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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-16255

JOHNSON OUTDOORS INC.
(Exact name of Registrant as specified in its charter)

Wisconsin

39-1536083

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

1326 Willow Road, Sturtevant, Wisconsin 53177

(Address of principal executive offices)

(262) 884-1500

(Registrant's telephone number, including area code)

Johnson Worldwide Associates, Inc.

(Former name, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

As of April 14, 2000, 6,924,630 shares of Class A and 1,222,729 shares of Class B common stock of the Registrant were outstanding.

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JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

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PART I FINANCIAL INFORMATION

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months and six months ended March 31, 2000 and
April 2, 1999

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JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

| (thousands, except per share data) | Three Months Ended | | Six Months Ended | |
|---|--------------------|-----------------|------------------|-----------------|
| | March 31 2000 | April 2 1999 | March 31 2000 | April 2 1999 |
| Net sales | \$96,703 | \$84,644 | \$152,903 | \$132,788 |
| Cost of sales | 57,633 | 50,015 | 91,921 | 80,348 |
| Gross profit | 39,070 | 34,629 | 60,982 | 52,440 |
| Operating expenses: | | | | |
| Marketing and selling | 18,398 | 16,419 | 31,532 | 28,521 |
| Administrative management, finance and information systems | 7,108 | 5,836 | 13,172 | 11,399 |
| Research and development | 1,819 | 1,596 | 3,470 | 3,179 |
| Amortization of acquisition costs | 740 | 712 | 1,501 | 1,420 |
| Profit sharing | 753 | 645 | 864 | 680 |
| Strategic charges | 668 | 1,133 | 720 | 2,074 |
| Total operating expenses | 29,486 | 26,341 | 51,259 | 47,273 |
| Operating profit | 9,584 | 8,288 | 9,723 | 5,167 |
| Interest income | (144) | (56) | (249) | (149) |
| Interest expense | 2,912 | 2,556 | 5,185 | 4,785 |
| Other expense (income), net | 86 | 93 | (126) | 87 |
| Income from continuing operations before income taxes | 6,730 | 5,695 | 4,913 | 444 |
| Income tax expense | 2,834 | 2,475 | 2,052 | 262 |
| Income from continuing operations | 3,896 | 3,220 | 2,861 | 182 |
| Income (loss) from discontinued operations, net of income tax expense (benefit) of \$842, \$(563) and \$857, respectively | -- | 1,157 | (941) | 1,176 |
| Loss on disposal of discontinued operations, net of income tax expense (benefit) of \$961 and \$(2,740), respectively | (1,309) | -- | (24,418) | -- |
| Net income (loss) | \$ 2,587 | \$ 4,377 | \$ (22,498) | \$ 1,358 |
| BASIC EARNINGS (LOSS) PER COMMON SHARE: | | | | |
| Continuing operations | \$ 0.48 | \$ 0.40 | \$ 0.35 | \$ 0.02 |
| Discontinued operations | (0.16) | 0.14 | (3.12) | 0.15 |
| Net income (loss) | \$ 0.32 | \$ 0.54 | \$ (2.77) | \$ 0.17 |
| DILUTED EARNINGS (LOSS) PER COMMON SHARE: | | | | |
| Continuing operations | \$ 0.48 | \$ 0.40 | \$ 0.35 | \$ 0.02 |
| Discontinued operations | (0.16) | 0.14 | (3.12) | 0.15 |
| Net income (loss) | \$ 0.32 | \$ 0.54 | \$ (2.77) | \$ 0.17 |

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

CONSOLIDATED BALANCE SHEETS
(unaudited)

| (thousands, except share data) | March 31 2000 | October 1 1999 | April 2 1999 |
|--|------------------|-------------------|------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and temporary cash investments | \$ 3,189 | \$ 9,974 | \$ 3,269 |
| Accounts receivable, less allowance for doubtful accounts of \$3,625, \$3,236, and \$2,629, respectively | 78,918 | 49,302 | 72,718 |
| Inventories | 76,166 | 59,981 | 68,201 |
| Deferred income taxes | 7,796 | 4,718 | 4,925 |
| Other current assets | 5,563 | 5,644 | 6,944 |
| Net assets of discontinued operations | 12,444 | 56,114 | 66,650 |
| Total current assets | 184,076 | 185,733 | 222,707 |
| Property, plant and equipment | 31,170 | 35,323 | 31,708 |
| Deferred income taxes | 15,479 | 11,277 | 11,229 |
| Intangible assets | 59,811 | 65,599 | 59,845 |
| Other assets | 2,214 | 1,093 | 1,601 |
| Total assets | \$298,750 | \$299,025 | \$327,091 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Current liabilities: | | | |
| Short-term debt and current maturities of long-term debt | \$ 99,009 | \$ 49,327 | \$ 90,995 |
| Accounts payable | 22,488 | 16,034 | 16,354 |
| Accrued liabilities: | | | |
| Salaries and wages | 5,172 | 6,912 | 4,356 |
| Other | 19,744 | 22,126 | 16,845 |
| Total current liabilities | 146,413 | 94,399 | 128,550 |
| Long-term debt, less current maturities | 47,826 | 72,744 | 73,503 |
| Other liabilities | 4,761 | 4,704 | 4,330 |
| Total liabilities | 199,000 | 171,847 | 206,383 |
| Shareholders' equity: | | | |
| Preferred stock: none issued | -- | -- | -- |
| Common stock: | | | |
| Class A shares issued: | | | |
| March 31, 2000, 6,924,630; | | | |
| October 1, 1999, 6,910,577; | | | |
| April 2, 1999, 6,910,577 | 346 | 345 | 345 |
| Class B shares issued (convertible into Class A): | | | |
| March 31, 2000, 1,222,729; | | | |
| October 1, 1999, 1,222,861; | | | |
| April 2, 1999, 1,222,861 | 61 | 61 | 61 |
| Capital in excess of par value | 44,291 | 44,205 | 44,157 |
| Retained earnings | 69,282 | 91,832 | 86,305 |
| Contingent compensation | (115) | (134) | (63) |
| Other comprehensive income - cumulative foreign currency translation adjustment | (14,115) | (9,049) | (9,811) |
| Treasury stock: Class A shares, at cost: | | | |
| October 1, 1999, 5,280; | | | |
| April 2, 1999, 18,310 | -- | (82) | (285) |
| Total shareholders' equity | 99,750 | 127,178 | 120,709 |
| Total liabilities and shareholders' equity | \$298,750 | \$299,025 | \$327,091 |

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

| (thousands) | Six Months Ended | |
|---|------------------|-----------------|
| | March 31 2000 | April 2 1999 |
| CASH USED FOR OPERATIONS | | |
| Net income (loss) | \$ (22,498) | \$ 1,358 |
| Less income (loss) from discontinued operations | (25,359) | 1,176 |
| Income from continuing operations | 2,861 | 182 |
| Adjustments to reconcile income from continuing operations to net cash used for operating activities of continuing operations : | | |
| Depreciation and amortization | 6,504 | 6,220 |
| Deferred income taxes | (2,836) | 251 |
| Change in assets and liabilities, net of effect of businesses acquired or sold: | | |
| Accounts receivable | (31,625) | (26,556) |
| Inventories | (19,033) | (7,745) |
| Accounts payable and accrued liabilities | 3,248 | (676) |
| Other, net | 2,654 | (933) |
| Net cash used for operating activities of continuing operations | (38,227) | (29,257) |
| CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES | | |
| Proceeds from sale of business, net of cash | 33,126 | -- |
| Net assets of businesses acquired, net of cash | (706) | (5,574) |
| Net additions to property, plant and equipment | (7,308) | (5,094) |
| Net cash provided by (used for) investing activities of continuing operations | 25,112 | (10,668) |
| CASH PROVIDED BY FINANCING ACTIVITIES | | |
| Principal payments on senior notes and other long-term debt | (20,729) | -- |
| Net change in short-term debt | 46,734 | 41,517 |
| Common stock transactions | 98 | 94 |
| Net cash provided by financing activities of continuing operations | 26,103 | 41,611 |
| Effect of foreign currency fluctuations on cash | (774) | (373) |
| Net cash used for discontinued operations | (18,999) | (8,375) |
| Decrease in cash and temporary cash investments | (6,785) | (7,062) |
| CASH AND TEMPORARY CASH INVESTMENTS | | |
| Beginning of period | 9,974 | 10,331 |
| End of period | \$ 3,189 | \$ 3,269 |

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1 Name Change

In February 2000, the shareholders approved a change in the name of the Company to Johnson Outdoors Inc. The change is intended to better represent the nature of the Company's business.

2 Basis of Presentation

The consolidated financial statements included herein are unaudited. In the opinion of management, these statements contain all adjustments (consisting of only normal recurring items) necessary to present fairly the financial position of Johnson Outdoors Inc. and subsidiaries (the Company) as of March 31, 2000 and the results of operations and cash flows for the three months and six months ended March 31, 2000. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1999 Annual Report.

Because of seasonal and other factors, the results of operations for the three months and six months ended March 31, 2000 are not necessarily indicative of the results to be expected for the full year.

All monetary amounts, other than share and per share amounts, are stated in thousands.

Certain amounts as previously reported have been reclassified to conform with the current period presentation. See Note 7.

3 Income Taxes

The provision for income taxes includes deferred taxes and is based upon estimated annual effective tax rates in the tax jurisdictions in which the Company operates.

4 Inventories

Inventories related to continuing operations at the end of the respective periods consist of the following:

| | March 31 2000 | October 1 1999 | April 2 1999 |
|-----------------|------------------|-------------------|-----------------|
| Raw materials | \$ 27,716 | \$ 22,702 | \$ 23,601 |
| Work in process | 2,428 | 3,176 | 3,136 |
| Finished goods | 50,502 | 39,014 | 46,524 |
| | 80,646 | 64,892 | 73,261 |
| Less reserves | (4,480) | (4,911) | (5,060) |
| | \$ 76,166 | \$ 59,981 | \$ 68,201 |

5 Earnings Per Share

The following table sets forth the computation of basic and diluted earnings from continuing operations per common share:

| | Three Months Ended | | Six Months Ended | |
|--|--------------------|-----------------|------------------|-----------------|
| | March 31 2000 | April 2 1999 | March 31 2000 | April 2 1999 |
| Income from continuing operations for basic and diluted earnings per share | \$ 3,896 | \$ 3,220 | \$ 2,861 | \$ 182 |
| Weighted average common shares outstanding | 8,134,478 | 8,100,600 | 8,131,318 | 8,097,253 |
| Less nonvested restricted stock | 19,429 | 3,818 | 19,965 | 3,988 |
| Basic average common shares | 8,115,049 | 8,096,782 | 8,111,354 | 8,093,265 |
| Dilutive stock options and restricted stock | 7,187 | 2,207 | 10,826 | 1,914 |
| Diluted average common shares | 8,122,236 | 8,098,989 | 8,122,180 | 8,095,179 |
| Basic earnings per common share | \$ 0.48 | \$ 0.40 | \$ 0.35 | \$ 0.02 |
| Diluted earnings per common share | \$ 0.48 | \$ 0.40 | \$ 0.35 | \$ 0.02 |

6 Stock Ownership Plans

A summary of stock option activity related to the Company's plans is as follows:

| | Shares | Weighted Average Exercise Price |
|--------------------------------|----------|------------------------------------|
| Outstanding at October 1, 1999 | 778,837 | \$14.02 |
| Granted | 194,500 | 7.63 |
| Cancelled | (48,942) | 16.83 |
| Outstanding at March 31, 2000 | 924,395 | \$12.53 |

Options to purchase 798,338 shares of common stock with a weighted average exercise price of \$14.70 per share were outstanding at April 2, 1999.

7 Sale of Fishing Business

In January 2000, the Company entered into an agreement for the sale of its Fishing business. As a result, operations of the Fishing group have been classified as discontinued for all periods presented herein. The sale price totaled \$48,400, including \$12,700 of accounts receivable retained by the Company and \$2,400 of debt assumed by the buyer. The sale price is subject to final closing adjustments. The Company recorded a loss of \$24,418 related to the sale of the business, taking into account operating results from the measurement date to the date of disposal. Since the plan to divest the business was approved prior to the formal issuance of the Company's first quarter financial statements, the loss was recognized in first quarter results to the extent determinable. The transaction closed in March 2000.

Net sales of the Fishing group totaled \$10,994 for the three months ended December 31, 1999, and \$19,585 and \$31,422 for the three months and six months ended April 2, 1999, respectively. Interest expense of \$36, \$92 and \$146, respectively, that is directly attributable to the Fishing business is allocated to discontinued operations.

8 Strategic Charges

In the fiscal second quarter, the Company recorded severance and other exit costs totaling \$668, relating primarily to the closure and relocation of a manufacturing facility in the Motors business. The Company expects charges related to this action will total approximately \$2,000 in fiscal 2000. Approximately 90 employees are impacted.

9 Comprehensive Income

Comprehensive income includes net income and changes in shareholders' equity from non-owner sources. For the Company, the elements of comprehensive income excluded from net income are represented primarily by the cumulative foreign currency translation adjustment.

Comprehensive income (loss) for the respective periods consists of the following:

| | Three Months Ended | | Six Months Ended | |
|-----------------------------|--------------------|-----------------|------------------|-----------------|
| | March 31 2000 | April 2 1999 | March 31 2000 | April 2 1999 |
| Net income (loss) | \$ 2,587 | \$ 4,377 | \$ (22,498) | \$ 1,358 |
| Translation adjustment | (1,388) | (5,193) | (5,066) | (5,160) |
| Comprehensive income (loss) | \$ 1,199 | \$ (816) | \$ (27,564) | \$ (3,802) |

10 Segments of Business

The Company conducts its worldwide operations through separate global business units, each of which represent major product lines. Operations are conducted in the United States and various foreign countries, primarily in Europe, Canada and the Pacific Basin.

Net sales and operating profit include both sales to customers, as reported in the Company's consolidated statements of operations, and interunit transfers, which are priced to recover cost plus an appropriate profit margin. Identifiable assets represent assets that are used in the Company's operations in each business unit at the end of the periods presented.

A summary of the Company's operations by business unit is presented below:

| | Three Months Ended | | Six Months Ended | |
|------------------------------|--------------------|-----------------|------------------|-----------------|
| | March 31 2000 | April 2 1999 | March 31 2000 | April 2 1999 |
| ----- | | | | |
| Net sales: | | | | |
| Outdoor equipment: | | | | |
| Unaffiliated customers | \$29,394 | \$26,136 | \$ 47,401 | \$ 41,136 |
| Interunit transfers | 20 | 19 | 22 | 30 |
| Diving: | | | | |
| Unaffiliated customers | 20,717 | 19,914 | 36,751 | 37,559 |
| Interunit transfers | 2 | 6 | 2 | 9 |
| Motors: | | | | |
| Unaffiliated customers | 24,569 | 22,402 | 35,930 | 31,427 |
| Interunit transfers | 813 | 645 | 1,183 | 984 |
| Watercraft: | | | | |
| Unaffiliated customers | 21,616 | 15,873 | 31,692 | 21,655 |
| Interunit transfers | 253 | 168 | 269 | 180 |
| Other | 405 | 319 | 1,130 | 1,011 |
| Eliminations | (1,086) | (838) | (1,477) | (1,203) |
| ----- | | | | |
| | \$96,703 | \$84,644 | \$152,903 | \$132,788 |
| ===== | | | | |
| Operating profit (loss): | | | | |
| Outdoor equipment | \$ 2,957 | \$ 1,781 | \$ 3,617 | \$ 835 |
| Diving | 1,924 | 721 | 3,403 | 152 |
| Motors | 3,036 | 3,323 | 2,235 | 2,380 |
| Watercraft | 3,748 | 3,172 | 4,022 | 3,322 |
| Other | (2,081) | (709) | (3,554) | (1,522) |
| ----- | | | | |
| | \$ 9,584 | \$ 8,288 | \$ 9,723 | \$ 5,167 |
| ===== | | | | |
| Identifiable assets | | | | |
| (end of period): | | | | |
| Outdoor equipment | | | \$ 55,711 | \$ 53,849 |
| Diving | | | 89,702 | 97,573 |
| Motors | | | 40,524 | 34,878 |
| Watercraft | | | 76,650 | 49,886 |
| Discontinued operations, net | | | 12,444 | 66,650 |
| Other | | | 23,719 | 24,255 |
| ----- | | | | |
| | | | \$298,750 | \$327,091 |
| ===== | | | | |

11 Selected Financial Data

A summary of the Company's operating results and key balance sheet data for each of the years in the four-year period ended October 1, 1999 is presented below. All years have been reclassified to reflect the Company's Fishing business as a discontinued operation.

| | Year Ended | | | |
|--|-------------------|-------------------|-------------------|----------------------|
| | October 1 1999 | October 2 1998 | October 3 1997 | September 27 1996 |
| OPERATING RESULTS (1) | | | | |
| Net sales | \$ 305,094 | \$ 270,017 | \$ 239,322 | \$ 274,637 |
| Gross profit | 120,670 | 106,801 | 91,118 | 102,041 |
| Operating expenses (2) | 101,157 | 88,445 | 77,237 | 91,138 |
| Operating profit | 19,513 | 18,356 | 13,881 | 10,903 |
| Interest expense | 9,565 | 9,631 | 8,413 | 9,563 |
| Other income, net | (71) | (539) | (624) | (498) |
| Income from continuing operations before income taxes | 10,019 | 9,264 | 6,092 | 1,838 |
| Income tax expense | 4,158 | 3,885 | 2,721 | 2,740 |
| Income (loss) from continuing operations | 5,861 | 5,379 | 3,371 | (902) |
| Income (loss) from discontinued operations | 1,161 | (167) | (1,315) | (10,453) |
| Net income (loss) | \$ 7,022 | \$ 5,212 | \$ 2,056 | \$ (11,355) |
| Basic earnings (loss) per common share: | | | | |
| Continuing operations | \$ 0.72 | \$ 0.66 | \$ 0.42 | \$ (0.11) |
| Discontinued operations | 0.14 | (0.02) | (0.17) | (1.29) |
| Net income (loss) | \$ 0.87 | \$ 0.64 | \$ 0.25 | \$ (1.40) |
| Diluted earnings (loss) per common share: | | | | |
| Continuing operations | \$ 0.72 | \$ 0.66 | \$ 0.42 | \$ (0.11) |
| Discontinued operations | 0.14 | (0.02) | (0.17) | (1.29) |
| Net income (loss) | \$ 0.87 | \$ 0.64 | \$ 0.25 | \$ (1.40) |
| Average common shares outstanding: | | | | |
| Basic | 8,096,575 | 8,094,906 | 8,102,100 | 8,101,564 |
| Diluted | 8,108,228 | 8,113,830 | 8,115,318 | 8,101,564 |
| BALANCE SHEET DATA | | | | |
| Current assets (3) | \$ 185,733 | \$ 188,224 | \$ 183,341 | \$ 221,798 |
| Total assets | 299,025 | 292,380 | 272,605 | 272,119 |
| Current liabilities (4) | 45,072 | 39,448 | 36,772 | 41,773 |
| Long-term debt, less current maturities | 72,744 | 81,508 | 87,926 | 60,194 |
| Total debt | 122,071 | 124,001 | 113,676 | 99,485 |
| Shareholders' equity | 127,178 | 124,386 | 117,731 | 126,424 |

(1) The year ended October 3, 1997 includes 53 weeks. All other years include 52 weeks.

(2) Includes strategic charges of \$2,773, \$1,388, \$335 and \$4,487 in 1999, 1998, 1997 and 1996, respectively.

(3) Includes net assets of discontinued operations of \$56,114, \$58,462, \$65,285 and \$84,851 in 1999, 1998, 1997 and 1996, respectively.

(4) Excludes short-term debt and current maturities of long-term debt.

12 Quarterly Financial Summary

The following summarizes quarterly operating results for the year ended October 1, 1999. All periods have been reclassified to reflect the Company's Fishing business as a discontinued operation.

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|---|------------------|-------------------|------------------|-------------------|
| Net sales | \$48,144 | \$84,644 | \$101,134 | \$71,172 |
| Gross profit | 17,811 | 34,629 | 42,107 | 26,123 |
| Operating expenses (1) | 20,932 | 26,341 | 28,418 | 25,466 |
| Operating profit (loss) | (3,121) | 8,288 | 13,690 | 656 |
| Income (loss) from continuing operations | (3,038) | 3,220 | 6,359 | (680) |
| Income (loss) from discontinued operations | 19 | 1,157 | 725 | (740) |
| Net income (loss) | \$ (3,019) | \$ 4,377 | \$ 7,084 | \$ (1,420) |
| Basic earnings (loss) per common share: | | | | |
| Continuing operations | \$ (0.37) | \$ 0.40 | \$ 0.79 | \$ (0.09) |
| Discontinued operations | -- | 0.14 | 0.09 | (0.09) |
| Net income (loss) | \$ (0.37) | \$ 0.54 | \$ 0.88 | \$ (0.18) |
| Diluted earnings (loss) per common share: | | | | |
| Continuing operations | \$ (0.37) | \$ 0.40 | \$ 0.78 | \$ (0.09) |
| Discontinued operations | -- | 0.14 | 0.09 | (0.09) |
| Net income (loss) | \$ (0.37) | \$ 0.54 | \$ 0.87 | \$ (0.18) |

(1) Includes strategic charges of \$942, \$1133, \$49 and \$649, respectively.

JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

Management's Discussion and Analysis of Financial
Condition and Results of Operations

The following discussion includes comments and analysis relating to the Company's results of operations and financial condition for the three months and six months ended March 31, 2000 and April 2, 1999. This discussion should be read in conjunction with the consolidated financial statements and related notes that immediately precede this section, as well as the Company's 1999 Annual Report.

Forward Looking Statements

Certain matters discussed in this Form 10-Q are "forward-looking statements," intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement includes phrases such as the Company "expects," "believes" or other words of similar meaning. Similarly, statements that describe the Company's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which could cause actual results or outcomes to differ materially from those currently anticipated. Factors that could affect actual results or outcomes include changes in consumer spending patterns, actions of companies that compete with the Company, the Company's success in managing inventory, movements in foreign currencies or interest rates, and adverse weather conditions. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this Form 10-Q and the Company undertakes no obligations to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Results of Continuing Operations

Net sales for the three months ended March 31, 2000 totaled \$96.7 million, an increase of 14%, or \$12.1 million, compared to \$84.6 million in the three months ended April 2, 1999. Net sales for the six months ended March 31, 2000 totaled \$152.9 million, an increase of 15%, or \$20.1 million, over the six months ended April 2, 1999. Sales of all businesses except Diving exhibited strong growth, led by the Watercraft business. The Company also continues to experience strong sales growth excluding recently acquired businesses, totaling 12% for both the three month and six month periods of the current year. Acquisitions consummated in 1999 accounted for \$1.6 million and \$4 million of the growth in sales, for the three months and six months ended March 31, 2000, respectively.

The Diving business was adversely impacted primarily by weakness in foreign currency movements, resulting in a modest increase in sales for the three months ended March 31, 2000, and a similarly modest decline year to date. Relative to the U.S. dollar, the average values of most currencies of the countries in which the Company has operations were lower for the three months and six months ended March 31, 2000 as compared to the corresponding periods of the prior year. Excluding the impact of foreign currencies, net sales increased 17% and 19% for the three months and six months ended March 31, 2000, respectively.

Gross profit as a percentage of sales was 40.4% for the three months ended March 31, 2000 compared to 40.9% in the corresponding period in the prior year. An unfavorable mix in products sold and a planned decrease in Diving factory production contributed to the decline. Gross profit for the six months ended

March 31, 2000 increased to 39.9% from 39.5% in the prior year. Strong sales growth, a better mix of products sold, and improved factory efficiency contributed to the year to date increase.

The Company recognized an operating profit of \$9.6 million for the three months ended March 31, 2000, compared to an operating profit of \$8.3 million for the corresponding period of the prior year. For the six months ended March 31, 2000, operating profit increased to \$9.7 million, or 6.4% of sales, a 250 basis point improvement, from \$5.2 million in the prior year. Year to date operating expense growth of 12%, excluding strategic charges, was less than the growth rate of sales, which contributed to the improved operating results, as did sales growth. Decreased strategic charges related to closure and relocation of a manufacturing facility in the current year and integration of acquired businesses in the prior year, also contributed to the improvement in profitability for the three month and six month periods.

Interest expense totaled \$5.2 million for the six months ended March 31, 2000 compared to \$4.8 million for the corresponding period of the prior year. Increased debt levels due to acquisitions consummated in 1999, an unfavorable interest rate environment and higher working capital all contributed to the increase.

The Company recognized income from continuing operations of \$3.9 million in the three months ended March 31, 2000 compared to \$3.2 million in the corresponding period of the prior year. Diluted earnings per common share totaled \$0.48 for the three months ended March 31, 2000 compared to \$0.40 in the prior year. The Company recognized income from continuing operations of \$2.9 million in the six months ended March 31, 2000 compared to \$0.2 million in the corresponding period of the prior year. Year to date diluted earnings per common share increased to \$0.35 from \$0.02 in the prior year.

Discontinued Operations

In January 2000, the Company entered into an agreement for the sale of its Fishing business. As a result, operations of the Fishing group have been classified as discontinued for all periods presented herein. The sale price totaled \$48.4 million, including \$12.7 million of accounts receivable retained by the Company and \$2.4 million of debt assumed by the buyer. The sale price is subject to final closing adjustments. The Company recorded a loss of \$24.4 million related to the sale of the business, taking into account operating results from the measurement date to the date of disposal. Since the plan to divest the business was approved prior to the formal issuance of the Company's first quarter financial statements, the loss was recognized in first quarter results to the extent determinable. The transaction closed in March 2000.

Net sales of the Fishing group totaled \$11 million for the three months ended December 31, 1999, and \$19.6 million and \$31.4 million for the three months and six months ended April 2, 1999. Interest expense of \$36 thousand and \$92 thousand and \$146 thousand, respectively, that is directly attributable to the Fishing business is allocated to discontinued operations.

Financial Condition

The following discusses changes in the Company's liquidity and capital resources related to continuing operations.

Operations

Cash flows used for operations totaled \$38.2 million for the six months ended March 31, 2000 and \$29.3 million for the corresponding period of the prior year.

Accounts receivable seasonally increased \$31.6 million for the six months ended March 31, 2000 and \$26.6 million for the corresponding period of the prior year due to strong sales growth. Days of sales outstanding are improved over the prior year. Seasonal growth in inventories of \$19 million for the six

months ended March 31, 2000 and \$7.7 million for the corresponding period of the prior year also accounted for a significant portion of the net usage of funds. Inventory turns increased for the six month period ended March 31, 2000 compared to the corresponding period of the prior year. The Company has increased production of Watercraft and Motors products over the prior year level in order to meet seasonal demand.

Depreciation and amortization charges were \$6.5 million for the six months ended March 31, 2000 and \$6.2 million for the corresponding period of the prior year. The increase was due primarily to increased amortization of intangible assets from businesses acquired in 1999 and 1998.

Accounts payable and accrued liabilities increased \$3.2 million for the six months ended March 31, 2000, decreasing the net outflow of cash from operations, and decreased \$0.7 million for the corresponding period of the prior year.

Deferred income taxes increased \$2.8 million for the six months ended March 31, 2000 due primarily to losses incurred from the sale of the Fishing business.

Investing Activities

Expenditures for property, plant and equipment were \$7.3 million for the six months ended March 31, 2000 and \$5.1 million for the corresponding period of the prior year. The Company's recurring investments are made primarily for tooling for new products and enhancements. The increase in capital expenditures in the current year is due primarily to investments to increase manufacturing capacity in the Company's Watercraft business. In 2000, capitalized expenditures are anticipated to total approximately \$13 million. These expenditures are expected to be funded by working capital or existing credit facilities. The Company completed the acquisition of one business in the corresponding period of the prior year, which increased tangible and intangible assets by \$5.6 million, net of cash and liabilities assumed.

