

STONERIDGE, INC. (THE “COMPANY”)

WHISTLEBLOWER POLICY AND PROCEDURES

Adopted March 4, 2004

Purpose

This policy addresses the Company’s continuing commitment to integrity and ethical behavior by helping to foster and maintain an environment where employees can act without fear of retaliation by establishing procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Reference is also made to the Company’s Code of Conduct Business and Ethics (the “Ethic Code”) and, in particular, Section L thereof (Reporting Violations) dealing with reports of suspected wrongdoing generally.

The purpose of this policy is to encourage all employees to disclose any wrongdoing that may adversely impact the Company, the Company’s customers, shareholders, employees, investors, or the public at large. This policy also sets forth an investigative process of reported acts of wrongdoing and retaliation. As stated in the Ethics Code, employees are strongly encouraged to discuss with supervisors, managers or other appropriate personnel when in doubt about the best and ethical course of action in a particular situation.

Reports of Wrongdoing

The Company shall not take adverse employment action against an employee in retaliation for:

- any reports of wrongdoing made in good faith; or
- providing information or causing information to be provided in an investigation conducted by any state or federal regulatory agency or authority, a member of the U.S. Congress, any committee of Congress, or person at the Company with supervisory or similar authority over the employee, regarding any conduct the employee in good faith believes constitutes a violation of federal law regarding securities fraud, any rule or regulation of the Securities and Exchange Commission or any provision of federal law relating to fraud against the Company’s shareholders; or
- participating in an investigation, hearing, court proceeding or other administrative inquiry in connection with a report of wrongdoing.

This policy is intended to encourage reporting of wrongdoing by the Company’s employees and presumes that employees will act in good faith and will not make false accusations. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to discipline, which may include termination. Employees who report acts of wrongdoing pursuant to this policy can and will continue to be held to the

Company's general job performance standards. Therefore, an employee against whom legitimate adverse employment actions have been taken or are proposed to be taken for reasons other than prohibited retaliatory actions, such as poor job performance or misconduct by the employee, is prohibited from using this policy as a defense against the Company's lawful actions.

Definitions

For purposes of this policy:

(1) Good Faith. Good faith is evident when the report is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious, false or frivolous.

(2) Wrongdoing. Examples of wrongdoing include, but are not limited to, fraud, including financial fraud and accounting fraud, violation of laws and regulations, violations of Company policies, unethical behavior or practices, endangerment to public health or safety and negligence of duty.

(3) Adverse Employment Action. Examples of adverse employment action include, but are not limited to, demotion, suspension, termination, transfer to a lesser position, denial of promotions, denial of benefits, threats, harassment, denial of compensation and privileges as a result of the employee's report of wrongdoing, or any manner of discrimination against an employee in the terms and conditions of employment because of any other lawful act done by the employee pursuant to this policy or Section 806 of the Sarbanes-Oxley Act of 2002.

Reports of Wrongdoing

An employee who becomes aware of any wrongdoing or suspected wrongdoing are encouraged to make a report as soon as possible by contacting the Director of Internal Audit or his or her designee (in case a designee is selected, notice of such selection shall be given to all employees). Acts of wrongdoing may be disclosed in writing, telephonically or in person. The current contact information for the Director of Internal Audit is as follows:

George Papuga
Director of Internal Audit
Stoneridge, Inc.
9400 East Market Street
Warren, Ohio 44484
(330) 856-2443
Fax (330) 856-3618
e-mail: george.papuga@stoneridge.com

In the event the act of wrongdoing concerns the Director of Internal Audit or his or her immediate subordinates, the report of wrongdoing should be filed with the Audit Committee of the Board of Directors.

