CTS CORPORATION STOCK OWNERSHIP GUIDELINES

PURPOSE

To define guidelines for minimum share ownership for Directors, Executive Officers (as defined below) and Vice Presidents as well as the holding requirements to be applied prior to attaining the guideline number of shares.

To ensure that the interests of Directors, Executive Officers and Vice Presidents are aligned with those of shareholders, CTS provides equity-based compensation as part of its overall compensation package. Adoption of these guidelines will require Directors, Executive Officers and Vice Presidents to maintain a significant ownership stake over their tenure, without placing undue tax or cash flow burdens on them. These guidelines are a means to motivate Directors, Executive Officers and Vice Presidents to perpetuate enduring shareholder value.

GUIDELINES

1. CTS' Chief Executive Officer ("CEO") is required to hold Share Units with a value equal to five and one half (5.5) times annual base salary. This share ownership guideline level will be recalculated whenever the CEO receives an increase in annual base salary.
2. CTS' Executive Chairman of the Board (the "Executive Chairman") is required to hold Share Units with a value equal to five and one half (5.5) times annual base salary. This share ownership guideline level will be recalculated whenever the Executive Chairman receives an increase in annual base salary.
3. CTS' Chief Financial Officer, Chief Legal Officer, , and any other executive who is an "executive officer" under the SEC's rules and regulations(collectively, "Executive Officers") are required to hold Share Units with a value equal to three (3) times annual base salary. This share ownership guideline level will be recalculated whenever the Executive Officer receives an increase in base salary.
4. All Vice Presidents(other than Executive Officers) reporting to the CEO are required to hold Share Units with a value equal to one (1) times annual base salary. This share ownership guideline level will be recalculated whenever the Vice President receives an increase in base salary. Until such time as the Vice President has attained this share ownership guideline, he or she is expected to retain 50% of the Share Units awarded to him or her, net of amounts required to pay taxes and exercise prices.
5. All Directors are required to hold Share Units with a value equal to five and one half (5.5) times the amount of the annual retainer paid to Directors. This share ownership guideline level will be recalculated whenever the Directors' annual retainer is increased.
6. If any person simultaneously serves as an Executive Officer that is required to comply with these guidelines and as a Director, that person must meet the more rigorous applicable share ownership guideline.
7. It is expected that each Director, Executive Officer and Vice President shall attain the applicable share ownership level within six years of his or her initial election/appointment.
8. Until such time as the CEO, the Executive Chairman, or an Executive Officer has attained the applicable share ownership guideline, such person is expected to retain 100% of the Share Units awarded to such person, net of amounts required to pay taxes and exercise prices.
9. Until such time as a Director has attained the applicable share ownership guideline, the Director is expected to retain 100% of the Share Units awarded to the Director. Director
10. In calculating compliance with the guidelines, each Director, Executive Office and Vice President shall be credited with one Share Unit for each share of CTS stock beneficially owned by him or her, including shares held in the CTS 401(k) Plan and shares of restricted stock, and for each restricted stock unit and Director deferred common stock unit held by such person. Both vested and non-vested shares of restricted stock and restricted stock units shall be included in calculating total Share Units, except that unvested performance equity awards and all stock options shall not be included.
11. The Compensation and Talent Committee of the Board of Directors shall have authority to administer these guidelines. Upon the request of a Director, Executive Officer or Vice President , the Compensation and Talent Committee may grant a waiver of these guidelines in consideration of the personal circumstances of the Director, Executive Officer and Vice President. The Compensation and Talent Committee or the Board of Directors, as applicable may, in its discretion, reduce future grants to any Director or executive who does not comply with the restrictions on dispositions outlined above.

The Compensation and Talent Committee shall review these guidelines from time to time and make recommendations to the Board of Directors for modifications as necessary or appropriate.