Financing Activities

Cash flows from financing activities totaled \$26.1 million for the six months ended March 31, 2000 and \$41.6 million for the corresponding period of the prior year. The closing of the sale of the Fishing business resulted in a \$14 million reduction of short-term debt and a \$15.2 million reduction of long-term debt. The buyer assumed an additional \$2.4 million of debt. Additional debt reduction will occur upon liquidation of retained accounts receivable, less transaction expenses and retained liabilities.

Market Risk Management

The Company is exposed to market risk stemming from changes in foreign exchange rates, interest rates and, to a lesser extent, commodity prices. Changes in these factors could cause fluctuations in earnings and cash flows. In the normal course of business, exposure to certain of these market risks is managed by entering into hedging transactions authorized under Company policies that place controls on these activities. Hedging transactions involve the use of a variety of derivative financial instruments. Derivatives are used only where there is an underlying exposure: not for trading or speculative purposes.

Foreign Operations

The Company has significant foreign operations, for which the functional currencies are denominated primarily in Swiss and French francs, German marks, Italian lire, Japanese yen and Canadian dollars. As the values of the currencies of the foreign countries in which the Company has operations increase or

decrease relative to the U.S. dollar, the sales, expenses, profits, assets and liabilities of the Company's foreign operations, as reported in the Company's Consolidated Financial Statements, increase or decrease, accordingly. The Company mitigates a portion of the fluctuations in certain foreign currencies through the purchase of foreign currency swaps, forward contracts and options to hedge known commitments, primarily for purchases of inventory and other assets denominated in foreign currencies.

Interest Rates

The Company's debt structure and interest rate risk are managed through the use of fixed and floating rate debt. The Company's primary exposure is to United States interest rates. The Company also periodically enters into interest rate swaps, caps or collars to hedge its exposure and lower financing costs.

Commodities

Certain components used in the Company's products are exposed to commodity price changes. The Company manages this risk through instruments such as purchase orders and non-cancelable supply contracts. Primary commodity price exposures are metals, resins and packaging materials.

Sensitivity to Changes in Value

The estimates that follow are intended to measure the maximum potential fair value or earnings the Company could lose in one year from adverse changes in foreign exchange rates or market interest rates under normal market conditions. The calculations are not intended to represent actual losses in fair value or earnings that the Company expects to incur. The estimates do not consider favorable changes in market rates. Further, since the hedging instrument (the derivative) inversely correlates with the underlying exposure, any loss or gain in the fair value of derivatives would be generally offset by an increase or decrease in the fair value of the underlying exposures. The positions included in the calculations are foreign exchange forwards, currency swaps and fixed rate debt. The calculations do not include the underlying foreign exchange positions that are hedged by these market risk sensitive instruments. The table below presents the estimated maximum potential one year loss in fair value and earnings before income taxes from a 10% movement in foreign currencies and a 100 basis point movement in interest rate market risk sensitive instruments outstanding at March 31, 2000:

| (millions) | Estimated Impact on | |
|-----------------------------------|---------------------|---------------------------------|
| | Fair Value | Earnings Before Income Taxes |
| Foreign exchange rate instruments | \$2.0 | \$0.3 |
| Interest rate instruments | 1.7 | 0.5 |

Other Factors

The Company has not been significantly impacted by inflationary pressures over the last several years. The Company anticipates that changing costs of basic raw materials may impact future operating costs and, accordingly, the prices and margins of its products. The Company is involved in continuing programs to mitigate the impact of cost increases through changes in product design and identification of sourcing and manufacturing efficiencies. Price increases and, in certain situations, price decreases are implemented for individual products, when appropriate.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information with respect to this item is included in Management's Discussion and Analysis of Financial Condition and Results of Operations under the heading "Market Risk Management."

PART II OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

At the Company's Annual Meeting on February 17, 2000, the shareholders voted to elect the following individuals as Directors for terms that expire at the next annual meeting and on three management proposals

| | Votes Cast For | Votes Cast Against | Votes Withheld | Abstentions | Broker Non-Votes |
|--|-------------------|-----------------------|-------------------|-------------|---------------------|
| Class A Directors: | | | | | |
| Glenn N. Rupp | 6,092,285 | 0 | 150,738 | 0 | 0 |
| Terry E. London | 6,091,790 | 0 | 151,233 | 0 | 0 |
| Class B Directors: | | | | | |
| Samuel C. Johnson | 1,217,855 | 0 | 0 | 0 | 0 |
| Helen P. Johnson-Leipold | 1,217,855 | 0 | 0 | 0 | 0 |
| Thomas F. Pyle, Jr. | 1,217,855 | 0 | 0 | 0 | 0 |
| Gregory E. Lawton | 1,217,855 | 0 | 0 | 0 | 0 |
| Proposal regarding the amendment to the Company's Articles of Incorporation to change the name of the Company from Johnson Worldwide Associates, Inc. to Johnson Outdoors Inc. | 18,409,631 | 10,412 | 0 | 1,530 | 0 |
| Proposal regarding the approval of the Johnson Outdoors Inc. 2000 Long-Term Stock Incentive Plan | 17,700,688 | 48,413 | 0 | 4,072 | 668,400 |
| Proposal regarding the amendment to the 1987 Employees' Stock Purchase Plan to exclude participation by certain highly compensated employees | 18,383,629 | 29,175 | 0 | 8,769 | 0 |

Votes cast for or against and abstentions with respect to the Proposals reflect that holders of Class B shares are entitled to 10 votes per share for matters other than the election of Directors.

Item 6. Exhibits and Reports on Form 8-K

- (a) The following documents are filed as part of this Form 10-Q
- Exhibit 3.1(a) Articles of Incorporation of the Company as amended through February 17, 2000
 - Exhibit 3.1(b) Amendment to Articles of Incorporation of the Company dated as of February 17, 2000
 - Exhibit 3.2(a) Bylaws of the Company as amended through March 22, 2000
 - Exhibit 3.2(b) Amendment to Bylaws of the Company dated as of March 22, 2000
 - Exhibit 4.8 Amendment No. 2 dated September 30, 1999 to the Amended and Restated Credit Agreement dated as of April 3, 1998
 - Exhibit 4.9 Fourth Amendment dated January 10, 2000 to Note Agreement dated October 1, 1995
 - Exhibit 4.10 First Amendment dated January 10, 2000 to Note Agreement dated September 15, 1997
 - Exhibit 10.16 Johnson Outdoors Inc. 2000 Long-Term Stock Incentive Plan
 - Exhibit 27 Financial Data Schedule for the six months ended March 31, 2000
 - Exhibit 27.1 Restated Financial Data Schedule for the year ended October 1, 1999
 - Exhibit 27.2 Restated Financial Data Schedule for the nine months ended July 2, 1999
 - Exhibit 27.3 Restated Financial Data Schedule for the six months ended April 2, 1999
 - Exhibit 27.4 Restated Financial Data Schedule for the three months ended January 1, 1999
 - Exhibit 27.5 Restated Financial Data Schedule for the year ended October 2, 1998
 - Exhibit 27.6 Restated Financial Data Schedule for the year ended October 3, 1997
- (b) There were no reports on Form 8-K filed for the three months ended March 31, 2000.

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 thereunto duly authorized.

Date: May 15, 2000

JOHNSON OUTDOORS INC.

/s/ Carl G. Schmidt

Carl G. Schmidt
Senior Vice President and Chief Financial
Officer, Secretary and Treasurer
(Principal Financial and Accounting Officer)

JOHNSON OUTDOORS INC.
(formerly Johnson Worldwide Associates, Inc.)

EXHIBIT INDEX

| Exhibit | Description | Page Number |
|---------|---|----------------|
| 3.1(a) | Articles of Incorporation of the Company as amended through February 17, 2000 | |
| 3.1(b) | Amendment to Articles of Incorporation of the Company dated as of February 17, 2000 | - |
| 3.2(a) | Bylaws of the Company as amended through March 22, 2000 | - |
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| 4.8 | Amendment No. 2 dated September 30, 1999 to the Amended and Restated Credit Agreement dated as of April 3, 1998 | - |
| 4.9 | Fourth Amendment dated January 10, 2000 to Note Agreement dated October 1, 1995 | - |
| 4.10 | First Amendment dated January 10, 2000 to Note Agreement dated September 15, 1997 | - |
| 10.16 | Johnson Outdoors Inc. 2000 Long-Term Stock Incentive Plan | - |
| 27 | Financial Data Schedule for the six months ended March 31, 2000 | - |
| 27.1 | Restated Financial Data Schedule for the year ended October 1, 1999 | - |
| 27.2 | Restated Financial Data Schedule for the nine months ended July 2, 1999 | - |
| 27.3 | Restated Financial Data Schedule for the six months ended April 2, 1999 | - |
| 27.4 | Restated Financial Data Schedule for the three months ended January 1, 1999 | - |
| 27.5 | Restated Financial Data Schedule for the year ended October 2, 1998 | - |
| 27.6 | Restated Financial Data Schedule for the year ended October 3, 1997 | - |

ARTICLES OF INCORPORATION OF
JOHNSON OUTDOORS INC.
(as amended through February 17, 2000)

Article 1

The name of the Corporation shall be Johnson Outdoors Inc.

Article 2

The period of existence of the Corporation is perpetual.

Article 3

The address of its registered office in the State of Wisconsin is 4041 North Main Street, in the City of Racine, 53402, County of Racine. The name of its registered agent at such address is Paul N. Herrmann.

Article 4

The purpose or purposes for which the Corporation is organized are to engage in any lawful activity within the purposes for which corporations may be organized under the Wisconsin Business Corporation Law, Chapter 180, of the Wisconsin Statutes.

Article 5

The total number of shares which the Corporation shall have authority to issue shall be 24,000,000 shares, divided into three classes, namely: 1,000,000 shares of Preferred Stock of the par value of \$1.00 per share (hereinafter sometimes referred to as the "Preferred Stock"); 20,000,000 shares of Class A Common Stock of the par value of \$.05 per share (hereinafter sometimes referred to as the "Class A Common Stock"); and 3,000,000 shares of Class B Common Stock of the par value of \$.05 per share (hereinafter sometimes referred to as the "Class B Common Stock").

The designation, relative rights, preferences and limitations of the shares of each class and the authority of the Board of Directors of the Corporation to establish and to designate classes and series of the Preferred Stock and to fix the variations in the relative rights, preferences and limitations as between such classes and series, shall be as follows:

A. PREFERRED STOCK

(1) Series of Preferred Stock

The Board of Directors of the Corporation is authorized, subject to limitations prescribed by law and the provisions of this paragraph (1) and subparagraph B(4)(c) of this Article FIVE, to provide for the issuance of the Preferred Stock in classes and series, to establish or change the number of shares to be included in each such class and series and to fix

the designation, relative rights, preferences and limitations of the shares of each such class and series. The authority of the Board of Directors of the Corporation with respect to each class and series shall include, but not be limited to, determination of the following:

(a) The number of shares constituting that class and/or series and the distinctive designation of that class and/or series;

(b) The dividend rate or rates on the shares of that class and/or series and/or the method of determining such rate or rates, whether dividends shall be cumulative, and if so, from which date or dates;

(c) Subject to subparagraph B(4)(c) of this Article FIVE, whether and to what extent the shares of that class and/or series shall have voting rights in addition to the voting rights provided by law, which might include the right to elect a specified number of directors in any case or if dividends on such class and/or series were not paid for a specified period of time;

(d) Whether the shares of that class and/or series shall be convertible into shares of stock of any other class or series, and, if so, the terms and conditions of such conversion, including the price or prices or the rate or rates of conversion and the terms of adjustment thereof;

(e) Whether or not the shares of that class and/or series shall be

redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) The rights of the shares of that class and/or series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

(g) The obligation, if any, of the Corporation to retire shares of that class and/or series pursuant to a sinking fund; and

(h) Any other relative rights, preferences and limitations of that class and/or series.

Subject to the designations, relative rights, preferences and limitations provided pursuant to paragraph A(1) of this Article FIVE, each share of Preferred Stock shall be of equal rank with each other share of Preferred Stock.

(2) 13% Senior Preferred Stock and \$9 Convertible Preferred Stock.

There are hereby established two classes of the Corporation's Preferred Stock, one class to be designated as "13% Senior Preferred Stock" and the other class to be designated as "\$9 Convertible Preferred Stock." The \$9 Convertible Preferred Stock shall be issued in two series, Series A and Series B. The 13% Senior Preferred Stock and the \$9

Convertible Preferred Stock shall have the preferences, rights and limitations as set forth below.

(a) THE 13% SENIOR PREFERRED STOCK. The designation; preferences; relative, participating, optional and other special rights; voting powers; and qualifications, limitations, and restrictions of the 13% Senior Preferred Stock are as follows:

(i) Designation of the Class; Parity. The class of Preferred Stock designated as "13% Senior Preferred Stock," par value \$1.00, shall consist of 100,000 shares. Each share of 13% Senior Preferred Stock shall be referred to herein as a "Senior Share." The 13% Senior Preferred Stock shall rank senior to the Corporation's \$9 Convertible Preferred Stock with respect to the payment of dividends and the distribution of assets upon liquidation.

(ii) Dividends. For the purpose of this subparagraph (2)(a)(ii), the first day of April, July, October, and January on which any 13% Senior Preferred Stock shall be outstanding shall be deemed to be a "Dividend Due Date." The holders of 13% Senior Preferred Stock shall be entitled to receive, if, when and as declared by the Board of Directors out of funds legally available therefor, cumulative dividends at the rate of \$13 per annum on each Senior Share and no more, payable quarterly on each Dividend Due Date, with respect to the quarterly period ending on the day immediately preceding such Dividend Due Date. Dividends on each Senior Share shall accrue and be cumulative from and after the date of issuance of such Senior Share. The record date for the payment of dividends shall, unless otherwise altered by the Corporation's Board of Directors, be the fifteenth day of the month immediately preceding the relevant Dividend Due Date. The record date for the payment of dividends on the Senior Shares shall in no event be more than fifty (50) nor less than ten (10) days prior to a Dividend Due Date.

On each Dividend Due Date all dividends which shall have accrued on each Senior Share outstanding on such Dividend Due Date shall be deemed to become "due." Any dividend which shall not be paid on the Dividend Due Date on which it shall become due shall be deemed to be "past due" until such dividend shall be paid or until the Senior Share with respect to which such dividend became due shall no longer be outstanding, whichever is the earlier to occur.

When any dividend on the 13% Senior Preferred Stock or any stock on a parity with the 13% Senior Preferred Stock as to dividends is past due, all dividends declared upon the shares of such stock may only be declared pro rata so that in all cases the amount of dividends declared per share on the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends bear to each other the same ratio that the past due dividends per share on the shares of 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends bear to each other. Unless all dividends which have become due on the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends have been paid or set aside for payment, (A) no dividends--in cash, stock or other property--may be paid or declared and set aside for payment or any other distribution made upon any stock of the Corporation ranking junior to the 13% Senior Preferred Stock as to dividends (other than dividends or distributions payable in stock

which ranks junior to the 13% Senior Preferred Stock as to dividends); (B) no stock which ranks junior to the 13% Senior Preferred Stock as to dividends may be (i) redeemed pursuant to a sinking fund or otherwise (unless all the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends is redeemed) or (ii) purchased or otherwise acquired for any consideration by the Corporation except pursuant to an acquisition or offer made on the same terms to all holders of 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends; and (C) no stock ranking junior to the 13% Senior Preferred Stock as to dividends may be acquired for consideration (including pursuant to sinking fund requirements) except by exchange for, or out of the cash proceeds from the substantially concurrent offering of, stock ranking junior to the 13% Senior Preferred Stock as to dividends.

(iii) Voting. Except as required by law and as provided in this subparagraph (2)(a)(iii), the holders of 13% Senior Preferred Stock shall not have any right to vote for the election of directors or for any other purpose.

Whenever and as often as the equivalent of six quarterly dividends payable on the 13% Senior Preferred Stock or any other stock on a parity with the 13% Senior Preferred Stock as to dividends shall be past due (a "Default"), the holders of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends shall have the exclusive right, as set forth below, voting separately and as a single class, to vote for and to elect two directors of the Corporation. The right of the holders of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends to elect such directors, however, shall cease when all past due dividends on such stock shall have been paid or declared and set aside for payment (hereinafter referred to as a "cure" of the Default) or no such stock is outstanding, whichever first occurs.

If, at any time, a Default shall occur, then (A) the number of directors of the Corporation shall be increased by two in the manner provided in the Bylaws, effective as of the time of election of such directors as hereinafter provided, and (B) the holders of the 13% Senior Preferred Stock and any other stock on a parity with the 13% Senior Preferred Stock as to dividends, voting separately as a class, shall be entitled to elect two directors to fill the vacancies caused by so increasing the number of directors. The right of the holders of the 13% Senior Preferred Stock and any other stock on a parity with the 13% Senior Preferred Stock as to dividends to elect such directors may be exercised, in accordance with the provisions set forth below, at any time before the Default is cured. Effective as of the date when such Default is cured or no 13% Senior Preferred Stock or any stock on a parity with the 13% Senior Preferred Stock as to dividends is outstanding, whichever first occurs, (x) the holders of the 13% Senior Preferred Stock and any other shares of stock on a parity with the 13% Senior Preferred Stock as to dividends shall no longer have the right to elect any directors (except as may otherwise be provided in respect of a specific class or series of stock on a parity with the 13% Senior Preferred Stock as to dividends), (y) any directors elected by such holders shall forthwith resign as directors of the Corporation and (z) the number of directors of the Corporation shall be reduced by two in the manner provided in the Bylaws, effective as of the date of the last of such resignations.

The foregoing right of the holders of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends to elect two directors may be exercised at any annual meeting of shareholders or, within the limitations hereinafter provided, at a special meeting of shareholders held for such purpose. If a Default shall occur more than ninety (90) days preceding the date established for the next annual meeting of shareholders, the President of the Corporation shall, within twenty (20) days after delivery to the Corporation at its principal office of a written request for a special meeting signed by the holders of at least twenty-five percent (25%) of the aggregate number of shares of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends then outstanding, call a special meeting of the holders of all such stock to be held within forty (40) days after the delivery of such request for the purpose of electing such additional directors to serve until the next annual meeting of the shareholders and until each such director's successor shall have been elected and qualified, or until such director's earlier death or resignation, whichever occurs first. Notice of such meeting shall be mailed to each holder of 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends not less than ten (10) days prior to the date of such meeting.

Any vacancy in the office of a director elected by the holders of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends pursuant to this subparagraph (2)(a)(iii) may be filled by a vote of such holders voting separately as a class. A director elected to fill a vacancy in the office of a director pursuant to this subparagraph (2)(a)(iii) shall serve until the next annual meeting of shareholders and until each such director's successor shall have been elected and qualified, or until such director's earlier death or resignation, whichever occurs first. The holders of the 13% Senior Preferred Stock and any stock on a parity with the 13% Senior Preferred Stock as to dividends shall have the right, voting separately as a class, to remove any directors that such holders have elected pursuant to this subparagraph (2)(a)(iii), provided that any such director may be removed for cause by the Board of Directors.

(iv) Redemption. The outstanding Senior Shares will be redeemable at the option of the Corporation, as a whole at any time or in part from time to time, during the calendar years indicated at the following prices (each price will hereinafter be referred to as a "Redemption Price"):

| Year ---- | Price ----- |
|---------------------|----------------|
| 1987 | \$104.50 |
| 1988 | \$104.00 |
| 1989 | \$103.50 |
| 1990 | \$103.00 |
| 1991 | \$102.50 |
| 1992 | \$102.00 |
| 1993 | \$101.50 |
| 1994 | \$101.00 |
| 1995 | \$100.50 |
| 1996 and thereafter | \$100.00 |

plus in each case unpaid accrued dividends.

Notice of any proposed redemption of Senior Shares shall be mailed by means of first class mail, postage paid, addressed to the holders of record of the Senior Shares to be redeemed, at their respective addresses then appearing on the books of the Corporation, at least thirty (30) but not more than sixty (60) days prior to the date fixed for such redemption (herein referred to as the "Redemption Date"). Each such notice shall specify (a) the Redemption Date, (b) the Redemption Price, (c) the place for payment and for delivering the stock certificate(s) and transfer instrument(s) in order to collect the Redemption Price and (d) the Senior Shares to be redeemed. Any notice mailed in such manner shall be conclusively deemed to have been duly given whether or not such notice is in fact received. If less than all the outstanding Senior Shares are to be redeemed, the Corporation will select those to be redeemed by lot or a substantially equivalent method.

The holder of any Senior Shares redeemed upon any exercise of the Corporation's redemption right shall not be entitled to receive payment of the Redemption Price for such shares until such holder shall cause to be delivered to the place specified in the notice given with respect to such redemption (A) the certificate(s) representing such Senior Shares and (B) transfer instrument(s) satisfactory to the Corporation and sufficient to transfer such Senior Shares to the Corporation free of any adverse interest. No interest shall accrue on the Redemption Price of any Senior Share after its Redemption Date.

At the close of business on the Redemption Date for any Senior Share, such share shall (provided the Redemption Price for such share has been paid or properly provided for) be deemed to cease to be outstanding and all rights of any person other than the Corporation in such share shall be extinguished on the Redemption Date for such share (including all rights to receive future dividends with respect to such share) except for the right to receive the Redemption Price, without interest, for such share in accordance with the provisions of this subparagraph (2)(a)(iv), subject to applicable escheat laws.

Subject to subparagraph A(2)(a)(ii) hereof, the Corporation shall have the right to purchase Senior Shares in the public market or in private transactions at such prices and on such terms as may be agreeable to such owner. The Corporation may acquire Senior Shares

from any shareholder pursuant to this paragraph without offering any other shareholder an equal opportunity to sell his stock to the Corporation, and no purchase by the Corporation from any shareholder pursuant to this paragraph shall be deemed to create any right on the part of any other shareholder to sell any Senior Shares (or any other stock) to the Corporation.

(v) Liquidation. In the event of any voluntary or involuntary dissolution, liquidation or winding up of the Corporation (for the purposes of this subparagraph (2)(a)(v), a "Liquidation"), after the holders of any stock which ranks senior to the 13% Senior Preferred Stock as to distributions upon Liquidation and before the holders of the Class A Common Stock, the Class B Common Stock, the \$9 Convertible Preferred Stock or any other stock which ranks junior to the 13% Senior Preferred Stock as to distributions upon Liquidation shall receive any amounts, the holder of each Senior Share then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders an amount equal to \$100, plus unpaid accrued dividends (whether or not declared or due) on such share.

If upon any Liquidation of the Corporation, the assets available for distribution to the holders of 13% Senior Preferred Stock and any other stock ranking on a parity with the 13% Senior Preferred Stock as to distributions upon Liquidation (hereinafter in this paragraph called the "Total Amount Available") shall be insufficient to pay the holders of all such stock then outstanding the full amounts (including all unpaid accrued dividends) to which they shall be entitled by reason of such Liquidation of the Corporation, then there shall be paid to the holders of the 13% Senior Preferred Stock in connection with such Liquidation of the Corporation, an amount equal to the product derived by multiplying the Total Amount Available times a fraction, the numerator of which shall be the full amount to which the holders of the 13% Senior Preferred Stock shall be entitled under the terms of the preceding paragraph by reason of such Liquidation of the Corporation and the denominator of which shall be the total amount which would have been distributed by reason of such Liquidation of the Corporation with respect to the 13% Senior Preferred Stock and all other stock ranking on a parity with the 13% Senior Preferred Stock as to distributions on Liquidation had the Corporation possessed sufficient assets to pay the maximum amount which the holders of all such stock would be entitled to receive in connection with such Liquidation of the Corporation.

The voluntary sale, conveyance, lease, exchange or transfer of all or substantially all the property or assets of the Corporation (unless in connection therewith the Liquidation of the Corporation is specifically approved), or the merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into the Corporation, or any purchase or redemption of some or all of the shares of any class or series of stock of the Corporation or any similar transaction shall not be deemed to be a Liquidation of the Corporation for the purpose of this subparagraph 2(a)(v).

The holder of any Senior Shares shall not be entitled to receive any payment owed for such shares under this subparagraph (2)(a)(v) until such holder shall cause to be delivered to the Corporation: (A) the certificate(s) representing such Senior Shares and (B) transfer instrument(s) satisfactory to the Corporation and sufficient to transfer such Senior

Shares to the Corporation free of any adverse interest. As in the case of the Redemption Price, no interest shall accrue on any payment upon Liquidation after the due date thereof, provided that the Corporation has duly provided therefor.

After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the 13% Senior Preferred Stock will not be entitled to any further participation in any distribution of assets by the Corporation.

(vi) Payments. The Corporation may provide funds for any payment of the Redemption Price for any Senior Shares or any amount distributable with respect to any Senior Shares under subparagraph (2)(a)(v) hereof by depositing such funds with a bank or trust company selected by the Corporation having a net worth of at least \$10,000,000 in trust for the benefit of the holder of such Senior Shares under arrangements providing irrevocably for payment upon satisfaction of any conditions to such payment by the holder of such Senior Shares which shall reasonably be required by the Corporation. The Corporation shall be entitled to make any deposit of funds contemplated by this subparagraph (2)(a)(vi) under arrangements designed to permit such funds to generate interest or other income for the Corporation, and the Corporation shall be entitled to receive all interest and other income earned by any funds while they shall be deposited as contemplated by this subparagraph (2)(a)(vi), provided that the Corporation shall maintain on deposit funds sufficient to satisfy all payments which the deposit arrangement shall have been established to satisfy. If the conditions precedent to the disbursement of any funds deposited by the Corporation pursuant to this subparagraph (2)(a)(vi) shall not have been satisfied within two (2) years after the establishment of the trust for such funds; then (A) such funds shall be returned to the Corporation upon its request; (B) after such return, such funds shall be free of any trust which shall have been impressed upon them; (C) the person entitled to the payment for which such funds shall have been originally intended shall have the right to look only to the Corporation for such payment, subject to applicable escheat laws; and (D) the trustee which shall have held such funds shall be relieved of any responsibility for such funds upon the return of such funds to the Corporation.

Any payment which may be owed for the payment of the Redemption Price for any Senior Shares pursuant to subparagraph A(2)(a)(iv) hereof shall be deemed to have been "paid or properly provided for" upon the earlier to occur of: (a) the date upon which funds sufficient to make such payment shall be deposited in a manner contemplated by the preceding paragraph or (b) the date upon which a check payable to the person entitled to receive such payment shall be delivered to such person or mailed to such person at either the address of such person then appearing on the books of the Corporation or such other address as the Corporation shall deem reasonable.

(b) THE \$9 CONVERTIBLE PREFERRED STOCK. The designation; preferences; relative, participating, optional, conversion and other special rights; voting powers; and qualifications, limitations, and restrictions of the \$9 Convertible Preferred Stock are as follows:

(i) Designation of the Class; Parity. The class of Preferred Stock designated as "\$9 Convertible Preferred Stock," par value \$1.00, shall consist of two series, Series A and Series B. Each series shall consist of 16,667 shares and shall be identical in all respects and have equal rights and privileges, except with respect to conversion rights. Each share of \$9 Convertible Preferred Stock, Series A and Series B, shall be referred to herein as a "\$9 Convertible Share." The \$9 Convertible Preferred Stock shall rank junior to the Corporation's 13% Senior Preferred Stock with respect to the payment of dividends and the distribution of assets upon liquidation.

