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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 April 2, 1999

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 WORLDWIDE ASSOCIATES, INC.  
(Exact name of Registrant as specified in its charter)

Wisconsin 39-1536083  
(State or other jurisdiction of (I.R.S. Employer Identification No.)  
incorporation or organization)

1326 Willow Road, Sturtevant, Wisconsin 53177  
(Address of principal executive offices)

(414) 884-1500  
(Registrant's telephone number, including area code)

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 30, 1999, 6,892,267 shares of Class A and 1,222,861 shares of Class B common stock of the Registrant were outstanding.

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JOHNSON WORLDWIDE ASSOCIATES, INC.

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JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited)

(thousands, except per share data)	Three Months Ended		Six Months Ended	
	April 2 1999	April 3 1998	April 2 1999	April 3 1998
Net sales	\$ 104,210	\$ 97,938	\$ 164,210	\$ 149,779
Cost of sales	62,014	58,210	100,280	90,857
Gross profit	42,196	39,728	63,930	58,922
Operating expenses:				
Marketing and selling	20,397	19,394	35,377	32,887
Finance, information systems and administrative management	6,620	6,587	12,962	12,424
Research and development	1,943	1,806	3,887	3,349
Amortization of acquisition costs	1,025	943	2,050	1,855
Profit sharing	696	339	766	354
Nonrecurring charges	1,133	36	1,549	102
Total operating expenses	31,814	29,105	56,591	50,971
Operating profit	10,382	10,623	7,339	7,951
Interest income	(59)	(68)	(163)	(145)
Interest expense	2,648	2,539	4,931	4,733
Other expenses, net	99	142	94	72
Income before income taxes	7,694	8,010	2,477	3,292
Income tax expense	3,317	3,271	1,119	1,337
Net income	\$ 4,377	\$ 4,739	\$ 1,358	\$ 1,955
Basic earnings per common share	\$ 0.54	\$ 0.59	\$ 0.17	\$ 0.24
Diluted earnings per common share	\$ 0.54	\$ 0.58	\$ 0.17	\$ 0.24

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

## JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED BALANCE SHEETS  
(unaudited)

(thousands, except share data)	April 2 1999	October 2 1998	April 3 1998
<b>ASSETS</b>			
Current assets:			
Cash and temporary cash investments	\$ 3,467	\$ 11,496	\$ 4,724
Accounts receivable, less allowance for doubtful accounts of \$3,032, \$2,570, and \$2,536, respectively	94,768	53,421	85,451
Inventories	81,722	76,603	95,774
Deferred income taxes	5,574	6,067	7,755
Other current assets	7,570	6,933	8,446
<b>Total current assets</b>	<b>193,101</b>	<b>154,520</b>	<b>202,150</b>
Property, plant and equipment	35,168	35,469	33,860
Deferred income taxes	15,663	15,435	10,441
Intangible assets	87,653	90,101	86,330
Other assets	1,602	492	533
<b>Total assets</b>	<b>\$ 333,187</b>	<b>\$ 296,017</b>	<b>\$ 333,314</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities:			
Short-term debt and current maturities of long-term debt	\$ 92,892	\$ 42,614	\$ 80,917
Accounts payable	17,141	11,681	19,267
Accrued liabilities	24,106	30,724	27,022
<b>Total current liabilities</b>	<b>134,139</b>	<b>85,019</b>	<b>127,206</b>
Long-term debt, less current maturities	74,010	82,066	87,921
Other liabilities	4,329	4,546	4,058
<b>Total liabilities</b>	<b>212,478</b>	<b>171,631</b>	<b>219,185</b>
Shareholders' equity:			
Preferred stock: none issued	--	--	--
Common stock:			
Class A shares issued:			
April 2, 1999, 6,910,577; October 2, 1998, 6,909,577;			
April 3, 1998, 6,909,351	345	345	345
Class B shares issued (convertible into Class A):			
April 2, 1999, 1,222,861; October 2, 1998, 1,223,861;			
April 3, 1998, 1,224,087	61	61	61
Capital in excess of par value	44,157	44,205	44,193
Retained earnings	86,305	85,068	81,809
Contingent compensation	(63)	(27)	(65)
Other comprehensive income - cumulative translation adjustment	(9,811)	(4,651)	(11,599)
Treasury stock: Class A shares, at cost:			
April 2, 1999, 18,310; October 2, 1998, 39,532;			
April 3, 1998, 39,532	(285)	(615)	(615)
<b>Total shareholders' equity</b>	<b>120,709</b>	<b>124,386</b>	<b>114,129</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 333,187</b>	<b>\$ 296,017</b>	<b>\$ 333,314</b>

