

GLOBAL POWER EQUIPMENT GROUP INC.  
Form DEF 14A  
April 07, 2011

**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
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- Definitive Proxy Statement
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**GLOBAL POWER EQUIPMENT GROUP INC.**

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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(1) Title of each class of securities to which transaction applies:

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

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:



**GLOBAL POWER EQUIPMENT GROUP INC.**

**5199 N. Mingo Road**

**Tulsa, Oklahoma 74117**

Dear Stockholder of Global Power Equipment Group Inc.:

You are cordially invited to attend the Annual Meeting of Stockholders of Global Power Equipment Group Inc. (the Company). The meeting will be held on Thursday, May 19, 2011, beginning at 9:00 a.m. local time, at The Roosevelt Hotel, 45 East 45<sup>th</sup> Street at Madison Avenue, New York, New York 10017.

Information about the meeting, nominees for election as directors, the 2011 Equity Incentive Plan and our executive compensation proposals is presented in the following Notice of Annual Meeting of Stockholders and proxy statement. At the meeting, management will make a presentation followed by a question and answer period.

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

/s/ David L. Keller

David L. Keller

*President and Chief Executive Officer*

Tulsa, Oklahoma

April 7, 2011

**GLOBAL POWER EQUIPMENT GROUP INC.**

**5199 N. Mingo Road**

**Tulsa, Oklahoma 74117**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY 19, 2011**

The Annual Meeting of Stockholders (the Annual Meeting ) of Global Power Equipment Group Inc. (the Company ) will be held at The Roosevelt Hotel, 45 East 45<sup>th</sup> Street at Madison Avenue, New York, New York 10017, on Thursday, May 19, 2011, at 9:00 a.m. local time for the following purposes:

1. to elect six directors of the Board of Directors to serve until the next Annual Meeting or until their successors have been duly elected and qualified;
2. to ratify the appointment of BDO USA, LLP as the Company s independent registered public accounting firm for 2011;
3. to approve the Company s 2011 Equity Incentive Plan;
4. to consider an advisory vote on the compensation of our executive officers;
5. to consider an advisory vote on the frequency of future advisory votes on the compensation of our executive officers; and
6. to transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Only stockholders of record at the close of business on March 28, 2011 are entitled to notice of, and to vote at, the Annual Meeting and at any adjournments or postponements thereof. A list of such stockholders will be available for inspection at the Company s headquarters located at 5199 N. Mingo Road, Tulsa, Oklahoma 74117, during ordinary business hours, for ten days prior to the Annual Meeting.

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

**Important Notice Regarding the Availability of Proxy Materials for the 2011 Annual Meeting of Stockholders to be held on May 19, 2011.** Pursuant to Securities and Exchange Commission rules we have elected the full set delivery option of providing proxy materials to our stockholders whereby we are delivering to all stockholders paper copies of all of our proxy materials, including a proxy card, as well as providing access to our proxy materials on a publicly accessible website. This proxy statement and the Company s Annual Report to Stockholders for the year ended December 31, 2010 are available at <http://www.proxyease.com/globalpower/2011>. In accordance with such rules, cookies or other software that identifies visitors accessing these materials will not be used on this website.

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

BY ORDER OF THE BOARD OF DIRECTORS,

/s/ Tracy D. Pagliara

Tracy D. Pagliara

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

Tulsa, Oklahoma

April 7, 2011

**GLOBAL POWER EQUIPMENT GROUP INC.**

**5199 N. Mingo Road**

**Tulsa, Oklahoma 74117**

**PROXY STATEMENT**

**FOR THE ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY 19, 2011**

**GENERAL INFORMATION**

These proxy materials are furnished in connection with the solicitation of proxies by the Board of Directors (the Board of Directors or the Board ) of Global Power Equipment Group Inc., a Delaware corporation (the Company, us or our ), for the Annual Meeting of Stockholders (the Annual Meeting ) to be held at The Roosevelt Hotel, 45 East 45<sup>th</sup> Street at Madison Avenue, New York, New York 10017, on Thursday, May 19, 2011, at 9:00 a.m. local time, and at any adjournments or postponements of the Annual Meeting.