(ii) Dividends. For the purpose of this subparagraph (2)(b)(ii), the first day of April, July, October, and January on which any \$9 Convertible Preferred Stock shall be outstanding shall be deemed to be a "Dividend Due Date." The holders of \$9 Convertible Preferred Stock shall be entitled to receive, if, when and as declared by the Board of Directors out of funds legally available therefor, cumulative dividends at the rate of \$9 per annum on each \$9 Convertible Share and no more, payable quarterly on each Dividend Due Date, with respect to the quarterly period ending on the day immediately preceding such Dividend Due Date. Dividends on each \$9 Convertible Share shall accrue and be cumulative from and after the date of issuance of such \$9 Convertible Share. The record date for the payment of dividends shall be, unless otherwise altered by the Corporation's Board of Directors, the fifteenth day of the month immediately preceding the relevant Dividend Due Date. The record date for the payment of dividends on the \$9 Convertible Share shall in no event be more than fifty (50) nor less than ten (10) days prior to a Dividend Due Date.

On each Dividend Due Date all dividends which shall have accrued on each \$9 Convertible Share outstanding on such Dividend Due Date shall be deemed to become "due." Any dividend which shall not be paid on the Dividend Due Date on which it shall become due shall be deemed to be "past due" until such dividend shall be paid or until the \$9 Convertible Share with respect to which such dividend became due shall no longer be outstanding, whichever is the earlier to occur.

When any dividend on the \$9 Convertible Preferred Stock or any stock on a parity with the \$9 Convertible Preferred Stock as to dividends is past due, all dividends declared upon such stock may only be declared pro rata so that in all cases the amount of dividends declared per share on the \$9 Convertible Preferred Stock and any stock on a parity with the \$9 Convertible Preferred Stock as to dividends bear to each other the same ratio that the past due dividends per share on the shares of \$9 Convertible Preferred Stock and any stock on a parity with the \$9 Convertible Preferred Stock as to dividends bear to each other. Unless all dividends which have become due on the \$9 Convertible Preferred Stock and any stock on a parity with the \$9 Convertible Preferred Stock as to dividends have been paid or set aside for payment, no dividends--in cash, stock or other property--may be paid or declared and set aside for payment or any other distribution made upon any stock of the Corporation ranking junior to the \$9 Convertible Preferred Stock as to dividends (other than dividends or distribution in stock which ranks junior to the \$9 Convertible Preferred as to dividends).

(iii) Voting. Except as required by law, the holders of \$9 Convertible Preferred Stock shall not have any right to vote for the election of directors or for any other purpose.

(iv) Redemption. The outstanding \$9 Convertible Shares shall not be redeemable prior to January 1, 1998. On or after that date, the \$9 Convertible Shares may be redeemed at the option of the Corporation, as a whole at one time or in part from time to time, at a Redemption Price of \$100 per share, plus all unpaid accrued dividends (whether or not declared or due) to the date of redemption.

The holders of shares of the \$9 Convertible Preferred Stock shall not be entitled to any right to have their \$9 Convertible Shares redeemed by the Corporation.

Notice of any proposed redemption of \$9 Convertible Shares shall be mailed by means of first class mail, postage paid, addressed to the holders of record of the \$9 Convertible Shares to be redeemed, at their respective addresses then appearing on the books of the Corporation, at least thirty (30) but not more than sixty (60) days prior to the Redemption Date. Each such notice shall specify (a) the Redemption Date, (b) the Redemption Price, (c) the place for payment and for delivering the stock certificate(s) and transfer instrument(s) in order to collect the Redemption Price, (d) the \$9 Convertible Shares to be redeemed and (e) the then effective conversion rate and that the right of holders of \$9 Convertible Shares being redeemed to exercise their conversion right shall terminate as to such shares at the close of business on the Redemption Date. Any notice mailed in such manner shall be conclusively deemed to have been duly given whether or not such notice is in fact received. If less than all the outstanding \$9 Convertible Shares are to be redeemed, the Corporation will select those to be redeemed by lot or a substantially equivalent method.

The holder of any \$9 Convertible Shares redeemed upon any exercise of the Corporation's redemption right shall not be entitled to receive payment of the Redemption Price for such Shares until such holder shall cause to be delivered to the place specified in the notice given with respect to such redemption (A) the certificate(s) representing such \$9 Convertible Shares and (B) transfer instrument(s) satisfactory to the Corporation and sufficient to transfer such \$9 Convertible Shares to the Corporation free of any adverse interest. No interest shall accrue on the Redemption Price of any \$9 Convertible Share after its Redemption Date.

At the close of business on the Redemption Date for any \$9 Convertible Share, such Share shall (provided the Redemption Price for such Share has been paid or properly provided for) be deemed to cease to be outstanding and all rights of any person other than the Corporation in such Share shall be extinguished on the Redemption Date for such Share (including all rights to receive future dividends with respect to such Share) except for the right to receive the Redemption Price, without interest, for such Share in accordance with the provisions of this subparagraph (2)(b)(iv), subject to applicable escheat laws.

In the event that any \$9 Convertible Shares shall be converted into Common Stock pursuant to subparagraph (A)(2)(b)(vi) hereof, then (x) the Corporation shall not have

the right to redeem such shares and (y) any funds which shall have been deposited for the payment of the Redemption Price for such shares shall be returned to the Corporation immediately after such conversion (subject to dividends payable to holders of \$9 Convertible Shares on the record date for such dividends being so payable regardless of whether such Shares are converted subsequent to such record date and prior to the related Dividend Due Date).

The Corporation shall have the right to purchase \$9 Convertible Shares in the public market or in private transactions at such prices and on such terms as may be agreeable to such owner. The Corporation may acquire \$9 Convertible Shares from any shareholder pursuant to this paragraph without offering any other shareholder an equal opportunity to sell his stock to the Corporation, and no purchase by the Corporation from any shareholder pursuant to this paragraph shall be deemed to create any right on the part of any other shareholder to sell any \$9 Convertible Shares (or any other stock) to the Corporation.

(v) Liquidation. In the event of any voluntary or involuntary dissolution, liquidation or winding up of the Corporation (for purposes of this subparagraph (2)(b)(v), a "Liquidation"), after the holders of the 13% Senior Preferred Stock and any other stock ranking senior to the \$9 Convertible Preferred Stock as to distributions upon Liquidation have received the preferential amounts to which they are entitled and before the holders of the Class A Common Stock or Class B Common Stock or any other stock ranking junior to the \$9 Convertible Preferred Stock as to distributions upon Liquidation shall receive any amounts, the holder of each \$9 Convertible Share then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its shareholders an amount equal to \$100, plus unpaid accrued dividends (whether or not declared or due) on such share.

If upon any Liquidation of the Corporation, the assets available for distribution to the holders of \$9 Convertible Preferred Stock and any other stock on a parity with the \$9 Convertible Preferred Stock as to distributions upon Liquidation (hereinafter in this paragraph called the "Total Amount Available") shall be insufficient to pay the holders of all outstanding \$9 Convertible Preferred Stock and all other stock on a parity with the \$9 Convertible Preferred Stock as to distributions upon Liquidation the full amounts (including all unpaid accrued dividends) to which they shall be entitled by reason of such Liquidation of the Corporation, then there shall be paid to the holders of the \$9 Convertible Preferred Stock in connection with such Liquidation of the Corporation, an amount equal to the product derived by multiplying the Total Amount Available times a fraction, the numerator of which shall be the full amount to which the holders of the \$9 Convertible Preferred Stock shall be entitled under the terms of the preceding paragraph by reason of such Liquidation of the Corporation and the denominator of which shall be the total amount which would have been distributed by reason of such Liquidation of the Corporation with respect to the \$9 Convertible Preferred Stock and all other stock ranking on a parity with the \$9 Convertible Preferred Stock as to distributions upon Liquidation then outstanding had the Corporation possessed sufficient assets to pay the maximum amount which the holders of all such stock would be entitled to receive in connection with such Liquidation of the Corporation.

The voluntary sale, conveyance, lease, exchange or transfer of all or substantially all the property or assets of the Corporation (unless in connection therewith the Liquidation of the Corporation is specifically approved), or the merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into the Corporation, or any purchase or redemption of some or all of the shares of any class or series of stock of the Corporation or any similar transaction shall not be deemed to be a Liquidation of the Corporation for the purpose of this subparagraph (2) (b) (v).

The holder of any \$9 Convertible Shares shall not be entitled to receive any payment owed for such Shares under this subparagraph (2) (b) (v) until such holder shall cause to be delivered to the Corporation: (A) the certificate(s) representing such \$9 Convertible Shares and (B) transfer instrument(s) satisfactory to the Corporation and sufficient to transfer such \$9 Convertible Shares to the Corporation free of any adverse interest. As in the case of the Redemption Price, no interest shall accrue on any payment upon Liquidation after the due date thereof, provided that the Corporation has duly provided therefor.

After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the \$9 Convertible Preferred Stock will not be entitled to any further participation in any distribution of assets by the Corporation.

(vi) Conversion Privilege. Beginning on January 1, 1988, the holder of any share of \$9 Convertible Preferred Stock, Series A, shall have the right to convert such share into twenty-four (24) shares of fully paid and non-assessable (unless otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect) Class A Common Stock, and the holder of any share of \$9 Convertible Preferred Stock, Series B, shall have the right to convert such share into twelve (12) shares of fully paid and non-assessable (unless otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect) Class A Common Stock and twelve (12) shares of fully paid and non-assessable (unless otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect) Class B Common Stock. If any \$9 Convertible Share is called for redemption, the holder of such share shall have the conversion right described above only to and including but not after the close of business on the date fixed for redemption. The number of shares of Class A Common Stock or Class B Common Stock which a holder of a \$9 Convertible Share will receive upon conversion (the "conversion rate") shall be subject to adjustment as set forth below. Any adjustment to the conversion rate for the \$9 Convertible Preferred Stock, Series A, and the conversion rate for the \$9 Convertible Preferred Stock, Series B, shall be determined by the Board of Directors of the Corporation. As a result of the adjustments to the conversion rates provided for in this subparagraph (2) (b) (vi), the conversion rate for the \$9 Convertible Preferred Stock, Series A, and the conversion rate for the \$9 Convertible Preferred Stock, Series B, may be different.

In order to exercise the conversion privilege, the holder of \$9 Convertible Shares shall surrender the shares to be converted accompanied by instruments of transfer satisfactory to the Corporation and sufficient to transfer the \$9 Convertible Preferred Stock being converted to the Corporation free of any adverse interest at the principal office of the Corporation, attention Secretary, or at such other place or places as the Corporation may

notify the holders of the \$9 Convertible Shares of in writing, and shall give written notice to the Corporation at such office or other place that the holder elects to convert such shares or the portion thereof specified in said notice. Such notice shall also state the name or names, together with address or addresses, in which the certificate or certificates for shares of Class A Common Stock or Class B Common Stock which shall be issuable on such conversion shall be issued. As promptly as practicable after the surrender of such \$9 Convertible Shares as aforesaid, the Corporation shall issue and shall deliver at such office or agency to such holder, or on his written order, a certificate or certificates for the number of shares of Class A Common Stock or Class B Common Stock issuable upon the conversion of such shares in accordance with the provisions hereof. In any case in which fewer than all of the \$9 Convertible Shares represented by a certificate are converted a certificate will be issued for the remaining \$9 Convertible Shares which are not converted. Each conversion shall be deemed to have been effected immediately prior to the close of business on the date on which \$9 Convertible Shares shall have been so surrendered and such notice received by the Corporation as aforesaid, and the person or persons in whose name or names any certificate or certificates for shares of Class A Common Stock or Class B Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the Class A Common Stock or Class B Common Stock represented thereby at such time. Such conversion shall be at the conversion rate in effect at such time, unless the stock transfer books of the Corporation shall be closed on the date on which \$9 Convertible Shares are surrendered for conversion, in which event such person or persons shall be deemed to have become such holder or holders of record at the close of business on the next succeeding day on which such stock transfer books are open, but such conversion shall be at the conversion rate in effect on the date upon which such share shall have been surrendered and such notice received by the Corporation. No payment or adjustment shall be made on conversion for any dividends accrued on \$9 Convertible Shares surrendered for conversion or for any dividends on the Class A Common Stock or Class B Common Stock delivered on conversion except as provided in the next sentence. Effective as of any such conversion, the Corporation shall be excused from paying any dividends on the \$9 Convertible Shares converted, including any dividends past due at the time of conversion; provided, that if a \$9 Convertible Share is surrendered for conversion after the record date for a dividend payment, such dividend shall nevertheless be paid on such share to the holder entitled thereto.

No fractional shares of Common Stock shall be issued upon conversion of the \$9 Convertible Shares. Instead of any fractional interest in a share of Common Stock which would otherwise be deliverable upon the conversion of any share or shares, the Corporation shall make an adjustment therefor to the nearest 1/100th of a share in cash at the fair market value per share (determined as provided below).

The conversion rate shall be adjusted from time to time as follows:

(a) In case the Corporation shall hereafter (i) pay a dividend or make a distribution on its common stock in shares of Class A Common Stock or Class B Common Stock, (ii) subdivide its outstanding shares of Class A Common Stock or Class B Common Stock into a greater number of shares, (iii) combine its outstanding shares of Class A Common Stock or Class B Common Stock into a smaller number of

shares or (iv) issue by reclassification of its Class A Common Stock or Class B Common Stock any shares of capital stock of the Corporation, the conversion rate in effect immediately prior to such action shall be adjusted so that the holder of any share thereafter surrendered for conversion shall be entitled to receive the number of shares of Class A Common Stock or Class B Common Stock or other capital stock of the Corporation which he would have owned immediately following such action had such share been converted on the record date relating to such action, or, if no record date, on the date of such action. An adjustment made pursuant to this subparagraph (A) shall become effective immediately after the record date in the case of a dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification. If, as a result of an adjustment made pursuant to this subsection (A), the holder of any \$9 Convertible Share thereafter surrendered for conversion shall become entitled to receive shares of two or more classes of capital stock or shares of common stock and other capital stock of the Corporation, the Board of Directors (whose determination shall be conclusive) shall determine the allocation of the adjusted conversion rate between or among shares of such classes or series of capital stock or shares of common stock and other capital stock.

(b) In case the Corporation shall hereafter issue rights or warrants to holders of its outstanding shares of Class A Common Stock or Class B Common Stock generally entitling them (for a period expiring within 60 days after the record date mentioned below) to subscribe for or purchase shares of Class A Common Stock or Class B Common Stock at a price per share less than the fair market value per share of the Class A Common Stock or Class B Common Stock on the record date mentioned below, the conversion rate shall be adjusted so that the same shall equal the conversion rate determined by multiplying the conversion rate in effect immediately prior to the date of issuance of such rights or warrants by a fraction of which the numerator shall be the number of shares of Class A Common Stock or Class B Common Stock outstanding on the date of issuance of such rights or warrants plus the number of additional shares of Class A Common Stock or Class B Common Stock offered for subscription or purchase and of which the denominator shall be the number of shares of Class A Common Stock or Class B Common Stock outstanding on the date of issuance of such rights or warrants plus the number of shares which the aggregate offering price of the total number of shares of Class A Common Stock or Class B Common Stock so offered would purchase at such fair market value, and such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such rights or warrants.

(c) In case the Corporation shall hereafter distribute to holders of its outstanding Class A Common Stock or Class B Common Stock generally evidences of indebtedness or assets (excluding any cash dividend paid from retained earnings of the Corporation and dividends or distributions payable in stock for which adjustment is made pursuant to subparagraph (A) above) or rights or warrants to subscribe to securities of the Corporation (excluding those referred to in subparagraph (B) above), then in each case the conversion rate shall be adjusted so that the same shall equal

the price determined by multiplying the conversion rate in effect immediately prior to the date of such distribution by a fraction of which the numerator shall be the fair market value per share of the Class A Common Stock or Class B Common Stock and of which the denominator shall be the fair market value per share of the Class A Common Stock or Class B Common Stock on the record date mentioned below less the then fair-market value (as determined in good faith by the Board of Directors, whose determination shall be conclusive) of the portion of the evidences of indebtedness or assets so distributed to the holder of one share of Class A Common Stock or Class B Common Stock or of such subscription rights or warrants applicable to one share of Class A Common Stock or Class B Common Stock. Such adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive such distribution.

(d) For the purpose of any computations under subparagraphs (B) and (C) above, the fair market value per share of Class A Common Stock or Class B Common Stock on any date shall be the average of the closing bid and asked prices, on the principal over-the-counter market on which the stock is traded for 30 consecutive business days commencing 45 business days before the day in question, or, if in the opinion of the Board of Directors of the Corporation a reliable trading market for the Class A Common Stock or Class B Common Stock did not exist as of 45 days before the day in question, the value of the stock as determined in good faith by the Board of Directors of the Corporation.

(e) In any case which shall require that an adjustment be made immediately following a particular date, the Corporation may elect to defer (but only until 20 business days following the effective date of such adjustment) issuing to the holder of any \$9 Convertible Share converted after such date the shares of Class A Common Stock or Class B Common Stock issuable upon such conversion over and above the shares of Class A Common Stock or Class B Common Stock issuable upon such conversion on the basis of the conversion rate prior to adjustment.

(f) No adjustment in the conversion rate shall be required unless such adjustment would require an increase or decrease of at least 1% of the conversion rate; provided, however, that any adjustments which by reason of this subparagraph (F) are not required to be made shall be carried forward and taken into account in any subsequent adjustment, and provided further, that adjustment shall be required and made in accordance with the provisions hereof not later than such time as may be required in order to preserve the tax-free nature of a distribution to the holders of \$9 Convertible Preferred Stock or Class A Common Stock or Class B Common Stock. All calculations shall be made to the nearest 1/100th of a share. Anything in this subparagraph (2)(b)(vi) to the contrary notwithstanding, the Corporation shall be entitled to make such reductions in the conversion rate, in addition to those required hereby, as it in its discretion shall determine to be advisable in order that any stock dividend, subdivision of shares, distribution or rights to purchase stock or securities, or distribution of securities convertible into or exchangeable for stock hereafter made by the Corporation to its shareholders shall not be taxable.

(g) Whenever the conversion rate is adjusted as herein provided, the Corporation shall promptly submit a notice to all holders of the \$9 Convertible Shares stating that the conversion rate has been adjusted and setting forth the adjusted conversion rate.

(h) In the event that at any time as a result of an adjustment made pursuant to subparagraph (A) above, the holder of any \$9 Convertible Share thereafter surrendered for conversion shall become entitled to receive any shares of the Corporation other than shares of Class A Common Stock or Class B Common Stock, thereafter the conversion rate of such other shares so receivable upon conversion of any \$9 Convertible Shares shall be subject to readjustment from time to time in a manner and on terms as the Board of Directors of the Corporation may determine as nearly equivalent as practicable to the provisions with respect to the Class A Common Stock or Class B Common Stock contained herein.

In the event that: (i) the Corporation shall take any action which would require an adjustment in the conversion rate pursuant hereto; (ii) the Corporation shall authorize the granting to the holders of its Class A Common Stock or Class B Common Stock of rights or warrants to subscribe for or purchase any shares of stock of any class or series or of any other rights; (iii) there shall be any capital reorganization or reclassification of the Class A Common Stock or Class B Common Stock (other than a subdivision or combination of the outstanding Class A Common Stock or Class B Common Stock and other than a change in the par value of the Class A Common Stock or Class B Common Stock), or any consolidation or merger to which the Corporation is a party or any statutory exchange of securities with another corporation and for which approval of any shareholders of the Corporation is required, or any sale or transfer of all or substantially all of the assets of the Corporation; or (iv) there shall be a voluntary or involuntary dissolution, liquidation or winding-up of the Corporation; the Corporation shall cause to be given to all holders of the \$9 Convertible Preferred Stock, at least 20 days prior to the applicable date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such distribution or rights, or, if a record is not to be taken, the date as of which the holders of Class A Common Stock or Class B Common Stock of record to be entitled to such distribution or rights are to be determined, or (y) the date on which such reorganization, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective, and the date as of which it is expected that holders of Class A Common Stock or Class B Common Stock of record shall be entitled to exchange their shares of Class A Common Stock or Class B Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice shall not, however, affect the legality or validity of any action described in clauses (i), (ii), (iii) or (iv) of this paragraph.

The Corporation may, at any time and from time to time, by resolution of the Board of Directors, increase the conversion rate with respect to either the Class A Common Stock or the Class B Common Stock. The Corporation shall give notice of any such increase as provided in subsection (G) above.

The Corporation will pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Class A Common Stock or Class B Common Stock on conversions of \$9 Convertible Shares pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue or delivery of shares of Class A Common Stock or Class B Common Stock in the name other than that of the holder of the \$9 Convertible Shares to be converted and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

The Corporation covenants that all shares of Class A Common Stock and Class B Common Stock which may be delivered upon conversions of \$9 Convertible Shares will upon delivery be duly and validly issued and fully paid and nonassessable (unless otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect), free of all liens and charges and not subject to any preemptive rights. The number of shares of Class A Common Stock or Class B Common Stock required to effect conversion of all \$9 Convertible Shares at any given time at the conversion rate then in effect shall automatically be deemed to be reserved in a quantity sufficient to effect such conversion, and the issuance of shares of Class A Common Stock and Class B Common Stock upon conversion of \$9 Convertible Shares is authorized in all respects.

Notwithstanding any other provision herein in this subparagraph (2)(b)(vi) to the contrary, in any case of any consolidation or merger to which the Corporation is a party other than a merger or consolidation in which the Corporation is the surviving corporation, or in case of any sale or conveyance to another corporation of all or substantially all of the assets of the Corporation, or in the case of any statutory exchange of securities with another corporation (including any exchange effected in connection with a merger of a third corporation into the Corporation), there shall be no adjustments of the conversion rate, but the holder of each \$9 Convertible Share then outstanding shall have the right thereafter to convert such share into the kind and amount of securities, cash or other property which such holder would have owned or have been entitled to receive immediately after such consolidation, merger, statutory exchange, sale or conveyance had such Convertible Share been converted immediately prior to the effective date of such consolidation, merger, statutory exchange, sale or conveyance (assuming that the holder of such \$9 Convertible Share as a holder of Class A Common Stock or Class B Common Stock prior to such transaction would not have exercised any rights of election as a holder of Class A Common Stock or Class B Common Stock, whichever the case may be, as to the kind or amount of securities, cash or other property receivable upon such consolidation, merger, statutory exchange or sale; provided, that if the kind or amount of securities, cash or other property receivable upon such consolidation, merger, statutory exchange, sale or conveyance is not the same for each non-electing share of Class A Common Stock, then the kind and amount of securities, cash or other property receivable shall be deemed to be the kind and amount so receivable by a plurality of the non-electing shares of Class A Common Stock, and that if the kind or amount of securities, cash or other property receivable upon such consolidation, merger, statutory exchange, sale or conveyance is not the same for each non-electing share of Class B Common Stock, then the kind and amount of securities, cash or other property receivable shall be deemed to be the kind and amount

receivable by a plurality of the non-electing shares of Class B Common Stock) and in any case, if necessary, appropriate adjustment shall be made in the application of the provisions set forth herein with respect to the rights and interests thereafter of the holders of the \$9 Convertible Shares, to the end that the provisions set forth herein shall thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock or other securities or property thereafter deliverable on the conversion of the shares. Any such adjustment shall be approved by a firm of independent public accountants and evidenced by a certificate to that effect; and any adjustment so approved shall for all purposes hereof conclusively be deemed to be an appropriate adjustment.

The above provisions shall similarly apply to successive consolidations, mergers, statutory exchanges, sales or conveyances.

(vii) Payments. The Corporation may provide funds for any payment of the Redemption Price for any \$9 Convertible Shares or any amount distributable with respect to any \$9 Convertible Shares under subparagraph (2)(b)(v) hereof by depositing such funds with a bank or trust company selected by the Corporation having a net worth of at least \$10,000,000 in trust for the benefit of the holder of such \$9 Convertible Shares under arrangements providing irrevocably for payment upon satisfaction of any conditions to such payment by the holder of such \$9 Convertible Shares which shall reasonably be required by the Corporation. The Corporation shall be entitled to make any deposit of funds contemplated by this subparagraph (2)(b)(vii) under arrangements designed to permit such funds to generate interest or other income for the Corporation, and the Corporation shall be entitled to receive all interest and other income earned by any funds while they shall be deposited as contemplated by this subparagraph (2)(b)(vii), provided that the Corporation shall maintain on deposit funds sufficient to satisfy all payments which the deposit arrangement shall have been established to satisfy. If the conditions precedent to the disbursement of any funds deposited by the Corporation pursuant to this subparagraph (2)(b)(vii) shall not have been satisfied within two years after the establishment of the trust for such funds, then (A) such funds shall be returned to the Corporation upon its request; (B) after such return, such funds shall be free of any trust which shall have been impressed upon them; (C) the person entitled to the payment for which such funds shall have been originally intended shall have the right to look only to the Corporation for such payment, subject to applicable escheat laws; and (D) the trustee which shall have held such funds shall be relieved of any responsibility for such funds upon the return of such funds to the Corporation.

Any payment which may be owed for the payment of the Redemption Price for any \$9 Convertible Shares pursuant to subparagraph (2)(b)(iv) hereof or the payment of any amount distributable with respect to any \$9 Convertible Shares under subparagraph (2)(b)(v) hereof shall be deemed to have been "paid or properly provided for" upon the earlier to occur of: (x) the date upon which funds sufficient to make such payment shall be deposited in a manner contemplated by the preceding paragraph or (y) the date upon which a check payable to the person entitled to receive such payment shall be delivered to such person or mailed to such person at either the address of such person then appearing on the books of the Corporation or such other address as the Corporation shall deem reasonable.

(c) Status of Reacquired Shares of Preferred Stock. Senior Shares and \$9 Convertible Shares issued and reacquired by the Corporation shall have the status of authorized and unissued shares of Preferred Stock undesignated as to class or series, subject to later issuance.

(d) Preemptive Right. Neither the Senior Shares nor the \$9 Convertible Shares are entitled to any preemptive or subscription rights in respect of any securities of the Corporation.

B. COMMON STOCK

(1) Class A Common Stock and Class B Common Stock shall be identical in all respects and shall have equal rights and privileges, except as otherwise provided in this Article FIVE.

(2) Dividends. Subject to all of the rights of any Preferred Stock outstanding from time to time, dividends may be paid on either or both the Class A Common Stock and Class B Common Stock as and when declared by the Board of Directors of the Corporation out of any funds of the Corporation legally available for the payment of dividends; except that so long as any Class A shares are outstanding:

(a) No dividend (other than a dividend payable in shares of the Corporation in the manner provided in subparagraph B(2)(b), below) shall be declared or paid upon the Class B Common Stock unless such dividend is declared or paid upon both classes of Common Stock. Whenever a dividend (other than a dividend payable in shares of the Corporation in the manner provided in subparagraph B(2)(b), below), is declared or paid upon any Class B shares, at the same time there shall be declared and paid a dividend on Class A shares equal in value to one hundred ten percent (110%) of the amount per share of the dividend declared and paid on Class B shares. The provisions of this subparagraph B(2)(a) may not be changed or amended without the affirmative vote of fifty-one percent (51%) of the Class A shares entitled to vote at such time a change is to be voted upon.

(b) Whenever a dividend payable in shares of the Corporation of any class or a series of a class is declared or paid, such dividend will be declared or paid at the same rate on the Class A and the Class B Common Stock, except that if a dividend is to be paid in shares of Class A Common Stock and/or Class B Common Stock, such dividend may be declared and paid as follows:

(i) Shares of Class A Common Stock may be declared and paid as dividends on shares of both Class A Common Stock and Class B Common Stock; or

(ii) Shares of Class A Common Stock may be declared and paid as dividends on shares of Class A Common Stock and shares of Class B Common Stock may be declared and paid as dividends on shares of Class B Common Stock;

and in any such case the same number of shares shall be declared and paid in respect of each outstanding share of Class A Common Stock and each outstanding share of Class B Common Stock.

