
**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 1, 2017
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: 001-06024

WOLVERINE WORLD WIDE, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

9341 Courtland Drive N.E., Rockford, Michigan

(Address of Principal Executive Offices)

38-1185150

(IRS Employer
Identification No.)

49351

(Zip Code)

(616) 866-5500

(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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

There were 96,908,087 shares of common stock, \$1 par value, outstanding as of April 28, 2017.

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FORWARD-LOOKING STATEMENTS

This document contains “forward-looking statements,” which are statements relating to future, not past, events. In this context, forward-looking statements often address management’s current beliefs, assumptions, expectations, estimates and projections about future business and financial performance, national, regional or global political, economic and market conditions, and the Company itself. Such statements often contain words such as “anticipates,” “believes,” “estimates,” “expects,” “forecasts,” “intends,” “is likely,” “plans,” “predicts,” “projects,” “should,” “will,” variations of such words, and similar expressions. Forward-looking statements, by their nature, address matters that are, to varying degrees, uncertain. Uncertainties that could cause the Company’s performance to differ materially from what is expressed in forward-looking statements include, but are not limited to, the following:

- changes in general economic conditions, employment rates, business conditions, interest rates, tax policies and other factors affecting consumer spending in the markets and regions in which the Company’s products are sold;
- the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets;
- the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences;
- the inability to effectively manage inventory levels;
- increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export;
- foreign currency exchange rate fluctuations;
- currency restrictions;
- capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing;
- the cost and availability of raw materials, inventories, services and labor for owned and contract manufacturers;
- labor disruptions;
- changes in relationships with, including the loss of, significant wholesale customers;
- the failure of the U.S. Department of Defense to exercise future purchase options or award new contracts, or the cancellation or modification of existing contracts by the U.S. Department of Defense or other military purchasers;
- risks related to the significant investment in, and performance of, the Company’s consumer-direct operations;
- risks related to expansion into new markets and complementary product categories as well as consumer-direct operations;
- the impact of seasonality and unpredictable weather conditions;
- changes in general economic conditions and/or the credit markets on the Company’s distributors, suppliers and retailers;
- increase in the Company’s effective tax rates;
- failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company;
- the risks of doing business in developing countries and politically or economically volatile areas;
- the ability to secure and protect owned intellectual property or use licensed intellectual property;
- the impact of regulation, regulatory and legal proceedings and legal compliance risks;
- the potential breach of the Company’s databases, or those of its vendors, which contain certain personal information or payment card data;
- problems affecting the Company’s distribution system, including service interruptions at shipping and receiving ports;
- strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company’s success in integrating acquired businesses, and implementing new initiatives and ventures;
- the risk of impairment to goodwill and other acquired intangibles;
- the success of the Company’s consumer-direct realignment initiatives; and
- changes in future pension funding requirements and pension expenses.

These uncertainties could cause a material difference between an actual outcome and a forward-looking statement. The uncertainties included here are not exhaustive and are described in more detail in Part I, Item 1A: “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (the “2016 Form 10-K”). Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company does not undertake an obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION**ITEM 1. Financial Statements****WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES**
Consolidated Condensed Statements of Operations and Comprehensive Income
(Unaudited)

<u>(In millions, except per share data)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
Revenue	\$ 591.3	\$ 577.6
Cost of goods sold	352.0	344.9
Restructuring costs	4.6	3.9
Gross profit	234.7	228.8
Selling, general and administrative expenses	182.1	184.1
Restructuring and impairment costs	20.0	10.7
Operating profit	32.6	34.0
Other expenses:		
Interest expense, net	8.9	8.5
Other expense (income), net	2.5	(0.1)
Total other expenses	11.4	8.4
Earnings before income taxes	21.2	25.6
Income tax expense	4.4	8.0
Net earnings	16.8	17.6
Less: net earnings attributable to noncontrolling interests	0.1	0.2
Net earnings attributable to Wolverine World Wide, Inc.	\$ 16.7	\$ 17.4
Net earnings per share (see Note 3):		
Basic	\$ 0.17	\$ 0.18
Diluted	\$ 0.17	\$ 0.18
Comprehensive income	\$ 20.1	\$ 15.9
Less: comprehensive income (loss) attributable to noncontrolling interests	0.4	(0.1)
Comprehensive income attributable to Wolverine World Wide, Inc.	\$ 19.7	\$ 16.0
Cash dividends declared per share	\$ 0.06	\$ 0.06