**PURPOSE OF MEETING**

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

**VOTING RIGHTS AND SOLICITATION OF PROXIES**

Only holders of our common stock ( Common Stock ) are entitled to vote at the Annual Meeting. At the close of business on March 28, 2011, the record date for determining the holders of Common Stock entitled to vote at the Annual Meeting (the Record Date ), there were 15,719,230 shares of Common Stock outstanding. Each holder of a share of Common Stock is entitled to one vote per share. All votes will be tabulated by the inspector of elections appointed for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

**Quorum Required**

Our bylaws provide that the holders of a majority of the votes represented by the Common Stock issued and outstanding, and entitled to vote at the Annual Meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted as present for the purpose of determining the presence of a quorum. Broker non-votes occur with respect to a particular (non-routine) matter when a nominee, such as a financial institution, returns a proxy, but is not permitted to vote on that matter without receiving voting instructions (via proxy vote) from the beneficial owner and instructions are not given.

**Voting of Shares**

You are urged to complete and return your proxy whether or not you can attend our Annual Meeting. The proxy is solicited by our Board of Directors and will be voted as you direct on your proxy when properly completed. In the event no directions are specified, such proxies will be voted FOR the Nominees of the Board of Directors (as set forth in Proposal No. 1), FOR Proposal No. 2, FOR Proposal No. 3, FOR Proposal No. 4 and FOR One Year in Proposal No. 5. The Company knows of no other matters to be presented at the Annual Meeting. However, if any other matters are properly presented, the proxy holders will be authorized to vote the shares represented by proxies according to their best judgment. Proxies will extend to, and be voted at, any adjournment or postponement of the Annual Meeting.

You may revoke or change your proxy at any time before the Annual Meeting. To do this, send a written notice of revocation or another signed proxy with a later date to the Secretary of the Company at our principal executive office before the beginning of the Annual Meeting. You may also automatically revoke your proxy by attending the Annual Meeting and voting in person. All shares represented by a valid proxy received prior to the Annual Meeting will be voted.

Please note that if your shares are held of record by a broker, bank or other nominee and if you provide instructions to that nominee on a form received from the nominee, you may revoke or change your voting instructions only by contacting the nominee who holds your shares. You may not vote in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank or other nominee. In such event, your attendance at the Annual Meeting will not, by itself, revoke prior voting instructions.

#### **Solicitation of Proxies**

The Company pays the costs of soliciting proxies. We have engaged Alliance Advisors, LLC to serve as our proxy solicitor for the Annual Meeting. Alliance Advisors, LLC will provide advice relating to the content of solicitation materials; conduct our broker search; solicit banks, brokers, institutional investors, and hedge funds to determine voting instructions; monitor voting; and deliver executed proxies to our voting tabulator. Alliance Advisors' base fee is \$5,000, and we will reimburse it for other out of pocket expenses incurred. Our employees also may solicit proxies by telephone or in person. However, they will not receive additional compensation for soliciting proxies. The Company may request banks, brokers, and other custodians, nominees and fiduciaries to forward copies of these proxy materials to the beneficial holders and to request instructions for the execution of proxies. The Company may reimburse these persons for their expenses in so doing. Proxies are solicited to give all record holders of the Company's Common Stock an opportunity to vote on the matters to be presented at the Annual Meeting, even if they cannot attend the meeting.

#### **NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS**

The Notice of Annual Meeting of Stockholders, this proxy statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 are available at <http://www.proxyease.com/globalpower/2011>. All website addresses given in this document are for information only and are not intended to be an active link or to incorporate any website information into this document.



**PROPOSAL NO. 1**

**ELECTION OF DIRECTORS**

Six directors are being nominated for re-election to the Board of Directors by the holders of our Common Stock (the Nominees). These directors are David L. Keller, Charles Macaluso, Carl Bartoli, Terence Cryan, Eugene I. Davis and Frank E. Williams, Jr. The proxy holders intend to vote all proxies received by them in the accompanying form FOR the Nominees listed below, unless otherwise instructed. In the event any Nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee designated by our present Board of Directors to fill the vacancy. As of the date of this proxy statement, the Board of Directors is not aware of any Nominee who is unable or will decline to serve as a director.

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

**Nominees for Directors**

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

Nominees	Age	Position(s) and Office(s) Held with the Company
David L. Keller	56	President, Chief Executive Officer and Director
Charles Macaluso	67	Chairman of the Board and Director
Carl Bartoli	72	Director
Terence J. Cryan	48	Director
Eugene I. Davis	56	Director
Frank E. Williams, Jr.	76	Director

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

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

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

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

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

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

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

**Carl Bartoli** has served as our Director since January 2008. Mr. Bartoli is retired from Foster Wheeler Corporation where he served as President and Chief Executive Officer of Foster Wheeler USA Corporation and Executive Vice President of Foster Wheeler International Corporation for 12 years. As President and Chief Executive Officer of Foster Wheeler USA Corporation, he was also responsible for the Process Plant Division, the Fire Heater Division, Foster Wheeler Constructors Corporation and Foster Wheeler Environmental Corporation. This followed a career in project and construction management at ABB Lummus Global (now CB&I/Lummus) and M.W. Kellogg Company (now KBR, Inc.) covering virtually all facets of the engineering, procurement, and construction of power generation, process, pharmaceutical and infrastructure facilities.

