provided to your bank, broker or other intermediary.

Unless you instruct otherwise in the proxy, any proxy, if not revoked, will be voted at the meeting:

- for our Board of Directors' slate of nominees;
- to ratify the appointment of Ernst & Young LLP as our independent registered public accountants for the fiscal year ending March 31, 2018;
- for approval of our Third Amended and Restated 2010 Incentive Award Plan;
- for the approval on a non-binding advisory basis of the compensation of our named executive officers;