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

JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(unaudited)

(thousands)	Six Months Ended	
	April 2 1999	April 3 1998
<b>CASH USED FOR OPERATIONS</b>		
Net income	\$ 1,358	\$ 1,954
Noncash items:		
Depreciation and amortization	7,554	6,882
Deferred income taxes	464	210
Change in assets and liabilities, net of effect of businesses acquired:		
Accounts receivable, net	(41,438)	(35,390)
Inventories	(7,378)	(15,863)
Accounts payable and accrued liabilities	364	5,115
Other, net	(926)	(1,472)
	(40,002)	(38,564)
<b>CASH USED FOR INVESTING ACTIVITIES</b>		
Net assets of businesses acquired, net of cash	(5,574)	(12,418)
Net additions to property, plant and equipment	(5,526)	(5,613)
	(11,100)	(18,031)
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		
Issuance of senior notes	--	25,000
Net change in short-term debt	43,408	29,869
Common stock transactions	94	(333)
	43,502	54,536
Effect of foreign currency fluctuations on cash	(429)	(347)
Decrease in cash and temporary cash investments	(8,029)	(2,406)
<b>CASH AND TEMPORARY CASH INVESTMENTS</b>		
Beginning of period	11,496	7,130
End of period	\$ 3,467	\$ 4,724

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

JOHNSON WORLDWIDE ASSOCIATES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited)

1 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 Worldwide Associates, Inc. and subsidiaries (the Company) as of April 2, 1999 and the results of operations and cash flows for the three months and six months ended April 2, 1999. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1998 Annual Report.

Because of seasonal and other factors, the results of operations for the three months and six months ended April 2, 1999 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.

2 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.

3 Inventories

Inventories at the end of the respective periods consist of the following:

	April 2 1999	October 2 1998	April 3 1998
Raw materials	\$ 28,407	\$ 27,834	\$ 34,597
Work in process	3,442	4,753	6,818
Finished goods	55,413	49,875	61,765
	87,262	82,462	103,180
Less reserves	5,540	5,859	7,406
	\$ 81,722	\$ 76,603	\$ 95,774

## 4 Earnings Per Share

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

	Three Months Ended		Six Months Ended	
	April 2 1999	April 3 1998	April 2 1999	April 3 1998
Net income for basic and diluted earnings per share	\$ 4,377	\$ 4,739	\$ 1,358	\$ 1,954
Weighted average common shares outstanding				
	8,100,600	8,130,881	8,097,253	8,106,924
Less nonvested restricted stock	3,818	6,559	3,988	6,854
Basic average common shares	8,096,782	8,097,322	8,093,265	8,100,070
Dilutive stock options and restricted stock	2,207	30,199	1,914	31,329
Diluted average common shares	8,098,989	8,127,521	8,095,179	8,131,399
Basic earnings per common share	\$ 0.54	\$ 0.59	\$ 0.17	\$ 0.24
Diluted earnings per common share	\$ 0.54	\$ 0.58	\$ 0.17	\$ 0.24

## 5 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 2, 1998	602,061	\$17.43
Granted	281,000	8.96
Cancelled	(84,723)	15.10
Outstanding at April 2, 1999	798,338	\$14.70

Options to purchase 620,761 shares of common stock with a weighted average exercise price of \$17.45 per share were outstanding at April 3, 1998.

## 6 Acquisitions

In April 1999, subsequent to the end of the quarter, the Company completed the acquisition of substantially all of the assets and the assumption of certain liabilities of Escape Sailboat Company LLC, a privately held manufacturer and marketer of recreational sailboats. The initial purchase price, including direct expenses, for the acquisition was approximately \$4,800, of which approximately \$3,100 was recorded as intangible assets and is being amortized over 25 years. Additional payments in 2000 and 2001 are dependent upon achievement of specified levels of sales of the acquired business.

In December 1998, the Company completed the acquisition of substantially all of the assets and the assumption of certain liabilities of True North Paddle & Necky Kayaks Ltd., a privately held manufacturer and marketer of Necky kayaks, and an affiliated entity. The purchase price, including direct expenses, for the acquisition was approximately \$5,700, of which approximately \$3,100 was recorded as intangible assets and is being amortized over 25 years. Additional payments in the years

1999 through 2003 are dependent upon the achievement of specified levels of sales and profitability of the acquired business.