Contact information for the Audit Committee Chairman is as follows:

Douglas C. Jacobs
Chairman – Audit Committee
Stoneridge, Inc.
c/o Brooklyn NY Holdings LLC
26500 Curtis Wright Parkway
Highland Heights, OH 44043
(216) 472-2535
e-mail: djacobs@fivestarair.com

Except as otherwise provided below with respect to confidential and anonymous submissions by employees of concerns regarding questionable accounting, auditing or internal accounting control matters (see below), to the extent practical, the identity of any employee who makes reports pursuant to this policy shall not be revealed to persons in the employee's department, division or work location. The Company will make good faith efforts to protect the confidentiality of employees making reports; provided, however, the Company or its employees and agents shall be permitted to reveal the reporting employee's identity and confidential information to the extent necessary to permit a thorough and effective investigation.

Confidential and Anonymous Reports Relating to Questionable Auditing and Accounting Related Matters and Workplace Concerns

In addition to the other procedures set forth herein, the Company has established and the Audit Committee has approved procedures by which employees and persons other than employees may make confidential and anonymous submission of concerns regarding questionable auditing and accounting related matters and workplace concerns involving the Company. Persons wishing to make such a confidential and anonymous submission should contact MySafeWorkplace via the Internet at www.mysafeworkplace.com (organization name Stoneridge, Inc.) or by calling the following toll free 24-hour number 1-800-461-9330 (note international calls are on a collect basis).

Treatment of Reports and Administration of Policy

The Audit Committee of the Company's Board of Directors shall be primarily responsible for the administration of this policy; provided, however, the Audit Committee shall work closely with the Director of Internal Audit to ensure this Policy's effectiveness and may delegate to management and/or third parties, including professional advisors, responsibility for all or part of the administration of this policy. The Audit Committee shall be provided quarterly summaries of all reports made pursuant to this policy or made pursuant to the Ethics Code.

For each reported instance of wrongdoing, report or complaint of questionable accounting, auditing or internal control matters made hereunder or reported instance of wrongdoing made pursuant to the Ethics Code (collectively, “Reports of Wrongdoing”) an inquiry or investigation will be initiated to determine if the report can be substantiated or has merit. That inquiry or investigation will be made by such person or persons (the “Investigating Officer”) designated by the Audit Committee to review the Report of Wrongdoing, which person may include members of the Audit Committee, the Director of Internal Audit or counsel with the Company’s outside legal counsel.

The Investigating Officer shall make a determination, in his or her reasonable judgment, whether a reasonable basis exists for commencing an investigation into the Report of Wrongdoing. The Investigating Officer may conduct an initial informal inquiry. The purpose of the initial review of the Investigating Officer is to screen the Reports of Wrongdoing so that the Audit Committee does not have to examine immaterial or spurious complaints. Nevertheless, the Audit Committee shall have oversight authority and review on a regular basis complaints received that were screened out for immediate reporting to the Audit Committee. If the Investigating Officer does not screen out a Report of Wrongdoing he or she shall promptly forward the Report of Wrongdoing to the Chairman of the Audit Committee along with the Investigating Officer’s conclusions (even if preliminary or qualified) about the merits of the Report of Wrongdoing.

Following the receipt of any Report of Wrongdoing the Audit Committee will investigate each matter reported and recommend that the Company or Board take appropriate corrective or disciplinary action. The Audit Committee may enlist employees of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of a Report of Wrongdoing.

A confidential file for each report or complaint will be maintained for an appropriate time period. Human Resources or other appropriate management personnel may be contacted to determine what employment action, if any, should be taken. Results of all investigations will be reviewed by the Chief Executive Officer and/or Chief Financial Officer and reported to the Audit Committee of the Board of Directors.

Claims of Retaliation

Claims of acts of retaliation should be submitted to the Director of Internal Audit or Audit Committee, as applicable. The recipient of such claims will immediately notify the Director of Human Resources or the Company’s outside counsel who will initiate a confidential investigation.

In accordance with New York Stock Exchange Listing Standard 303A.07, Securities Exchange Act Rule 10A-3(b)(3) and Section 301 of the Sarbanes-Oxley Act of 2002, this policy was adopted by the Board of Directors and approved by the Audit Committee on February __,

2004. It supersedes and replaces any prior policy or policies on the same topic and should be viewed by interested persons as one piece of the Company's overall commitment to honest and ethical behavior.