

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): October 13, 2008

Johnson Outdoors Inc.

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction
of incorporation)

0-16255

(Commission File Number)

39-1536083

(IRS Employer
Identification No.)

555 Main Street, Racine, Wisconsin 53403

(Address of principal executive offices, including zip code)

(262) 631-6600

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On October 13, 2008, Johnson Outdoors Inc. (the "Company") and certain of its subsidiaries entered into an Omnibus Amendment of certain existing debt agreements effective as of October 3, 2008 (the "Amendment") with JPMorgan Chase Bank N.A., as lender and administrative agent, and the other lenders named therein (collectively, the "Lenders"). On the same date, but effective as of October 3, 2008, the Company and certain of its subsidiaries entered into a Security Agreement (the "Security Agreement") with JPMorgan Chase Bank, N.A., as lender and agent, for the benefit of the Lenders. The Amendment temporarily modifies certain provisions of the Company's October 7, 2005 and February 12, 2008 credit agreements. The Security Agreement grants in favor of the Lenders a security interest in certain inventory and accounts receivable assets of the Company and certain of its subsidiaries.

The material changes to the Company's existing debt agreements made by the Amendment are as follows:

- The Amendment resets the applicable margin on the Company's LIBOR based debt to 3.25%.
- The Amendment modifies certain financial and non-financial covenants, including modifying the restriction on the Company's ability to increase the amount or frequency of dividends and limiting the Company's ability to effect acquisitions without the consent of the Lenders to acquisitions involving aggregate consideration of no more than \$2 million dollars.
- The Amendment restates certain financial ratios that the Company must comply with, including the maximum leverage ratio which cannot exceed 5.0 to 1.0 and the minimum fixed charge coverage ratio which cannot be less than 1.75 to 1.0 for the quarter ending on October 3, 2008.
- The Amendment modifies the definition of consolidated EBITDA to exclude certain non-cash items.

This description of the Amendment and the Security Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Amendment, a copy of which is attached hereto as Exhibit 99.1, and the Security Agreement, a copy of which is attached hereto as Exhibit 99.2, each of which is incorporated herein by reference.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibits are filed herewith:

Exhibit 99.1 – Omnibus Agreement, made as of October 3, 2008, among Johnson Outdoors Inc., certain subsidiaries of Johnson Outdoors Inc., JPMorgan Chase Bank, N.A., as lender and agent, and the other lenders named therein.

Exhibit 99.2 - Security Agreement, made as of October 3, 2008, among Johnson Outdoors Inc., certain subsidiaries of Johnson Outdoors Inc., and JPMorgan Chase Bank, N.A., as agent.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 16, 2008

JOHNSON OUTDOORS INC.

BY /s/ David W. Johnson
David W. Johnson, Vice President and
Chief Financial Officer

OMNIBUS AMENDMENT

THIS OMNIBUS AMENDMENT (the "Agreement") is made as of October 3, 2008 by and among JOHNSON OUTDOORS INC. (the "Borrower"), the financial institutions listed on the signature pages hereof (the "Lenders") and JPMORGAN CHASE BANK, N.A., in its individual capacity as a Lender and in its capacity as contractual representative (the "Administrative Agent") under the Credit Agreements (as defined below).

WITNESSETH

WHEREAS, the Borrower, certain of the Lenders, and the Administrative Agent are parties to that certain Credit Agreement dated as of October 7, 2005 (as heretofore amended, restated, supplemented and otherwise modified, the "2005 Credit Agreement"); and

WHEREAS, the Borrower, certain of the Lenders and the Administrative Agent are parties to that certain Credit Agreement dated as of February 12, 2008 (as heretofore amended, restated, supplemented and otherwise modified, the "2008 Credit Agreement" and together with the 2005 Credit Agreement, the "Credit Agreements"); and

WHEREAS, the Borrower has requested that the Lenders agree to amend certain provisions of the Credit Agreements; and

WHEREAS, the Lenders have agreed to amend certain provisions of the Credit Agreements, subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed as follows:

1. Effectiveness. Subject to the satisfaction of the conditions precedent set forth in Section 5 below, (i) the amendments set forth in Sections 2 and 3 shall be effective from October 3, 2008 until 5:00 p.m. New York City time on January 2, 2009 (or such later date as the Administrative Agent and the Lenders, in their sole and absolute discretion may specify in writing to the Borrower) (such period, the "Temporary Amendment Period") and (ii) the amendments set forth in Section 4 shall be effective as of October 3, 2008.

2. Temporary Amendments to the 2005 Credit Agreement. Until the expiration of the Temporary Amendment Period, and subject to the satisfaction of the conditions precedent set forth in Section 5 below, the 2005 Credit Agreement is hereby amended as follows:

2.1. The definition of "Applicable Rate" appearing in Section 1.01 is amended by and restated in its entirety to read as follows:

"Applicable Rate" means, for any day, the rate per annum equal to (i) the sum of (x) the Adjusted LIBO Rate plus (y) 3.25%, with respect to any Eurocurrency Loan, (ii) the sum of (x) the Alternate Base Rate plus (y) 2.25%, with respect to any ABR Loan, and (iii) 0.55%, with respect to the facility fee payable pursuant to Section 2.12.

2.2. The definition of “Consolidated EBITDA” appearing in Section 1.01 is amended and restated in its entirety to read as follows:

“Consolidated EBITDA” means Consolidated Net Income plus, to the extent deducted from revenues in determining Consolidated Net Income, (i) Consolidated Interest Expense, (ii) expense for taxes paid or accrued, (iii) depreciation, (iv) amortization, (v) extraordinary non-cash losses incurred other than in the ordinary course of business, (vi) non-cash losses incurred as a result of the treatment of the Escape electric boat product line as a discontinued operation and the related impairment charges in respect of the inventory and fixed assets of such product line, (vii) non-cash impairment charges and (viii) non-cash foreign exchange charges *minus*, to the extent included in Consolidated Net Income, extraordinary non-cash gains realized other than in the ordinary course of business and proceeds of litigation settlements with insurance providers of the Borrower or any of its Subsidiaries, all calculated for the Borrower and its Subsidiaries in accordance with GAAP on a consolidated basis.