The acquisitions were accounted for using the purchase method and, accordingly, the Consolidated Financial Statements include the results of operations since the respective dates of acquisition. Additional payments, if required, will increase intangible assets in future years.

7 Litigation

In 1998, certain businesses acquired by the Company became subject to judgments in civil liability cases. In February 1999, these cases were settled. Payments totaling \$1,600 made by the Company as a result of these judgments reduced payments otherwise due to selling shareholders of the businesses acquired. Accordingly, these judgments did not impact the operating results of the Company.

8 Comprehensive Income

The Company adopted Financial Accounting Standards Board Statement 130, Reporting Comprehensive Income, in 1999. 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 translation adjustment.

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

	Three Months Ended		Six Months Ended	
	April 2 1999	April 3 1998	April 2 1999	April 3 1998
Net income	\$ 4,377	\$ 4,739	\$ 1,358	\$ 1,954
Translation adjustment	(5,193)	(2,539)	(5,160)	(5,243)
Comprehensive income (loss)	\$ (816)	\$ 2,200	\$ (3,802)	\$ (3,289)

9 Segments of Business

The Company conducts its worldwide operations through five separate global business units 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.



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

	Three Months Ended		Six Months Ended	
	April 2 1999	April 3 1998	April 2 1999	April 3 1998
<b>Net sales:</b>				
<b>Diving:</b>				
Unaffiliated customers	\$ 19,914	\$ 21,466	\$ 37,559	\$ 40,896
Interunit transfers	6	(108)	9	--
<b>Outdoor equipment:</b>				
Unaffiliated customers	26,136	22,513	41,136	34,905
Interunit transfers	19	--	30	1
<b>Fishing:</b>				
Unaffiliated customers	19,566	20,899	31,422	30,168
Interunit transfers	201	218	324	405
<b>Motors:</b>				
Unaffiliated customers	22,402	20,380	31,427	26,270
Interunit transfers	645	703	984	1,108
<b>Watercraft:</b>				
Unaffiliated customers	15,873	12,356	21,655	16,583
Interunit transfers	168	120	180	120
Other	319	324	1,011	957
Eliminations	(1,039)	(933)	(1,527)	(1,634)
	<b>\$ 104,210</b>	<b>\$ 97,938</b>	<b>\$ 164,210</b>	<b>\$ 149,779</b>
<b>Operating profit (loss):</b>				
Diving	\$ 765	\$ 3,617	\$ 196	\$ 5,223
Outdoor equipment	1,829	1,783	883	1,096
Fishing	2,093	1,415	2,172	(246)
Motors	3,554	2,864	2,612	1,320
Watercraft	3,172	2,539	3,322	2,676
Other	(1,031)	(1,595)	(1,846)	(2,118)
	<b>\$ 10,382</b>	<b>\$ 10,623</b>	<b>\$ 7,339</b>	<b>\$ 7,951</b>
<b>Identifiable assets:</b>				
Diving		\$ 97,507	\$ 104,344	\$ 100,926
Outdoor equipment		53,849	49,090	58,884
Fishing		72,746	62,099	78,525
Motors		34,878	22,905	36,317
Watercraft		49,886	29,340	36,667
Other		24,321	28,239	21,995
		<b>\$ 333,187</b>	<b>\$ 296,017</b>	<b>\$ 333,314</b>

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 April 2, 1999 and April 3, 1998. 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 1998 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, the success of the Company's EVA(R) program, actions of companies that compete with JWA, the Company's success in managing inventory, movements in foreign currencies or interest rates, the success of suppliers, customers and others regarding compliance with year 2000 issues, 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 Operations

Net sales for the three months ended April 2, 1999 totaled \$104.2 million, compared to \$97.9 million in the three months ended April 3, 1998. Net sales for the six months ended April 2, 1999 totaled \$164.2 million, an increase of 10%, or \$14.4 million, over the six months ended April 3, 1998. Sales of all businesses except Diving and Fishing exhibited strong growth. The Diving business was adversely impacted by the integration of acquired businesses into its operations. The Fishing business had high levels of sales of excess product at nominal margins in the prior year, causing an unfavorable comparison with regard to sales.