(3) Liquidation. The holders of both Class A Common Stock and Class B Common Stock shall be entitled to share ratably upon any liquidation, dissolution or winding up of the affairs of the Corporation (voluntary or involuntary) in all assets of the Corporation, if any, remaining after payment in full to the holders of Preferred Stock of the preferential amounts, if any, to which they are entitled. Neither the consolidation nor the merger of the Corporation with or into any other corporation or corporations, nor a reorganization of the Corporation alone, nor the sale or transfer by the Corporation of all or any part of its assets, shall be deemed to be a liquidation, dissolution or winding up of the Corporation for the purposes of this paragraph B.

(4) Voting. Subject to the rights of the holders of any Preferred Stock outstanding from time to time, voting power shall be divided between Class A Common Stock and the Class B Common Stock as follows:

(a) Subject to subparagraph B(4)(d) of this Article FIVE, with respect to the election of directors, holders of Class A Common Stock voting as a separate class shall be entitled to elect that number of directors which constitutes twenty-five percent (25%) of the authorized number of members of the Board of Directors and, if such twenty-five percent (25%) is not a whole number, then the holders of Class A Common Stock shall be entitled to elect the nearest higher whole number of directors that is at least twenty-five percent (25%) of such membership. Holders of Class B Common Stock voting as a separate class shall be entitled to elect the remaining directors.

(b) The holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to vote as separate classes on such other matters as may be required from time to time by law or these Articles of Incorporation to be submitted to such holders voting as separate classes, but not otherwise.

(c) Whenever the holders of shares of Class A Common Stock and Class B Common Stock shall not be entitled under subparagraph B(4)(a) or B(4)(b) of this Article FIVE to vote as separate classes, they shall vote together as a single class, provided that the holders of shares of Class A Common Stock shall have one (1) vote per share of Class A Common Stock held and the holders of shares of Class B Common Stock shall have ten (10) votes per share of Class B Common Stock held. Whenever such holders are entitled under subparagraph B(4)(a) or B(4)(b) of this Article FIVE and under Article SIX to vote as separate classes, holders of Class A Common Stock voting as a separate class shall be entitled to one (1) vote per share of Class A Common Stock held and holders of Class B Common Stock voting as a separate class shall be entitled to one (1) vote per share of Class B Common Stock held. Notwithstanding anything contained in these Articles of Incorporation to the contrary, if any new class or series of capital stock (including any Preferred Stock) is

authorized and issued at any time, the voting rights granted, if any, shall not limit the rights of the holders of Class A Common Stock as set forth in subparagraph B(4)(a) of this Article FIVE; provided that to the extent that the holders of any Preferred Stock are entitled to elect directors separately as a class upon failure of the Corporation to pay Preferred Stock dividends, the directors elected by the holders of such stock shall not be included in the total number of directors of the Corporation for purposes of calculating the voting rights of the holders of the Class A Common Stock and the Class B Common Stock as set forth in paragraph B(4) of this Article FIVE.

(d) Should the number of Class B shares issued and outstanding at any time be equal to or less than 2% of the total number of Class A and Class B shares issued and outstanding at such time, then, without further act each Class B share shall be converted to one share of Class A Common Stock, and stock certificates formerly representing outstanding shares of Class B Common Stock shall thereupon and thereafter be deemed to represent a like number of shares of Class A Common Stock, and any outstanding right to receive Class B Common Stock shall automatically become the right to receive a like number of shares of Class A Common Stock.

(5) Transfer. No person holding shares of Class B Common Stock (hereinafter called a "Class B Holder") may transfer, and the Corporation shall not register the transfer of, such shares of Class B Common Stock, whether by sale, assignment, exchange, gift, bequest, appointment or otherwise, except to a "Permitted Transferee" of such Class B Holder, which term shall have the following meanings:

(a) In the case of a Class B Holder who is a natural person holding record and beneficial ownership of the shares of Class B Common Stock in question, "Permitted Transferee" means (A) the spouse of such Class B Holder, (B) a lineal descendant of a grandparent of such Class B Holder, (C) the trustee of a trust (including a voting trust) for the benefit of one or more of such Class B Holder, other lineal descendants of a grandparent of such Class B Holder, the spouse of such Class B Holder, and an organization, contributions to which are deductible for federal income, estate or gift tax purposes (hereinafter called a "Charitable Organization"), and for the benefit of no other person, provided that such trust may grant a general or special power of appointment to such spouse and may permit trust assets to be used to pay taxes, legacies and other obligations of the trust or the estate of such Class B Holder payable by reason of the death of such Class B Holder and provided that such trust must prohibit transfer of shares of Class B Common Stock to persons other than Permitted Transferees as defined in subparagraph B(5)(b) below, (D) a Charitable Organization established by such Class B Holder, such Class B Holder's spouse or a lineal descendant of a grandparent of such Class B Holder, (E) a corporation if a majority of the shares of such Corporation entitled to elect a majority of the directors of the Corporation is owned by, or a partnership if a majority of the capital ownership of such partnership entitled to participate in the management of the partnership's affairs, is owned by one or more of such Class B Holder, other lineal descendants of a grandparent of such Class B Holder, the spouse of such Class B holder, or by the trustee of one or more trusts of which any one or more of the foregoing are creators or

beneficiaries, provided that if any share of capital stock of such a corporation (or of any survivor of a merger or consolidation of such a corporation), or any partnership interest in such a partnership, is acquired by any person who is not within such class of persons or entities, all shares of Class B Common Stock then held by such corporation or partnership, as the case may be, at the election of the Corporation, delivered in writing to such Corporation or partnership, shall be deemed without further act on anyone's part to be converted into shares of Class A Common Stock, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent the like number of shares of Class A Common Stock, (F) the guardian of a disabled or adjudicated incompetent Class B Holder, or the Executor or Administrator of the estate of a deceased Class B Holder, and (G) any other Class B Holder, whether a natural person or otherwise.

(b) In the case of a Class B Holder holding the shares of Class B Common Stock in question as trustee pursuant to a trust other than a trust described in subparagraph B(5)(c) below, "Permitted Transferee" means (A) any person transferring Class B Common Stock to such trust, and (B) a Permitted Transferee of such person determined pursuant to subparagraph B(5)(a) above, and (C) any Successor Trustee or Trustees of such trust.

(c) In the case of a Class B Holder holding the shares of Class B Common Stock in question as trustee pursuant to a trust which was irrevocable on November 17, 1986 (the "Effective Date"), "Permitted Transferee" means (A) any person to whom or for whose benefit income, accumulated income, or principal may be distributed either during or at the end of the term of such trust whether by power of appointment or otherwise, (B) any Permitted Transferee of any such person determined pursuant to subparagraphs B(5)(a), (b), (d), (e), (f) or (g) as the case may be, (C) any successor trustee or trustees, or (D) the trustee or trustees of any trust which becomes irrevocable on or after the Effective Date and was created for the benefit of a lineal descendant of a grandparent of a Class B Holder, (E) the trustee or trustees of any trust which was irrevocable on the Effective Date and was created for the benefit of any one or more members of the class of permissible beneficiaries of the transferor trust, and (F) any other Class B Holder, whether a natural person or otherwise.

(d) In the case of a Class B Holder holding record (but not beneficial) ownership of the shares of Class B Common Stock in question as nominee for the person who was the beneficial owner thereof on the Effective Date, "Permitted Transferee" means such beneficial owner and a Permitted Transferee of such beneficial owner determined pursuant to subparagraphs B(5)(a), (b), (c), (e), (f) or (g) hereof, as the case may be.

(e) In the case of Class B Holder which is a partnership holding record and beneficial ownership of the shares of Class B Common Stock in question, "Permitted Transferee" means (A) any general or limited partner of such partnership, (B) the Permitted Transferee of such Partner, as otherwise determined pursuant to subparagraphs B(5)(a), (b), (c), (d), (f), (g) and (h), or (C) any other Class B Holder.

(f) In the case of a Class B Holder which is a corporation (other than a Charitable Organization described in subclause (D) of subparagraph B(5)(a) above) holding record and beneficial ownership of the shares of Class B "Permitted Transferee" means (A) any shareholder of such corporation receiving shares of Class B Common Stock through a dividend, sale, or through a distribution made upon liquidation of such corporation, and the survivor of a merger or consolidation of such corporation, (B) any Permitted Transferee of such shareholder, as otherwise defined in this subparagraph B(5)(a), (b), (c), (d), (e), (g) and (h), and (C) any other Class B Holder.

(g) In the case of a Class B Holder which is the estate of a deceased, or guardian of a disabled or adjudicated incompetent Class B Holder, or which is the estate of a bankrupt or insolvent Class B Holder, and provided such deceased, disabled or adjudicated incompetent, bankrupt or insolvent Class B Holder, as the case may be, held record and beneficial ownership of the shares of Class B Common Stock in question, "Permitted Transferee" means a Permitted Transferee of such deceased, disabled or adjudicated incompetent, bankrupt or insolvent Class B Holder as determined pursuant to subparagraph B(5)(a), (d), (e) or (f) above, as the case may be.

(h) In the case of a holder of securities of the Corporation convertible into Class B Common Stock of the Corporation, the securities held by such holder shall be subject to the provisions of this paragraph B(5) prior to any conversion, as well as subsequent to such conversion, and for this purpose, the term Class B Holder, as used herein, shall include a holder of securities of the Corporation convertible into shares of Class B Common Stock.

Notwithstanding anything to the contrary set forth herein, any Class B Holder may pledge such Holder's shares of Class B Common Stock to a pledgee pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to the pledgee, provided that such shares shall not be transferred to or registered in the name of the pledgee and shall remain subject to the provisions of this paragraph BC5). In the event of foreclosure or other similar action by the pledgee, such pledged shares of Class B Common Stock may only be transferred to a Permitted Transferee of the pledgor or converted into shares of Class A Common Stock, as the pledgee may elect.

For purposes of this paragraph B(5):

(i) The relationship of any person that is derived by or through legal adoption shall be considered a natural one.

(ii) Each joint owner of shares of Class B Common Stock shall be considered a "Class B Holder" of such shares.

(iii) A minor for whom shares of Class B Common Stock are held pursuant to a Uniform Gift to Minors Act or similar law shall be considered a Class B Holder of such shares.

(iv) Unless otherwise specified, the term "person" means both natural persons and legal entities.

(v) Each reference to a corporation shall include any successor corporation resulting from merger or consolidation and each reference to a partnership shall include any successor partnership resulting from the death or withdrawal of a partner.

Any purported transfer of shares of Class B Common Stock not permitted hereunder shall be void and of no effect and the purported transferee shall have no rights as a shareholder of the Corporation and no other rights against or with respect to the Corporation. The Corporation may, as a condition to the transfer or the registration of transfer of shares of Class B Common Stock to a purported Permitted Transferee, require the furnishing of such affidavits or other proof as it deems necessary to establish that such transferee is a Permitted Transferee.

Shares of Class B Common Stock shall be registered in the names of the beneficial owners thereof and not in "street" or name. For this purpose, a "beneficial owner" of any shares of Class B Common Stock shall mean a person who, or an entity which, possesses the power, either singly or jointly, to direct the voting or disposition of such shares. The Corporation shall note, or cause to be noted on the Certificates for shares of Class B Common Stock the restrictions on transfer and registration of transfer imposed by this subparagraph (5) of paragraph B.

(6) (a) Optional Exchange of Shares. Each share of Class B Common Stock may at any time be converted, at the option of the holder thereof, into one fully paid and non-assessable (unless otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect) share of Class A Common Stock. Such right shall be exercised by the surrender of the certificate representing such shares of Class B Common Stock to be converted at the office of the Corporation or its transfer agent (the "Transfer Agent") during normal business hours accompanied by a written notice of the election by the holder thereof to convert and (if so required by the Corporation or the Transfer Agent) an instrument of transfer, in form satisfactory to the Corporation and the Transfer Agent, duly executed by such holder or his duly authorized attorney, and funds in the amount of any applicable transfer tax (unless provision satisfactory to the Corporation is otherwise made therefor), if required pursuant to subparagraph B(6)(c), below.

(b) As promptly as practical after the surrender for conversion of a certificate representing shares of Class B Common Stock in the manner provided in subparagraph B(6)(a) above and the payment of cash in any amount required by the provision of subparagraphs B(6)Ca) and B(6)(c), the Corporation will deliver or cause to be delivered at its office or at the office of the Transfer Agent to or upon the written order of the holder of such certificate, a certificate or certificates representing the number of fully paid and non-assessable (except as may be otherwise provided in the Wisconsin Business Corporation Law, as from time to time in effect) shares of Class A Common Stock issuable upon such conversion, issued in such name or names as such holder may direct. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of the surrender of the certificate representing shares of Class B Common Stock and all rights of the

holder of such shares of Class B Common Stock as such holder shall cease at such time and the person or persons in whose name or names the certificate or certificates representing the shares of Class A Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of Class A Common Stock at such time; provided, however, that any such surrender and payment on any date when the stock transfer books of the Corporation shall be closed shall constitute the person or persons in whose name or names the certificate or certificates representing shares of Class A Common Stock are to be issued as the record holder or holders thereof for all purposes immediately prior to the close of business on the next succeeding day on which such stock transfer books are open.

(c) The issuance of certificates for shares of Class A Common Stock upon conversion of shares of Class B Common Stock shall be made without charge for any stamp or similar tax in respect of such issuance. However, if any such certificate is to be issued in a name other than that of the holder of the share or shares of Class B Common Stock converted, the person or persons requesting the issuance thereof shall pay to the Corporation the amount of any tax which may be payable in respect of any transfer involved in such issuance, or shall establish to the satisfaction of the Corporation that such tax has been paid.

(d) When shares of Class B Common Stock have been converted, they shall be cancelled and not reissued.

C. GENERAL PROVISIONS WITH RESPECT TO ALL CLASSES OF STOCK

(1) Issue of Stock.

Shares of capital stock of the Corporation may be issued by the Corporation from time to time in such amounts and proportions and for such consideration (not less than the par value thereof in the case of capital stock having par value) as may be fixed and determined from time to time by the Board of Directors and as shall be permitted by law. No holder of shares of the capital stock of the Corporation shall be entitled to any preemptive right to subscribe to any new or additional shares of capital stock of the Corporation or securities convertible into shares of capital stock, whether now or hereafter authorized; provided, that if the Corporation determines to issue shares of its Class A and/or Class B Common Stock, it may elect to offer shares of Class A Common Stock only to holders of shares of Class A Common stock and shares of Class B Common Stock only to holders of shares of Class B Common Stock.

(2) Unclaimed Dividends.

Any and all right, title, interest and claim in or to any dividends declared by the Corporation, whether in cash, stock or otherwise, which are unclaimed by the shareholder entitled thereto for a period of six years after the close of business on the payment date, shall be and be deemed to be extinguished and abandoned; and such unclaimed dividends in the possession of the Corporation, its transfer agents or other agents or depositories, shall at such time become the absolute property of the Corporation, free and clear of any and all claims of any persons whatsoever.

Article 6

(a) The number of directors constituting the board of directors shall initially be one. Thereafter, the number of directors shall be such number as may be fixed from time to time by or in the manner provided in the By-laws, and may be increased or decreased as therein provided, provided that no decrease in the number of directors shall have the effect of shortening the term of any incumbent director.

(b) Any vacancy in the office of a director elected by the holders of the Class A Common Stock may be filled by a vote of such holders voting as a separate class and any vacancy in the office of a director elected by the holders of the Class B Common Stock (and any Preferred Stock having the right to vote in the election of directors) may be filled by a vote of such holders voting as a separate class or, in the absence of a shareholder vote, in the case of a vacancy in the office of a director elected by any class, such vacancy may be filled by a vote of the remaining director or directors then in office elected by such class. Any vacancy in the office of a director elected in an election in which the holders of Class A Common Stock and Class B Common Stock (and any Preferred Stock which was entitled to vote in the election of that director) voted as a single class pursuant to subparagraph B(4)(d) of Article FIVE may be filled by a vote of all holders of Class A Common Stock and Class B Common Stock (and any Preferred Stock which was entitled to vote in the election of that director) voting as a single class, or in the absence of a shareholder vote, by a vote of the remaining directors in office. Newly created directorships resulting from an increase in the authorized number of directors shall be filled by a vote of the directors then in office; provided that, so long as the holders of Class A Common Stock have the rights provided in subparagraph B(4)(a) of Article FIVE in respect of the last preceding annual meeting of shareholders, such newly created directorship or directorships may be filled by the Board of Directors only to the extent that at least twenty-five percent (25%) of the directors in office subsequent to such filling of such newly created directorship or directorships consist of directors elected by the holders of Class A Common Stock or by directors elected to fill vacancies created by the death, resignation or removal of persons elected by the holders of Class A Common Stock. A director elected to fill a vacancy in the office of a director or elected to fill a newly created directorship shall serve until the next annual meeting of shareholders and until his or her successor has been duly elected and qualified. A director may be removed only by a vote of the class of Common Stock (and any Preferred Stock which was entitled to vote in the election of that director) which elected that director voting as a separate class, or in the case of a director elected in an election in which the holders of Class A Common Stock and Class B Common Stock (and any Preferred Stock which was entitled to vote in the election of that director) voted as a single class pursuant to the provisions of subparagraph B(4)(d), by a vote of the holders of such classes of stock voting together as a single class; provided that any director may be removed for cause by the Board of Directors. Notwithstanding anything to the contrary in this Article SIX, to the extent that the holders of any Preferred Stock are entitled to elect directors separately as a class upon failure of the Corporation to pay Preferred Stock dividends, the directors elected by the holders of such stock and the directorships which the holders of such stock have the right to fill will not be included in the directors and directorships referred to in paragraph (b) of this Article SIX.

Article 7

It is hereby declared to be a proper corporate purpose, reasonably calculated to benefit shareholders, for the Board of Directors to base the response of the Corporation to any "Acquisition Proposal" (hereinafter defined) on the Board of Directors' evaluation of what is in the best interests of the Corporation and for the Board of Directors, in evaluating what is in the best interests of the Corporation, to consider:

(a) the best interests of the shareholders; for this purpose, the Board shall consider, among other facts, not only the consideration being offered in the Acquisition Proposal, in relation to the then current market price, but also in relation to the then current value of the Corporation in a freely negotiated transaction and in relation to the Board of Directors' then estimate of the future value of the Corporation as an independent entity; and

(b) such other factors as the Board of Directors determines to be relevant, including, among other factors, the social, legal and economic effects upon employees, suppliers, customers and the communities in which the Corporation's facilities are located.

"Acquisition Proposal" means any proposal of any person (i) for a tender offer or exchange offer for any equity security of the Corporation, (ii) to merge or consolidate the Corporation with another corporation, or (iii) to purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation.

Article 8

No contract or other transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other entity in which one or more of its directors or officers, are directors or officers, or have a financial interest, shall be void or voidable solely because of such relationship or interest, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee of the Corporation which authorizes such contract or transaction, or solely because his or their votes are counted for such purpose, if:

(1) The material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or

(2) The material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the shareholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the shareholders; or

(3) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof or the shareholders of the Corporation.

Any director or officer of the Corporation, who is also a director or officer of such other corporation, partnership, association or other entity, or who is so interested may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of any committee of the Board of Directors of the Corporation which authorizes any such contract or transaction.

Article 9

Meetings of shareholders may be held within or without the State of Wisconsin, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provisions contained in the statutes) outside the State of Wisconsin at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

Article 10

The name and mailing address of the person who is to serve as initial director until a successor is qualified is:

Terence S. Malone
c/o Johnson Worldwide Associates, Inc.
4041 North Main Street
Racine, Wisconsin 53402

Article 11

Shares of any class of capital stock of the Corporation shall not be subject to the limited voting provisions of Section 180.25(9)(a) of the Wisconsin Statutes.

Article 12

The name and address of the sole incorporator is Benn S. DiPasquale, Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wisconsin, 53202.

Executed in triplicate this 20th day of August, 1987.

/s/ Benn S. DiPasquale

Benn S. DiPasquale

STATE OF WISCONSIN)
) SS.
COUNTY OF MILWAUKEE)

Personally came before me this ____ day of August, 1987, the above-named Benn S. DiPasquale, to me known to be the person who executed the foregoing instrument and acknowledged the same.

(Notarial Seal)

Notary Public
State of Wisconsin

My commission is permanent.

This instrument was drafted by and a file stamped copy should be returned to Benn S. DiPasquale, Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202.

These Articles of Incorporation should be recorded in the Office of the Register of Deeds of Racine County.

AMENDMENT TO ARTICLES
OF INCORPORATION OF
JOHNSON OUTDOORS INC.
(Amended as of February 17, 2000)

The following article was amended and restated as follows:

ARTICLE I

The name of the Corporation shall be Johnson Outdoors Inc.

BYLAWS

OF

JOHNSON WORLDWIDE ASSOCIATES, INC.
(A Wisconsin Corporation)

(As amended through March 22, 2000)

ARTICLE ONE

Offices

1.01. Principal and Business Office. The corporation may have such principal and other business offices, either within or without the State of Wisconsin, as the Board of Directors may from time to time determine or as the business of the corporation may require from time to time.

1.02. Registered Office. The registered office of the corporation required by the Wisconsin Business Corporation Law to be maintained in the State of Wisconsin may be, but need not be, identical with the principal office in the State of Wisconsin, and the address of the registered office may be changed from time to time by the Board of Directors or by the registered agent. The business office of the registered agent of the corporation shall be identical to such registered office.

ARTICLE TWO

Meetings of the Shareholders

2.01. Annual Meetings. An annual meeting of the shareholders shall be held at such time and date as may be fixed by or under the authority of the Board of Directors and as designated in the notice thereof, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

2.02. Special Meetings.

(a) Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Chairman of the Board, if any, or the Board of Directors of the corporation. The Chairman of the Board, if any, Chief Executive Officer or the President shall call a special meeting of the shareholders upon demand, in accordance with this Section 2.02, of the holders of at least ten percent (10%) of all of the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting.

(b) In order that the corporation may determine the shareholders entitled to demand a special meeting, the Board of Directors may fix a record date to determine the shareholders entitled to make such a demand (the "Demand Record Date"). The Demand Record Date shall not precede the date upon which the resolution fixing the Demand Record Date is adopted by the Board of Directors and shall not be more than 10 days after the date upon which the resolution fixing the Demand Record Date is adopted by the Board of Directors. Any shareholder of record seeking to have shareholders demand a special meeting shall, by sending written notice to the Secretary of the corporation by hand or by certified or registered mail, return receipt requested, request the Board of Directors to fix a Demand Record Date. The Board of Directors shall promptly, but in all events within 10 days after the date on which a valid request to fix a Demand Record Date is received, adopt a resolution fixing the Demand Record Date and shall make a public announcement of such Demand Record Date. If no Demand Record Date has been fixed by the Board of Directors within 10 days after the date on which such request is received by the Secretary, the Demand Record Date shall be the 10th day after the first date on which a valid written request to set a Demand Record Date is received by the Secretary. To be valid, such written request shall set forth the purpose or purposes for which the special meeting is to be held, shall be signed by one or more shareholders of record (or their duly authorized proxies or other representatives), shall bear the date of signature of each such shareholder (or proxy or other representative) and shall set forth all information about each such shareholder and about the beneficial owner or owners, if any, on whose behalf the request is made that would be required to be set forth in a shareholder's notice described in paragraph (a) (ii) of Section 2.12 of these bylaws.

(c) In order for a shareholder or shareholders to demand a special meeting, a written demand or demands for a special meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the

special meeting must be delivered to the corporation. To be valid, each written demand by a shareholder for a special meeting shall set forth the specific purpose or purposes for which the special meeting is to be held (which purpose or purposes shall be limited to the purpose or purposes set forth in the written request to set a Demand Record Date received by the corporation pursuant to paragraph (b) of this Section 2.02), shall be signed by one or more persons who as of the Demand Record Date are shareholders of record (or their duly authorized proxies or other representatives), shall bear the date of signature of each such shareholder (or proxy or other representative), and shall set forth the name and address, as they appear in the corporation's books, of each shareholder signing such demand and the class and number of shares of the corporation which are owned of record and beneficially by each such shareholder, shall be sent to the Secretary by hand or by certified or registered mail, return receipt requested, and shall be received by the Secretary within 70 days after the Demand Record Date.

(d) The corporation shall not be required to call a special meeting upon shareholder demand unless, in addition to the documents required by paragraph (c) of this Section 2.02, the Secretary receives a written agreement signed by each Soliciting Shareholder (as defined below), pursuant to which each Soliciting Shareholder, jointly and severally, agrees to pay the corporation's costs of holding the special meeting, including the costs of preparing

and mailing proxy materials for the corporation's own solicitation, provided that if each of the resolutions introduced by any Soliciting Shareholder at such meeting is adopted, and each of the individuals nominated by or on behalf of any Soliciting Shareholder for election as a director at such meeting is elected, then the Soliciting Shareholders shall not be required to pay such costs. For purposes of this paragraph (d), the following terms shall have the meanings set forth below:

(i) "Affiliate" of any Person (as defined herein) shall mean any Person controlling, controlled by or under common control with such first Person.

(ii) "Participant" shall have the meaning assigned to such term in Rule 14a-11 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

(iii) "Person" shall mean any individual, firm, corporation, partnership, joint venture, association, trust, unincorporated organization or other entity.

(iv) "Proxy" shall have the meaning assigned to such term in Rule 14a-1 promulgated under the Exchange Act.

(v) "Solicitation" shall have the meaning assigned to such term in Rule 14a-11 promulgated under the Exchange Act.

(vi) "Soliciting Shareholder" shall mean, with respect to any Special Meeting demanded by a shareholder or shareholders, any of the following Persons:

(A) if the number of shareholders signing the demand or demands of meeting delivered to the corporation pursuant to paragraph (c) of this Section 2.02 is 10 or fewer, each shareholder signing any such demand;

(B) if the number of shareholders signing the demand or demands of meeting delivered to the corporation pursuant to paragraph (c) of this Section 2.02 is more than 10, each Person who either (I) was a Participant in any Solicitation of such demand or demands or (II) at the time of the delivery to the corporation of the documents described in paragraph (c) of this Section 2.02 had engaged or intended to engage in any Solicitation of Proxies for use at such Special Meeting (other than a Solicitation of Proxies on behalf of the corporation); or

(C) any Affiliate of a Soliciting Shareholder, if a majority of the directors then in office determine, reasonably and in good faith, that such Affiliate should be required to sign the written notice described in paragraph (c) of this Section 2.02 and/or the written agreement described in this paragraph (d) in order to prevent the purposes of this Section 2.02 from being evaded.

(e) Except as provided in the following sentence, any special meeting shall be held at such hour and day as may be designated by whichever of the Chairman of the Board, if any, the President or the Board of Directors shall have called such meeting. In the case of any special meeting called by the Chairman of the Board, if any, or the President upon the demand of shareholders (a "Demand Special Meeting"), such meeting shall be held at such hour and day as may be designated by the Board of Directors; provided, however, that the date of any Demand Special Meeting shall be not more than 70 days after the record date for the meeting (as established in Section 2.05 hereof); and provided further that in the event that the directors then in office fail to designate an hour and date for a Demand Special Meeting within 10 days after the date that valid written demands for such meeting by the holders of record as of the Demand Record Date of shares representing at least 10% of all the votes entitled to be cast on each issue proposed to be considered at the special meeting are delivered to the corporation (the "Delivery Date"), then such meeting shall be held at 2:00 P.M. local time on the 100th day after the Delivery Date or, if such 100th day is not a Business Day (as defined below), on the first preceding Business Day. In fixing a meeting date for any special meeting, the Chairman of the Board, if any, or the Board of Directors may consider such factors as he or it deems relevant within the good faith exercise of his or its business judgment, including, without limitation, the nature of the action proposed to be taken, the facts and circumstances surrounding any demand for such meeting, and any plan of the Board of Directors to call an annual meeting or a special meeting for the conduct of related business.