2.3. The definition of “Permitted Acquisition” appearing in Section 1.01 is amended and restated in its entirety to read as follows:

“Permitted Acquisition” means any Acquisition (whether by purchase, merger, consolidation or otherwise but excluding in any event a Hostile Acquisition) or series of related acquisitions by the Borrower or any Subsidiary of (i) all or substantially all the assets of, (ii) all the Equity Interests in, a Person or division or line of business of a Person or (iii) if clauses (i) and (ii) above are inapplicable, the rights of any licensee (including by means of the termination of such licensee’s rights under such license) under a trademark license to such licensee from the Borrower or any Subsidiary, if, at the time of and immediately after giving effect thereto, (a) no Default has occurred and is continuing or would arise after giving effect thereto, (b) all actions required to be taken with respect to such acquired or newly formed Subsidiary under Section 5.09 shall have been taken, (c) the aggregate consideration paid in respect of such acquisition shall not exceed an amount equal to \$2,000,000, (d) the Borrower and the Subsidiaries are in compliance, on a pro forma basis reasonably acceptable to the Administrative Agent after giving effect to such acquisition (including pro forma adjustments arising out of events which are directly attributable to the acquisition, are factually supportable and are expected to have a continuing impact, in each case as determined on a basis consistent with Article 11 of Regulation S-X of the Securities Act of 1933, as amended, as interpreted by the SEC), with the covenants contained in Section 6.13, as amended by the Omnibus Amendment dated as of October 3, 2008, recomputed as of the last day of the most recently ended fiscal quarter of the Borrower for which financial statements are available, as if such acquisition (and any related incurrence or repayment of Indebtedness, with any new Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms) had occurred on the first day of each relevant period for testing such compliance and (e) in the case of an acquisition or merger involving the Borrower or a Subsidiary, the Borrower or such Subsidiary is the surviving entity of such merger and/or consolidation.

2.4. The definition of “Restricted Payment” appearing in Section 1.01 is amended by adding the phrase “or repurchase” immediately after the phrase “on account of the purchase” contained therein.

2.5. Section 6.04 is amended by (i) inserting the word “and” at the end of clause (l) thereof, (ii) deleting the phrase “; and” in clause (m) thereof and inserting a period (“.”) in its place and (iii) deleting clause (n) in its entirety.

2.6. Section 6.08 is amended and restated in its entirety to read as follows:

“SECTION 6.08 Restricted Payments. The Borrower will not, and will not permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except (a) the Borrower may declare and pay dividends with respect to its Equity Interests payable solely in additional shares of its common stock, (b) Subsidiaries may declare and pay dividends ratably with respect to their Equity Interests, (c) the Borrower may make Restricted Payments pursuant to and in accordance with stock option plans or other benefit plans for management or employees of the Borrower and its Subsidiaries and (d) so long as no Default has occurred and is continuing or would arise after giving effect thereto, the Borrower may pay dividends in the ordinary course of business, as frequently and in such amounts as is consistent with current practice as of the June 2, 2008 declaration of dividends payable on July 24, 2008.”

Upon expiration of the Temporary Amendment Period, the foregoing amendments shall be of no further force or effect and the terms of the 2005 Credit Agreement, including without limitation, the definition of “Applicable Rate,” “Consolidated EBITDA” and “Permitted Acquisition” in Section 1.01 and the terms of Sections 6.04 and 6.08, shall the terms thereof as in effect prior to the effectiveness of this Agreement.

3. Temporary Amendments to the 2008 Credit Agreement. Until the expiration of the Temporary Amendment Period, and subject to the satisfaction of the conditions precedent set forth in Section 5 below, the 2008 Credit Agreement is hereby amended as follows:

3.1. The definition of “Applicable Rate” appearing in Section 1.01 is amended by and restated in its entirety to read as follows:

“Applicable Rate” means, for any day, the rate per annum equal to (i) the sum of (x) the Adjusted LIBO Rate plus (y) 3.25%, with respect to any Eurocurrency Loan, and (ii) the sum of (x) the Alternate Base Rate plus (y) 2.25% with respect to any ABR Loan.

3.2. The definition of “Consolidated EBITDA” appearing in Section 1.01 is amended and restated in its entirety to read as follows:

“Consolidated EBITDA” means Consolidated Net Income plus, to the extent deducted from revenues in determining Consolidated Net Income, (i) Consolidated Interest Expense, (ii) expense for taxes paid or accrued, (iii) depreciation, (iv) amortization, (v) extraordinary non-cash losses incurred other than in the ordinary course of business, (vi) non-cash losses incurred as a result of the treatment of the Escape electric boat product line as a discontinued operation and the related impairment charges in respect of the inventory and fixed assets of such product line, (vii) non-cash impairment charges and (viii) non-cash foreign exchange charges *minus*, to the extent included in Consolidated Net Income, extraordinary non-cash gains realized other than in the ordinary course of business and proceeds of litigation settlements with insurance providers of the Borrower or any of its Subsidiaries, all calculated for the Borrower and its Subsidiaries in accordance with GAAP on a consolidated basis.

3.3. The definition of “Permitted Acquisition” appearing in Section 1.01 is amended and restated in its entirety to read as follows:

“Permitted Acquisition” means any Acquisition (whether by purchase, merger, consolidation or otherwise but excluding in any event a Hostile Acquisition) or series of related acquisitions by the Borrower or any Subsidiary of (i) all or substantially all the assets of, (ii) all the Equity Interests in, a Person or division or line of business of a Person or (iii) if clauses (i) and (ii) above are inapplicable, the rights of any licensee (including by means of the termination of such licensee’s rights under such license) under a trademark license to such licensee from the Borrower or any Subsidiary, if, at the time of and immediately after giving effect thereto, (a) no Default has occurred and is continuing or would arise after giving effect thereto, (b) all actions required to be taken with respect to such acquired or newly formed Subsidiary under Section 5.09 shall have been taken, (c) the aggregate consideration paid in respect of such acquisition shall not exceed an amount equal to \$2,000,000, (d) the Borrower and the Subsidiaries are in compliance, on a pro forma basis reasonably acceptable to the Administrative Agent after giving effect to such acquisition (including pro forma adjustments arising out of events which are directly attributable to the acquisition, are factually supportable and are expected to have a continuing impact, in each case as determined on a basis consistent with Article 11 of Regulation S-X of the Securities Act of 1933, as amended, as interpreted by the SEC), with the covenants contained in Section 6.13, as amended by the Omnibus Amendment dated as of October 3, 2008, recomputed as of the last day of the most recently ended fiscal quarter of the Borrower for which financial statements are available, as if such acquisition (and any related incurrence or repayment of Indebtedness, with any new Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms) had occurred on the first day of each relevant period for testing such compliance and (e) in the case of an acquisition or merger involving the Borrower or a Subsidiary, the Borrower or such Subsidiary is the surviving entity of such merger and/or consolidation.