Relative to the U.S. dollar, the average values of most currencies of the countries in which the Company has operations were higher for the six months ended April 2, 1999 as compared to the corresponding period of the prior year. Excluding the impact of foreign currencies, net sales increased 5% and 8% for the three and six months ended April 2, 1999, respectively.

Gross profit as a percentage of sales was 40.5% for the three months ended April 2, 1999 compared to 40.6% in the corresponding period in the prior year. Gross profit for the six months ended April 2, 1999 decreased to 38.9% from 39.3% in the prior year. The decline in higher margin Diving sales relative to total sales contributed to the decrease, more than offsetting strong gains in the Fishing and Motors businesses.

The Company recognized an operating profit of \$10.4 million for the three months ended April 2, 1999, compared to an operating profit of \$10.6 million for the corresponding period of the prior year. For the six months ended April 2, 1999, operating profit decreased to \$7.4 million, from \$8.0 million in the prior year.

JOHNSON WORLDWIDE ASSOCIATES, INC.

Seasonal losses of the Leisure Life watercraft business, which the Company acquired in February 1998 and, accordingly, did not impact prior year results, contributed to the decrease from the prior year. Increased nonrecurring charges from integration of acquired businesses also contributed to the decrease. The combination of these two factors more than offset the positive impact of increased sales on operating margins and the favorable impact of the Necky acquisition.

Interest expense totaled \$4.9 million for the six months ended April 2, 1999 compared to \$4.7 million for the corresponding period of the prior year. Increased debt levels due to acquisitions consummated in 1999 and 1998, more than offset improved management of working capital and a favorable interest rate environment, accounting for the change. The Company's effective tax rate increased due to a change in the amount and mix of profits in foreign jurisdictions.

The Company recognized net income of \$4.4 million in the three months ended April 2, 1999 compared to net income of \$4.7 million in the corresponding period of the prior year. Diluted earnings per common share totaled \$0.54 for the three months ended April 2, 1999 compared to \$0.58 in the prior year. The Company recognized net income of \$1.4 million in the six months ended April 2, 1999 compared to net income of \$2.0 million in the corresponding period of the prior year. Year to date diluted earnings per common share decreased to \$0.17 from \$0.24 in the prior year.

#### Financial Condition

The following discusses changes in the Company's liquidity and capital resources.

#### Operations

Cash flows used for operations totaled \$40.0 million for the six months ended April 2, 1999 and \$38.6 million for the corresponding period of the prior year.

Accounts receivable seasonally increased \$41.4 million for the six months ended April 2, 1999 and \$35.4 million for the corresponding period of the prior year. Seasonal growth in inventories of \$7.4 million for the six months ended April 2, 1999 and \$15.9 million for the corresponding period of the prior year also accounted for a portion of the net usage of funds. Inventory turns increased for the six month period ended April 2, 1999 compared to the corresponding period of the prior year.

Accounts payable and accrued liabilities increased \$0.4 million for the six months ended April 2, 1999 and \$5.1 million for the corresponding period of the prior year, decreasing the net outflow of cash from operations.

Depreciation and amortization charges were \$7.6 million for the six months ended April 2, 1999 and \$6.9 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.

#### Investing Activities

Expenditures for property, plant and equipment were \$5.5 million for the six months ended April 2, 1999 and \$5.6 million for the corresponding period of the prior year. The Company's recurring investments are made primarily for tooling for new products and enhancements. In 1999, capitalized expenditures are anticipated to total approximately \$12 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 first six months of the current year and three businesses in the prior year, which increased tangible and intangible assets by \$5.6 million and \$12.4 million, respectively, net of cash and liabilities assumed.

JOHNSON WORLDWIDE ASSOCIATES, INC.

Financing Activities

Cash flows from financing activities totaled \$43.5 million for the six months ended April 2, 1999 and \$54.5 million for the corresponding period of the prior year. In October 1997, the Company consummated a private placement of long-term debt totaling \$25 million. Payments on long-term debt required to be made in 1999 total \$7.8 million.

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 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. Certain instruments are included in both categories of risk exposure calculated below. The calculations do not include the underlying foreign exchange positions that are hedged by these market risk sensitive instruments. The

JOHNSON WORLDWIDE ASSOCIATES, INC.

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 April 2, 1999:

(millions)	Estimated Impact on	
	Fair Value	Earnings Before Income Taxes
Foreign exchange rate instruments	\$2.8	\$0.3
Interest rate instruments	3.9	0.8

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 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.