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

<u>(In millions, except share data)</u>	<u>April 1,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>	<u>March 26,</u> <u>2016</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 304.1	\$ 369.8	\$ 158.2
Accounts receivable, less allowances:			
April 1, 2017 – \$39.3			
December 31, 2016 – \$39.4			
March 26, 2016 – \$42.7	287.7	263.3	326.0
Inventories:			
Finished products, net	341.4	333.7	462.6
Raw materials and work-in-process, net	15.1	15.0	18.2
Total inventories	356.5	348.7	480.8
Prepaid expenses and other current assets	39.5	49.6	40.3
Total current assets	987.8	1,031.4	1,005.3
Property, plant and equipment:			
Gross cost	429.7	434.0	440.5
Accumulated depreciation	(284.6)	(287.9)	(305.2)
Property, plant and equipment, net	145.1	146.1	135.3
Other assets:			
Goodwill	425.1	424.3	430.2
Indefinite-lived intangibles	678.5	678.5	685.4
Amortizable intangibles, net	81.4	83.8	93.8
Deferred income taxes	2.8	2.3	3.0
Other	67.1	65.3	71.6
Total other assets	1,254.9	1,254.2	1,284.0
Total assets	\$ 2,387.8	\$ 2,431.7	\$ 2,424.6

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets – continued
(Unaudited)

<u>(In millions, except share data)</u>	<u>April 1,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>	<u>March 26,</u> <u>2016</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 113.8	\$ 150.8	\$ 105.9
Accrued salaries and wages	21.7	30.8	18.1
Other accrued liabilities	101.0	111.7	123.1
Current maturities of long-term debt	41.2	37.5	16.9
Borrowings under revolving credit agreements and other short-term notes	2.4	2.9	60.0
Total current liabilities	280.1	333.7	324.0
Long-term debt, less current maturities	769.5	780.3	793.4
Accrued pension liabilities	143.5	143.1	110.2
Deferred income taxes	159.5	161.0	177.4
Other liabilities	39.7	39.5	38.5
Stockholders' equity:			
Wolverine World Wide, Inc. stockholders' equity:			
Common stock – par value \$1, authorized 320,000,000 shares; shares issued (including shares in treasury):			
April 1, 2017 – 105,735,062 shares			
December 31, 2016 – 105,647,040 shares			
March 26, 2016 – 105,567,828 shares	105.7	105.6	105.6
Additional paid-in capital	117.1	103.2	82.2
Retained earnings	1,026.0	1,015.1	962.3
Accumulated other comprehensive loss	(78.1)	(81.1)	(57.5)
Cost of shares in treasury:			
April 1, 2017 – 8,827,675 shares			
December 31, 2016 – 8,522,425 shares			
March 26, 2016 – 5,892,172 shares	(183.2)	(176.3)	(118.2)
Total Wolverine World Wide, Inc. stockholders' equity	987.5	966.5	974.4
Noncontrolling interest	8.0	7.6	6.7
Total stockholders' equity	995.5	974.1	981.1
Total liabilities and stockholders' equity	\$ 2,387.8	\$ 2,431.7	\$ 2,424.6

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flow
(Unaudited)