3.4. The definition of “Restricted Payment” appearing in Section 1.01 is amended by adding the phrase “or repurchase” immediately after the phrase “on account of the purchase” contained therein.

3.5. Section 6.04 is amended by (i) inserting the word “and” at the end of clause (l) thereof, (ii) deleting the phrase “; and” in clause (m) thereof and inserting a period (“.”) in its place and (iii) deleting clause (n) in its entirety.

3.6. The proviso appearing at the end of Section 6.05 is amended and restated in its entirety to read as follows:

“provided that (i) all sales, transfers, leases and other dispositions permitted hereby (other than those permitted by paragraphs (b) and (f) above) shall be made for fair value and for at least 85% cash consideration or as a trade-in for replacement property and (ii) the proceeds of any sale, transfer, lease or other disposition permitted by paragraphs (b) through (g) above shall be applied to pay Obligations outstanding under this Agreement or any other Loan Document.”

3.7. Section 6.08 is amended and restated in its entirety to read as follows:

"SECTION 6.08 Restricted Payments. The Borrower will not, and will not permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except (a) the Borrower may declare and pay dividends with respect to its Equity Interests payable solely in additional shares of its common stock, (b) Subsidiaries may declare and pay dividends ratably with respect to their Equity Interests, (c) the Borrower may make Restricted Payments pursuant to and in accordance with stock option plans or other benefit plans for management or employees of the Borrower and its Subsidiaries and (d) so long as no Default has occurred and is continuing or would arise after giving effect thereto, the Borrower may pay dividends in the ordinary course of business, as frequently and in such amounts as is consistent with current practice as of the June 2, 2008 declaration of dividends payable on July 24, 2008."

Upon expiration of the Temporary Amendment Period, the foregoing amendments shall be of no further force or effect and the terms of the 2008 Credit Agreement, including without limitation, the definition of "Applicable Rate," "Consolidated EBITDA" and "Permitted Acquisition" in Section 1.01 and the terms of Sections 6.04, 6.05 and 6.08, shall the terms thereof as in effect prior to the effectiveness of this Agreement.

4. Amendments to the Credit Agreements. Subject to the satisfaction of the conditions precedent set forth in Section 5 below, the 2005 Credit Agreement and the 2008 Credit Agreement are each hereby amended as follows:

(a) Section 6.13(a) of each of the Credit Agreements is amended and restated in its entirety to read as follows:

"(a) Minimum Fixed Charge Coverage Ratio. The Borrower will not permit the Fixed Charge Coverage Ratio, calculated for the Borrower and its Subsidiaries on a consolidated basis, determined for the period of four (4) consecutive fiscal quarters then ending as of the end of each of its fiscal quarters ending on and after March 31, 2008, to be less than 2.25 to 1.0; provided that for the period of four (4) consecutive fiscal quarters ending on October 3, 2008, the Borrower will not permit the Fixed Charge Coverage Ratio, to be less than 1.75 to 1.0."

(b) Section 6.13(b) of each of the Credit Agreements is amended and restated in its entirety to read as follows:

"(b) Maximum Leverage Ratio. The Borrower will not permit the Leverage Ratio, calculated for the Borrower and its Subsidiaries on a consolidated basis, determined as of the end of each of its fiscal quarters ending on and after March 31, 2008, to be greater than 3.5 to 1.0; provided that for the fiscal quarter ending on October 3, 2008, the Borrower will not permit the Leverage Ratio, calculated for the Borrower and its Subsidiaries on a consolidated basis, to be greater than 5.0 to 1.0."

5. Conditions of Effectiveness. This Agreement shall be effective (the “Effective Date”) upon the receipt by the Administrative Agent of, and is subject to the conditions precedent that the Administrative Agent shall have received, the following:

- (a) duly executed originals of this Agreement from the Borrower, the requisite number of Lenders under Section 9.02 of the 2005 Credit Agreement, and the Administrative Agent;
- (b) duly executed originals of this Agreement from the Borrower, the requisite number of Lenders under Section 9.02 of the 2008 Credit Agreement, and the Administrative Agent;
- (c) duly executed originals of a Reaffirmation in the form of Attachment A attached hereto from each of the Subsidiaries identified thereon;
- (d) duly executed originals of a Security Agreement by the Borrower and its Domestic Subsidiaries in favor of the Administrative Agent, in form and substance, and with respect to collateral, satisfactory to the Administrative Agent;
- (e) payment of all fees and expenses due and owing as of such date to the Administrative Agent and the Lenders (including, fees and expenses of counsel for the Administrative Agent and the Lenders) in connection with this Agreement; and
- (f) such other documents, instruments and agreements as the Administrative Agent may reasonably request.

6. Representations and Warranties.

6.1. The Borrower hereby represents and warrants that this Agreement, the attached Reaffirmation and each of the Credit Agreements, as previously executed and as amended hereby, constitute legal, valid and binding obligations of the Borrower and the Subsidiaries parties thereto and are enforceable against the Borrower and the Subsidiaries parties thereto in accordance with their terms (except as enforceability may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors’ rights generally).

6.2. Upon the effectiveness of this Agreement and after giving effect hereto, the Borrower hereby (i) reaffirms all covenants, representations and warranties made in each Credit Agreement as amended hereby, and agrees that all such representations and warranties shall be true and correct as of the effective date of this Agreement (unless such representation and warranty is made as of a specific date, in which case such representation and warranty shall be true and correct as of such date) and (ii) certifies to the Lenders and the Agents that no Default or Event of Default has occurred and is continuing.

7. References to the Credit Agreement.

7.1. Upon the effectiveness of Sections 2, 3 and 4 hereof, on and after the date hereof, each reference in each Credit Agreement (including any reference therein to “this Credit Agreement,” “hereunder,” “hereof,” “herein” or words of like import referring thereto) or in any other Loan Document shall mean and be a reference to such Credit Agreement as amended hereby. Upon the expiration of the Temporary Amendment Period, each reference in each Credit Agreement (including any reference therein to “this Credit Agreement,” “hereunder,” “hereof,” “herein” or words of like import referring thereto) or in any other Loan Document shall mean and be a reference to such Credit Agreement as amended pursuant to Section 4 hereof.