Year 2000

The year 2000 issue is the result of computer programs using two digits (rather than four) to define years. Computers or other equipment with date sensitive software may recognize "00" as the year 1900 rather than 2000. This could result in system failures or miscalculations. If the Company or its significant customers or suppliers fail to correct year 2000 issues, the Company's ability to operate could be materially affected.

The Company has assessed the impact of year 2000 issues on the processing of date-related information for all of its information systems infrastructure and non-technical assets, such as production equipment. All systems and non-technical assets are in the process of being inventoried and classified as to their compliance with year 2000 data processing. Any systems found year 2000 deficient will be modified, upgraded or replaced. Project plans anticipate all existing, critical information systems infrastructure and non-technical assets to be year 2000 compliant before failure to comply would significantly disrupt the Company's operations. Contingency plans are being developed to address any failures resulting from relationships with customers, suppliers or other third parties. The Company has made inquiries of its suppliers, customers and other organizations which impact the Company's business, but cannot guarantee that circumstances beyond its control will not have an adverse impact on its operations.

Since 1993, the Company has invested more than \$10 million in information systems improvements and has been migrating its businesses to systems that are year 2000 compliant. Based on assessments and testing to date, the financial impact of addressing any potential remaining internal system issues should not be material to the Company's financial position, results of operations or cash flows.

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 January 26, 1999, the shareholders voted on three management proposals and to elect the following individuals as Directors for terms that expire at the next annual meeting:

	Votes Cast For	Votes Cast Against	Votes Withheld	Abstentions	Broker Non-Votes
Class A Directors:					
Thomas F. Pyle, Jr.	5,420,265	0	698,190	0	0
Glenn N. Rupp	5,419,275	0	699,180	0	0
Class B Directors:					
Samuel C. Johnson	1,218,377	0	0	0	0
Helen P. Johnson-Leipold	1,218,377	0	0	0	0
Gregory E. Lawton	1,218,377	0	0	0	0
Ronald C. Whitaker	1,218,377	0	0	0	0
Proposal 1 regarding the amendment to the 1994 Long-Term Stock Incentive Plan to increase the number of shares authorized for issuance	16,132,501	2,027,828	0	141,896	0
Proposal 2 regarding the amendment to the 1994 Long-Term Stock Incentive Plan to change the individual limit on share awards	16,065,030	1,445,603	0	791,592	0
Proposal 3 regarding the amendment to the 1994 Non-Employee Director Stock Ownership Plan to increase the number of shares authorized for issuance	17,473,218	45,491	0	783,516	0

Votes cast for or against and abstentions with respect to Proposals 1, 2 and 3 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 Amendments to Bylaws of the Company dated as of March 9, 1999.

Exhibit 3.2 Bylaws of the Company as amended through March 9, 1999.

Exhibit 10.1 Separation agreement, dated March 9, 1999, between the Company and R. C. Whitaker.

Exhibit 27: Financial Data Schedule

(b) There were no reports on Form 8-K filed for the three months ended April 2, 1999.

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 17, 1999

JOHNSON WORLDWIDE ASSOCIATES, INC.

/s/ Carl G. Schmidt  
-----

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



JOHNSON WORLDWIDE INDEX

Exhibit	Description	Page Number
3.1	Amendments to Bylaws of the Company dated as of March 9, 1999.	-
3.2	Bylaws of the Company as amended through March 9, 1999.	-
10.1	Separation agreement, dated March 9, 1999, between the Company and R. C. Whitaker.	-
27.	Financial Data Schedule	-

AMENDMENTS TO THE BY-LAWS  
OF JOHNSON WORLDWIDE ASSOCIATES, INC.

(Amended as of March 9, 1999)

The following sections were amended and restated as follows:

ARTICLE TWO

\* \* \*

2.02. Special Meetings.

(a) Special meetings of the shareholders, for any purpose or purposed, 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.

(e) Except as provided in the following sentence, any special meeting shall be held at such hour and day as may be designated by which ever 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.

\* \* \*

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.

\* \* \*

2.07. Quorum and Voting Requirements; Postponements; Adjournments.

(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.

\* \* \*

2.09. 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 persons 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.

ARTICLE THREE

Directors

\* \* \*

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

(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 or her 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.

\* \* \*

3.05. 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.

\* \* \*

3.13. 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 directors.

#### ARTICLE FOUR

##### Committees

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.

\* \* \*

#### 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 officers 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.