(f) The corporation may engage regionally or nationally recognized independent inspectors of elections to act as an agent of the corporation for the purpose of promptly performing a ministerial review of the validity of any purported written demand or demands for a special meeting received by the Secretary. For the purpose of permitting the inspectors to perform such review, no purported demand shall be deemed to have been delivered to the corporation until the earlier of (i) 5 Business Days following receipt by the Secretary of such purported demand and (ii) such date as the independent inspectors certify to the corporation that the valid demands received by the Secretary represent at least 10% of all the votes entitled to be cast on each issue proposed to be considered at the special meeting. Nothing contained in this paragraph (f) shall in any way be construed to suggest or imply that the Board of Directors or any shareholder shall not be entitled to contest the validity of any demand, whether during or after such 5 Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto).

(g) For purposes of these bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of Wisconsin are authorized or obligated by law or executive order to close.

2.03. Place of Meeting. The Board of Directors or the Chairman of the Board, if any, may designate any place, either within or without the State of Wisconsin, as the place of meeting for any annual or special meeting of the shareholders. If no designation is made, the place of meeting shall be the principal business office of the corporation in the State

of Wisconsin. Any meeting may be adjourned to reconvene at any place designated by the Board of Directors or the Chairman of the Board, if any.

2.04. Notice. Written or printed notice of every annual or special meeting of the shareholders, stating the place, date and time of such meeting shall be delivered not less than ten nor more than sixty days before the date of the meeting (unless a different period is required by the Wisconsin Business Corporation Law or the Articles of Incorporation), either personally or by mail, by or at the direction of the Board of Directors, the Chairman of the Board, if any, the President or Secretary, to each shareholder of record entitled to vote at such meeting and to other shareholders as may be required by the Wisconsin Business Corporation Law. In the event of any Demand Special Meeting, such notice of meeting shall be sent not more than 30 days after the Delivery Date. Notices which are mailed shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his or her address as it appears on the stock record books of the corporation, with postage thereon prepaid. Unless otherwise required by the Wisconsin Business Corporation Law or the articles of incorporation of the corporation, a notice of an annual meeting need not include a description of the purpose for which the meeting is called. In the case of any special meeting, (a) the notice of meeting shall describe any business that the Board of Directors shall have theretofore determined to bring before the meeting and (b) in the case of a Demand Special Meeting, the notice of meeting (i) shall describe any business set forth in the statement of purpose of the demands received by the corporation in accordance with Section 2.02 of these bylaws and (ii) shall contain all of the information required in the notice received by the corporation in accordance with Section 2.12(b) of these bylaws. If an annual or special meeting of the shareholders is adjourned to a different place, date or time, the corporation shall not be required to give notice of the new place, date or time if the new place, date or time is announced at the meeting before adjournment; provided, however, that if a new record date for an adjourned meeting is or must be fixed, the corporation shall give notice of the adjourned meeting to persons who are shareholders as of the new record date.

2.05. Fixing of Record Date. The Board of Directors may fix in advance a date not less than ten days and not more than seventy days prior to the date of any annual or special meeting of the shareholders as the record date for the purpose of determining shareholders entitled to notice of and to vote at such meeting. In the case of any Demand Special Meeting, (i) the meeting record date shall be not later than the 30th day after the Delivery Date and (ii) if the Board of Directors fails to fix the meeting record date within 30 days after the Delivery Date, then the close of business on such 30th day shall be the meeting record date. If no record date is fixed by the Board of Directors or by the Wisconsin Business Corporation Law for the determination of the shareholders entitled to notice of and to vote at a meeting of shareholders, the record date shall be the close of business on the day before the first notice is given to shareholders. The Board of Directors may also fix in advance a date as the record date for the purpose of determining shareholders entitled to demand a special meeting as contemplated by Section 2.02 of these bylaws, shareholders to take any other action or shareholders for any other purposes. Such record date shall not be more than seventy days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is fixed by the Board of Directors or by the Wisconsin

Business Corporation Law for the determination of shareholders entitled to demand a special meeting as contemplated in Section 2.02 of these bylaws, the record date shall be the date that the first shareholder signs the demand. The record date for determining shareholders entitled to a distribution (other than a distribution involving a purchase, redemption or other acquisition of the corporation's shares) or a share dividend is the date on which the Board of Directors authorized the distribution or share dividend, as the case may be, unless the Board of Directors fixes a different record date. Except as provided by the Wisconsin Business Corporation Law for a court-ordered adjournment, a determination of shareholders entitled to notice of and to vote at a meeting of the shareholders is effective for any adjournment of such meeting unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

2.06. Shareholder Lists. After a record date for a special or annual meeting of the shareholders has been fixed, the corporation shall prepare a list of the names of all of the shareholders entitled to notice of the meeting. The list shall be arranged by class or series of shares, if any, and show the address of and number of shares held by each shareholder. Such list shall be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing to the date of the meeting, at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A shareholder or his agent may, on written demand, inspect and, subject to the limitations imposed by the Wisconsin Business Corporation Law, copy the list, during regular business hours and at his or her expense, during the period that it is available for inspection pursuant to this Section 2.06. The corporation shall make the shareholders' list available at the meeting and any shareholder or his or her agent or attorney may inspect the list at any time during the meeting or any adjournment thereof. Refusal or failure to prepare or make available the shareholders' list shall not affect the validity of any action taken at a meeting of the shareholders.

2.07. Quorum and Voting Requirements; Postponements; Adjournments.

(a) Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. If at any time the corporation has only one class of common stock outstanding, such class shall constitute a separate voting group for purposes of this Section 2.07. Except as otherwise provided in the Articles of Incorporation, any bylaw adopted under authority granted in the Articles of Incorporation or by the Wisconsin Business Corporation Law, a majority of the votes entitled to be cast on the matter shall constitute a quorum of the voting group for action on that matter. Once a share is represented for any purpose at a meeting, other than for the purpose of objecting to holding the meeting or transacting business at the meeting, it is considered present for purposes of determining whether a quorum exists for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for the adjourned meeting. If a quorum exists, except in the case of the election of directors, action on a matter shall be approved if the votes cast within the voting group favoring the action exceed the votes cast within the voting group opposing the action, unless the Articles of Incorporation, any bylaw adopted under authority granted in the Articles of Incorporation or

the Wisconsin Business Corporation Law requires a greater number of affirmative votes. Unless otherwise provided in the Articles of Incorporation, directors shall be elected by a plurality of the votes cast within the voting group entitled to vote in the election of such directors at a meeting at which a quorum is present. For purposes of this Section 2.08, "plurality" means that the individuals who receive the largest number of votes cast, within the voting group entitled to vote in the election of such directors, are elected as directors up to the maximum number of directors to be chosen at the meeting by such voting group.

(b) The Board of Directors acting by resolution may postpone and reschedule any previously scheduled annual meeting or special meeting; provided, however, that a Demand Special Meeting shall not be postponed beyond the 100th day following the Delivery Date. Any annual meeting or special meeting may be adjourned from time to time, whether or not there is a quorum, (i) at any time, upon a resolution of shareholders if the votes cast in favor of such resolution by the holders of shares of each voting group entitled to vote on any matter theretofore properly brought before the meeting exceed the number of votes cast against such resolution by the holders of shares of each such voting group or (ii) at any time prior to the transaction of any business at such meeting, by the Chairman of the Board or pursuant to a resolution of the Board of Directors. No notice of the time and place of adjourned meetings need be given except as required by the Wisconsin Business Corporation Law. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified, provided that no business shall be transacted at such adjourned meeting on which any class of stock is entitled to be voted which class shall not have been permitted to participate in the vote to adjourn the meeting.

2.08. Proxies. At all meetings of the shareholders, a shareholder entitled to vote may vote either in person or by proxy. A shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form, either personally or by his or her attorney-in-fact. An appointment of a proxy is effective when received by the Secretary or other officer or agent of the corporation authorized to tabulate votes. An appointment is valid for eleven months from the date of its signing unless a different period is expressly provided in the appointment form. Unless otherwise conspicuously stated on the appointment form, a proxy may be revoked at any time before it is voted, either by written notice delivered to the Secretary or other officer or agent of the corporation authorized to tabulate votes or by oral notice given by the shareholder to the presiding person during the meeting. The Board of Directors shall have the power and authority to make rules establishing presumptions as to the validity and sufficiency of proxies.

2.09. Conduct of Meetings. The Chairman of the Board shall call the meeting of the shareholders to order, shall act as chairman of the meeting and shall otherwise preside at the meeting. In the absence of the Chairman of the Board, a person designated by the Board of Directors shall preside. The person presiding at any meeting of the shareholders shall have the power to determine (i) whether and to what extent proxies presented at the meeting shall be recognized as valid, (ii) the procedure for tabulating votes at such meeting, (iii) procedures for the conduct of such meeting, and (iv) any questions which may be raised at

such meeting. The person presiding at any meeting of the shareholders shall have the right to delegate any of the powers contemplated by this Section 2.09 to such other person or persons as the person presiding deems desirable. The Secretary of the corporation shall act as secretary of all meetings of shareholders, but, in the absence of the Secretary, the presiding person may appoint any other person to act as secretary of the meeting.

2.10. Acceptance of Instruments Showing Shareholder Action. If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of a shareholder. If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of a shareholder, the corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following apply:

(a) The shareholder is an entity and the name signed purports to be that of an officer or agent of the entity.

(b) The name purports to be that of a personal representative, administrator, executor, guardian or conservator representing the shareholder and, if the corporation requests, evidence of fiduciary status acceptable to the corporation is presented with respect to the vote, consent, waiver or proxy appointment.

(c) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the corporation requests, evidence of this status acceptable to the corporation is presented with respect to the vote, consent, waiver or proxy appointment.

(d) The name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the corporation requests, evidence acceptable to the corporation of the signatory's authority to sign for the shareholder is presented with respect to the vote, consent, waiver or proxy appointment.

(e) Two or more persons are the shareholders as co-tenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all co-owners.

The corporation may reject a vote, consent, waiver or proxy appointment if the Secretary or other officer or agent of the corporation who is authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

2.11. Waiver of Notice by Shareholders. A shareholder may waive any notice required by the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws before or after the date and time stated in the notice. The waiver shall be in writing and signed by the shareholder entitled to the notice, contain the same information that would have been required in the notice under applicable provisions of the Wisconsin Business

Corporation Law (except that the time and place of the meeting need not be stated) and be delivered to the corporation for inclusion in the corporate records. A shareholder's attendance at a meeting, in person or by proxy, waives objection to all of the following: (a) lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly on arrival objects to holding the meeting or transaction business at the meeting; and (b) consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

2.12. Notice of Shareholder Business and Nomination of Directors.

(a) Annual Meetings.

(i) Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the shareholders may be made at an annual meeting (A) pursuant to the corporation's notice of meeting, (B) by or at the direction of the Board of Directors or (C) by any shareholder of the corporation who is a shareholder of record at the time of giving of notice provided for in this by-law and who is entitled to vote at the meeting and complies with the notice procedures set forth in this Section 2.12.

(ii) For nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to clause (C) of paragraph (a)(i) of this Section 2.12, the shareholder must have given timely notice thereof in writing to the Secretary of the corporation. To be timely, a shareholder's notice shall be received by the Secretary of the corporation at the principal offices of the corporation not earlier than the 90th day prior to the date of such annual meeting and not later than the close of business on the later of (x) the 60th day prior to such annual meeting and (y) the 10th day following the day on which public announcement of the date of such meeting is first made. Such shareholder's notice shall be signed by the shareholder of record who intends to make the nomination or introduce the other business (or his duly authorized proxy or other representative), shall bear the date of signature of such shareholder (or proxy or other representative) and shall set forth: (A) the name and address, as they appear on this corporation's books, of such shareholder and the beneficial owner or owners, if any, on whose behalf the nomination or proposal is made; (B) the class and number of shares of the corporation which are beneficially owned by such shareholder or beneficial owner or owners; (C) a representation that such shareholder is a holder of record of shares of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to make the nomination or introduce the other business specified in the notice; (D) in the case of any proposed nomination for election or re-election as a director, (I) the name and residence address of the person or persons to be nominated, (II) a description of all arrangements or understandings between such shareholder or beneficial owner or owners and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination is to be made by such shareholder, (III) such other information regarding

each nominee proposed by such shareholder as would be required to be disclosed in solicitations of proxies for elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Regulation 14A under the Exchange Act, including any information that would be required to be included in a proxy statement filed pursuant to Regulation 14A had the nominee been nominated by the Board of Directors and (IV) the written consent of each nominee to be named in a proxy statement and to serve as a director of the corporation if so elected; and (E) in the case of any other business that such shareholder proposes to bring before the meeting, (I) a brief description of the business desired to be brought before the meeting and, if such business includes a proposal to amend these bylaws, the language of the proposed amendment, (II) such shareholder's and beneficial owner's or owners' reasons for conducting such business at the meeting and (III) any material interest in such business of such shareholder and beneficial owner or owners.

(iii) Notwithstanding anything in the second sentence of paragraph (a)(ii) of this Section 2.12 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 60 days prior to the annual meeting, a shareholder's notice required by this Section 2.12 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation.

(b) Special Meetings. Only such business shall be conducted at a special meeting as shall have been described in the notice of meeting sent to shareholders pursuant to Section 2.04 of these bylaws. Nominations of persons for election to the Board of Directors may be made at a special meeting at which directors are to be elected pursuant to such notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any shareholder of the corporation who (A) is a shareholder of record at the time of giving of such notice of meeting, (B) is entitled to vote at the meeting and (C) complies with the notice procedures set forth in this Section 2.12. Any shareholder desiring to nominate persons for election to the Board of Directors at such a special meeting shall cause a written notice to be received by the Secretary of the corporation at the principal offices of the corporation not earlier than 90 days prior to such special meeting and not later than the close of business on the later of (x) the 60th day prior to such special meeting and (y) the 10th day following the day on which public announcement is first made of the date of such special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. Such written notice shall be signed by the shareholder of record who intends to make the nomination (or his duly authorized proxy or other representative), shall bear the date of signature of such shareholder (or proxy or other representative) and shall set forth: (A) the name and address, as they appear on the corporation's books, of such shareholder and the beneficial owner or owners, if any, on whose behalf the nomination is made; (B) the class and number of shares of the corporation which are beneficially owned by such shareholder or beneficial owner or owners; (C) a representation

that such shareholder is a holder of record of shares of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to make the nomination specified in the notice; (D) the name and residence address of the person or persons to be nominated; (E) a description of all arrangements or understandings between such shareholder or beneficial owner or owners and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination is to be made by such shareholder; (F) such other information regarding each nominee proposed by such shareholder as would be required to be disclosed in solicitations of proxies for elections of directors, or would be otherwise required to be disclosed, in each case pursuant to Regulation 14A under the Exchange Act, including any information that would be required to be included in a proxy statement filed pursuant to Regulation 14A had the nominee been nominated by the Board of Directors; and (G) the written consent of each nominee to be named in a proxy statement and to serve as a director of the corporation if so elected.

(c) General.

(i) Only persons who are nominated in accordance with the procedures set forth in this Section 2.12 shall be eligible to serve as directors. Only such business shall be conducted at an annual meeting or special meeting as shall have been brought before such meeting in accordance with the procedures set forth in this Section 2.12. The chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 2.12 and, if any proposed nomination or business is not in compliance with this Section 2.12, to declare that such defective proposal shall be disregarded.

(ii) For purposes of this Section 2.12, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(iii) Notwithstanding the foregoing provisions of this Section 2.12, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.12. Nothing in this Section 2.12 shall be deemed to limit the corporation's obligation to include shareholder proposals in its proxy statement if such inclusion is required by Rule 14a-8 under the Exchange Act.

ARTICLE THREE

Directors

3.01. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under

the direction of, the corporation's Board of Directors. In addition to the powers and authorities expressly conferred upon it by these bylaws, the Board of Directors may do all such lawful acts and things as are not by the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws directed or required to be exercised or done by the shareholders.

3.02. Number of Directorship Positions; Chairman of the Board.

(a) Number of Directors. Except as otherwise provided in paragraph (c) of this Section 3.02, the number of directors of the corporation shall be six (6), or such other specific number as from time to time by resolution of the Board of Directors.

(b) Board of Directors' Power to Alter the Number of Directors. The Board of Directors shall have the power (subject to any limitations prescribed by the Articles of Incorporation) by a resolution adopted by not less than a majority of all directors serving on the Board of Directors at the time of such adoption to alter at any time and from time to time the number of total directorship positions on the Board of Directors. Upon the adoption of any resolution in the manner provided in the preceding sentence, the total number of directorship positions on the Board of Directors shall be equal to the number specified in such resolution. If the Board of Directors shall determine to reduce the number of directorship positions, then the term of each incumbent member shall end upon the election of directors at the next annual meeting of shareholders of the corporation and the persons elected to fill such reduced number of directorship positions shall be deemed to be the successors to all persons who shall have previously held such directorship positions.

(c) Default. In the event that the corporation is in Default (as defined in the Articles of Incorporation) in payment of dividends on the 13% Senior Preferred Stock, \$1.00 par value per share, of the corporation (the "Senior Preferred Stock") or any stock on a parity with the Senior Preferred Stock as to dividends and the holders of such stock become entitled to elect two directors pursuant to Article Five, paragraph A(2)(a)(iii) of the Articles of Incorporation, the number of total directorship positions on the Board of Directors shall increase by two effective as of the time that the holders of such stock elect two directors pursuant to Article Five, paragraph A(2)(a)(iii) of the Articles of Incorporation. When the Default is "cured" (as defined in the Articles of Incorporation) or there is no longer any Senior Preferred Stock or any stock on a parity with the Senior Preferred Stock outstanding, whichever occurs earlier, the two directors elected pursuant to Article Five, paragraph A(2)(a)(iii) of the Articles of Incorporation shall resign and the total number of directorship positions shall be decreased by two effective as of the date of the last such resignation.

(d) Chairman of the Board. The Board of Directors may elect a director as the Chairman of the Board. The Chairman of the Board shall, when present, preside at all meetings of the shareholders and of the Board of Directors, may call meetings of the shareholders and the Board of Directors, shall advise and counsel with the management of the Company, and shall perform such other duties as set forth in these bylaws and as determined by the Board of Directors. Except as provided in this paragraph (d), the Chairman shall be neither an officer nor an employee of the corporation by virtue of his or her election and

service as Chairman of the Board, provided, however, the Chairman may be an officer of the corporation. The Chairman may use the title Chairman or Chairman of the Board interchangeably. During the absence or disability of the Chief Executive Officer, or while that office is vacant, the Chairman shall exercise all of the powers and discharge all of the duties of the Chief Executive Officer.

(e) Vice Chairman of the Board. The Board of Directors may elect a director as Vice Chairman of the Board. Whenever the Chairman is unable to perform his duties for whatever reason, or whenever the Chairman requests that the Vice Chairman perform such duties on behalf of the Chairman, the Vice Chairman shall have full authority to preside at all meetings of the shareholders and of the Board of Directors, call meetings of the shareholders and the Board of Directors, advise and counsel the management of the Company, and assume such other duties as the Chairman is responsible to perform or as may be assigned to the Vice Chairman by the Chairman or the Board of Directors. The Vice Chairman shall be neither an officer nor an employee of the corporation (by virtue of his election and service as Vice Chairman of the Board) and may use the title Vice Chairman or Vice Chairman of the Board interchangeably.

3.03. Tenure and Qualifications. Each director shall hold office until the next annual meeting of the shareholders and until his successor shall have been elected and, if necessary, qualified, or until his prior death, resignation or removal. A director may be removed by the shareholders only at a meeting of the shareholders called for the purpose of removing the director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is the removal of the director. A director may be removed from office with or without cause only by the voting group entitled to vote in the election of such director. A director shall be removed if the number of votes cast to remove the director exceeds the number of votes cast not to remove such director. A director may resign at any time by delivering written notice which complies with the Wisconsin Business Corporation Law to the Board of Directors, to the Chairman of the Board, if any, or to the corporation. A director's resignation is effective when the notice is delivered unless the notice specifies a later effective date. Directors need not be residents of the State of Wisconsin or shareholders of the corporation.

3.04. Regular Meetings. The Board of Directors shall provide, by resolution, the date, time and place, either within or without the State of Wisconsin, for the holding of regular meetings of the Board of Directors without other notice than such resolution.

3.05. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, if any, or any three directors. The Chairman of the Board, if any, or the Chief Executive Officer at the direction of the Directors may fix the time, date and place, either within or without the State of Wisconsin, for holding any special meeting of the Board of Directors, and if no other place is fixed, the place of the meeting shall be the principal business office of the corporation in the State of Wisconsin.

3.06. Notice; Waiver. Notice of each special meeting of the Board of Directors shall be given (a) by oral notice delivered or communicated to the director by telephone or in person not less than twenty-four hours prior to the meeting or (b) by written notice delivered to the director in person, by telegram, teletype, facsimile or other form of wire or wireless communication, or by mail or private carrier, to each director at his business address or at such other address as the person sending such notice shall reasonably believe appropriate, in each case not less than forty-eight hours prior to the meeting. The notice need not prescribe the purpose of the special meeting of the Board of Directors or the business to be transacted at such meeting. If given by telegram, such notice shall be deemed to be effective when the telegram is delivered to the telegraph company. If given by teletype, facsimile or other wire or wireless communication, such notice shall be deemed to be effective when transmitted. If mailed, such notice shall be deemed to be effective when deposited in the United States mail so addressed, with postage thereon prepaid. If given by private carrier, such notice shall be deemed to be effective when delivered to the private carrier. Whenever any notice whatever is required to be given to any director of the corporation under the Articles of Incorporation or these bylaws or any provision of the Wisconsin Business Corporation Law, a waiver thereof in writing, signed at any time, whether before or after the date and time of meeting, by the director entitled to such notice shall be deemed equivalent to the timely giving of such notice. The corporation shall retain any such waiver as part of the permanent corporate records. A director's attendance at or participation in a meeting waives any required notice to him or her of the meeting unless the director at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.07. Quorum. Except as otherwise provided in the Articles of Incorporation or these bylaws or by the Wisconsin Business Corporation Law, directors holding a majority of the positions on the Board of Directors established pursuant to Section 3.02 of these bylaws shall constitute a quorum for transaction of business at any meeting of the Board of Directors. A majority of the directors present (though less than a quorum) may adjourn any meeting of the Board of Directors from time to time without further notice.

3.08. Manner of Acting. The affirmative vote of a majority of the directors present at a meeting of the Board of Directors at which a quorum is present shall be the act of the Board of Directors unless the Wisconsin Business Corporation Law, the Articles of Incorporation or these bylaws require the vote of a greater number of directors.

3.09. Presumption of Assent. A director who is present and is announced as present at a meeting of the Board of Directors or any committee thereof created in accordance with Article IV of these bylaws, when corporate action is taken on a particular matter, assents to the action taken unless any of the following occurs: (a) the director objects at the beginning of the meeting or promptly upon his or her arrival to holding the meeting or transacting business at the meeting; (b) the director dissents or abstains from an action taken and minutes of the meeting are prepared that show the director's dissent or abstention from the action taken; (c) the director delivers written notice that complies with the Wisconsin Business Corporation Law of his or her dissent or abstention from the action taken on the particular

matter to the presiding person of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting; or (d) the director dissents or abstains from an action taken, minutes of the meeting are prepared that fail to show the director's dissent or abstention from the action taken, and the director delivers to the corporation a written notice of that failure that complies with the Wisconsin Business Corporation Law promptly after receiving the minutes. Such right of dissent or abstention shall not apply to a director who votes in favor of the action taken on the particular matter.

3.10. Action by Directors Without a Meeting. Any action required or permitted by the Articles of Incorporation, these bylaws or the Wisconsin Business Corporation Law to be taken at any meeting of the Board of Directors or any committee thereof created pursuant to Article IV of these bylaws may be taken without a meeting if the action is taken by all members of the Board of Directors or such committee, as the case may be. The action shall be evidenced by one or more written consents describing the action taken, signed by each director or committee member, as the case may be, and retained by the corporation. In the event one or more positions on the Board of Directors or any committee thereof shall be vacant at the time of the execution of any such consent, such consent shall nevertheless be effective if it shall be signed by all persons serving as members of the Board of Directors or of such committee, as the case may be, at such time and if the persons signing the consent would be able to take the action called for by the consent at a properly constituted meeting of the Board of Directors or such committee, as the case may be.

3.11. Compensation. The Board of Directors, irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the corporation as directors or may delegate such authority to an appropriate committee of the Board of Directors. The Board of Directors also shall have authority to provide for or delegate authority to an appropriate committee of the Board of Directors to provide for reasonable pensions, disability or death benefits, and other benefits or payments, to directors, officers and employees and to their estates, families, dependents or beneficiaries on account of prior services rendered by such directors, officers and employees to the corporation.

3.12. Telephonic Meetings. Except as herein provided and notwithstanding any place set forth in the notice of the meeting or these bylaws, members of the Board of Directors (and any committees thereof created pursuant to Article IV hereof) may participate in regular or special meetings by, or through the use of, any means of communication by which (a) all participants may simultaneously hear each other, such as by conference telephone, or (b) all communication is immediately transmitted to each participant, and each participant can immediately send messages to all other participants. If a meeting is conducted by such means, then at the commencement of such meeting the presiding person shall inform the participating directors that a meeting is taking place at which official business may be transacted. Any participant in a meeting by such means shall be deemed present in person at such meeting. Notwithstanding the foregoing, no action may be taken at any meeting held by such means on any particular matter which the presiding person determines, in his or

her sole discretion, to be inappropriate under the circumstances for action at a meeting held by such means. Such determination shall be made and announced in advance of such meeting.

3.13. Conduct of Meetings. The Chairman of the Board, if any, and in his or her absence, any director chosen by the directors present, shall call meetings of the Board of Directors to order, shall act as chairman of the meeting and shall otherwise preside at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board of Directors but in the absence of the Secretary, the presiding person may appoint any other person present to act as secretary of the meeting. Minutes of any regular or special meeting of the Board of Directors shall be prepared and distributed to each director.

ARTICLE FOUR

Committees of the Board of Directors

4.01. General.

(a) Establishment. The Board of Directors by resolution adopted by the affirmative vote of a majority of all of the directors then in office pursuant to Section 3.02 of these bylaws may establish one or more committees, each committee to consist of two or more directors of this corporation elected by the Board of Directors. The term "Board Committee" as used in these bylaws means any committee comprised exclusively of directors of the corporation which is identified as a "Board Committee" either in these bylaws or in any resolutions adopted by the Board of Directors.

(b) Membership. The Board of Directors by resolution adopted by the affirmative vote of a majority of all directors then in office shall have the power to: (i) establish the number of membership positions on each Board Committee from time to time and change the number of membership positions on such Committee from time to time; provided each Board Committee shall consist of at least two members; (ii) appoint any director to membership on any Board Committee who shall be willing to serve on such Committee; (iii) remove any person from membership on any Board Committee with or without cause; and (iv) appoint any director to membership on any Board Committee as an alternate member. A person's membership on any Board Committee shall automatically terminate when such person ceases to be a director of the corporation.

(c) Powers. Except as otherwise provided in Section 4.01(d) of these bylaws, each Board Committee shall have and may exercise all the powers and authority of the Board of Directors, when the Board of Directors is not in session, in the management of the business and affairs of the corporation to the extent (but only to the extent) such powers shall be expressly delegated to it by the Board of Directors or by these bylaws. Unless otherwise provided by the Board of Directors in creating the committee, a committee may employ counsel, accountants and other consultants to assist it in the exercise of its authority.