7.2. Except as specifically amended above, each Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect, and are hereby ratified and confirmed.

7.3. The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

8. Ratification and General Release.

8.1. The Borrower hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each Credit Agreement and under the related Loan Documents, (ii) agrees and acknowledges that such ratification is not a condition to the continued effectiveness of either Credit Agreement and (iii) agrees and acknowledges the obligations of the Borrower under the Credit Agreements and the related Loan Documents (collectively, the "Obligations") constitute legal, valid and binding obligations of the Borrower, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law), and that (x) no offsets, defenses or counterclaims to the Obligations or any other causes of action with respect to the Obligations, either Credit Agreement or the related Loan Documents exist and (y) no portion of the Obligations is subject to avoidance, disallowance, reduction or subordination pursuant to any requirement of law.

8.2. In consideration of, among other things, the amendments to the Credit Agreements provided for herein, the other agreements of the Administrative Agent and the Lenders contained herein and for other good and valuable consideration, as of the date hereof, the Borrower (on behalf of itself and its respective Subsidiaries and Affiliates), its successors-in-title, legal representatives and assignees and, to the extent the same is claimed by right of, through or under the Borrower, for its past, present and future employees, members, agents, representatives, officers, directors, shareholders, and trustees, do hereby and shall be deemed to have forever remised, released and discharged the Administrative Agent, the Lenders and each of the other indemnified parties under the Credit Agreements and any of their respective successors-in-title, legal representatives and assignees, past, present and future officers, directors, shareholders, trustees, agents, employees, consultants, experts, advisors, attorneys and other professionals and all other persons and entities to whom any of the Administrative Agent, the Lenders or any indemnified party would be liable if such persons or entities were found to be liable to the Borrower, or any of them (collectively hereinafter the "Lender Parties"), from any and all manner of action and actions, cause and causes of action, claims, charges, demands, counterclaims, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, damages, judgments, expenses, executions, liens, claims of liens, claims of costs, penalties, attorneys' fees, or any other compensation, recovery or relief on account of any liability, obligation, demand or cause of action of whatever nature, whether in law, equity or otherwise, whether known or unknown, fixed or contingent, joint and/or several, secured or unsecured, due or not due, primary or secondary, liquidated or unliquidated, contractual or tortious, direct, indirect, or derivative, asserted or unasserted, foreseen or unforeseen, suspected or unsuspected, now existing, heretofore existing or which may have heretofore accrued against any of the Lender Parties, whether held in a personal or representative capacity, and which are based on any act, fact, event or omission or other matter, cause or thing occurring at or from any time prior to and including the date hereof in any way, directly or indirectly arising out of, connected with or relating to this Agreement, either Credit Agreement or any related Loan Document and the transactions contemplated thereby, and all other agreements, certificates, instruments and other documents and statements (whether written or oral) related to any of the foregoing.

8.3. The Borrower hereby knowingly, voluntarily, intentionally and expressly waives and relinquishes any and all rights and benefits that it may have as against the Lender Parties under any law, rule or regulation of any jurisdiction that would have the effect of limiting the extent to which a general release extends to claims which a Lender Party does not know or suspect to exist as of the date hereof. The Borrower hereby acknowledges that the foregoing waiver was separately bargained for and that such waiver is an essential term of this Agreement, without which the consideration would not have been given by the Administrative Agent and the Lenders to the Borrower.

8.4. The provisions of this Section 8 shall survive the termination of this Agreement, either Credit Agreement and payment in full of the Obligations and all of the other obligations under the Credit Agreements.

9. Miscellaneous.

9.1. Amendment. This Agreement may not be amended or otherwise modified except as provided in the Credit Agreements.

9.2. Consultation with Counsel. Each of the parties hereto represents to each other party hereto that it has discussed this Agreement with its counsel.

9.3. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING 735 ILCS 105/5-1 ET SEQ., BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAW PROVISIONS) OF THE STATE OF ILLINOIS.

9.4. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

9.5. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

9.6. Severability. Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

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IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above written.

JOHNSON OUTDOORS INC.

BY /s/ David W. Johnson
Name: David W. Johnson
Title: Chief Financial Officer

JPMORGAN CHASE BANK, N.A., individually
as a Lender and as Administrative Agent

BY /s/ Sabir A. Hashmy
Name: Sabir A. Hashmey
Title: Vice President

LASALLE BANK NATIONAL ASSOCIATION,
as a Lender

BY /s/ Steven K. Kessler
Name: Steven K. Kessler
Title: Senior Vice President

M&I MARSHALL & ILSLEY BANK,
as a Lender

BY /s/ Ronald J. Carry
Name: Ronald J. Carry
Title: Vice President

BY /s/ James R. Miller
Name: James R. Miller
Title: Senior Vice President

ASSOCIATED BANK, N.A., as a Lender

By /s/ Daniel Holzhauer
Name: Daniel Holzhauer
Title: Vice President

HSBC BANK USA, NA, as a Lender

BY /s/ Molly Drennan
Name: Molly Drennan
Title: Vice President

THE PRIVATE BANK AND TRUST COMPANY, as a Lender

BY /s/ Jeff Janza
Name: Jeff Janza
Title: Associate Managing Director

WELLS FARGO BANK, N.A., as a Lender

BY /s/ Paul J. Hennessy
Name: Paul J. Hennessy
Title: Vice President

REAFFIRMATION

Each of the undersigned Subsidiary Guarantors hereby acknowledges receipt of a copy of that certain Omnibus Amendment dated as of October 3, 2008 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Amendment"), by and among JOHNSON OUTDOORS INC. (the "Borrower"), the financial institutions listed on the signature pages thereof (the "Lenders"), and JPMORGAN CHASE BANK, N.A., in its individual capacity as a Lender and in its capacity as contractual representative (the "Administrative Agent") under that certain Credit Agreement dated as of October 7, 2005 (as heretofore amended, restated, supplemented and otherwise modified, the "2005 Credit Agreement"), by and among the Borrower, certain of the Lenders, and the Administrative Agent and under that certain Credit Agreement dated as of February 12, 2008 (as heretofore amended, restated, supplemented and otherwise modified, the "2008 Credit Agreement" and together with the 2005 Credit Agreement, the "Credit Agreements"), by and among the Borrower, certain of the Lenders, and the Administrative Agent. Capitalized terms used in this Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreements. Without in any way establishing a course of dealing by the Administrative Agent or any Lender, each of the undersigned Subsidiary Guarantors reaffirms the terms and conditions of (i) the Subsidiary Guaranty and any other Loan Document executed by it in connection with the 2005 Credit Agreement and (ii) the Subsidiary Guaranty and any other Loan Document executed by it in connection with the 2008 Credit Agreement and acknowledges and agrees that each such agreement and each and every such Loan Document executed by the undersigned Subsidiary Guarantors in connection with the Credit Agreements remains in full force and effect and is hereby reaffirmed, ratified and confirmed. All references to either Credit Agreement contained in the above-referenced documents shall be a reference to such Credit Agreement as so modified by the terms of the Amendment and as the same may from time to time hereafter be amended, modified or restated.