\* \* \*

5.06. 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 President during the absence or disability of the Chief Executive Officer and 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.

\* \* \*

Previous Sections 5.08 - 5.12 shall be renumbered 5.10 - 5.14, respectively.

\* \* \*

ARTICLE SIX

Contracts, Loans, Checks and Deposits

6.01 Contracts. The Board of Directors may authorize any officer or officers, agents 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.

\* \* \*

6.05 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.

\* \* \*

6.07 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.

\* \* \*



BYLAWS

OF

JOHNSON WORLDWIDE ASSOCIATES, INC.  
(A Wisconsin Corporation)

(As amended through March 9, 1999)

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, 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 depositories 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 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 either 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 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 of 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.

Johnson Worldwide Associates

March 9, 1999

Mr. Ron Whitaker  
1917 Second Place  
Kenosha, WI 53140

Dear Ron:

This letter will serve as our formal agreement with respect to your resignation from employment with Johnson Worldwide Associates, Inc. ("JWA"). In return for your compliance with all of the terms of this letter JWA will provide the separation arrangements set forth in this letter.

1. Resignation from Employment. You hereby resign your employment with JWA, including your duties as an Executive Officer, effective March 9, 1999. Your resignation from all positions with JWA, and each of its divisions and subsidiaries, including positions as an officer and director, and as a member of any committee or administrative body relating to JWA and its businesses, is effective as of such date. You will provide JWA with such written resignations as JWA may request.

Compensation Following Termination Date. 2. Commencing as of the eighth day after your execution of this letter agreement, provided there is no intervening revocation of the release given in paragraph 6 (referred to in this letter agreement as the "Effective Date"), JWA will pay to you monthly separation payments in the amount of Forty-three Thousand Eight Hundred Thirty-three Dollars and 33/100s (\$43,833.33), reduced by applicable payroll and withholding taxes, for twelve (12) consecutive monthly pay periods. The period from the Effective Date to the end of the twelfth consecutive pay period thereafter is referred to in this letter agreement as the "Severance Payment Period." The aggregate gross amount of all such payments shall be Five Hundred Twenty-six Thousand Dollars (\$526,000.00). JWA will initiate separation payments within five (5) business days of the beginning of the Severance Payment Period.

(b) JWA shall make outplacement services available, without charge to you, through Right/Jannotta Bray during the Severance Payment Period.

3. Benefit Benefits. (a) Your group employee medical coverage may continue during the Severance Payment Period provided you make a timely coverage continuation election pursuant to Internal Revenue Code Section 4980B and Sections 601-

Mr. Ron Whitaker  
March 9, 1999  
Page 2

608 of the Employee Retirement Income Security Act of 1974 as amended ("COBRA continuation rights") following your resignation. You must pay active employee costs for any continued medical benefits during the Severance Payment Period and full COBRA continuation rights costs thereafter while medical benefits are continued pursuant to your COBRA continuation rights election. Your group life and disability benefits will end on your resignation date, and conversion rights, if any, under those programs are then available for the periods prescribed under each program.

(b) Your participation in the Flexible Perquisite Spending Account program will terminate on your resignation date. You will be reimbursed for qualified expenses incurred as of your resignation date.

(c) This letter agreement does not affect your rights to vested benefits under JWA's 401(k)/deferred profit sharing plan. You are, however, not eligible for any deferred profit sharing (retirement contribution) that will be paid to JWA employees for the fiscal year ending in 1999. In lieu of the amount that would otherwise have been contributed to your account for such fiscal year JWA will pay to you additional severance compensation equal to such amount in the month following the month such amount is finally determined. This payment of additional severance compensation is specifically identified as consideration for the release provided by you under paragraph 6.

4. JWA Restricted Stock and Stock Options. (a) You are now vested in One Thousand Six Hundred Sixty-seven (1,667) shares of the Two Thousand Five Hundred (2,500) shares of restricted stock granted to you on January 1, 1997. Immediately following the Effective Date JWA will arrange for the transfer agent to issue to you a certificate without the restrictive legend for such shares. You shall also be deemed to be fully vested in the remaining Eight Hundred Thirty-three (833) shares of that restricted stock grant on the Effective Date. JWA will, immediately following such date, arrange for the transfer agent to issue to you a certificate for such shares without the restrictive legend. You



are responsible for compliance with all securities laws, including those regarding insider trading, with regard to any JWA stock transactions.