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

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

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

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

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

Mr. Cryan has been an adjunct professor at the Metropolitan College of New York Graduate School of Business, serves as a director of a number of international companies, including public companies such as Uranium Resources, Inc. (October 2006 to present), where he serves on its audit committee and chairs its compensation committee, The Providence Service Corporation (May 2009 to present), where he serves on its audit committee and nominating and corporate governance committee and chairs its compensation committee, and Gryphon Gold Corporation (August 2009 to present), where he serves on its audit committee and chairs its nominating and corporate governance committee. Mr. Cryan is also a frequent speaker at finance and energy industry gatherings.

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

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

**Eugene I. Davis**, 56, has served as Chairman and Chief Executive Officer of Pirinate Consulting Group, L.L.C., a privately-held consulting firm specializing in crisis and turn-around management and strategic advisory services for public and private business entities, since 1999. Prior to joining Pirinate Consulting, Mr. Davis was Chief Operating Officer of Total-Tel USA Communications, Inc., President of Emerson Radio Corp. and Chief Executive Officer of Sport Supply Group, Inc. Mr. Davis has served as director for numerous public and private companies across various industries. Mr. Davis has served as a Company director since January 2008 and currently serves on the boards of Atlas Air Worldwide Holdings, Inc., Dex One Corporation, GSI Group, Inc., Spectrum Brands, Inc. and U.S. Concrete, Inc. Mr. Davis is a director of the following companies but will not stand for re-election at the 2011 annual meeting of shareholders: Knology, Inc., Roomstore, Inc., SeraCare Life Sciences, Inc. and Spansion Inc. Mr. Davis is also a director of Trump Resorts Entertainment, Inc., whose common stock is registered under the Securities Exchange Act of 1934, as amended, but does not trade. Mr. Davis is currently on the boards of Ambassadors International, Inc., Footstar, Inc., Orchid Cellmark Inc., Rural/Metro Corp., Smurfit-Stone Container Corporation and YRC Worldwide, Inc. On April 1, 2011, Ambassadors International announced that it had entered into an agreement to sell the Windstar Cruises business and operations to Whippoorwill Associates, Inc., a private investment firm, through the chapter 11 legal process, after which Ambassadors International will no longer be a public company. Footstar has announced a merger transaction pursuant to which it will be acquired by Footstar Acquisitions, Inc. in a going-private transaction. On April 6, 2011, Orchid Cellmark announced that it has entered into a transaction pursuant to which it will be acquired by Laboratory Corporation of America Holdings. On March 28, 2011, Rural/Metro announced that it entered into a definitive agreement that provides for the acquisition of Rural/Metro by the private equity firm Warburg Pincus in a going-private transaction. Smurfit-Stone has announced a transaction to be acquired by Rock-Tenn Company. YRC Worldwide has announced that it has entered into a non-binding term sheet regarding a restructuring. Mr. Davis will no longer serve as a director of Orchid Cellmark, Rural/Metro, Smurfit-Stone or YRC Worldwide upon closing of those transactions or will resign by December 31, 2011 if the transactions have not closed by that time.

During the past five years, Mr. Davis has also been a director of American Commercial Lines Inc., Delta Airlines, Foamex International Inc., Granite Broadcasting Corporation, Ion Media Networks, Inc., Media General, Inc., Mosaid Technologies, Inc., Ogelbay Norton Company, PRG-Schultz International Inc., Silicon Graphics International, Terrastar Corp., Tipperary Corporation and Viskase, Inc. Mr. Davis brings to the Board experience with companies emerging from chapter 11 restructuring processes and also has significant experience as a director of public companies.

Mr. Davis holds a Bachelor of Arts from Columbia College, a Masters of International Affairs in International Law and Organization from the School of International Affairs of Columbia University and a Juris Doctorate from the Columbia University School of Law.

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

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

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

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

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

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

Each of Messrs. Keller, Macaluso, Bartoli, Cryan, Davis and Williams was recommended for nomination by the Nominating and Corporate Governance Committee, and was nominated for election by the full Board of Directors. Messrs. Macaluso, Bartoli, Cryan and Davis were appointed as our directors by the Bankruptcy Court upon our emergence from bankruptcy in January 2008. The Board appointed Mr. Keller as a director in September 2009 simultaneously with his employment as our President and Chief Executive Officer and appointed Mr. Williams as a director in October 2009. All of our directors were reelected for new one year terms at our Annual Meeting of Stockholders held on April 22, 2010.