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OLD TOWN CANOE COMPANY, as a
Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Treasurer

UNDER SEA INDUSTRIES, INC., as a
Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Director

SCUBAPRO U.S. LLC, as a
Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary

TECHSONIC INDUSTRIES, INC., as a
Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary and Treasurer

JOHNSON MARINE ELECTRONICS LLC, as
a Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary

OUTDOOR EQUIPMENT GROUP LLC, as a
Subsidiary Guarantor

By: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary and Treasurer

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, this "Security Agreement") is entered into as of October 3, 2008 by and between JOHNSON OUTDOORS INC., a Wisconsin corporation (the "Borrower"), each of the Subsidiary Guarantors (as defined in the Credit Agreements referred to below) (the Borrower and the Subsidiary Guarantors being referred to herein collectively as the "Grantors" and individually as a "Grantor") and JPMORGAN CHASE BANK, N.A., a national banking association, in its capacity as administrative agent (the "Administrative Agent") for the lenders party to either or both of the Credit Agreements referred to below (collectively, the "Lenders").

PRELIMINARY STATEMENT

The Borrower, the Administrative Agent and certain of the Lenders entered into a Credit Agreement dated as of October 7, 2005 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "2005 Credit Agreement").

The Borrower, the Administrative Agent and the Lenders entered into a Credit Agreement dated as of February 12, 2008 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "2008 Credit Agreement") and, collectively with the 2005 Credit Agreement, the "Credit Agreements").

The Grantors and the Administrative Agent, on behalf of the Holders of Secured Obligations, hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1. Terms Defined in the Credit Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreements.

1.2. Terms Defined in Illinois UCC. Terms defined in the Illinois UCC which are not otherwise defined in this Security Agreement are used herein as defined in the Illinois UCC.

1.3. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

"Accounts" shall have the meaning set forth in Article 9 of the Illinois UCC.

“Article” means a numbered article of this Security Agreement, unless another document is specifically referenced.

“Chattel Paper” shall have the meaning set forth in Article 9 of the Illinois UCC.

“Collateral” means all Receivables, Inventory and General Intangibles, wherever located, in which the Grantor now has or hereafter acquires any right or interest, and the proceeds, insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto; provided that, notwithstanding the foregoing, “Collateral” shall not include the Excluded Collateral.

“Control” shall have the meaning set forth in Article 8 or, if applicable, in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the Illinois UCC.

“Credit Card Obligations” means any and all indebtedness and obligations of any Grantor or any subsidiary of any Grantor to any Lender or any of its affiliates, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with any credit cards (including, without limitation, commercial credit cards and purchasing cards).

“Default” means an event described in Section 5.1 hereof.

“Documents” shall have the meaning set forth in Article 9 of the Illinois UCC.

“Excluded Collateral” means contractual rights to the extent and for so long as the grant of a security interest therein pursuant hereto would violate the terms of the agreement under which such contractual rights arise or exist, or would give any other party the right to terminate its obligations under such agreement, to the extent such prohibition or right of termination is enforceable under applicable law.

“Exhibit” refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

“General Intangibles” shall have the meaning set forth in Article 9 of the Illinois UCC.

“Holders of Secured Obligations” means the Lenders under the 2005 Credit Agreement with respect to the indebtedness and obligations of the Borrower under the 2005 Credit Agreement, the Lenders under the 2008 Credit Agreement with respect to the Obligations, as defined in the 2008 Credit Agreement and the Lenders with claims with respect to Credit Card Obligations.

“Illinois UCC” means the Illinois Uniform Commercial Code as in effect from time to time.

“Instruments” shall have the meaning set forth in Article 9 of the Illinois UCC.

“Inventory” shall have the meaning set forth in Article 9 of the Illinois UCC.

“Receivables” means the Accounts, Chattel Paper, Documents, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

“Required Lenders” means the Required Lenders under the 2005 Credit Agreement and the Required Lenders under the 2008 Credit Agreement.

“Section” means a numbered section of this Security Agreement, unless another document is specifically referenced.

“Secured Obligations” means all of the indebtedness and obligations owed by the Borrower to the Lenders under the 2005 Credit Agreement and all “Obligations”, as defined in the 2008 Credit Agreement including, without limitation, all “Swap Obligations” as defined in the 2008 Credit Agreement, and all Credit Card Obligations.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

GRANT OF SECURITY INTEREST

Each of the Grantors hereby pledges, assigns and grants to the Administrative Agent, on behalf of and for the ratable benefit of the Holders of Secured Obligations and (to the extent specifically provided herein) their Affiliates, a security interest in all of its right, title and interest, whether now owned or hereafter acquired, in and to the Collateral to secure the prompt and complete payment and performance of the Secured Obligations.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

The Grantors represent and warrant to the Administrative Agent and the Holders of Secured Obligations that:

3.1 Title, Authorization, Validity and Enforceability. Each Grantor has good and valid rights in or the power to transfer the Collateral owned by it and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted under Section 4.1.3 hereof, and has full corporate, limited liability company or partnership, as applicable, power and authority to grant to the Administrative Agent the security interest in such Collateral pursuant hereto. The execution and delivery by each Grantor of this Security Agreement have been duly authorized by proper corporate, limited liability company or partnership, as applicable, proceedings, and this Security Agreement constitutes a legal, valid and binding obligation of each Grantor and creates a security interest which is enforceable against it in all Collateral it now owns or hereafter acquires, except as enforceability may be limited by (i) bankruptcy, insolvency, fraudulent conveyances, reorganization or similar laws relating to or affecting the enforcement of creditors’ rights generally, (ii) general equitable principles (whether considered in a proceeding in equity or at law), and (iii) requirements of reasonableness, good faith and fair dealing. When financing statements have been filed in the appropriate offices against each Grantor in the locations listed on Exhibit B, the Administrative Agent will have a fully perfected first priority security interest in the Collateral owned by each Grantor in which a security interest may be perfected by filing, subject only to Liens permitted under Section 4.1.3 hereof.