(b) You are two-thirds (2/3) vested in Seventy-five Thousand (75,000) shares of the stock option grant awarded to you under the 1994 Long-Term Incentive Plan on December 21, 1996, which plan is incorporated herein by this reference; you are one-third (1/3) vested in Twenty-five Thousand (25,000) shares of the stock option grant awarded to you under that plan on December 18, 1997; and you are not vested in any of the Fifteen Thousand (15,000) shares of the stock option grant awarded to you under that plan on December 16, 1998. Your vested stock options are exercisable in accordance with the terms of the Long-Term Incentive Plan and must be exercised no later than the close of business on the thirtieth day following your resignation date. Your nonvested stock options are forfeited and canceled as of your resignation date.

5. Noncompetition, Confidentiality, Etc. (a) The Management Employee Agreement entered into between you and JWA is incorporated herein by this reference as a part of this letter agreement and shall remain in effect according to its terms and conditions, subject to the following regarding its restrictions against competition with JWA. It is mutually agreed between you and JWA that the term "JWA Competitor," as used in your Management Employee Agreement, means businesses that manufacture and/or distribute wholesale small motor or non-motor personal water craft and leisure boats, electric motors for water craft, personal or commercial tents, personal scuba diving equipment, fishing rods, reels, and line, and camping equipment in North America, Europe, Asia, or Australia.

(b) You further agree to reasonably cooperate with JWA, its financial and legal advisors and/or government officials, in any claims, investigations, administrative proceedings including without limitation environmental proceedings, lawsuits, and other legal, internal or business matters, as reasonably requested by JWA during the Restricted Period and for two (2) years thereafter. You will be paid One Thousand Dollars (\$1,000) (in addition to any other amounts to which you may be entitled hereunder) for each day on which such service is performed at the request of JWA and, to the extent you incur travel or other expenses with respect to such activities, JWA will reimburse you for such reasonable expenses when submitted according to regular corporate procedures.

6. Release and Covenants. (a) In consideration of the payments and benefits provided hereunder, particularly the additional compensation described in paragraphs 2 and 3, you, on behalf of yourself, your spouse, heirs, executors, administrators, agents, successors, assigns and representatives of any kind (hereinafter collectively referred to as the "Releasors") confirm that Releasors have released JWA, and each of its subsidiaries, affiliates, their employees, successors, assigns, executors, trustees, directors, advisors, agents and representatives, and all their respective predecessors and successors (hereinafter collectively referred to as the "Releasees"), from any and all actions, causes of actions, charges, debts, liabilities, accounts, demands, damages and claims of any kind whatsoever including, but not limited to, those arising under any labor, employment discrimination (including, without limitation, the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the Wisconsin Fair Employment Act, as amended), contract or tort laws, equity or public policy, or negligence standard, whether certain or speculative, which against any of the Releasees, any of the Releasors ever had, now has, or hereafter shall have or can have. You further covenant that you will not initiate any action, claim or proceeding against any of the Releasees for any of the foregoing, nor will you participate, assist, or cooperate in any such action, claim, or proceeding unless required to do so by law.

(b) Notwithstanding the foregoing, this letter agreement does not waive rights, if any, you or your successors and assigns may have under or pursuant to, or release any member of Releasees from obligations, if any, it may have to you or to your successors

and assigns on claims arising out of, related to or asserted under or pursuant to, this letter agreement or any indemnity agreement or obligation contained in or adopted or acquired pursuant to any provision of the charter or by-laws of JWA or its subsidiaries or affiliates or in any applicable insurance policy carried by JWA or its affiliates for any matter which arises or may arise in the future in connection with your employment with JWA.

(c) You hereby acknowledge that you have at least twenty-one (21) days to review this letter agreement from the date you first receive it and you have been advised to review it with an attorney of your choice. You further understand that the twenty-one (21) day review period ends when you sign this agreement. You also have seven (7) days after your signing of this agreement to revoke the grant of this release by so notifying JWA in writing. Any revocation by you under this paragraph 6(c), however, is not effective with regard to paragraph 1 hereof and your termination of employment with JWA shall remain in effect as set forth therein. You further acknowledge that you have carefully read this letter agreement, know and understand the contents thereof and its binding legal effect. You sign the same of your own free will and act, and it is your intention that you be legally bound thereby.