(d) Reserved Powers. No Board Committee shall have the right or power to do any of the following: (i) authorize distributions; (ii) approve or propose to shareholders action that the Wisconsin Business Corporation Law requires to be approved by shareholders; (iii) fill vacancies on the Board of Directors, or, unless the Board of Directors provides by resolution that vacancies on a committee shall be filled by the affirmative vote of a majority of the remaining committee members, on any Board Committee; (iv) amend the Articles of Incorporation; (v) adopt, amend or repeal these bylaws; (vi) approve a plan of merger not requiring shareholder approval; (vii) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors; and (viii) authorize or approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences and limitations of a class or series of shares, except that the Board of Directors may authorize a committee to do so within limits prescribed by the Board of Directors.

(e) Vote Required. Except as provided by the Wisconsin Business Corporation Law or in the Articles of Incorporation or these bylaws, the members holding at least a majority of the membership positions on any Board Committee shall constitute a quorum for purposes of any meeting of such committee. The affirmative vote of the majority of the members of a Board Committee present at any meeting of the Board Committee at which a quorum is present shall be necessary and sufficient to approve any action within the Board Committee's power, and any action so approved by such a majority shall be deemed to have been taken by the Board Committee and to be the act of such Board Committee.

(f) Governance. The Board of Directors may designate the person who is to serve as chairman of and preside over any Board Committee, and in the absence of any such designation by the Board of Directors, the members of the Board Committee may either designate one member of the Board Committee as its chairman to preside at any meeting or elect to operate without a chairman, except as otherwise required by these bylaws. Each Board Committee may appoint a secretary who need not be a member of the Committee or a member of the Board of Directors. Each Board Committee shall have the right to establish such rules and procedures governing its meetings and operations as such committee shall deem desirable provided such rules and procedures shall not be inconsistent with the Articles of Incorporation, these bylaws, or any direction to such committee issued by the Board of Directors.

(g) Alternate Committee Members. The Board of Directors may designate one or more directors as alternate members of any Board Committee, and any such director may replace any regular member of such Board Committee who for any reason is absent from a meeting of such Board Committee or is otherwise disqualified from serving on such Board Committee.

4.02. Executive Committee. The corporation shall have an Executive Committee. The Executive Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Executive Committee shall assist the Board of Directors in developing and evaluating general corporate policies and objectives. The Executive Committee shall perform such specific assignments as shall be expressly delegated to

it from time to time by the Board of Directors and shall (subject to the limitations specified in Section 4.01(d) of these bylaws or imposed by the Wisconsin Business Corporation Law) have the power to exercise, when the Board of Directors is not in session, the powers of the Board of Directors except to the extent expressly limited or precluded from exercising such powers in resolutions from time to time adopted by the Board of Directors. Meetings of the Executive Committee may be called at any time by any two members of the Committee. The time and place for each meeting shall be established by the members calling the meeting. The Board of Directors shall elect a director as the Chairman of the Executive Committee. The Chairman of the Executive Committee, when present, shall preside at all meetings of the Executive Committee.

4.03. Audit Committee. The corporation shall have an Audit Committee. The Audit Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Audit Committee shall: (a) recommend to the Board of Directors annually a firm of independent public accountants to act as auditors of the corporation; (b) review with the auditors in advance the scope of their annual audit; (c) review with the auditors and the management, from time to time, the corporation's accounting principles, policies and practices and its reporting policies and practices; (d) review with the auditors annually the results of their audit; (e) review from time to time with the auditors and the corporation's financial personnel the adequacy of the corporation's accounting, financial and operating controls; (f) review transactions between the corporation or any subsidiary of the corporation and any shareholder who holds at least fifty percent of the total number of shares outstanding of the corporation's Class A Common Stock or Class B Common Stock (a "Controlling Shareholder") or any subsidiary of a Controlling Shareholder in accordance with policies adopted by the Board of Directors; and (g) perform such other duties as shall from time to time be delegated to the Committee by the Board of Directors. The membership of the Audit Committee shall always be such that a majority of the members of the Audit Committee shall not be full-time employees of any Controlling Shareholder, the corporation or any of their respective subsidiaries. Within the limitations prescribed in the preceding sentence, the membership on the Audit Committee shall be determined by the Board of Directors as provided in Section 4.01 of these bylaws.

4.04. Compensation Committee. The corporation shall have a Compensation Committee. The Compensation Committee shall be a Board Committee and shall be subject to the provisions of Section 4.01 of these bylaws. The Compensation Committee shall have the authority to establish the compensation and benefits for directors, officers and, at the option of the Compensation Committee, other managerial personnel of the corporation and its subsidiaries, including, without limitation, fixing the cash compensation of such persons, establishing and administering compensation and benefit plans for such persons and determining awards thereunder, and entering into (or amending existing) employment and compensation agreements with any such persons. The Compensation Committee may also recommend persons to be elected as officers of the corporation or any of its subsidiaries to the Board of Directors. The Compensation Committee shall perform such other duties as shall from time to time be delegated to the Compensation Committee by the Board of Directors. The authority of the Compensation Committee shall be subject to such limitations and

restrictions as may be imposed by the Board of Directors, which may delegate the authority to establish or administer specific employee compensation or benefit plans to one or more other Board Committees or one or more persons designated by the Board of Directors. The Compensation Committee shall consist solely of members of the Board of Directors who are not officers of the corporation. The membership of the Compensation Committee shall be determined by the Board of Directors as provided in Section 4.01 of these bylaws.

ARTICLE FIVE

Officers

5.01. Number. The principal officers of the corporation shall be appointed by the Board of Directors and shall consist of a Chief Executive Officer, President, Chief Operating Officer, one or more Vice Presidents, a Secretary and a Treasurer. Such other officers and assistant officers as may be deemed necessary or desirable may be appointed by the Board of Directors. The Chief Executive Officer must be a member of the Board of Directors, but no other officer need be a member of the Board of Directors. Any two or more offices may be held by the same person. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable, except the principal offices of Chief Executive Officer, President, Vice President, Treasurer and Secretary. The Board of Directors may authorize any officer to appoint one or more officers or assistant officers.

5.02. Appointment and Term of Office. The officers of the corporation to be appointed by the Board of Directors shall be appointed annually by the Board of Directors at its first meeting following the annual meeting of shareholders. If the appointment of officers shall not occur at such meeting, such appointment shall occur as soon thereafter as conveniently may be. Each officer shall hold office until the earlier of: (a) the time at which a successor is duly appointed and, if necessary, qualified, or (b) his or her death, resignation or removal as hereinafter provided. The Board of Directors shall have the right to enter into employment contracts providing for the employment of any officer for a term longer than one year, but no such contract shall preclude the Board of Directors from removing any person from any position with the corporation whenever in the judgment of the Board of Directors the best interests of the corporation would be served thereby.

5.03. Removal. The Board of Directors may remove any officer and, unless restricted by the Board of Directors or these bylaws, an officer may remove any officer appointed by that officer, at any time, with or without cause and notwithstanding the contract rights, if any, of the officer removed. The appointment of an officer does not of itself create contract rights.

5.04. Resignation. An officer may resign at any time by delivering notice to the corporation that complies with the Wisconsin Business Corporation Law. The resignation shall be effective when the notice is delivered, unless the notice specifies a later effective date and the corporation accepts the later effective date.

5.05. Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term. If a resignation of an officer is effective at a later date as contemplated by Section 5.04 of these bylaws, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor may not take office until the effective date.

5.06. General Powers of Officers. For purposes of these bylaws, the corporation's Chief Executive Officer, President and each Vice President shall be deemed to be a "senior officer". Whenever any resolution adopted by the corporation's shareholders, Board of Directors or Board Committee shall authorize the "proper" or "appropriate" officers of the corporation to execute any note, contract or other document or to take any other action or shall generally authorize any action without specifying the officer or officers authorized to take such action, any senior officer acting alone and without countersignatures may take such action on behalf of the corporation. Any officer of the corporation may on behalf of the corporation sign contracts, reports to governmental agencies, or other instruments which are in the regular course of business, except where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by the Wisconsin Business Corporation Law or other applicable law to be otherwise signed or executed.

5.07. Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the corporation and, subject to the control of the Board of the Directors, shall in general supervise and control all of the business and affairs of the corporation. In general, he or she shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

5.08. The President. The President shall be the Chief Operating Officer of the corporation. He or she shall have such duties as may, from time to time, be prescribed by the Board of Directors or be delegated by the Chief Executive Officer. In the absence of the Chairman of the Board, the Vice Chairman of the Board or the Chief Executive Officer, the President shall preside at all meetings of the shareholders. During the absence or disability of the Chief Executive Officer, or while that office is vacant, the President shall exercise all the powers and discharge all of the duties of the Chief Executive Officer. During the absence or disability of the Chief Executive Officer and the President, or while those offices are vacant, the Chairman of the Board shall exercise all of the powers and discharge all of the duties of the Chief Executive Officer and the President. The Board of Directors may authorize the Chairman of the Board to appoint one or more officers or assistant officers to perform the duties of the Chief Executive Officer and the President during the absence or disability of the Chief Executive Officer and the President, or while those offices are vacant.

5.09. Chief Operating Officer. The Chief Operating Officer shall be the President. He or she shall be responsible for the daily operations of the corporation's business and shall have such other authority and duties as the Board of Directors or the Chief Executive

Officer may prescribe. He or she shall report to the Chief Executive Officer if the Chief Executive Officer is not also serving as the Chief Operating Officer.

5.10. Vice Presidents. Each Vice President shall perform such duties and have such powers as the Board of Directors may from time to time prescribe. The Board of Directors may designate any Vice President as being senior in rank or degree of responsibility and may accord such a Vice President an appropriate title designating his senior rank such as "Executive Vice President" or "Senior Vice President" or "Group Vice President". The Board of Directors may assign a certain Vice President responsibility for a designated group, division or function of the corporation's business and add an appropriate descriptive designation to his title.

5.11. Secretary. The Secretary shall (subject to the control of the Board of Directors): (a) keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose (including records of actions taken without a meeting); (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by the Wisconsin Business Corporation Law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized; (d) maintain a record of the shareholders of the corporation in a form that permits preparation of a list of the names and address of all shareholders by class or series of shares and showing the number and class or series of shares held by each shareholder; (e) have general charge of the stock transfer books of the corporation; (f) supply in such circumstances as the Secretary deems appropriate to any governmental agency or other person a copy of any resolution adopted by the corporation's shareholders, Board of Directors or Board Committee, any corporate record or document, or other information concerning the corporation and its officers and certify on behalf of the corporation as to the accuracy and completeness of the resolution, record, document or information supplied; and (g) in general, perform all duties incident to the office of Secretary and perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

5.12. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) maintain appropriate accounting records; (c) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by or under authority of the Board of Directors; and (d) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President. The Treasurer shall give a bond if required by the Board of Directors for the faithful discharge of his duties in a sum and with one or more sureties satisfactory to the Board of Directors.

5.13. Assistant Secretaries and Assistant Treasurers. There shall be such number of Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time authorize. The Assistant Secretaries may sign with the President or a Vice-President certificates for shares of the corporation, the issuance of which shall have been

authorized by a resolution of the Board of Directors. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

5.14. Other Assistants and Acting Officers. The Board of Directors shall have the power to appoint, or to authorize any duly appointed officer of the corporation to appoint, any person to act as assistant to any officer, or as agent for the corporation in his or her stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the Board of Directors or an authorized officer shall have the power to perform all the duties of the office to which he or she is so appointed to be an assistant, or as to which he or she is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors or the appointing officer.

ARTICLE SIX

Contracts, Loans, Checks and Deposits

6.01. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the corporation shall be executed in the name of the corporation by the Chief Executive Officer, President or one of the Vice Presidents and by the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer; the Secretary or an Assistant Secretary, when necessary or required, shall affix the corporate seal thereto; and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

6.02. Loans. No indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

6.03. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

6.04. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies

or other depositaries as may be selected by or under the authority of a resolution of the Board of directors.

6.05. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Board of Directors, (a) any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the Chief Executive Officer of this corporation, if he or she be present, or in his or her absence by the President or any Vice President of this corporation who may be present, and (b) whenever, in the judgment of the Chief Executive Officer, or in his or her absence, of the President or Vice President, it is desirable for this corporation to execute a proxy or written consent in respect to any share or other securities issued by any other corporation and owned by this corporation, such proxy or consent shall be executed in the name of this corporation by the Chief Executive Officer or the President or one of the Vice Presidents of this corporation, without necessity of any authorization by the Board of Directors, affixation of corporate seal, if any, or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

6.06. No Nominee Procedures. The corporation has not established, and nothing in these bylaws shall be deemed to establish, any procedure by which a beneficial owner of the corporation's shares that are registered in the name of a nominee is recognized by the corporation as the shareholder under Section 180.0723 of the Wisconsin Business Corporation Law.

6.07. Performance Bonds. The Chief Executive Officer and the Treasurer of the corporation, and any one of them, shall have the continuing authority to take all actions and to execute and deliver any and all documents or instruments (including, without limitation, reimbursement agreements and agreements of indemnity) in favor of such parties, in such amounts and on such terms and conditions as may be necessary or useful for the corporation or any of its direct or indirect subsidiaries to obtain performance bonds, surety bonds, completion bonds, guarantees, indemnities or similar assurances (collectively referred to as "Performance Bonds") from third parties as such officer shall, in his sole discretion, deem necessary or useful to facilitate and promote the business of the corporation or any of its subsidiaries; provided, however, that the contingent liability of the corporation with respect to Performance Bonds for the corporation's subsidiaries shall not exceed \$200,000 in any single transaction or \$1 million in the aggregate without the specific authorization of the Board of Directors. Any action taken or document or instrument executed and delivered by any such officer after December 31, 1993, that is within the scope of the authority granted in this Section 6.07 is hereby ratified, approved and confirmed. If any party shall require resolutions of the Board of Directors with respect to the approval of any actions of any officer of the corporation or documents or instruments related to the Performance Bonds and within the scope of and generally consistent with this Section 6.07, such resolutions shall be deemed to have been duly approved and adopted by the Board of Directors, and may be certified by the Secretary

whenever approved by the Chief Executive Officer, President or the Treasurer, in his sole discretion, and a copy thereof has been inserted in the minute book of the corporation.

ARTICLE SEVEN

Corporate Stock

7.01. Certificates for Shares. Certificates representing shares of any class of stock issued by the corporation shall be in such form, consistent with the Wisconsin Business Corporation Law, as shall be determined by the Board of Directors. Such certificates shall be signed by the Chief Executive Officer, President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal, or a facsimile of the seal, of the corporation. If a certificate is countersigned by a transfer agent or registrar, other than the corporation itself or its employees, any other signature or countersignature on the certificate may be a facsimile. In case any officer of the corporation, or any officer or employee of the transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate ceases to be an officer of the corporation, or an officer or employee of the transfer agent or registrar before such certificate is issued, the certificate may be issued by the corporation with the same effect as if the officer of the corporation, or the officer or employee of the transfer agent or registrar had not ceased to be such at the date of its issue. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered and canceled, except as otherwise provided in Section 7.04 of these bylaws with respect to lost, stolen or destroyed certificates.

7.02. Transfer Agent and Registrar. The Board of Directors may from time to time with respect to each class of stock issuable by the corporation appoint such transfer agents and registrars in such locations as it shall determine, and may, in its discretion, appoint a single entity to act in the capacity of both transfer agent and a registrar in any one location.

7.03. Transfers of Shares. Transfers of shares shall be made only on the books maintained by the corporation or a transfer agent appointed as contemplated by Section 7.02 of these bylaws at the request of the holder of record thereof or of his attorney, lawfully constituted in writing, and on surrender for cancellation of the certificate for such shares. Prior to due presentment of a certificate for shares for registration of transfer, the corporation may (but shall not be required to) treat the person in whose name corporate shares stand on the books of the corporation as the only person having any interest in such shares and as the only person having the right to receive dividends on and to vote such shares, and the corporation shall not be bound to recognize any equitable or other claim to or interest in such shares on the part of the other person, whether or not it shall have express or other notice thereof. Where a

certificate for shares is presented to the corporation or a transfer agent with a request to register for transfer, the corporation or the transfer agent, as the case may be, shall not be liable to the owner or any other person suffering loss as a result of such registration of transfer if (a) there were on or with the certificate the necessary endorsements, and (b) the corporation or the transfer agent had no duty to inquire into adverse claims or has discharged any such duty. The corporation or transfer agent may require reasonable assurance that such endorsements are genuine and effective and compliance with such other regulations as may be prescribed by or under the authority of the Board of Directors.

7.04. Lost, Stolen or Destroyed Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the person requesting such new certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

7.05. Restrictions on Transfer. The face or reverse side of each certificate representing shares shall bear a conspicuous notation of any restriction imposed by the corporation upon the transfer of such shares.

7.06. Consideration for Shares. The Board of Directors may authorize shares to be issued for consideration consisting of any tangible or intangible property or benefit to the corporation, including cash, promissory notes, services performed, contracts for services to be performed or other securities of the corporation. Before the corporation issues shares, the Board of Directors shall determine that the consideration received or to be received for the shares to be issued is adequate. The determination of the Board of Directors is conclusive insofar as the adequacy of consideration for the issuance of shares relates to whether the shares are validly issued, fully paid and nonassessable. The corporation may place in escrow shares issued in whole or in part for a contract for future services or benefits, a promissory note, or otherwise for property to be received in the future, or make other arrangements to restrict the transfer of the shares, and may credit distributions in respect of the shares against their purchase price, until the services are performed, the benefits or property are received or the promissory note is paid. If the services are not performed, the benefits or property are not received or the promissory note is not paid, the corporation may cancel, in whole or in part, the shares escrowed or restricted and the distributions credited.

7.07. Stock Regulations. The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the Wisconsin Business Corporation Law as it may deem expedient concerning the issue, transfer and registration of certificates representing shares of the corporation.

ARTICLE EIGHT

General Provisions

8.01. Fiscal Year. The fiscal year of the corporation shall begin and end on such dates as the Board of Directors shall determine by resolution.

8.02. Seal. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Wisconsin." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE NINE

Amendments

9.01. By Directors. Except as otherwise provided by the Wisconsin Business Corporation Law or the Articles of Incorporation, these bylaws may be amended or repealed and new bylaws may be adopted by the Board of Directors at any meeting at which a quorum is in attendance; provided, however, that the shareholders in adopting, amending or repealing a particular bylaw may provide therein that the Board of Directors may not amend, repeal or readopt that bylaw.

9.02. By Shareholders. Except as otherwise provided in the Articles of Incorporation, these bylaws may also be amended or repealed and new bylaws may be adopted by the shareholders at any annual or special meeting of the shareholders at which a quorum is in attendance.

9.03. Implied Amendments. Any action taken or authorized by the shareholders or by the Board of Directors, which would be inconsistent with the bylaws then in effect but is taken or authorized by affirmative vote of not less than the number of votes or the number of directors required to amend the bylaws so that the bylaws would be consistent with such action, shall be given the same effect as though the bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

ARTICLE TEN

Indemnification

10.01. Certain Definitions. All capitalized terms used in this Article X and not otherwise hereinafter defined in this Section 10.01 shall have the meaning set forth in Section 180.0850 of the Statute. The following capitalized terms (including any plural forms thereof) used in this Article X shall be defined as follows:

(a) "Affiliate" shall include, without limitation, any corporation, partnership, joint venture, employee benefit plan, trust or other enterprise that, directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Corporation.

(b) "Authority" shall mean the entity selected by the Director or Officer to determine his or her right to indemnification pursuant to Section 10.04.

(c) "Board" shall mean the entire then elected and serving Board of Directors of the Corporation, including all members thereof who are Parties to the subject Proceeding or any related Proceeding.

(d) "Breach of Duty" shall mean the Director or Officer breached or failed to perform his or her duties to the Corporation and his or her breach or failure to perform those duties is determined, in accordance with Section 10.04, to constitute misconduct under Section 180.0851(2)(a) 1, 2, 3 or 4 of the Statute.

(e) "Corporation," as used herein and as defined in the Statute and incorporated by reference into the definitions of certain capitalized terms used herein, shall mean this Corporation, including, without limitation, any successor corporation or entity to the Corporation by way of merger, consolidation or acquisition of all or substantially all of the capital stock or assets of this Corporation.

(f) "Director or Officer" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, it shall be conclusively presumed that any Director or Officer serving as a director, officer, partner, trustee, member of any governing or decision-making committee, employee or agent of an Affiliate shall be so serving at the request of the Corporation.

(g) "Disinterested Quorum" shall mean a quorum of the Board who are not Parties to the subject Proceeding or any related Proceeding.

(h) "Party" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, the term "Party" shall also include any Director, Officer or employee who is or was a witness in a Proceeding at a time when he or she has not otherwise been formally named a Party thereto.

(i) "Proceeding" shall have the meaning set forth in the Statute; provided, that, for purposes of this Article X, "Proceeding" shall include all Proceedings (i) brought under (in whole or in part) the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, their respective state counterparts, and/or any rule or regulation promulgated under any of the foregoing; (ii) brought before an Authority or otherwise to enforce rights

hereunder; (iii) any appeal from a Proceeding; and (iv) any Proceeding in which the Director or Officer is a plaintiff or petitioner because he or she is a Director or Officer; provided, however, that such Proceeding is authorized by a majority vote of a Disinterested Quorum.

(j) "Statute" shall mean Sections 180.0850 through 180.0859, inclusive, of the Wisconsin Business Corporation Law, Chapter 180 of the Wisconsin Statutes, including any amendments thereto, but, in the case of any such amendment, only to the extent such amendment permits or requires the Corporation to provide broader indemnification rights than the Statute permitted or required the Corporation to provide prior to such amendment.

10.02. Mandatory Indemnification. To the fullest extent permitted or required by the Statute, the Corporation shall indemnify a Director or Officer against all Liabilities incurred by or on behalf of such Director or Officer in connection with a Proceeding in which the Director or Officer is a Party because he or she is a Director or Officer.

10.03. Procedural Requirements.

(a) A Director or Officer who seeks indemnification under Section 10.02 shall make a written request therefor to the Corporation. Subject to Section 10.03(b), within sixty days of the Corporation's receipt of such request, the Corporation shall pay or reimburse the Director or Officer for the entire amount of Liabilities incurred by the Director or Officer in connection with the subject Proceeding (net of any Expenses previously advanced pursuant to Section 10.05).

(b) No indemnification shall be required to be paid by the Corporation pursuant to Section 10.02 if, within such sixty-day period: (i) a Disinterested Quorum, by a majority vote thereof, determines that the Director or Officer requesting indemnification engaged in misconduct constituting a Breach of Duty; or (ii) a Disinterested Quorum cannot be obtained.

(c) In either case of nonpayment pursuant to Section 10.03(b), the Board shall immediately authorize by resolution that an Authority, as provided in Section 10.04, determine whether the Director's or Officer's conduct constituted a Breach of Duty and, therefore, whether indemnification should be denied hereunder.

(d) (i) If the Board does not authorize an Authority to determine the Director's or Officer's right to indemnification hereunder within such sixty-day period and/or (ii) if indemnification of the requested amount of Liabilities is paid by the Corporation, then it shall be conclusively presumed for all purposes that a Disinterested Quorum has determined that the Director or Officer did not engage in misconduct constituting a Breach of Duty and, in the case of subsection (i) above (but not subsection (ii)), indemnification by the Corporation of the requested amount of Liabilities shall be paid to the Officer or Director immediately.

10.04. Determination of Indemnification.

(a) If the Board authorizes an Authority to determine a Director's or Officer's right to indemnification pursuant to Section 10.03, then the Director or Officer requesting indemnification shall have the absolute discretionary authority to select one of the following as such Authority:

(i) An independent legal counsel; provided, that such counsel shall be mutually selected by such Director or Officer and by a majority vote of a Disinterested Quorum or, if a Disinterested Quorum cannot be obtained, then by a majority vote of the Board;

(ii) A panel of three arbitrators selected from the panels of arbitrators of the American Arbitration Association in Milwaukee, Wisconsin; provided, that (A) one arbitrator shall be selected by such Director or Officer, the second arbitrator shall be selected by a majority vote of a Disinterested Quorum or, if a Disinterested Quorum cannot be obtained, then by a majority vote of the Board, and the third arbitrator shall be selected by the two previously selected arbitrators; and (B) in all other respects, such panel shall be governed by the American Arbitration Association's then existing Commercial Arbitration Rules; or

(iii) A court pursuant to and in accordance with Section 180.0854 of the Statute.

(b) In any such determination by the selected Authority there shall exist a rebuttable presumption that the Director's or Officer's conduct did not constitute a Breach of Duty and that indemnification against the requested amount of Liabilities is required. The burden of rebutting such a presumption by clear and convincing evidence shall be on the Corporation or such other party asserting that such indemnification should not be allowed.

(c) The Authority shall make its determination within sixty days of being selected and shall submit a written opinion of its conclusion simultaneously to both the Corporation and the Director or Officer.

(d) If the Authority determines that indemnification is required hereunder, the Corporation shall pay the entire requested amount of Liabilities (net of any Expenses previously advanced pursuant to Section 10.05), including interest thereon at a reasonable rate, as determined by the Authority, within ten days of receipt of the Authority's opinion; provided, that, if it is determined by the Authority that a Director or Officer is entitled to indemnification as to some claims, issues or matters, but not as to other claims, issues or matters, involved in the subject Proceeding, the Corporation shall be required to pay (as set forth above) only the amount of such requested Liabilities as the Authority shall deem appropriate in light of all of the circumstances of such Proceeding.

(e) The determination by the Authority that indemnification is required hereunder shall be binding upon the Corporation regardless of any prior determination that the Director or Officer engaged in a Breach of Duty.

(f) All Expenses incurred in the determination process under this Section 10.04 by either the Corporation or the Director or Officer, including, without limitation, all Expenses of the selected Authority, shall be paid by the Corporation.

10.05. Mandatory Allowance of Expenses.

(a) The Corporation shall pay or reimburse, within ten days after the receipt of the Director's or Officer's written request therefor, the reasonable Expenses of the Director or Officer as such Expenses are incurred, provided the following conditions are satisfied:

(i) The Director or Officer furnishes to the Corporation an executed written certificate affirming his or her good faith belief that he or she has not engaged in misconduct which constitutes a Breach of Duty; and

(ii) The Director or Officer furnishes to the Corporation an unsecured executed written agreement to repay any advances made under this Section 10.05 if it is ultimately determined by an Authority that he or she is not entitled to be indemnified by the Corporation for such Expenses pursuant to Section 10.04.

(b) If the Director or Officer must repay any previously advanced Expenses pursuant to this Section 10.05, such Director or Officer shall not be required to pay interest on such amounts.

10.06. Indemnification and Allowance of Expenses of Certain Others.

(a) The Corporation shall indemnify a director or officer of an Affiliate (who is not otherwise serving as a Director or Officer) against all Liabilities, and shall advance the reasonable Expenses, incurred by such director or officer in a Proceeding to the same extent hereunder as if such director or officer incurred such Liabilities because he or she was a Director or Officer, if such director or officer is a Party thereto because he or she is or was a director or officer of the Affiliate.

(b) The Corporation shall indemnify an employee who is not a Director or Officer, to the extent that he or she has been successful on the merits or otherwise in defense of a Proceeding, for all reasonable Expenses incurred in the Proceeding if the employee was a Party because he or she was an employee of the Corporation.

(c) The Board may, in its sole and absolute discretion as it deems appropriate, pursuant to a majority vote thereof, indemnify (to the extent not otherwise provided in Section 10.06(b)) against Liabilities incurred by, and/or provide for the allowance

of reasonable Expenses of, an authorized employee or agent of the Corporation acting within the scope of his or her duties as such and who is not otherwise a Director or Officer.