3.2 Conflicting Laws and Contracts. Neither the execution and delivery by the Grantors of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on any Grantor, or (ii) any Grantor's charter, articles, partnership agreement or by-laws (or similar constitutive documents), or (iii) the provisions of any indenture, instrument or agreement to which any Grantor is a party or is subject, or by which it, or its property may be bound or affected, or conflict with or constitute a default thereunder, or result in or require the creation or imposition of any Lien in, of or on the property of any Grantor pursuant to the terms of any such indenture, instrument or agreement (other than any Lien of the Administrative Agent on behalf of the Holders of Secured Obligations or any Liens permitted by Section 4.1.3 hereof).

3.3 Principal Location. Each Grantor's mailing address and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business), is disclosed in Exhibit A. Each Grantor's jurisdiction of organization is as set forth on the table in Section 3.7.

3.4 No Other Names; Etc. Within the last five (5) years, no Grantor has changed its jurisdiction of formation, merged with or into or consolidated with any other corporation, except as disclosed in Exhibit A. The name in which each Grantor has executed this Security Agreement is the exact name as it appears, and as it has (except as disclosed in Exhibit A) appeared for the last five (5) years, in such Grantor's organizational documents, as amended, as filed with its jurisdiction of organization as of the date hereof.

3.5 No Default. No Default or Event of Default has occurred and is continuing.

3.6 No Financing Statements. No financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming any Grantor as debtor has been filed in any jurisdiction except financing statements (i) naming the Administrative Agent on behalf of the Holders of Secured Obligations as the secured party and (ii) in respect of Liens permitted by Section 6.02 of the Credit Agreements.

3.7 Federal Employer Identification Number; State Organization Number; Jurisdiction of Organization. Each Grantor's federal employer identification number is, and if such Grantor is a registered organization, such Grantor's State of organization, type of organization and State of organization identification number is, as follows:

| <u>GRANTOR</u> | <u>Federal Employer Identification Number</u> | <u>Type of Organization</u> | <u>State of Organization or Incorporation</u> | <u>State Organization Number</u> |
|--------------------------------|---|-----------------------------|---|----------------------------------|
| Johnson Outdoors Inc. | 39-1536083 | Corporation | Wisconsin | J016324 |
| Old Town Canoe Company | 01-0330025 | Corporation | Delaware | 0806383 |
| Techsonic Industries, Inc. | 63-0596601 | Corporation | Alabama | 000-834 |
| Under Sea Industries, Inc. | 95-2882690 | Corporation | Delaware | 0798857 |
| Johnson Marine Electronics LLC | 90-0410824 | Limited Liability Company | Delaware | 4502630 |
| Scubapro U.S. LLC | 90-0410818 | Limited Liability Company | Delaware | 4502633 |
| Outdoor Equipment Group LLC | 90-0410827 | Limited Liability Company | Delaware | 4502636 |

ARTICLE IV

COVENANTS

From the date of this Security Agreement and thereafter until this Security Agreement is terminated, each Grantor agrees:

4.1 General.

4.1.1 Inspection. Each Grantor will, and will cause each of its Subsidiaries to, permit the Administrative Agent or any Holder of Secured Obligations, by its representatives and agents (i) to inspect the Collateral, (ii) to examine and make copies of the records of such Grantor and its Subsidiaries relating to the Collateral and (iii) to discuss the Collateral and the related records of such Grantor and its Subsidiaries with, and to be advised as to the same by, such Grantor's officers and employees (and, in the case of any Receivable, with any person or entity which is or may be obligated thereon so long as, if no Default has occurred and is continuing, such Grantor shall be provided the opportunity to be present during such discussions), all at such reasonable times and intervals as the Administrative Agent or such Holder of Secured Obligations may determine, and all at such Grantor's expense; provided that, so long as no Default has occurred and is continuing, only two inspections of the Collateral per fiscal year pursuant to clause (i) of this Section 4.1.1 shall be at the Grantors' expense.

4.1.2 Financing Statements and Other Actions; Defense of Title. Each Grantor hereby authorizes the Administrative Agent to file, and if requested will execute and deliver to the Administrative Agent, all financing statements describing the Collateral owned by the Grantors and other documents and take such other actions as may from time to time reasonably be requested by the Administrative Agent in order to maintain a first perfected security interest in and, if applicable, Control of, the Collateral owned by the Grantors, subject to Liens permitted under Section 6.02 of the Credit Agreements. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner as the Administrative Agent may determine, in its reasonable discretion, is necessary, advisable or prudent to ensure that the perfection of the security interest in the Collateral granted to the Administrative Agent herein, including, without limitation, describing such property as “all assets” or “all personal property, whether now owned or hereafter acquired.” The Grantors will take any and all actions reasonably necessary to defend title to the Collateral owned by any Grantor against all persons and to defend the security interest of the Administrative Agent in such Collateral and the respective priority thereof (in accordance with the terms hereof and the Credit Agreements) against any Lien.

4.1.3 Liens. The Grantors will not create, incur, or suffer to exist any Lien on the Collateral owned by any Grantor except Liens permitted pursuant to Section 6.02 of the Credit Agreements.

4.1.4 Change in Corporate Existence, Type or Jurisdiction of Organization, Location, Name. Each Grantor will:

- (i) preserve its existence and corporate structure as in effect on the date hereof; and
- (ii) not change its jurisdiction of organization,

unless, in each such case, such Grantor shall have given the Administrative Agent not less than 30 days’ (or such shorter period agreed to by the Administrative Agent) prior written notice of such event or occurrence and the Administrative Agent shall have either (x) reasonably determined that such event or occurrence will not adversely affect the validity, perfection or priority of the Administrative Agent’s security interest in the Collateral, or (y) taken such steps (with the cooperation of such Grantor to the extent necessary or advisable) as are reasonably necessary or advisable to properly maintain the validity, perfection and priority of the Administrative Agent’s security interest in the Collateral owned by such Grantor.

4.1.5 Other Financing Statements. No Grantor will suffer to exist or authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by such Grantor, except any financing statement authorized under Section 4.1.2 hereof.

