



CORPORATE GOVERNANCE GUIDELINES

I. PURPOSE

The Board of Directors (the "Board") of Dura Automotive Systems, Inc. ("Dura") has adopted these Corporate Governance Guidelines (the "Guidelines"), which form the framework for governance of Dura.

II. ROLE OF THE BOARD

The primary responsibility of the Board is to use reasonable business judgment in overseeing and monitoring Dura management for the benefit of Dura's shareholders. The Board of Directors, which is elected annually by Dura's shareholders, oversees and provides policy guidance on the business and affairs of Dura. The Board selects the Chief Executive Officer of Dura, elects all other officers, and oversees management. The Board also oversees Dura's strategic and business planning process, including a review of Dura's updated strategic plan, its annual operating plan and key financial and operations objectives.

III. DIRECTOR INDEPENDENCE

A majority of the Board shall consist of independent Directors as defined by Nasdaq listing standards.

IV. BOARD MEMBERSHIP CRITERIA

Members of the Board should have the highest professional and personal ethics and values, consistent with longstanding Dura values. Directors should have broad experience at the policy-making level in business, government, education, technology or public interest; should be committed to enhancing shareholder value; and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience.

V. SELECTION OF NEW DIRECTORS

Directors are elected annually by the shareholders at Dura's Annual Meeting of Shareholders. The Board of Directors proposes candidates for consideration each year. Between Annual Meetings of Shareholders, the Board, in accordance with Dura's Bylaws, may elect Directors to serve until the next Annual Meeting. Formal offers to join the Board or to be included in the slate of nominees shall be extended jointly by the chairperson of the Nominating and Governance Committee, Dura's Chairman and Dura's CEO.

Shareholders may recommend director nominees for consideration by the Nominating and Governance Committee in writing to Dura's Assistant Corporate Secretary, Keith R. Marchiando, specifying the nominee's name and the qualifications for Board membership. Following verification

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of the shareholder status of the person submitting the recommendation, all properly submitted recommendations shall be brought to the attention of the Nominating and Corporate Governance Committee at a regularly scheduled Committee meeting (generally the first or second meeting prior to the issuance of the proxy statement for Dura's annual meeting of shareholders). Shareholders also may nominate directors directly for election at Dura's annual meeting of shareholders by following the provisions set forth in Dura's Bylaws.

VI. BOARD SIZE

The Bylaws provide that the number of Directors is determined by the Board. The Board's size is assessed at least annually by the Nominating and Corporate Governance Committee. If any nominee is unable to serve as a Director, the Board by resolution may reduce the number of Directors or choose a substitute.

VII. TERM OF OFFICE

Directors serve for a one-year term and until their successors are elected, subject to the provisions set forth in Section VIII below.

VIII. DIRECTOR RETIREMENT POLICY; TERM LIMITS

No Director may stand for re-election subsequent to the earlier to occur of the following: (1) a Director has reached the age of 72 as of the date of the applicable Annual Meeting of Shareholders at which the election of Directors shall occur; or (2) a Director has completed ten years of service as a Director as of the date of the applicable Annual Meeting of Shareholders at which the election of Directors shall occur. For purposes of the preceding sentence, the earliest date to be utilized for measuring "years of service as a Director" shall be August 1996.

Employee Directors are expected to submit their resignation from the Board at the time they retire or resign from Dura.

Service on other boards of public companies by members of the Board of Directors should be limited to a number that permits them, given individual circumstances, to perform responsibly all director's duties; and, except under special circumstances, the CEO of Dura may serve on not more than one other public company board.

The Directors are required to notify the Nominating and Corporate Governance Committee of any intention to serve on another public company board, and that committee will review the circumstances involved for possible conflicts of interest.

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Each Director is required to promptly notify the chair of the Nominating and Corporate Governance Committee of any conflicts.

IX. EXECUTIVE SELECTION AND SUCCESSION PLANNING

One of the Board's most important functions involves the selection of a Chairman of the Board (the "Chairman") and the CEO. The Board annually shall review with the CEO Dura's senior executive succession plan.

