

TECUMSEH PRODUCTS COMPANY
Governance and Nominating Committee

CHARTER

Adopted by the Board of Directors: June 29, 2010

Purpose

The purpose of the Governance and Nominating Committee of the Board of Directors of Tecumseh Products Company (the “Corporation”) is to assist the Board of Directors through Committee oversight of the Corporation’s governance and nominations processes.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Corporation and the power to retain outside counsel, director search and recruitment consultants or other advisors to assist it in carrying out its activities. The Corporation shall provide adequate resources to support the Committee’s activities, including compensation of the Committee’s counsel, consultants and other advisors. The Committee shall have the sole authority to retain, compensate, direct, oversee and terminate counsel, director search and recruitment consultants, and other advisors hired to assist the Committee, who shall be accountable ultimately to the Committee.

Authority and Responsibility

The Committee is authorized to carry out the activities described below and other actions reasonably related to the Committee’s purposes or assigned by the Board from time to time.

The Committee has the authority and responsibility to:

Governance

1. Periodically review the Corporation’s Corporate Governance Guidelines and recommend modifications to the Board.
2. Annually review the relationships between directors, the Corporation and members of management and recommend to the Board whether each director qualifies as “independent” under the applicable rules of the Nasdaq Stock Market or such other exchange as the Corporation may be listed on from time to time.
3. Provide recommendations concerning other committees of the Board and recommending committee members and chairs of all committees.
4. With the Board and the CEO, discuss and develop plans relating to CEO succession, including plans for interim succession for the CEO in the event of an unexpected occurrence, and make recommendations to the Board regarding the selection of possible successors to fill this position.

5. Review and assess the adequacy of this charter on a periodic basis, and recommend any proposed changes to the Board of Directors for approval.

Nominating

6. Annually review with the Board of Directors the appropriate skills and characteristics required of directors in the context of the then current composition and needs of the Board as well as the circumstances of the Corporation.
7. Identify and evaluate nominees for director, and make recommendations to the Board of Directors concerning candidates for nomination and election or reelection to the Board of Directors. In making such recommendations, the Committee shall consider written shareholder suggestions for nominees (other than self-nominations) that the Corporation receives before December 31 of each year.

Membership

The membership of the Committee will be comprised of at least three directors, designated by and serving at the pleasure of the Board. All members must be independent within the meaning of the applicable rules of the Nasdaq Stock Market.

Committee Meetings and Procedures

The Committee shall meet as often as it determines necessary, but not less than two times per year. Meetings of the Committee may be held telephonically.

Meetings of the Committee may be called by any member upon not less than one day's written notice stating the place, date, and hour of the meeting. The notice may be delivered by mail, by facsimile, or by electronic means and will be effective when received. Any member of the Committee may waive notice of any meeting, and no notice of any meeting need be given to any member who attends in person. The notice of meeting need not state the business proposed to be transacted.

A majority of the members of the Committee will constitute a quorum for the transaction of business. Action of the Committee must be authorized by the affirmative votes of a majority of the members present at a meeting at which a quorum is present.

Chairman; Procedures

The Board of Directors may designate one of the Committee members as Chairman of the Committee, and if it does not, the Committee will select one of its members to serve as Chairman. A Chairman designated by the Board of Directors will serve at the pleasure of the Board, and a Chairman selected by the Committee will serve at the pleasure of the Committee. The Chairman will preside at all Committee meetings at which he or she is present. The Committee may fix its own rules of procedure so long as they do not conflict with the Corporation's articles of incorporation or bylaws, the resolutions establishing the Committee, or state law.

Records and Reports

The Committee will keep a record of its proceedings and report them to the Board of Directors at such times as the Board may specify.