ARTICLE V

DEFAULT

5.1. The occurrence of any one or more of the following events shall constitute a Default:

5.1.1 The breach by any Grantor of any of the terms or provisions of Section 4.1.3.

5.1.2 The breach by any Grantor (other than a breach which constitutes a Default under Section 5.1.1 hereof) of any of the terms or provisions of this Security Agreement which is not remedied within 30 days after the giving of written notice to such Grantor by the Administrative Agent.

5.1.3 The occurrence of any "Event of Default" under, and as defined in, the 2005 Credit Agreement or the 2008 Credit Agreement.

5.2. Upon the acceleration of the Secured Obligations, the Secured Obligations shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and the Administrative Agent may, with the concurrence or at the direction of the Required Lenders, exercise any or all of the following rights and remedies:

5.2.1 Those rights and remedies provided in this Security Agreement, the Credit Agreements, or any other Loan Document, provided that this Section 5.2.1 shall not be understood to limit any rights or remedies available to the Administrative Agent and the Holders of Secured Obligations prior to a Default.

5.2.2 Those rights and remedies available to a secured party under the Illinois UCC (whether or not the Illinois UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement.

5.2.3 Without notice except as specifically provided in Section 8.1 hereof or elsewhere herein and in accordance with applicable law, sell, lease, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as the Administrative Agent may deem commercially reasonable.

The Administrative Agent, on behalf of the Holders of Secured Obligations, may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, and such compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

5.3. Grantors' Obligation Upon Default. Upon the request of the Administrative Agent after the occurrence and continuance of a Default, the Grantors will:

5.3.1 Assembly of Collateral. Assemble and make available to the Administrative Agent the Collateral and all records relating thereto at any place or places reasonably selected by the Administrative Agent.

5.3.2 Secured Party Access. Permit the Administrative Agent, or the Administrative Agent's representatives and agents, to enter any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral and to remove all or any part of the Collateral.

5.4. License. The Administrative Agent is hereby granted a non-exclusive license or other right to use, following the occurrence and during the continuance of a Default, without charge, each Grantor's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of a Default, each Grantor's rights under all licenses and all franchise agreements shall inure to the Administrative Agent's benefit. In addition, each Grantor hereby irrevocably agrees that the Administrative Agent may, following the occurrence and during the continuance of a Default, sell any of such Grantor's Inventory directly to any person, including without limitation persons who have previously purchased such Grantor's Inventory from such Grantor and in connection with any such sale or other enforcement of the Administrative Agent's rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to any Grantor and any Inventory that is covered by any copyright owned by or licensed to any Grantor and the Administrative Agent may finish any work in process and affix any trademark owned by or licensed to any Grantor and sell such Inventory as provided herein.

ARTICLE VI

WAIVERS AMENDMENTS AND REMEDIES

No delay or omission of the Administrative Agent or any Holder of Secured Obligations to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Administrative Agent with the concurrence or at the direction of the (a) Required Lenders and (b) the Grantors, and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Holders of Secured Obligations until the Secured Obligations have been paid in full.

ARTICLE VII

GENERAL PROVISIONS

7.1. Notice of Disposition of Collateral; Condition of Collateral. The Grantors hereby waive notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Grantors, addressed as set forth in Article VIII, at least ten (10) days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. The Administrative Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale.

7.2. Compromises and Collection of Collateral. The Grantors and the Administrative Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, the Grantors agree that the Administrative Agent may at any time and from time to time, if a Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Administrative Agent in its sole reasonable discretion shall determine or abandon any Receivable, and any such action by the Administrative Agent shall be commercially reasonable so long as the Administrative Agent acts in good faith based on information known to it at the time it takes any such action.

7.3. Secured Party Performance of Grantor's Obligations. Without having any obligation to do so, the Administrative Agent may perform or pay any obligation which any Grantor has agreed to perform or pay in this Security Agreement and the Grantors shall reimburse the Administrative Agent for any reasonable amounts paid by the Administrative Agent pursuant to this Section 7.3. The Grantors' obligation to reimburse the Administrative Agent pursuant to the preceding sentence shall be a Secured Obligation payable no later than fifteen (15) days after written demand therefor.

7.4. Authorization for Secured Party to Take Certain Action. The Grantors irrevocably authorize the Administrative Agent at any time and from time to time in the sole discretion of the Administrative Agent and appoint the Administrative Agent as each Grantor's attorney-in-fact (i) to execute on behalf of any Grantor as debtor and to file financing statements necessary or desirable in the Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of the Administrative Agent's security interest in the Collateral, (ii) upon the occurrence and the continuance of a Default, to indorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Administrative Agent's security interest in the Collateral, (iv) upon the occurrence and the continuance of a Default, to enforce payment of the Instruments, Accounts and Receivables in the name of the Administrative Agent or any Grantor, (v) to apply the proceeds of any Collateral received by the Administrative Agent to the Secured Obligations and (vi) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder or under any other Loan Document or which are being contested in good faith pursuant to any other Loan Document), and the Grantors agree to reimburse the Administrative Agent within fifteen (15) days of written demand for any reasonable payment made or any reasonable expense incurred by the Administrative Agent in connection therewith, provided that this authorization shall not relieve the Grantors of any of their obligations under this Security Agreement or under the Credit Agreements.

7.5. Specific Performance of Certain Covenants. The Grantors acknowledge and agree that a breach of any of the covenants contained in Sections 4.1.3 or 5.3 will cause irreparable injury to the Administrative Agent and the Holders of Secured Obligations, that the Administrative Agent and Holders of Secured Obligations have no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Administrative Agent or the Holders of Secured Obligations to seek and obtain specific performance of other obligations of the Grantors contained in this Security Agreement, that the covenants of the Grantors contained in the Sections referred to in this Section 7.5 shall be specifically enforceable against the Grantors.

7.6. Use and Possession of Certain Premises. Upon the occurrence and during the continuance of a Default, the Administrative Agent shall be entitled to occupy and use any premises owned or leased by any Grantor where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid in full or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay the Grantors for such use and occupancy.

7.7. Benefits of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Grantors, the Administrative Agent and the Holders of Secured Obligations and their respective successors and assigns (including all persons who become bound as a debtor to this Security Agreement), except that the Grantors shall not have the right to assign its rights or delegate their obligations under this Security Agreement or any interest herein, without the prior written consent of the Administrative Agent.