<u>(In millions)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
OPERATING ACTIVITIES		
Net earnings	\$ 16.8	\$ 17.6
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	9.2	9.8
Deferred income taxes	(3.6)	0.9
Stock-based compensation expense	7.7	7.6
Excess tax benefits from stock-based compensation	—	(0.1)
Pension contribution	(0.2)	—
Pension and SERP expense	3.7	2.4
Restructuring and impairment costs	24.6	14.6
Cash payments related to restructuring costs	(11.7)	(6.7)
Other	(2.4)	(4.0)
Changes in operating assets and liabilities:		
Accounts receivable	(23.7)	(25.2)
Inventories	(11.4)	(15.7)
Other operating assets	9.7	12.5
Accounts payable	(36.1)	(94.1)
Other operating liabilities	(13.4)	1.5
Net cash used in operating activities	<u>(30.8)</u>	<u>(78.9)</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(11.1)	(9.9)
Other	(0.7)	(0.6)
Net cash used in investing activities	<u>(11.8)</u>	<u>(10.5)</u>
FINANCING ACTIVITIES		
Net borrowings (payments) under revolving credit agreements and other short-term notes	(0.6)	60.0
Payments on long-term debt	(7.5)	—
Cash dividends paid	(5.8)	(6.0)
Purchase of common stock for treasury	(11.5)	(0.1)
Purchases of shares under employee stock plans	(4.9)	(4.2)
Proceeds from the exercise of stock options	6.5	1.9
Excess tax benefits from stock-based compensation	—	0.1
Contributions from noncontrolling interests	—	0.8
Net cash provided by (used in) financing activities	<u>(23.8)</u>	<u>52.5</u>
Effect of foreign exchange rate changes	0.7	1.0
Decrease in cash and cash equivalents	<u>(65.7)</u>	<u>(35.9)</u>
Cash and cash equivalents at beginning of the year	369.8	194.1
Cash and cash equivalents at end of the period	<u>\$ 304.1</u>	<u>\$ 158.2</u>

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements
April 1, 2017 and March 26, 2016
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Wolverine World Wide, Inc. (the “Company”) is a leading designer, manufacturer and marketer of a broad range of quality casual footwear and apparel; performance outdoor and athletic footwear and apparel; children’s footwear, industrial work shoes, boots and apparel; and uniform shoes and boots. The Company’s portfolio of owned and licensed brands includes: *Bates*®, *Cat*®, *Chaco*®, *Harley-Davidson*®, *Hush Puppies*®, *HyTest*®, *Keds*®, *Merrell*®, *Saucony*®, *Sebago*®, *Sperry*®, *Stride Rite*® and *Wolverine*®. Licensing and distribution arrangements with third parties extend the global reach of the Company’s brand portfolio. The Company also operates a consumer-direct division to market both its own brands and branded footwear and apparel from other manufacturers, as well as a leathers division that markets *Wolverine Performance Leathers*™.

Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for a complete presentation of the financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included in the accompanying financial statements. For further information, refer to the consolidated financial statements and footnotes included in the Company’s fiscal 2016 Form 10-K.

Fiscal Year

The Company’s fiscal year is the 52 or 53-week period that ends on the Saturday nearest to December 31. Fiscal years 2017 and 2016 both have 52 weeks. Prior to fiscal 2017, the Company reported its quarterly results of operations on the basis of 12-week periods for each of the first three fiscal quarters and a 16 or 17-week period for the fiscal fourth quarter. Beginning in fiscal 2017, the Company’s fiscal year will be comprised of 13-week quarters for each of the first three fiscal quarters and a 13 or 14-week period for the fiscal fourth quarter. There is no change to the Company’s annual fiscal year reporting. References to the “quarter ended” or “fiscal quarter” refer to the 13-week period ended April 1, 2017 or the 12-week period ended March 26, 2016.

Revenue Recognition

Revenue is recognized on the sale of products manufactured or sourced by the Company when the related goods have been shipped, legal title has passed to the customer and collectability is reasonably assured. Revenue generated through licensees and distributors involving products bearing the Company’s trademarks is recognized as earned according to stated contractual terms upon either the purchase or shipment of branded products by licensees and distributors. Retail store revenue is recognized at time of sale.