In the event of the death, resignation or incapacity of the Chairman and/or the CEO, the Board shall immediately call a meeting to address the selection of a temporary or permanent replacement for either or both positions. The Board may delegate the responsibilities with respect to the foregoing process to the Nominating and Corporate Governance Committee or another committee established by the Board for such purpose.

X. BOARD COMMITTEES

The Board has the authority to establish committees for any lawful purpose it deems appropriate. The Board currently has the following standing committees: Executive, Audit, Compensation, and Nominating and Corporate Governance.

The Executive Committee shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of Dura, as permitted by Dura's by-laws and the General Corporation Law of the State of Delaware.

The Audit Committee is responsible for assisting the Board in monitoring the integrity of the financial statements; monitoring compliance with legal and regulatory financial accounting requirements, monitoring the independent auditor's qualifications, performance and independence; and monitoring the performance of Dura's internal audit function and internal auditors. The Audit Committee shall also have any other responsibilities required to be performed by the Audit Committee pursuant to applicable law and Nasdaq listing standards. The Audit Committee is charged with the responsibility of preparing the report required by the Securities and Exchange Commission to be included in Dura's annual proxy statement.

The Compensation Committee is responsible for discharging the Board's responsibilities relating to compensation of Dura's directors and executive officers. The Compensation Committee has overall responsibility for approving and evaluating Dura's director and executive officer compensation plans and programs. The Compensation Committee is charged with the responsibility of preparing the report required by the Securities and Exchange Commission to be included in Dura's annual proxy statement.

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The Nominating and Corporate Governance Committee is responsible for identifying individuals qualified to become members of the Board; recommending to the Board director nominees for election at the next annual meeting of the shareholders of Dura, in the event of a vacancy on or increase in the size of the Board, recommending to the Board a director nominee to fill such vacancy or newly established Board seat; and recommending to the Board director nominees for each committee of the Board. The Nominating and Corporate Governance Committee is also responsible for reviewing and recommending to the Board any proposed changes to these Guidelines and to Dura's Conflict of Interest and Code of Conduct Policy and its Code of Ethics for Senior Financial Officers, and reviewing potential conflicts of interest involving executive officers of Dura.

The Board shall approve committee assignments, including committee chairs. In so doing, the Board shall consider the qualifications of individual directors and the recommendations of the Nominating and Corporate Governance Committee. The Board, in its discretion, may periodically rotate committee membership. Such rotation is not required, however, since there may be reasons to maintain an individual director's committee membership for a longer period.

The committee chairs shall determine the frequency of meetings of their respective committees consistent with any requirements contained in each such committee's charter, and in consultation with management, shall set meeting times and develop committee agendas.

Committees of the Board shall have access to outside legal counsel, accountants, compensation consultants, investment bankers, or other independent consultants or advisors (at Dura's expense), whose expertise is deemed essential to carrying out the committees' respective functions.

XI. BOARD MEETINGS

The Board shall hold meetings as necessary or appropriate to discharge its duties. There shall be a minimum of four Board meetings per year.

The Chairman shall establish the agenda for the Board's meetings. Any member of the Board may, however, recommend the inclusion of specific agenda items.

Materials important to the Board's understanding of agenda items shall be distributed to the members of the Board, in a timely manner, before the Board meets. Each member of the Board shall review distributed materials prior to each meeting of the Board. Members of the Board are also encouraged to keep themselves informed of Dura's affairs between Board meetings through direct contact with members of senior management of Dura.

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Directors are expected to attend all meetings of the Board and applicable Committee meetings, absent extraordinary circumstances, either in person or telephonically.

Members of senior management or other persons who are not members of the Board may attend and participate in the Board's meetings at the invitation of the Chairman.

XII. BOARD ACCESS TO SENIOR MANAGEMENT AND INDEPENDENT ADVISORS

Members of the Board shall have complete access to senior management of Dura and, as appropriate, independent advisors. The Board's contact with such individuals shall be handled in a manner that would not be disruptive to Dura's business operations.