#### **Vote Required**

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

#### **Recommendation of the Board of Directors**

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

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

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

**Board Leadership Structure and Committee Composition**

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

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

The current membership of the standing committees is as follows:

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

**Audit Committee.** The Audit Committee assists the Board of Directors in overseeing our accounting and financial reporting processes and the audits of our consolidated financial statements, including monitoring the integrity of our financial statements and the independence and performance of our independent registered public accounting firm. The Audit Committee appoints and oversees an independent registered public accounting firm to audit our financial statements. In addition, the Audit Committee approves the scope of the annual audits and fees to be paid to our independent registered public accounting firm. The Audit Committee held four (4) meetings during 2010.

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

Our Board of Directors has determined that:

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

each member of the Audit Committee:

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

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

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

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

**Compensation Committee.** The Compensation Committee reviews the performance of our executive officers, establishes compensation programs for the executive officers (including salary and short and long-term incentive programs) and reviews the overall compensation programs of the Company. The Compensation Committee also administers our stock incentive plans and awards. During 2010, the Compensation Committee held five (5) meetings.

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

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

The Compensation Committee may retain, at our expense, independent compensation consultants. In October 2010, after interviewing several independent compensation consulting firms, the Compensation Committee retained Towers Watson to provide it with advice for the remainder of 2010, including with respect to the establishment of executive and director compensation for 2011. In addition, Alliance Advisors, LLC was retained by management in October 2010 to provide survey research, peer data and other materials that were shared with the Compensation Committee in connection with its review and determination of 2011 executive compensation determinations.

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

**Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee of the Board of Directors (the "Nominating and Corporate Governance Committee") oversees the nomination of directors for service on the Board of Directors and its committees, reviews and considers developments in corporate governance practices, and recommends to the Board of Directors policies and procedures with respect to corporate governance. During 2010, the Nominating and Corporate Governance Committee held two (2) meetings.

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

#### **Director Independence**

Our Board of Directors has reviewed the criteria for determining the independence of our directors under Nasdaq and SEC rules. It has affirmatively determined that each of Messrs. Macaluso, Bartoli, Cryan, Davis and Williams is independent under such criteria. Accordingly, during 2010 and continuing through the date of this proxy statement, our Board of Directors has been comprised of a substantial majority of directors who qualify as independent directors under the rules adopted by the SEC and Nasdaq.

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

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

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

### **Board Nomination Process**

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

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

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

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

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

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

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

*Available Time.* Candidates must have, and be prepared to devote, adequate time to the Board and its committees. It is expected that each candidate will be available to participate fully in Board activities including attendance at, and active participation in, meetings



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of the Board and any committees on which the candidate will serve, as well as the Company's Annual Meeting of Stockholders.  
Candidates shall be

responsible for the management of other business and professional commitments, including service on the boards of other companies, so as not to interfere with or materially limit his or her ability to meet such Board and committee obligations.

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

*Corporate Governance Guidelines.* Each candidate shall comply with the requirements set forth in any corporate governance guidelines of the Company, from time to time in effect.

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

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

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

at least one of the directors qualifies as an audit committee financial expert under the rules of the Securities and Exchange Commission;

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

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

The Nominating and Corporate Governance Committee also will consider properly submitted stockholder candidates for membership on the Board of Directors. Any stockholder of the Company wishing to submit a candidate for the Nominating and Corporate Governance Committee's consideration must provide a written notice recommending the candidate to the Corporate Secretary of Global Power Equipment Group Inc. at 5199 N. Mingo Road, Tulsa, Oklahoma 74117, by email to [CorporateSecretary@GlobalPower.com](mailto:CorporateSecretary@GlobalPower.com) (with a confirmation copy sent by mail) or by fax to 1-918-274-2367 (with a confirmation copy sent by mail).

The written notice must be submitted timely and include required information in accordance with the Company's bylaws (see [Stockholder Proposals For 2012 Annual Meeting](#) below for more information). Candidates recommended by our stockholders will be evaluated against the same criteria and under the same policies and procedures applicable to the evaluation of candidates proposed by directors or management.

### **Board Meetings**

The Board held nine (9) meetings during 2010. Each director serving on the Board in 2010 attended 100% of the meetings of the Board and committees on which he served. Each director is expected to devote the time necessary to appropriately discharge his responsibilities and to rigorously prepare for and attend and participate in all Board meetings and meetings of Board committees on which he serves.