10.07. Insurance. The Corporation may purchase and maintain insurance on behalf of a Director or Officer or any individual who is or was an authorized employee or agent of the Corporation against any Liability asserted against or incurred by such individual in his or her capacity as such or arising from his or her status as such, regardless of whether the Corporation is required or permitted to indemnify against any such Liability under this Article X.

10.08. Notice to the Corporation. A Director, Officer or employee shall promptly notify the Corporation in writing when he or she has actual knowledge of a Proceeding which may result in a claim of indemnification against Liabilities or allowance of Expenses hereunder, but the failure to do so shall not relieve the Corporation of any liability to the Director, Officer or employee hereunder unless the Corporation shall have been irreparably prejudiced by such failure (as determined, in the case of Directors and Officers only, by an Authority).

10.09. Severability. If any provision of this Article X shall be deemed invalid or inoperative, or if a court of competent jurisdiction determines that any of the provisions of this Article X contravene public policy, this Article X shall be construed so that the remaining provisions shall not be affected, but shall remain in full force and effect, and any such provisions which are invalid or inoperative or which contravene public policy shall be deemed, without further action or deed by or on behalf of the Corporation, to be modified, amended and/or limited, but only to the extent necessary to render the same valid and enforceable.

10.10. Nonexclusivity of Article X. The rights of a Director, Officer or employee (or any other person) granted under this Article X shall not be deemed exclusive of any other rights to indemnification against Liabilities or advancement of Expenses which the Director, Officer or employee (or such other person) may be entitled to under any written agreement, Board resolution, vote of shareholders of the Corporation or otherwise, including, without limitation, under the Statute. Nothing contained in this Article X shall be deemed to limit the Corporation's obligations to indemnify a Director, Officer or employee under the Statute.

10.11. Contractual Nature of Article X; Repeal or Limitation of Rights. This Article X shall be deemed to be a contract between the Corporation and each Director, Officer and employee of the Corporation and any repeal or other limitation of this Article X or any repeal or limitation of the Statute or any other applicable law shall not limit any rights of indemnification against Liabilities or allowance of Expenses then existing or arising out of events, acts or omissions occurring prior to such repeal or limitation, including, without limitation, the right of indemnification against Liabilities or allowance or Expenses for Proceedings commenced after such repeal or limitation to enforce this Article X with regard to acts, omissions or events arising prior to such repeal or limitation.

AMENDMENT TO BYLAWS OF
JOHNSON OUTDOORS INC.
(Amended as of March 22, 2000)

The following section was amended and restated as follows:

7.01. Certificates for Shares. Certificates representing shares of any class of stock issued by the corporation shall be in such form, consistent with the Wisconsin Business Corporation Law, as shall be determined by the Board of Directors. Such certificates shall be signed by the Chief Executive Officer, President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal, or a facsimile of the seal, of the corporation. If a certificate is countersigned by a transfer agent or registrar, other than the corporation itself or its employees, any other signature or countersignature on the certificate may be a facsimile. In case any officer of the corporation, or any officer or employee of the transfer agent or registrar who has signed or whose facsimile signature has been placed upon such certificate ceases to be an officer of the corporation, or an officer or employee of the transfer agent or registrar before such certificate is issued, the certificate may be issued by the corporation with the same effect as if the officer of the corporation, or the officer or employee of the transfer agent or registrar had not ceased to be such at the date of its issue. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered and canceled, except as otherwise provided in Section 7.04 of these bylaws with respect to lost, stolen or destroyed certificates.

AMENDMENT NO. 2
TO
AMENDED AND RESTATED CREDIT AGREEMENT

AMENDMENT NO. 2 TO AMENDED AND RESTATED CREDIT AGREEMENT (the "Amendment"), dated as of September 30, 1999, among JOHNSON WORLDWIDE ASSOCIATES, INC., a Wisconsin corporation (the "Company"), certain consolidated subsidiaries of the Company which may from time to time become parties thereto (the "Subsidiaries"), BANK ONE, NA, formerly known as The First National Bank of Chicago, FIRSTAR BANK MILWAUKEE, N.A., M&I MARSHALL & ILSLEY BANK, THE NORTHERN TRUST COMPANY, SOCIETE GENERALE AND DRESDNER BANK (the "Banks"), and BANK ONE, N.A., formerly known as The First National Bank of Chicago in its capacity as contractual representative for itself and the other Bank (the "Agent") under that certain Amended and Restated Credit Agreement dated as of April 3, 1998 by and among the Company, certain of the Banks and the Agent (as amended by an Amendment No. 1 dated as of September 11, 1998, the "Credit Agreement"). Defined terms used herein and not otherwise defined herein shall have the meaning given to them in the Credit Agreement.

WHEREAS, the Borrower, the Banks and the Agent have entered the Credit Agreement and now wish to amend it;

NOW, THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment to the Credit Agreement. Effective as of the date first above written and subject to the execution of this Amendment by the parties hereto and the satisfaction of the conditions precedent set forth in Section 2 below, the Credit Agreement shall be and hereby is amended as follows:

(a) Section 1.01 is hereby amended (i) to insert immediately prior to the period (".") now appearing at the end of the definition of "Consolidated Funded Debt", the following:

"; provided, that for purposes of calculating Consolidated Funded Debt, the Average Outstanding Balance of Consolidated Current Debt computed for the Compliance Period preceding the date of any such determination shall be deemed to constitute outstanding Funded Debt of the Company incurred as of the last day of such Compliance Period and shall be deemed outstanding at all times prior to the end of the next Compliance Period; provided, however, that the Average Outstanding Balance of Consolidated Current Debt of any Person computed for the Compliance Period immediately preceding such date of determination shall be reduced by an amount equal to the permanent prepayment of Consolidated Current Debt of such Person with the proceeds of the Designated Sale from and after the date of such prepayment"

; (ii) to insert immediately prior to the period (".") now appearing at the end of the definition of "EBITDA", the following:

", plus (viii) any charges taken in connection with the Designated Sale to the extent deducted in computing Consolidated Net Income"

; and (iii) to add alphabetically the following defined term:

"Designated Sale" shall mean the sale by the Company of all or part of the recreational fishing business of the Company.

(b) Section 1.01 is hereby amended to add the following at the end of the definition of "Net Income Available for Fixed Charges":

", and plus (e) (to the extent taken in account in determining Consolidated Net Income) an amount equal to the charge taken during such period in respect of the book loss incurred in connection with the Designated Sale".

(c) Section 6.01(a) is hereby amended to delete the following clause: " ; provided, that for purposes of calculating compliance with this Section 6.01, the Average Outstanding Balance of Consolidated Current Debt computed for the Compliance Period preceding the date of any such determination shall be deemed to constitute outstanding Funded Debt of the Company incurred as of the last day of such Compliance Period and shall be deemed outstanding at all times prior to the end of the next Compliance Period".

(d) Section 6.02 is hereby amended to insert the following new clause (e) at the end thereof:

"(e) Notwithstanding any other provision of this Section 6.02, (i) the Company; or any Subsidiary of the Company constituting the recreational fishing business of the Company (the "Fishing Subsidiary"), may sell, transfer or otherwise dispose of all or any part of the assets, or all or any part of the shares of capital stock of any Subsidiary, constituting the recreational fishing business of the Company or such Fishing Subsidiary in connection with the Designated Sale, and (ii) any Fishing Subsidiary may consolidate or merge with any other Person in connection with the Designated Sale. Sale of stock or assets permitted by this Section 6.02(e) shall not be taken into account for purposes of calculating the limitations on permitted sales of assets and stock set forth in Section 6.02(b)(1) and the provision at the end of Section 6.02(c)."

(e) Section 6.05(i) is hereby amended to insert immediately prior to the period (".") now appearing at the end thereof, the following:

"; provided, however, that any charges taken by the Company or any Fishing Subsidiary in connection with the Designated Sale shall not be taken into account for purposes of calculations pursuant to this Section 6.05(i)".

2. Conditions of Effectiveness. This Amendment shall become effective and be deemed effective as of the date hereof, if, and only if, the Agent shall have received each of the following:

(a) duly executed originals of this Amendment from the Company, the Majority Banks and the Agent; and

(b) such other documents, instruments and agreements as the Agent may reasonably request.

3. Representations and Warranties of the Company. The Company hereby represents and warrants as follows:

(a) This Agreement and the Credit Agreement as previously executed and as amended hereby, constitute legal, valid and binding obligations of the Company and are enforceable against the Company in accordance with their terms.

(b) Upon the effectiveness of this Amendment, the Company hereby reaffirms all covenants, representations and warranties made in the Credit Agreement, to the extent the same are not amended hereby, agrees that all such covenants, representations and warranties (as so modified) shall be deemed to have been remade as of the effective date of this Amendment.

4. Reference to the Effect on the Credit Agreement.

(a) Upon the effectiveness of Section 1 hereof, on and after the date hereof, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein" or words of like import shall mean and be a reference to the Amended and Restated Credit Agreement dated as of April 3, 1998, as amended by Amendment No. 1 and as amended hereby.

(b) Except as specifically amended above, the Amended and Restated Credit Agreement dated as of April 3, 1998 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.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Agent or any of the Banks, 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.

5. Costs and Expenses. The Company agrees to pay all reasonable costs, fees and out-of-pocket expenses (including attorneys' fees and expenses charged to the Agent) incurred by the Agent in connection with the preparation, execution and enforcement of this Amendment.

6. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws (as opposed to the conflict of law provisions) of the State of Illinois.

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

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

IN WITNESS WHEREOF, this Amendment has been duly executed and delivered on the date first above written.

JOHNSON WORLDWIDE ASSOCIATES, INC.

By: _____
Name: _____
Title: _____

BANK ONE, NA, formerly known as THE
FIRST NATIONAL BANK OF CHICAGO,
individually and as Agent (Main
Office Chicago)

By: _____
Name: _____
Title: _____

FIRSTAR BANK MILWAUKEE, N.A.

By: _____
Name: _____
Title: _____

M&I MARSHALL & ILSLEY BANK

By: _____
Name: _____
Title: _____

THE NORTHERN TRUST COMPANY

By: _____
Name: _____
Title: _____

JOHNSON WORLDWIDE ASSOCIATES
1326 Willow Road
Sturtevant, Wisconsin 53177

FOURTH AMENDMENT TO NOTE AGREEMENTS

Dated as of January 10, 2000

Re: Note Agreements dated as of October 1, 1995
and
\$30,000,000 7.77% Senior Notes, Series A,
Due October 15, 2005
and
\$15,000,000 6.98% Senior Notes, Series B,
Due October 15, 2005

To the Purchasers Named
on Schedule I hereto

Ladies and Gentlemen:

Reference is made to the separate Note Agreements dated as of October 1, 1995, as amended by that certain First Amendment to Note Agreements dated as of October 31, 1996, and that Second Amendment to Note Agreements dated as of September 30, 1997 and that Third Amendment to Note Agreements dated as of October 3, 1997 (the Note Agreements as amended the "Note Agreements") between Johnson Worldwide Associates, Inc., a Wisconsin corporation (the "Company"), and each of you, under and pursuant to which \$30,000,000 7.77% Senior Notes, Series A, due October 15, 2005 and \$15,000,000 6.98% Senior Notes, Series B, due October 15, 2005, of the Company were originally issued. Terms used but not otherwise defined herein shall have the meanings set forth in the Note Agreements.

The Company hereby requests that each of you accept each of the amendments set forth below in the manner herein provided:

ARTICLE 1

AMENDMENTS TO NOTE AGREEMENTS

Section 1.1. Section 2.1(c) of the Note Agreements is hereby amended by restating the second paragraph thereof as follows:

"In the event the Company shall prepay less than all of the Notes pursuant to Section 2.2 or repurchase any Notes in accordance with Section 5.12, the principal amount of each required

prepayment of the Notes becoming due under Section 2.1(a) and Section 2.1(b) on and after the date of such prepayment or purchase shall be reduced by crediting such prepayments first, against the amount due at the final maturity of the Notes being prepaid then, against the prepayments required by Section 2.1(a) or Section 2.1(b), as the case may be, in the inverse order of the due dates of such prepayments."

Section 1.2. Section 2 of the Note Agreement is hereby amended by adding two new sections 2.7 and 2.8 thereto, reading in their entirety as follows:

Section 2.7. Application of Proceeds of Designated Sale; Partial Prepayment of Notes. The Company expects to receive net cash proceeds of approximately \$34,500,000 from the Designated Sale. Upon closing of the Designated Sale (i) such proceeds in an amount not less than \$18,500,000 will be applied to the repayment of current debt and proceeds in the amount of \$16,000,000 will be applied to the prepayment of long-term debt (including the Notes) and (ii) the Company will pay \$9,800,000 to the holders of the Notes (payable to each holder as set forth on Schedule I to the Fourth Amendment to this Note Agreement) as a partial prepayment on the Notes, together with accrued interest on such amount to the date of payment, but without any Make-Whole Amount.

Section 2.8. Prepayment of Notes Upon Failure to Close Designated Sale. In the event that for any reason the

Designated Sale does not occur, the Company will give written notice of such fact (the "Company Notice") in the manner provided in Section 9.6 to the holders of the Notes. The Company Notice shall be delivered promptly after the Company determines that the Designated Sale will not close and in any event no later than May 2, 2000. The Company Notice shall (a) make reference to the fact that the Designated Sale has not closed, (b) make reference to this Section 2.8 and the right of the holders of the Notes to require prepayment of the Notes on the terms and conditions provided for in this Section 2.8, (c) offer in writing to prepay the outstanding Notes held by each holder of the Notes of both Series, together with accrued interest to the date of prepayment and an amount equal to the then applicable Make-Whole Amount and (d) specify the date for such prepayment (the "Prepayment Date"), which shall be no later than June 30, 2000. Each holder of outstanding Notes of each respective Series of Notes shall have the right, by written notice given to the Company not later than ten days after receipt of the Company Notice, to demand that the Company prepay, and the Company will prepay, all (but not less than all) of the respective Series of Notes then held by such holder on the Prepayment Date. The prepayment price of any Notes payable

upon the Prepayment Date shall be an amount equal to 100% of the principal amount of the Notes so to be prepaid and accrued interest thereon to the Prepayment Date, together with an amount equal to the then applicable Make-Whole Amount, determined as of three business days prior to the Prepayment Date.

Section 1.3. Section 5.6(e) of the Note Agreements is hereby amended by the addition of a new sentence to the definition of "Average Outstanding Balance of Consolidated Current Debt" which shall read as follows:

"For purposes of calculation of the Average Outstanding Balance of Consolidated Current Debt for the Compliance Period ending October 1, 1999, Consolidated Current Debt shall be reduced by the amount of \$18,500,000."

Section 1.4. Section 5.8 of the Note Agreements is hereby amended by the addition thereto of a new Section 5.8(e) as follows:

(e) Notwithstanding any other provision of this Section 5.8, (i) the Company or any Subsidiary engaged in the recreational fishing business of the Company ("Fishing Subsidiary") may sell, transfer or otherwise dispose of all or part of the stock or assets of the recreational fishing business of the Company or such Fishing Subsidiary and (ii) any Fishing Subsidiary may consolidate or merge with any other corporation in connection with the Designated Sale. The sale of stock or assets permitted by this Section 5.8(e) shall not be taken into account for purposes of calculating the limitations on permitted sales of assets and stock set forth in Section 5.8(b)(1) and the proviso at the end of Section 5.8(c).

Section 1.5. Section 5.9 is hereby amended in its entirety as follows:

"Section 5.9. Consolidated Net Worth. The Company will at all times keep and maintain Consolidated Net Worth at an amount not less than the sum of (a) \$90,000,000 plus (b) an aggregate amount equal to 25% of its Consolidated Net Income (but, in each case, only if a positive number) for each completed fiscal year beginning with the fiscal year ending September 29, 2000; provided that Charges for Identified Dispositions shall not be taken into account for purposes of determining the amount of Consolidated Net Worth maintained by the Company for purposes of calculations pursuant to this Section 5.9."

Section 1.6. Section 8.1 is hereby amended to add the following defined terms:

"Charges for Identified Dispositions" shall mean charges taken by the Company on or prior to October 2, 1998 in an aggregate amount not in excess of \$5,000,000 and relating to (A) the closing of certain distribution centers and other facilities owned or operated by Uwaterc AG

and its subsidiaries, and (B) the disposition of the Airguide Instrument Company.

"Designated Sale" shall mean the sale by the Company of all or part of the recreational fishing business of the Company to Berkley, Inc. for net cash proceeds of approximately \$34,500,000 expected to be consummated prior to April 30, 2000.

Section 1.7. Section 8.1 is hereby amended to add the following at the end of the definition of "Net Income Available for Fixed Charges":

", and plus (e) (to the extent taken into account in determining Consolidated Net Income for any fiscal quarter ending on or after December 31, 1999) an amount equal to the charge taken during the fiscal quarter ended December 31, 1999 in respect of the book loss of up to \$24,000,000 incurred in connection with the proposed disposition of the Company's recreational fishing business included in the Designated Sale"

ARTICLE 2

WARRANTIES AND REPRESENTATIONS

The Company represents and warrants that as of the Closing Date:

Section 2.1. Fourth Amendment to Note Agreements is Legal and Authorized.

(a) The execution and delivery of the Fourth Amendment to Note Agreements by the Company and compliance by the Company with all of the provisions of the Note Agreements, as amended by the Fourth Amendment to Note Agreements --

(i) is within the corporate powers of the Company; and

(ii) will not violate any provisions of any law or any order of any court or governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Articles of Incorporation or By-laws of the Company or any indenture or other agreement or instrument to which the Company is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of the Company.

(b) The execution and delivery of the Fourth Amendment to Note Agreements has been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Articles of Incorporation or By-laws of the Company or otherwise); and the Fourth Amendment to Note Agreements has been executed and delivered by the Company and the Note Agreements, as amended by the Fourth Amendment to Note Agreements, constitutes the legal, valid and binding obligation, contract and agreement of the Company enforceable in accordance with its terms.

Section 2.2. No Defaults. Upon effectiveness of this Fourth Amendment to Note Agreements no Default or Event of Default will exist or be continuing.

ARTICLE 3

CONDITIONS PRECEDENT

This Fourth Amendment to Note Agreements shall be effective as of January 10, 2000 upon the fulfillment by the Company of the conditions precedent set forth below. The closing date for this Fourth Amendment to Note Agreements (the "Closing Date") shall be subject to the fulfillment by the Company of the following conditions precedent:

Section 3.1. Payment of Special Counsel Fees. The Company shall have paid the reasonable fees and disbursements of your special counsel for which the Company shall have received an invoice at least one business day prior to the Closing Date.

Section 3.2. Fee to Noteholders. The Company shall have paid to each of you a fee of 37.5 basis points on the principal amount of the Notes outstanding as of January 10, 2000 and which will be in the amount listed opposite your name on Schedule I hereto.

Section 3.3. Opinion. Foley & Lardner shall have delivered to you their favorable opinion in a form reasonably satisfactory to you with respect to the due authorization, execution and delivery and enforceability of this Fourth Amendment to Note Agreement.

Section 3.4. Other Amendment. The First Amendment to Note Agreement dated as of September 15, 1997 shall have been executed and delivered in substantially the same form as this Fourth Amendment to Note Agreements.

ARTICLE 4

MISCELLANEOUS

Section 4.1. Ratification of Note Agreements. Except as herein expressly amended, each of the Note Agreements is in all respects ratified and confirmed. If and to the extent that any of the terms or provisions of the Note Agreements is in conflict or inconsistent with any of the terms or provisions of this Fourth Amendment to Note Agreements, this Fourth Amendment to Note Agreements shall govern.

Section 4.2. Counterparts. This Fourth Amendment to Note Agreements may be simultaneously executed in any number of counterparts, and all such counterparts together, each as an original, shall constitute but one and the same instrument.

Section 4.3. Reference to the Note Agreements. Any and all notices, requests, certificates and any other instruments, including the Notes, may refer to the Note Agreements or the Note Agreements dated as of October 15, 1995, without making specific reference to this Fourth Amendment to Note Agreements, but all such references shall be deemed to include this Fourth Amendment to Note Agreements.

Section 4.4. Requisite Approval; Expenses. This Fourth Amendment to the Note Agreements shall not be effective until (a) the Company and the holders of 100% in aggregate principal amount of all the Notes outstanding on the date hereof shall have executed this Fourth Amendment to Note Agreements, and (b) the Company shall have paid all out-of-pocket expenses incurred by the Noteholders in connection with the consummation of the transactions contemplated by this Fourth Amendment to Note Agreements, including, without limitation, the fees, expenses and disbursements of counsel to the Noteholders which are reflected in statements of such counsel rendered on or prior to the effective date of this Fourth Amendment to Note Agreements.

Section 4.5. Governing Law. The Note Agreements as amended by this Fourth Amendment to Note Agreements and the Notes shall be governed by and construed in accordance with Wisconsin law, including all matters of construction, validity and performance.

Section 4.6. Successors and Assigns. This Fourth Amendment to Note Agreements shall be binding upon the Company and its successors and assigns and shall inure to the benefit of each of you and to the benefit of your successors and assigns, including each successive holder or holders of any Notes.

IN WITNESS WHEREOF, the Company has executed this Fourth Amendment to Note Agreements as of the day and year first above written.

JOHNSON WORLDWIDE ASSOCIATES, INC.

By: /s/ Carl G. Schmidt

Name: Carl G. Schmidt
Title: Senior Vice President
and Chief Financial
Officer, Secretary and
Treasurer

This Fourth Amendment to Note Agreements is accepted and agreed to as of the day and year first above written.

NATIONWIDE LIFE INSURANCE COMPANY

By: /s/ Mark W. Poeppelman

Name: Mark W. Poeppelman

Title: Associate Vice President

This Fourth Amendment to Note Agreements is accepted and agreed to as of the day and year first above written.

GREAT-WEST LIFE & ANNUITY INSURANCE
COMPANY

By: /s/ Wayne T. Hoffmann

Name: Wayne T. Hoffmann
Title: Vice President
Investments

By: /s/ James G. Lowery

Name: James G. Lowery
Title: Assistant Vice President
Investments

SCHEDULE I

| Name of Purchaser ----- | Prepayment Amount ----- | Fee --- |
|--|----------------------------|------------|
| Nationwide Life Insurance Company | \$6,700,000 | \$101,250 |
| Great-West Life & Annuity Insurance Company | \$3,100,000 | \$ 46,875 |

JOHNSON WORLDWIDE ASSOCIATES
1326 Willow Road
Sturtevant, Wisconsin 53177

FIRST AMENDMENT TO NOTE AGREEMENT

Dated as of January 10, 2000

Re: Note Agreement dated as of September 15, 1997
and
\$25,000,000 7.15% Senior Notes
Due October 15, 2007

The Northwestern Mutual Life
Insurance Company
720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Ladies and Gentlemen:

Reference is made to the Note Agreement dated as of September 15, 1997, (the "Note Agreement") between Johnson Worldwide Associates, Inc., a Wisconsin corporation (the "Company"), and you, under and pursuant to which \$25,000,000 aggregate principal amount of 7.15% Senior Notes, due October 15, 2007, of the Company were originally issued. Terms used but not otherwise defined herein shall have the meanings set forth in the Note Agreement.

The Company hereby requests that you accept each of the amendments set forth below in the manner herein provided:

ARTICLE 1

AMENDMENTS TO NOTE AGREEMENT

Section 1.1. Section 2.1(b) of the Note Agreement is hereby amended by restating the second paragraph thereof as follows:

"In the event the Company shall prepay less than all of the Notes pursuant to Section 2.2 or repurchase any Notes in accordance with Section 5.12, the principal amount of each required prepayment of the Notes becoming due under Section 2.1(a) on and after the date of such prepayment or purchase shall be reduced by crediting such prepayments first, against the amount due at the final maturity of the Notes being prepaid then, against the prepayments required by Section 2.1(a) in the inverse order of the due dates of such prepayments."

Section 1.2. Section 2 of the Note Agreement is hereby amended by adding two new sections 2.7 and 2.8 thereto, reading in their entirety as follows:

Section 2.7. Application of Proceeds of Designated Sale; Partial Prepayment of Notes. The Company expects to receive net cash proceeds of approximately \$34,500,000 from the Designated Sale. Upon closing of the Designated Sale, (i) such proceeds in an amount not less than \$18,500,000 will be applied to the repayment of current debt and proceeds in the amount of \$16,000,000 will be applied to the prepayment of long-term debt (including the Notes) and (ii) the Company will pay \$6,200,000 to the holders of the Notes as a partial prepayment on the Notes, together with accrued interest to the date of prepayment, but without any Make-Whole Amount.

Section 2.8. Prepayment of Notes Upon Failure to Close Designated Sale. In the event that for any reason the Designated Sale does not occur, the Company will give written notice of such fact (the "Company Notice") in the manner provided in Section 9.6 to the holders of the Notes. The Company Notice shall be delivered promptly after the Company determines that the Designated Sale will not close and in any event no later than May 2, 2000. The Company Notice shall (a) make reference to the fact that the Designated Sale has not closed, (b) make reference to this Section 2.8 and the right of the holders of the Notes to require prepayment of the Notes on the terms and conditions provided for in this Section 2.8, (c) offer in writing to

prepay the outstanding Notes held by each holder of the Notes, together with accrued interest to the date of prepayment and an amount equal to the then applicable Make-Whole Amount and (d) specify the date for such prepayment (the "Prepayment Date"), which shall be no later than June 30, 2000. Each holder of outstanding Notes shall have the right, by written notice given to the Company not later than ten days after receipt of the Company Notice, to demand that the Company prepay, and the Company will prepay, all (but not less than all) of the Notes then held by such holder on the Prepayment Date. The prepayment price of any Notes payable upon Prepayment Date shall be an amount equal to 100% of the principal amount of the Notes so to be prepaid and accrued interest thereon to the Prepayment Date, together with an amount equal to the then applicable Make-Whole Amount, determined as of three business days prior to the Prepayment Date.

Section 1.3. Section 5.6(e) of the Note Agreement is hereby amended by the addition of a new sentence to the definition of "Average Outstanding Balance of Consolidated Current Debt" which shall read as follows:

"For purposes of calculation of the Average Outstanding Balance of Consolidated Current Debt for the Compliance Period ending October 1, 1999, Consolidated Current Debt shall be reduced by the amount of \$18,500,000."

Section 1.4. Section 5.8 of the Note Agreements is hereby amended by the addition thereto of a new Section 5.8(e) as follows:

(e) Notwithstanding any other provision of this Section 5.8, (i) the Company or any Subsidiary engaged in the recreational fishing business of the Company ("Fishing Subsidiary") may sell, transfer or otherwise dispose of all or part of the stock or assets of the recreational fishing business of the Company or such Fishing Subsidiary and (ii) any Fishing Subsidiary may consolidate or merge with any other corporation in connection with the Designated Sale. The sale of stock or assets permitted by this Section 5.8(e) shall not be taken into account for purposes of calculating the limitations on permitted sales of assets and stock set forth in Section 5.8(b)(1) and the proviso at the end of Section 5.8(c).

Section 1.5. Section 5.9 is hereby amended in its entirety as follows:

"Section 5.9. Consolidated Net Worth. The Company will at all times keep and maintain Consolidated Net Worth at an amount not less than the sum of (a) \$90,000,000 plus (b) an aggregate amount equal to 25% of its Consolidated Net Income (but, in each case, only if a positive number) for each completed fiscal year beginning with the fiscal year ending September 29, 2000; provided that Charges for Identified Dispositions shall not be taken into account for purposes of determining the amount of Consolidated Net Worth maintained by the Company for purposes of calculations pursuant to this Section 5.9."

Section 1.6. Section 8.1 is hereby amended to add the following defined term:

"Designated Sale" shall mean the sale by the Company of all or part of the recreational fishing business of the Company to Berkley, Inc. for net cash proceeds of approximately \$34,500,000 expected to be consummated prior to April 30, 2000.