7.8. Survival of Representations. All representations and warranties of the Grantors contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

7.9. Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Grantors, together with interest and penalties, if any, subject to Grantors' right to contest such taxes pursuant to Section 5.04 of the Credit Agreements. The Grantors shall reimburse the Administrative Agent for any and all reasonable out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Administrative Agent) paid or incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the reasonable expenses and charges associated with any periodic or special audit of the Collateral; provided, however, that if no Default has occurred and is continuing, only two such periodic or special audits of the Collateral in any fiscal year shall be at the expense of the Grantor). Any and all costs and expenses incurred by the Grantors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Grantors.

7.10. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

7.11 Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (i) the Credit Agreement has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been paid in cash and performed in full and no commitments of the Administrative Agent or the Holders of Secured Obligations which would give rise to any Secured Obligations are outstanding.

7.12 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Grantors and the Administrative Agent relating to the Collateral and supersedes all prior agreements and understandings between the Grantors and the Administrative Agent relating to the Collateral.

7.13 **Governing Law; Jurisdiction; Waiver of Jury Trial.**

7.13.1 THIS SECURITY AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF ILLINOIS.

7.13.2 Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the State of Illinois sitting in Cook County and of the United States District Court of the Northern District of Illinois, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Security Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each Grantor hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Illinois State or, to the extent permitted by law, in such Federal court. Each Grantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Security Agreement or any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Security Agreement or any other Loan Document against any Grantor or its properties in the courts of any jurisdiction.

7.13.3 Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Security Agreement or any other Loan Document in any court referred to in Section 7.13.2. Each Grantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

7.13.4 Each party to this Security Agreement irrevocably consents to service of process in the manner provided for notices in Article VIII of this Security Agreement. Nothing in this Security Agreement or any other Loan Document will affect the right of any party to this Security Agreement to serve process in any other manner permitted by law.

7.13.5 WAIVER OF JURY TRIAL. EACH GRANTOR HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH GRANTOR ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

7.14 Indemnity. The Grantors hereby jointly and severally agree to indemnify the Administrative Agent and the Holders of Secured Obligations, and their respective successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Administrative Agent or any Holder of Secured Obligations is a party thereto) imposed on, incurred by or asserted against the Administrative Agent or the Holders of Secured Obligations, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Administrative Agent or the Holders of Secured Obligations or the Grantors, and any claim for patent, trademark or copyright infringement), provided that such indemnity shall not, as to any indemnitee, be available to the extent that such losses, claims, damages, penalties, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such indemnitee.

7.15 Severability. Any provision in this Security Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

7.16 Counterparts. This Security Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Security Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Security Agreement.

ARTICLE VIII

NOTICES

8.1 Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent (and deemed received) in the manner and to the addresses set forth in Section 9.01 of the Credit Agreements.

8.2 Change in Address for Notices. Each of the Grantors, the Administrative Agent and the Lenders may change the address for service of notice upon it by a notice in writing to the other parties.

ARTICLE IX

THE ADMINISTRATIVE AGENT

JPMorgan Chase Bank, N.A. has been appointed Administrative Agent for the Holders of Secured Obligations hereunder pursuant to Article VIII of the Credit Agreements. It is expressly understood and agreed by the parties to this Security Agreement that any authority conferred upon the Administrative Agent hereunder is subject to the terms of the delegation of authority made by the Holders of Secured Obligations to the Administrative Agent pursuant to the Credit Agreement, and that the Administrative Agent has agreed to act (and any successor Administrative Agent shall act) as such hereunder only on the express conditions contained in such Article VIII. Any successor Administrative Agent appointed pursuant to Article VIII of the Credit Agreements shall be entitled to all the rights, interests and benefits of the Administrative Agent hereunder.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each of the Grantors and the Administrative Agent have executed this Security Agreement as of the date first above written.

JOHNSON OUTDOORS INC.

BY: /s/ David W. Johnson
Name: David W. Johnson
Title: Chief Financial Officer

OLD TOWN CANOE COMPANY

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Treasurer

TECHSONIC INDUSTRIES, INC.

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary and Treasurer

UNDER SEA INDUSTRIES, INC.

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Director

JOHNSON MARINE ELECTRONICS LLC

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary

SCUBAPRO U.S. LLC

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary

OUTDOOR EQUIPMENT GROUP LLC

BY: /s/ Donald P. Sesterhenn
Name: Donald P. Sesterhenn
Title: Secretary and Treasurer

BY: /s/ Sabir A. Hashmy

Name: Sabir A. Hashmy

Title: Vice President

EXHIBIT A
(See Sections 3.3 and 3.4 of Security Agreement)

Prior names, jurisdiction of formation, place of business (if Grantor has only one place of business), chief executive office (if Grantor has more than one place of business), mergers and mailing address:

| Company Name and Address | Place of Incorporation |
|--|------------------------|
| Johnson Outdoors Inc. Racine Operations 555 Main Street Racine, WI 53403 | Wisconsin, USA |
| Old Town Canoe Company, Inc. 58 Middle Street Old Town, ME 04468 | Delaware, USA |
| Techsonic Industries Inc. 678 Humminbird Lane Eufaula, AL 36027 | Alabama, USA |
| Under Sea Industries, Inc. c/o Johnson Outdoors Inc. 555 Main Street Racine, WI 53403 | Delaware, USA |
| Johnson Marine Electronics LLC 1531 E. Madison Avenue Mankato, MN 56001 | Delaware, USA |
| Scubapro U.S. LLC 1166 – A Fesler Street El Cajon, CA 92020 | Delaware, USA |
| Outdoor Equipment Group LLC 625 Conklin Road Binghamton, NY 13903 | Delaware, USA |

EXHIBIT B
(See Section 3.1 of Security Agreement)

OFFICES IN WHICH FINANCING STATEMENTS HAVE BEEN FILED

| <u>Grantor</u> | Filing Office |
|------------------------------|--|
| Johnson Outdoors Inc. | Wisconsin Department of Financial Institutions |
| Old Town Canoe Company | Delaware Secretary of State |
| Techsonic Industries, Inc. | Alabama Secretary of State |
| Under Sea Industries, Inc. | Delaware Secretary of State |
| Marine Electronics Group LLC | Delaware Secretary of State |
| Scubapro U.S. LLC | Delaware Secretary of State |
| Outdoor Equipment Group LLC | Delaware Secretary of State |