### **Annual Meetings of Stockholders**

Our directors are encouraged to attend our Annual Meetings of Stockholders. In addition, pursuant to our corporate governance guidelines and director nominations policy, directors are expected to attend the Annual Meeting of Stockholders. All of our directors attended the Annual Meeting of Stockholders held in 2010.

**Code of Business Conduct and Ethics**

Our Board of Directors has adopted a Code of Business Conduct and Ethics, which outlines the principles of legal and ethical business conduct under which the Company does business. The Code of Business Conduct is

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

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

Interested parties, including stockholders, may contact the Board of Directors or any committee of the Board of Directors by sending correspondence to the attention of Corporate Secretary, c/o Global Power Equipment Group Inc., 5199 N. Mingo Road, Tulsa, Oklahoma 74117 or [CorporateSecretary@GlobalPower.com](mailto:CorporateSecretary@GlobalPower.com). Any mail received by the Corporate Secretary will then be forwarded to the members of the Board of Directors or the appropriate committee for further action, if necessary. The non-management directors have requested that the Corporate Secretary not forward to them advertisements, solicitations for periodicals or other subscriptions, and other similar communications.

### **Director Compensation**

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

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

an annual retainer as follows:

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

\$10,000 for membership in each committee,

\$30,000 for the Board of Directors Chairperson,

\$20,000 for the Audit Committee Chairperson,

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

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

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

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a meeting fee of \$1,000 for each meeting attended telephonically.

We also reimburse non-employee directors for out-of-pocket expenses incurred in connection with attending Board and Committee meetings.

On January 22, 2011, each of the non-executive directors received 3,365 shares of restricted shares of our Common Stock (which consisted \$80,000 worth of shares calculated based on the closing price on January 21, 2011) under our 2008 Director s Equity Incentive Plan. Of the 3,365 shares of restricted stock, 842 shares vest on January 22, 2012 and 841 shares will vest on each of January 22, 2013, 2014 and 2015, subject to continued service

as a director throughout the vesting date. We expect that the Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, will continue to approve annual equity grants under the 2008 Director's Equity Incentive Plan, or, if approved by our stockholders pursuant to Proposal 4, the 2011 Equity Incentive Plan, to our non-employee directors in subsequent years.

#### DIRECTOR COMPENSATION IN 2010

The following table provides information on the compensation awarded to, earned by, or paid to each person who served as a director during 2010, other than Mr. Keller who also served as an executive officer.

Name	Fees Earned or		Total (\$)
	Paid in Cash (\$)	Stock Awards \$(1)	
Charles Macaluso	106,000	54,688	160,688
Carl Bartoli	90,250	54,688	144,938
Terence Cryan	90,250	54,688	144,938
Eugene I. Davis	94,500	54,688	149,188
Frank E. Williams, Jr.	88,000	54,688	142,688

- (1) The amounts in this column represent the aggregate grant date fair value of shares of restricted stock granted to non-employee directors in 2010 computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (ASC Topic 718). For a discussion of the assumptions we made in valuing the stock awards, see Note 9 Stockholders' Equity in the notes to our consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2010.

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

The Audit Committee has appointed BDO USA, LLP as the Company's independent registered public accounting firm for 2011. The Board of Directors is asking stockholders to ratify this appointment. Although SEC regulations and the Nasdaq listing requirements require the Company's independent registered public accounting firm to be engaged, retained, and supervised by the Audit Committee, the Board considers the selection of an independent registered public accounting firm to be an important matter to stockholders. Accordingly, the Board considers a proposal for stockholders to ratify this appointment to be an opportunity for stockholders to provide input to the Audit Committee and the Board on a key corporate governance issue.

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

**Fees Paid to Auditors**

The following table sets forth the fees accrued or paid by the Company to BDO USA, LLP for the years ended December 31, 2010 and 2009.

**Audit and Non-Audit Fees**

	December 31,	
	2010	2009
Audit Fees (1)	\$ 902,617	\$ 673,972
Audit-Related Fees		
Tax Fees		
All Other Fees		
<b>TOTAL</b>	<b>\$ 902,617</b>	<b>\$ 673,972</b>

- (1) Audit fees, and related expenses, were for professional services rendered for the annual audit of our consolidated financial statements, including the reviews of our quarterly reports on Form 10-Q and Forms S-8 and our registration statements filed on Form 10 and related amendments and statutory audits required in international locations.

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

The Audit Committee's policy is to pre-approve all audit and non-audit