Section 1.7. Section 8.1 is hereby amended to add the following at the end of the definition of "Net Income Available for Fixed Charges":

", and plus (v) (to the extent taken into account in determining Consolidated Net Income for any fiscal quarter ending on or after December 31, 1999) an amount equal to the charge taken during

the fiscal quarter ended December 31, 1999 in respect of the book loss of up to \$24,000,000 incurred in connection with the proposed disposition of the Company's recreational fishing business included in the Designated Sale"

ARTICLE 2

WARRANTIES AND REPRESENTATIONS

The Company represents and warrants that as of the Closing Date:

Section 2.1. First Amendment to Note Agreement is Legal and Authorized.

(a) The execution and delivery of the First Amendment to Note Agreement by the Company and compliance by the Company with all of the provisions of the Note Agreement, as amended by the First Amendment to Note Agreement --

(i) is within the corporate powers of the Company; and

(ii) will not violate any provisions of any law or any order of any court or governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Articles of Incorporation or By-laws of the Company or any indenture or other agreement or instrument to which the Company is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of the Company.

(b) The execution and delivery of the First Amendment to Note Agreement has been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Articles of Incorporation or By-laws of the Company or otherwise); and the First Amendment to Note Agreement has been executed and delivered by the Company and the Note Agreement, as amended by the First Amendment to Note Agreement, constitutes the legal, valid and binding obligation, contract and agreement of the Company enforceable in accordance with its terms.

Section 2.2. No Defaults. Upon effectiveness of this First Amendment to Note Agreement no Default or Event of Default will exist or be continuing.

ARTICLE 3

CONDITIONS PRECEDENT

This First Amendment to Note Agreement shall be effective as of January 10, 2000 upon satisfaction of the conditions precedent set forth below. The closing date for this First Amendment to Note Agreement (the "Closing Date") shall be subject to the fulfillment by the Company of the following conditions precedent:

Section 3.1. Payment of Special Counsel Fees. The Company shall have paid the reasonable fees and disbursements of your special counsel for which the Company shall have received an invoice at least one business day prior to the Closing Date.

Section 3.2. Fee to Noteholder. The Company shall have paid to you a fee of 37.5 basis points (\$93,750) on the principal amount of the Notes outstanding as of January 10, 2000.

Section 3.3. Opinion. Foley & Lardner shall have delivered to you their favorable opinion in a form reasonably satisfactory to you with respect to the due authorization, execution and delivery and enforceability of this First Amendment to Note Agreement.

Section 3.4. Other Amendment. The Fourth Amendment to Note Agreements dated as of October 1, 1995 shall have been executed and delivered in substantially the same form as this First Amendment to Note Agreement.

ARTICLE 4

MISCELLANEOUS

Section 4.1. Ratification of Note Agreement. Except as herein expressly amended, the Note Agreement is in all respects ratified and confirmed. If and to the extent that any of the terms or provisions of the Note Agreement is in conflict or inconsistent with any of the terms or provisions of this First Amendment to Note Agreement, this First Amendment to Note Agreement shall govern.

Section 4.2. Counterparts. This First Amendment to Note Agreement may be simultaneously executed in any number of counterparts, and all such counterparts together, each as an original, shall constitute but one and the same instrument.

Section 4.3. Reference to the Note Agreement. Any and all notices, requests, certificates and any other instruments, including the Notes, may refer to the Note Agreement or the Note Agreement dated as of September 15, 1997, without making specific reference to this First Amendment to Note Agreement, but all such references shall be deemed to include this First Amendment to Note Agreement.

Section 4.4. Governing Law. The Note Agreement as amended by this First Amendment to Note Agreement and the Notes shall be governed by and construed in accordance with Wisconsin law, including all matters of construction, validity and performance.

Section 4.5. Successors and Assigns. This First Amendment to Note Agreement shall be binding upon the Company and its successors and assigns and shall inure to your benefit and to the benefit of your successors and assigns, including each successive holder or holders of any Notes.

IN WITNESS WHEREOF, the Company has executed this First Amendment to Note Agreement as of the day and year first above written.

JOHNSON WORLDWIDE ASSOCIATES, INC.

By: /s/ Carl G. Schmidt

Name: Carl G. Schmidt
Title: Senior Vice President and
Chief Financial Officer,
Secretary and Treasurer

This First Amendment to Note Agreement is accepted and agreed to as of the day and year first above written.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

By: /s/ Jeffrey J. Lueken

Name: Jeffrey J. Lueken
Title: Its Authorized Representative

Johnson Outdoors Inc.
2000 Long-Term Stock Incentive Plan

Section 1: Purpose

The purpose of the Johnson Outdoors Inc. 2000 Long-Term Stock Incentive Plan (the "Plan") is to enhance the ability of Johnson Outdoors Inc. (the "Company") and its Affiliates (as defined below) to attract and retain employees who will make substantial contributions to the Company's long-term business growth and to provide meaningful incentives to such employees which are more directly linked to the profitability of the Company's businesses and increases in shareholder value. In addition, the Plan is designed to encourage and provide opportunities for stock ownership by such employees which will increase their proprietary interest in the Company and, consequently, their identification with the interests of the shareholders of the Company.

Section 2: Definitions

As used in the Plan, the following terms have the respective meanings set forth below:

- (a) Affiliate means any entity that, directly or through one or more intermediaries, is controlled by, controls or is under common control with the Company or any entity in which the Company has a significant equity interest as determined by the Committee.
- (b) Award means any Stock Option, Stock Appreciation Right or Stock Award granted under the Plan.
- (c) Board means the Board of Directors of the Company.
- (d) Code means the Internal Revenue Code of 1986, as amended from time to time.
- (e) Committee means a committee selected by the Board to administer the Plan which shall be composed of not less than two members of the Board who are not employees of the Company.
- (f) Common Stock means the Class A Common Stock, \$.05 par value, of the Company.
- (g) Company means Johnson Outdoors Inc., a corporation established under the laws of the State of Wisconsin, and its Affiliates.
- (h) Fair Market Value means, with respect to Common Stock, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee; provided, however, that the Fair Market Value shall not be less than the par value of the Common Stock; and provided further, that so long as the Common Stock is traded on a public market, Fair Market Value means the average of the high and low sale prices of a share of Common Stock in the over-the-counter market on the specified date, as reported by the Nasdaq Stock Market (or if no sales occurred on such date, the last preceding date on which sales occurred); provided, however, that if the principal market for the Common Stock is then a national securities exchange, the Fair Market Value shall be the average of the high and low sale prices of a share of Common Stock on the principal securities exchange on which the Common Stock is traded on the specified date (or if no sales occurred on such date, the last preceding date on which sales occurred).
- (i) Incentive Stock Option, or ISO, means an option to purchase Shares granted under Section 7(b) of the Plan that is intended to meet the requirements of Section 422 of the Code or any successor provision.
- (j) 1934 Act means the Securities Exchange Act of 1934, as amended from time to time.
- (k) Nonqualified Stock Option, or NQSO, means an option to purchase Shares granted under Section 7(b) of the Plan that is not intended to meet the requirements of Section 422 of the Code or any successor provision.
- (l) Participant means a person selected by the Committee (or its delegate as provided under Section 4) to receive an Award under the Plan.
- (m) Reporting Person means an individual who is subject to Section 16 under the 1934 Act or any successor rule.

- (n) Shares means shares of Common Stock of the Company.
- (o) Stock Appreciation Right, or SAR, means any right granted under Section 7(c) of the Plan.
- (p) Stock Award means an award granted under Section 7(d) of the Plan.
- (q) Stock Option means an Incentive Stock Option or a Nonqualified Stock Option.

Section 3: Effective Date and Term of Plan

The Plan shall be effective as of December 13, 1999, subject, however, to the approval of the Plan by the shareholders of the Company within twelve (12) months of such effective date. No Awards may be made under the Plan after December 13, 2009, or earlier termination of the Plan by the Board. However, unless otherwise expressly provided in the Plan or in an applicable Award agreement, any Award granted prior to the termination date may extend beyond such date, and, to the extent set forth in the Plan, the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such award, or to waive any conditions or restrictions with respect to any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

Section 4: Administration

The Plan shall be administered by the Committee. If at any time the Committee shall not be in existence, the Board shall administer the Plan, and in such case, all references to the Committee herein shall include the Board.

Subject to the terms of the Plan and applicable law, the Committee shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards granted to Participants; (iv) determine the terms and conditions of any Award granted to a Participant; (v) determine whether, to what extent, and under what circumstances Awards granted to Participants may be settled or exercised in cash, Shares, other securities, other Awards, or other property or cancelled, forfeited or suspended to the extent permitted in Section 9 of the Plan, and the method or methods by which Awards may be settled, exercised, cancelled, forfeited or suspended; (vi) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (vii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (viii) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time, and shall be final, conclusive and binding upon all persons, including the Company, any Affiliate, any Participant, any holder or beneficiary of any Award, any shareholder and any employee of the Company or of any Affiliate. To the extent permitted by applicable law and the provisions of the Plan, the Committee may delegate to one or more employee members of the Board the power to make Awards to Participants who are not Reporting Persons. To the extent the Committee has delegated any of its authority and responsibility hereunder to another person or persons, references to the Committee herein shall include such other person or persons as appropriate.

Section 5: Eligibility

Any Company employee shall be eligible to receive an Award under the Plan. In addition, consultants and advisors to the Company shall be eligible to receive Nonqualified Stock Options under Section 7(b) of the Plan, provided that bona fide services are rendered by such consultants or advisors and such services are not in connection with the offer or sale of securities in a capital-raising transaction.

Section 6: Stock Available for Awards

- (a) Common Shares Available. Subject to adjustment as provided in Section 6(c) below, the maximum number of Shares available for Awards under the Plan shall be 600,000.

- (b) Share Usage Limits. For the period that the Plan is in effect the aggregate number of Shares that shall be granted as Stock Awards and Stock Appreciation Rights shall not exceed 100,000 Shares. Additionally, the aggregate number of Shares that could be awarded to any one Participant of the Plan during any fiscal year of the Company shall not exceed 200,000 Shares. In all cases, determinations under this Section 6(b) shall be made in a manner that is consistent with the exemption for performance-based compensation provided by Section 162(m) of the Code (or any successor provision thereto) and any regulation promulgated hereunder.
- (c) Adjustments. In the event of any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of Company assets to shareholders, or any other change affecting Shares, such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or any Award, then the Committee may, in such manner as it may deem equitable, adjust any or all of (i) the aggregate number and type of Shares that may be issued under the Plan, that may be issued as Stock Awards and Stock Appreciation Rights, or that may be issued to one Participant during any fiscal year; (ii) the number and type of Shares covered by each outstanding Award made under the Plan; and (iii) the exercise, base or purchase price per Share for any outstanding Stock Option, Stock Appreciation Right and other Awards granted under the Plan.
- (d) Common Stock Usage. If, after the effective date of the Plan, any Shares covered by an Award granted under the Plan, or to which any Award relates, are forfeited or if an Award otherwise terminates, expires or is cancelled prior to the delivery of all of the Shares or of other consideration issuable or payable pursuant to such Award, then the number of Shares counted against the number of Shares available under the Plan in connection with the grant of such Award, to the extent of any such forfeiture, termination, expiration or cancellation, shall again be available for granting of additional Awards under the Plan. Notwithstanding the foregoing, in the event of the cancellation of an Award with respect to a Participant to whom Section 162(m) of the Code applies, the Shares subject to such cancelled Award shall continue to be counted against the maximum number of Shares which may be granted to the Participant under the Plan.

Section 7: Awards

- (a) General. The Committee shall determine the type or types of Award(s) (as set forth below) to be made to each Participant and shall approve the terms and conditions of all such Awards in accordance with Sections 4 and 8 of the Plan. Awards may be granted singularly, in combination, or in tandem such that the settlement of one Award automatically reduces or cancels the other. Awards may also be made in replacement of, as alternatives to, or as form of payment for grants or rights under any other employee compensation plan or arrangement of the Company, including the plans of any acquired entity.

- (b) Stock Options. A Stock Option shall confer on a Participant the right to purchase a specified number of Shares from the Company with the terms and conditions as set forth below and with such additional terms and conditions as the Committee shall determine.

The Committee shall establish the purchase price per Share under the Stock Option at the time each Stock Option is awarded, provided that the price shall not be less than 100% of the Fair Market Value on the date of award. Stock Options may be in the form of ISOs or NQSOs. If a Participant owns or is deemed to own (by reason of the attribution rules applicable under Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any subsidiary or parent corporation and an ISO is awarded to such Participant, the option price shall not be less than 110% of the Fair Market Value at the time such ISO is awarded. The aggregate Fair Market Value at time of grant of the Shares covered by ISOs exercisable by any one optionee in any calendar year shall not exceed \$100,000 (or such other limit as may be required by the Code); provided that to the extent such limit is exceeded, the ISO's shall automatically be deemed to be NQSOs.

The term of each Stock Option shall be fixed by the Committee; provided, however, that in no event shall the term of any Stock Option exceed a period of ten years from the date of its grant. A Stock Option shall become exercisable in such manner and within such period or periods and in such installments or otherwise as shall be determined by the Committee. Except as provided below, payment of the exercise price of a Stock Option shall be made at the time of exercise in cash or such other forms as the Committee may approve, including by tendering, by either actual delivery of shares or by attestation, shares valued at their Fair Market Value on the date of exercise, or in a combination of forms. The Committee may also permit Participants to have the option price delivered to the Company by a broker pursuant to an arrangement whereby the Company, upon irrevocable instructions from a Participant, delivers the exercised Shares to the broker.

- (c) Stock Appreciation Rights (SARs). An SAR grant shall confer on a Participant the right to receive, upon exercise, an amount determined by multiplying: (i) the positive difference, if any, between the Fair Market Value of a Share on the date of exercise and the base price of the SAR contained in the terms and conditions of the Award by (ii) the number of Shares with respect to which the SAR is exercised. Subject to the terms of the Plan, the grant price, term, methods of exercise, methods of settlement (including whether the Participant will be paid in cash, Shares or combination thereof), and any other terms and conditions of any SAR shall be determined by the Committee. Shares issued in settlement of the exercise of SARs shall be valued at their Fair Market Value on the date of the exercise. The Committee shall establish the base price of the SAR at the time the SARs are awarded, provided that the base price shall not be less than 100% of the Fair Market Value on the date of award or the exercise or payment price of the related Award if the SAR is granted in combination with or in tandem with another

Award. The Committee may impose such conditions or restrictions on the exercise of any SAR as it may deem appropriate.

- (d) Stock Awards. A Stock Award shall confer on a Participant the right to receive a specified number of Shares or a cash equivalent payment or a combination thereof, subject to the terms and conditions of the Award, which may include forfeitability contingencies based on continued employment with the Company or on meeting specified performance criteria or both. The Committee shall determine the restriction or performance period, the performance goals or targets to be achieved during any performance period, the proportion of payments, if any, to be made for performance between the minimum and full performance levels, the restrictions, if any, applicable to any Shares awarded or received upon payment of performance shares or units, and any other terms, conditions and rights relating to a grant of Stock Awards. A Stock Award may be in the form of Shares or Share units. The Committee may also grant Stock Awards that are not subject to any restrictions. The Committee may provide that, during a performance or restriction period, a Participant shall be paid cash amounts, with respect to each Stock Award held by such Participant, in the same manner, at the same time and in the same amount paid, as a cash dividend on a Share. Any other provision of the Plan to the contrary notwithstanding, the Committee may at any time adjust performance goals (up or down) and minimum or full performance levels (and any intermediate levels and proportion of payments related thereto), adjust the manner in which performance goals are measured, or shorten any performance period or waive in whole or in part any or all remaining restrictions with respect to Shares subject to restrictions, if the Committee determines that conditions, including but not limited to, changes in the economy, changes in competitive conditions, changes in laws or governmental regulations, changes in generally accepted accounting principles, changes in the Company's accounting policies, acquisitions or dispositions by the Company or its Affiliates, or the occurrence of other unusual, unforeseen or extraordinary events, so warrant.

Notwithstanding the foregoing, the Committee may designate whether any such Award is intended to qualify as "performance-based compensation" within the meaning of Code Section 162(m) ("Performance-Based Compensation"). Any Award designated as Performance-Based Compensation shall be conditioned on the achievement of one or more of the following performance goals or targets, as selected by the Committee: revenues, earnings per share, return on shareholder equity, return on average total capital employed, return on net assets employed before interest and taxes and/or economic value added. For Awards intended to be Performance-Based Compensation, the grant of such Award and the establishment of the performance goal(s) or target(s) shall be made during the period required under Code Section 162(m), and the Committee shall not have discretion to increase the amount of compensation payable that would otherwise be due upon the Participant's attainment of the performance goal(s) or target(s).

Section 8: General Provisions Applicable to Awards

- (a) No Consideration for Awards. Awards shall be granted to Participants for no cash consideration unless otherwise determined by the Committee.
- (b) Transferability and Exercisability. No Award subject to the Plan and no right under any such Award shall be assignable, alienable, saleable or otherwise transferable by the Participant other than by will or the laws of descent and distribution; provided, however, that if so permitted by the Committee, a Participant may (i) designate a beneficiary or beneficiaries to exercise the Participant's rights and receive any distributions under the Plan upon the Participant's death and (ii) transfer an Award.
- (c) General Restrictions. Each Award shall be subject to the requirement that, if at any time the Committee shall determine, in its sole discretion, that the listing, registration or qualification of any Award under the Plan upon any securities exchange or under any state or federal law, or the consent or approval of any government regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the grant or settlement thereof, such Award may not be exercised or settled in whole or in part unless such listing, registration, qualification, consent or approval have been effected or obtained free of any conditions not acceptable to the Committee.
- (d) Grant Terms and Conditions. The Committee shall determine the provisions and duration of grants made under the Plan, including the option prices for all Stock Options, the base prices for all SARs, the consideration, if any, to be required from Participants for Stock Awards, and the conditions under which a Participant will retain rights under the Plan in the event of the Participant's termination of employment while holding any outstanding Awards.
- (e) Tax Withholding. The Company shall have the right, upon issuance of Shares or payment of cash in respect of an Award, to reduce the number of Shares or amount of cash, as the case may be, otherwise issuable or payable by the amount necessary to satisfy any federal, state or local withholding taxes or to take such other actions as may be necessary to satisfy any such withholding obligations. The Committee may require or permit Shares including previously acquired Shares and Shares that are part of, or are received upon exercise of the Award, to be used to satisfy required tax withholding and such Shares shall be valued at their Fair Market Value on the date the tax withholding is effective.
- (f) Documentation of Grants. Awards made under the Plan shall be evidenced by written agreements in such form (consistent with the terms of the Plan) or such other appropriate documentation as shall be approved by the Committee. The Committee need not require the execution of any instrument or acknowledgement of notice of an Award under the Plan, in which case acceptance of such Award by the respective Participant will constitute agreement to the terms of the Award.

- (g) Settlement. Subject to the terms of the Plan and any applicable Award agreement, the Committee shall determine whether Awards are settled in whole or in part in cash, Shares, or other Awards. The Committee may require or permit a Participant to defer all or any portion of a payment under the Plan, including the crediting of interest on deferred amounts denominated in cash.
- (h) Change in Control. In order to preserve a Participant's rights under an Award in the event of a Change in Control (as defined below) of the Company, the Committee in its discretion may, at the time an Award is made or at any time thereafter, take one or more of the following actions: (i) provide for the acceleration of any time period relating to the exercise or realization of the Award, (ii) provide for the purchase of the Award upon the Participant's request for an amount of cash or other property that could have been received upon the exercise or realization of the Award had the Award been currently exercisable or payable, (iii) adjust the terms of the Award in a manner determined by the Committee to reflect the Change in Control, (iv) cause the Award to be assumed, or new rights substituted therefore, by another entity, or (v) make such other provision as the Committee may consider equitable and in the best interests of the Company. For purposes of this Plan, a Change in Control shall be deemed to have occurred if the Johnson Family (as defined below) shall at any time fail to own stock of the Company having, in the aggregate, votes sufficient to elect at least a fifty-one percent (51%) majority of the directors of the Company. Johnson Family shall mean at any time, collectively, Samuel C. Johnson, his wife and their children and grandchildren, the executor or administrators of the estate or other legal representative of any such person, all trusts for the benefit of the foregoing or their heirs or any one or more of them, and all partnerships, corporations or other entities directly or indirectly controlled by the foregoing or any one or more of them.

Section 9: Miscellaneous

- (a) Plan Amendment. The Board may amend, alter, suspend, discontinue or terminate the Plan as it deems necessary or appropriate to better achieve the purposes of the Plan; provided, however, that no amendment, alteration, suspension, discontinuation or termination of the Plan shall in any manner (except as otherwise provided in the Plan) adversely affect any Award granted and then outstanding under the Plan without the consent of the respective Participant.

The Committee may, in whole or in part, waive any conditions or other restrictions with respect to, and may amend, alter, suspend, discontinue or terminate any Award granted under the Plan to a Participant, prospectively or retroactively, but no such action shall impair the rights of a Participant without his or her consent, except as otherwise provided herein.

- (b) No Right to Employment. No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment. The Company expressly reserves the right at any time

to dismiss a Participant free from any liability or claim under the Plan, except as expressly provided by an applicable Award.

- (c) No Rights as Shareholder. Only upon issuance of Shares to a Participant (and only in respect to such Shares) shall the Participant obtain the rights of a shareholder, subject, however, to any limitations imposed by the terms of the applicable Award.
- (d) No Fractional Shares. No fractional shares or other securities shall be issued under the Plan, however, the Committee may provide for a cash payment as settlement in lieu of any fractional shares.
- (e) Other Company Benefit and Compensation Programs. Except as expressly determined by the Committee, settlements of Awards received by Participants under this Plan shall not be deemed as part of a Participant's regular, recurring compensation for purposes of calculating payments or benefits from any Company benefit or severance program (or severance pay law of any country). The above notwithstanding, the Company may adopt other compensation programs, plans or arrangements as it deems appropriate or necessary.
- (f) Unfunded Plan. Unless otherwise determined by the Committee, the Plan shall be unfunded and shall not create (or be construed to create) a trust or a separate fund(s). The Plan shall not create any fiduciary relationship between the Company and any Participant or other person. To the extent any person holds any rights by virtue of an Award granted under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.
- (g) Successors and Assignees. The Plan shall be binding on all successors and assignees of a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.
- (h) Governing Law. The validity, construction and effect of the Plan and any actions taken under or relating to the Plan shall be determined in accordance with the laws of the State of Wisconsin and applicable federal law.

1,000

6-MOS

SEP-29-2000

OCT-02-1999

MAR-31-2000

3,068

121

82,543

(3,625)

76,166

184,076

101,048

(63,878)

289,750

146,413

47,826

0

0

407

99,343

289,750

152,584

152,903

88,040

91,921

50,031

853

5,185

4,913

2,052

2,861

(25,359)

0

0

(22,498)

(2.77)

(2.77)

1,000

YEAR

| | | |
|---------|-------------|---------|
| | OCT-01-1999 | |
| | OCT-03-1998 | |
| | OCT-01-1999 | |
| | 8,984 | |
| | 990 | |
| | 52,539 | |
| | (3,236) | |
| | 59,981 | |
| | 185,733 | |
| | | 92,243 |
| | (56,920) | |
| | 299,025 | |
| 94,399 | | |
| | | 72,744 |
| 0 | | |
| | 0 | |
| | 407 | |
| | 126,771 | |
| 299,025 | | |
| | | 304,294 |
| | 305,094 | |
| | | 174,729 |
| | 184,424 | |
| | 98,925 | |
| | 2,161 | |
| | 9,565 | |
| | 10,019 | |
| | 4,158 | |
| 5,861 | | |
| | 1,161 | |
| | 0 | |
| | 0 | |
| | 7,022 | |
| | 0.87 | |
| | 0.87 | |

1,000

9-MOS

| | | |
|---------|-------------|---------|
| | OCT-01-1999 | |
| | OCT-03-1998 | |
| | JUL-02-1999 | |
| | 8,146 | |
| | 464 | |
| | 71,815 | |
| | (2,885) | |
| | 60,626 | |
| | 209,494 | |
| | | 86,122 |
| | (53,648) | |
| | 315,185 | |
| 114,826 | | |
| | | 71,563 |
| 0 | | |
| | 0 | |
| | 407 | |
| | 123,733 | |
| 315,185 | | |
| | | 233,382 |
| | 233,922 | |
| | | 133,039 |
| | 139,374 | |
| | 74,156 | |
| | 1,516 | |
| | 7,362 | |
| | 11,514 | |
| | 4,973 | |
| 6,541 | | |
| | 1,901 | |
| | 0 | |
| | 0 | |
| | 8,442 | |
| | 1.05 | |
| | 1.04 | |

1,000

6-MOS

OCT-01-1999
OCT-03-1998
APR-02-1999
3,015
254
75,347
(2,629)
68,201
222,707
83,568
(51,860)
327,091

128,550

73,503

0

0

407

120,302

327,091

132,546

132,788

75,773

80,348

46,392

819

4,785

444

262

182

1,176

0

0

1,358

0.17

0.17

1,000

3-MOS

| | | |
|---------|-------------|--------|
| | OCT-01-1999 | |
| | OCT-03-1998 | |
| | JAN-01-1999 | |
| | | 10,706 |
| | 249 | |
| | 51,858 | |
| | (2,326) | |
| | 66,375 | |
| | 201,762 | |
| | | 82,516 |
| | (50,345) | |
| | 308,304 | |
| 107,490 | | |
| | | 74,828 |
| 0 | | |
| | 0 | |
| | 407 | |
| | 121,004 | |
| 308,304 | | |
| | | 47,991 |
| | 48,144 | |
| | | 27,855 |
| | 30,333 | |
| | 20,552 | |
| | 280 | |
| | 2,229 | |
| | (5,250) | |
| | (2,212) | |
| (3,038) | | |
| | 19 | |
| | 0 | |
| | 0 | |
| | (3,019) | |
| | (0.37) | |
| | (0.37) | |

1,000

YEAR

| | | |
|---------|-------------|---------|
| | OCT-02-1998 | |
| | OCT-04-1997 | |
| | OCT-02-1998 | |
| | 9,939 | |
| | 391 | |
| | 47,702 | |
| | (2,153) | |
| | 62,503 | |
| | 188,224 | |
| | | 79,812 |
| | (48,257) | |
| | 292,380 | |
| 81,941 | | |
| | | 81,508 |
| 0 | | |
| | 0 | |
| | 407 | |
| | 123,979 | |
| 292,380 | | |
| | | 269,185 |
| | 270,017 | |
| | | 155,798 |
| | 163,216 | |
| | 87,172 | |
| | 734 | |
| | 9,631 | |
| | 9,264 | |
| | 3,885 | |
| 5,379 | | |
| | (167) | |
| | 0 | |
| | 0 | |
| | 5,212 | |
| | 0.64 | |
| | 0.64 | |

1,000

YEAR

| | | |
|---------|-------------|----------|
| | OCT-03-1997 | |
| | SEP-28-1996 | |
| | OCT-03-1997 | |
| | | 6,545 |
| | | 389 |
| | | 45,315 |
| | | (2,388) |
| | | 53,338 |
| | 183,341 | |
| | | 64,527 |
| | | (38,118) |
| | | 272,605 |
| 62,522 | | |
| | | 87,926 |
| 0 | | |
| | 0 | |
| | | 407 |
| | | 117,324 |
| 272,605 | | |
| | | 238,157 |
| | 239,322 | |
| | | 138,324 |
| | | 148,204 |
| | | 75,220 |
| | | 1,393 |
| | 8,413 | |
| | | 6,092 |
| | | 2,721 |
| 3,371 | | |
| | | (1,315) |
| | 0 | |
| | | 0 |
| | | 2,056 |
| | | 0.25 |
| | | 0.25 |