The Company records provisions for estimated sales returns and allowances at the time of sale based on historical rates of returns and allowances and specific identification of outstanding returns not yet received from customers. However, estimates of actual returns and allowances in any future period are inherently uncertain and actual returns and allowances may differ from these estimates. If actual or expected future returns and allowances were significantly greater or less than established reserves, a reduction or increase to net revenue would be recorded in the period this determination was made.

Cost of Goods Sold

Cost of goods sold includes the actual product costs, including inbound freight charges and certain outbound freight charges, purchasing, sourcing, inspection and receiving costs. Warehousing costs are included in selling, general and administrative expenses.

Seasonality

The Company’s business is subject to seasonal influences that can cause significant differences in revenue, earnings and cash flows from quarter to quarter; however, the differences have followed a consistent pattern in recent years. Prior to fiscal 2017, the Company’s fiscal year had 12 weeks in each of the first three fiscal quarters and, 16 weeks in the fourth fiscal quarter, which also impacted the the comparability from quarter to quarter.

2. NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board (“FASB”) issued the following Accounting Standards Updates (“ASU”) that have been adopted by the Company during fiscal 2017. The following is a summary of the effect of adoption of these new standards.

Standard	Description	Effect on the Financial Statements or Other Significant Matters
ASU 2015-11, <i>Simplifying the Measurement of Inventory</i>	Requires that an entity measure inventory at the lower of cost and net realizable value. This ASU does not apply to inventory measured using last-in, first-out.	Did not have, nor does the Company believe it will have, a material impact on the accounting for its inventory.
ASU 2016-05, <i>Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships</i>	Clarifies that the novation of a derivative contract (i.e., a change in the counterparty) in a hedge accounting relationship does not, in and of itself, require dedesignation of that hedge accounting relationship, provided that all other hedge accounting criteria continue to be met.	Did not have, nor does the Company believe it will have, a material impact on the accounting for its derivatives.
ASU 2016-09, <i>Improvements to Employee Share-Based Payment Accounting</i>	Seeks to provide simplification to issues of share-based payment awards in relation to income tax consequences, forfeitures, classification of awards as either equity or liabilities and classification on the statement of cash flows.	The adoption of the new standard in fiscal 2017 did not have a significant impact on the Company’s results of operations and cash flows.

The FASB has issued the following ASUs that have not yet been adopted by the Company. The following is a summary of the planned adoption period and anticipated impact of adopting these new standards.

Standard	Description	Planned Period of Adoption	Effect on the Financial Statements or Other Significant Matters
ASU 2014-09, <i>Revenue from Contracts with Customers</i> (as amended by ASUs 2015-04, 2016-08, 2016-10 and 2016-12)	The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also amends the required disclosures of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.	Q1 2018	The Company does not expect the adoption of the new standard to have a significant impact on its consolidated financial position, results of operations or cash flows. The effect on results is not expected to be material because the Company’s analysis of contracts under the new revenue recognition standard supports the recognition of revenue at a point in time for the majority of contracts, which is consistent with the current revenue recognition model. Revenue on the majority of contracts will continue to be recognized at a point in time because of the distinct transfer of control to the customer.
ASU 2016-01, <i>Recognition and Measurement of Financial Assets and Financial Liabilities</i>	Enhances the reporting model for financial instruments to provide users of financial statements with more decision-useful information. This ASU addresses certain aspects of recognition, measurement, presentation and disclosure of financial statements.	Q1 2018	The Company is evaluating the impacts of the new standard on its consolidated financial statements.