(d) You agree to keep this letter agreement confidential and not to reveal its contents to anyone other than your attorney, financial consultant, tax auditor, and immediate family members. The provisions of this paragraph 6(d) shall not apply to any truthful statement required to be made by you in any legal proceeding or government or regulatory investigation, provided, however, that prior to making such statement you will give JWA reasonable notice and, to the extent you are legally entitled to do so, afford JWA the ability to seek a confidentiality order.

7. Noncompliance. The additional payments and benefits provided to you pursuant to paragraphs 2, 3(c), and 4(a) are conditioned upon your compliance with all of the terms and conditions of this letter agreement, particularly paragraphs 4, 5, and 6. Each of the aforementioned provisions are material terms of this letter agreement, and in the event of any violation of any such provision of this letter agreement by you or anyone acting at your direction or in the event you or anyone acting at your direction at any time shall substantially denigrate any of the Releasees, including without limitation by way of news media or the expression to news media of personal views, opinions or judgments, JWA shall be entitled to withhold and terminate all aforementioned payments provided or to be provided in paragraphs 2, 3(c), and 4(a), and you agree to repay to JWA all payments paid to you pursuant to such paragraphs and/or JWA shall be entitled to recover any of the amounts paid to you pursuant to such paragraphs without waiving the right to pursue any other available legal or equitable remedies.

8. Tax Payments, Withholding and Reporting. You recognize that the payments and benefits provided under this letter agreement including without limitation those provided pursuant to paragraphs 2 and 3(c) may result in taxable income to you which JWA and its affiliates will report to their appropriate taxing authorities. JWA and its affiliates

shall have the right to deduct from any payment made under this letter agreement to you any federal, state, local or other income, employment or other taxes it determines are required by law to be withheld with respect to such payments or benefits provided hereunder or to require payment from you which you agree to pay upon demand, for the purpose of satisfying any such withholding requirement.

9. Severability In the event any one or more of the provisions of this letter agreement (or any part thereof) shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions of this letter agreement (or part thereof) shall be unimpaired, and the invalid, illegal or unenforceable provision (or part thereof) shall be replaced by a provision (or part thereof), which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provisions. However, in the event that any such provision of this letter agreement (or part thereof) is adjudged by a court of competent jurisdiction to be invalid, illegal or unenforceable, but that the other provisions (or part thereof) are adjudged to be valid, legal and enforceable if such invalid, illegal or unenforceable provision (or part thereof) were deleted or modified, then this letter agreement shall apply with only such deletions or modifications, or both, as the case may be, as are necessary to permit the remaining separate provisions (or part thereof) to be valid, legal and enforceable.

10. Indemnification. JWA shall indemnify you and your successors and assigns against all Liabilities (as now defined in JWA's bylaws) incurred by you or on your behalf in connection with any Proceeding (as now defined in JWA's bylaws) in which you are a Party (as now defined in JWA's bylaws) because you were a director or officer of JWA, to the fullest extent permitted or required by the Wisconsin Business Corporation Law, notwithstanding any amendment that may hereafter be made to the charter or bylaws of JWA.

11. Other Provisions. All the terms of our agreement are embodied in this letter agreement, which incorporates by reference your Management Employee Agreement and the Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan, and it fully supersedes any and all prior agreements or understandings between you and any Releasee. This letter agreement shall be governed by the substantive laws of the State of Wisconsin without regard to its conflict of laws provisions. The parties agree that any proceeding to resolve any dispute arising hereunder will be brought only in the courts of the State of Wisconsin or in the courts of the United States of America for the Eastern District of Wisconsin, and that each party irrevocably submits to such jurisdiction, and hereby waives any and all objections as to venue, inconvenient forum and the like. It is the intention of the parties hereto, however, that to the extent practicable, the parties will endeavor to settle any dispute arising hereunder first through the process of non-binding mediation to be conducted in Milwaukee, Wisconsin. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Mr. Ron Whitaker  
March 9, 1999  
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If you find that the foregoing satisfactorily states our mutual understanding, please sign and date the enclosed copy of this letter agreement in the spaces indicated below and return it to me.

Sincerely yours,

JOHNSON WORLDWIDE ASSOCIATES, INC.

By /s/ Thomas F. Pyle, Jr.  
Thomas F. Pyle, Jr., Compensation  
Committee Chairman

Agreed and Accepted this 9th day of March, 1999.

/s/ Ronald C. Whitaker  
Ronald C. Whitaker

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS OF JOHNSON WORLDWIDE ASSOCIATES, INC. AS OF AND FOR THE SIX MONTHS ENDED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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