The Board encourages the CEO to invite members of senior management or other key personnel of Dura to attend Board and committee meetings; (a) to provide additional insight on items being discussed because of their personal involvement in such areas; and/or (b) to provide Board exposure to individuals with outstanding management potential.

XIII. COMPENSATION FOR DIRECTORS AND STOCK OWNERSHIP

Any compensation of members of the Board shall be established in accordance with applicable legal and regulatory requirements, as well as the Nasdaq listing standards. Compensation of independent Directors on the Board shall be comparable to that offered by other companies of similar size and scope. Except as permitted under the Nasdaq listing standards, independent Directors shall receive no additional remuneration from Dura beyond that provided to such individuals for their service as Directors on the Board and as members of any committee of the Board. Directors who are officers of Dura shall receive no remuneration from Dura for serving as a Director on the Board.

Directors are required to own, at a minimum, at least 15,000 shares of Dura stock within three (3) years of joining the Board.

Directors are expected to comply with Dura's stock ownership reporting and trading guidelines.

XIV. STOCK OWNERSHIP FOR DURA SENIOR MANAGEMENT

Dura utilizes equity-based plans for a portion of compensation to link senior management and shareholder interests. Formal stock ownership guidelines for senior management have been adopted by the Board.

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The stock ownership guidelines will be set at three percent of the outstanding shares (e.g. 600,000 shares).

Stock ownership targets are based on position and level within Dura.

CEO	150,000
Executive Officers	50,000
Directors and Above	10,000

Employees who have not met the minimum stock ownership guidelines must allocate a minimum of ten percent of the annual bonus to purchase stock either on the open market, through the Employee Stock Discount Purchase Plan or through the Leadership Stock Purchase Plan.

All officers are expected to purchase stock equal to five percent of the annual bonus regardless of stock ownership levels.

All employees subject to the stock ownership guidelines must report to the Vice President of Human Resources by January 15th all shares purchased during the preceding calendar year and total shares owned.

XV. EVALUATION OF THE CEO

The CEO shall be expected to report annually to the Compensation Committee on the CEO's goals and objectives for the ensuing year, and also to report annually on the level of achievement of the preceding year's goals and objectives.

The full Board shall participate in the evaluation of the CEO. Both objective and subjective criteria shall be used, including but not limited to: (a) Dura's financial performance; (b) accomplishment of Dura's long-term strategic objectives; (c) succession planning; (d) the development of senior management of Dura; and (e) other criteria as determined by the Board from time to time.

XVI. BOARD EVALUATION

The Board shall engage in a self-evaluation annually. This evaluation shall be of the Board as a collective body and not of directors on an individual basis. The evaluation process shall be administered by the Nominating and Corporate Governance Committee and evaluation results shared with the full Board for their discussion and deliberation following the end of each fiscal year.

XVII. EXECUTIVE SESSIONS

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In order to enable independent Directors of Dura to be a more effective check on management of Dura, the independent Directors of Dura shall meet at least twice each year in executive sessions of the Board without management present ("Independent Director Sessions"). Such Independent Director Sessions shall be conducted in accordance with any Nasdaq listing standards then in effect.

XVIII. REVIEW AND CHANGES TO THE GUIDELINES

The Nominating and Corporate Governance Committee shall be responsible for reviewing these Guidelines not less than annually and recommending any proposed changes to the Board for approval.

XIX. DISCLOSURE OF THESE GUIDELINES, CODE OF BUSINESS CONDUCT AND ETHICS AND COMMITTEE CHARTERS

These Guidelines, the Conflict of Interest and Code of Conduct Policy, the Code of Ethics for Senior Financial Officers and the charters of the Audit, Compensation, and Nominating and Corporate Governance Committees will be available on Dura's website or otherwise be made publicly available. Each annual proxy statement of Dura shall indicate that the foregoing information is available on Dura's website or that the information is available in print to any shareholder who requests such information.