Standard	Description	Planned Period of Adoption	Effect on the Financial Statements or Other Significant Matters
ASU 2016-02, <i>Leases</i>	The core principle is that a lessee shall recognize a lease asset and lease liability in its statement of financial position. A lessee should recognize a liability to make lease payments and a right-of-use asset representing its right to use the underlying asset for the lease term.	Q1 2019	The Company is evaluating the impacts of the new standard on its existing leases.
ASU 2016-13, <i>Measurement of Credit Losses on Financial Instruments</i>	Seeks to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date by replacing the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates.	Q1 2020	The Company is evaluating the impacts of the new standard on its existing financial instruments, including trade receivables.
ASU 2017-07, <i>Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost</i>	Sponsors of benefit plans would be required to present service cost in the same line item or items as other current employee compensation costs, and present the remaining components of net benefit cost in one or more separate line items outside of income from operations, while also limiting the components of net benefit cost eligible to be capitalized to service cost.	Q1 2018	The Company does not expect the adoption of the new standard to have a significant impact on its consolidated financial position, results of operations or cash flows. The new standard will require the Company to present the non-service pension costs as a component of expense below operating profit.

3. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB Accounting Standards Codification (“ASC”) Topic 260, *Earnings Per Share* (“ASC 260”). ASC 260 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share under the two-class method. Under the guidance in ASC 260, the Company’s unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities and must be included in the computation of earnings per share pursuant to the two-class method.

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

(In millions, except per share data)	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
Numerator:		
Net earnings attributable to Wolverine World Wide, Inc.	\$ 16.7	\$ 17.4
Adjustment for earnings allocated to non-vested restricted common stock	(0.4)	(0.4)
Net earnings used in calculating basic earnings per share	16.3	17.0
Adjustment for earnings reallocated from non-vested restricted common stock	—	—
Net earnings used in calculating diluted earnings per share	<u>\$ 16.3</u>	<u>\$ 17.0</u>
Denominator:		
Weighted average shares outstanding	97.0	99.2
Adjustment for non-vested restricted common stock	(2.5)	(3.5)
Shares used in calculating basic earnings per share	94.5	95.7
Effect of dilutive stock options	1.5	0.5
Shares used in calculating diluted earnings per share	<u>96.0</u>	<u>96.2</u>
Net earnings per share:		
Basic	\$ 0.17	\$ 0.18
Diluted	\$ 0.17	\$ 0.18

For the quarters ended April 1, 2017 and March 26, 2016, options relating to 1,872,281 and 5,389,794 shares of common stock outstanding, respectively, have not been included in the denominator for the computation of diluted earnings per share because they were anti-dilutive.

4. GOODWILL AND INDEFINITE-LIVED INTANGIBLES

The changes in the carrying amount of goodwill and indefinite-lived intangibles are as follows:

(In millions)	Goodwill	Indefinite-lived intangibles	Total
Balance at January 2, 2016	\$ 429.1	\$ 685.4	\$ 1,114.5
Foreign currency translation effects	1.1	—	1.1
Balance at March 26, 2016	<u>\$ 430.2</u>	<u>\$ 685.4</u>	<u>\$ 1,115.6</u>
Balance at December 31, 2016	\$ 424.3	\$ 678.5	\$ 1,102.8
Foreign currency translation effects	0.8	—	0.8
Balance at April 1, 2017	<u>\$ 425.1</u>	<u>\$ 678.5</u>	<u>\$ 1,103.6</u>

In the fourth quarter of fiscal 2016, as a result of its annual impairment testing, the Company recorded a \$7.1 million impairment charge for the *Stride Rite*[®] trade name. The results of our indefinite-lived intangible impairment test based on the Company's outlook for future operating results continue to support the book value of the *Sperry*[®] trade name. If the operating results for *Stride Rite*[®] and *Sperry*[®] were to decline in future periods, the Company may record a non-cash indefinite-lived intangible asset impairment charge. The carrying value of the Company's *Stride Rite*[®] and *Sperry*[®] trade name indefinite-lived intangible assets was \$7.9 million and \$586.8 million, respectively, as of April 1, 2017.

5. ACCOUNTS RECEIVABLE

The Company has an agreement with a financial institution to sell selected trade accounts receivable on a recurring, nonrecourse basis that expires in the fourth quarter of fiscal 2017. Under the agreement, up to \$200.0 million of accounts receivable may be sold to the financial institution and remain outstanding at any point in time. After the sale, the Company does not retain any interests in the accounts receivable and removes them from its consolidated balance sheet, but continues to service and collect the outstanding accounts receivable on behalf of the financial institution. The Company recognizes a servicing asset or servicing liability, initially measured at fair value, each time it undertakes an obligation to service the accounts receivable under the agreement. The fair value of this obligation resulted in a nominal servicing liability for all periods presented. For receivables sold under the agreement, 90% of the stated amount is paid for in cash to the Company at the time of sale, with the remainder paid to the Company at the completion

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of the collection process. The following is a summary of the stated amount of accounts receivable that was sold as well as fees charged by the financial institution.

(In millions)	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
Accounts receivable sold	\$ 149.6	\$ 158.7
Fees charged	0.5	0.4

The fees are recorded in other expense. Net proceeds of this program are classified in operating activities in the consolidated condensed statements of cash flows. This program reduced the Company's accounts receivable by \$89.6 million, \$81.1 million and \$93.1 million as of April 1, 2017, December 31, 2016 and March 26, 2016, respectively.

6. DEBT

Total debt consists of the following obligations:

(In millions)	April 1, 2017	December 31, 2016	March 26, 2016
Term Loan A, due July 13, 2020	\$ 568.1	\$ 575.6	\$ 444.4
Senior Notes, 5.000% interest, due September 1, 2026	250.0	250.0	—
Public Bonds, 6.125% interest, due October 15, 2020	—	—	375.0
Borrowings under revolving credit agreements and other short-term notes	2.4	2.9	60.0
Capital lease obligation	0.5	0.5	0.6
Unamortized debt issuance costs	(7.9)	(8.3)	(9.7)
Total debt	\$ 813.1	\$ 820.7	\$ 870.3

On September 15, 2016, the Company amended its credit agreement (as amended, the "Credit Agreement"). The Credit Agreement provided a \$ 588.8 million term loan facility ("Term Loan A") and a \$600.0 million revolving credit facility (the "Revolving Credit Facility"), both with maturity dates of July 13, 2020. The Credit Agreement's debt capacity is limited to an aggregate debt amount (including outstanding term loan principal and revolver commitment amounts in addition to permitted incremental debt) not to exceed \$1,750.0 million, unless certain specified conditions set forth in the Credit Agreement are met.

The Revolving Credit Facility allows the Company to borrow up to an aggregate amount of \$600.0 million, which includes a \$200.0 million foreign currency subfacility under which borrowings may be made, subject to certain conditions, in Canadian dollars, British pounds, euros, Hong Kong dollars, Swedish kronor, Swiss francs and such additional currencies as are determined in accordance with the Credit Agreement. The Revolving Credit Facility also includes a \$50.0 million swingline subfacility and a \$50.0 million letter of credit subfacility. The Company had outstanding letters of credit under the Revolving Credit Facility of \$2.5 million, \$2.6 million and \$3.8 million as of April 1, 2017, December 31, 2016 and March 26, 2016, respectively. These outstanding letters of credit reduce the borrowing capacity under the Revolving Credit Facility.

The interest rates applicable to amounts outstanding under Term Loan A and to U.S. dollar denominated amounts outstanding under the Revolving Credit Facility will be, at the Company's option, either (1) the Alternate Base Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 0.25% to 1.00%, or (2) the Eurocurrency Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 1.25% to 2.00% (all capitalized terms used in this sentence are as defined in the Credit Agreement). The Company has two interest rate swap arrangements that reduce the Company's exposure to fluctuations in interest rates on its variable rate debt. At April 1, 2017, Term Loan A had a weighted-average interest rate of 2.95%.

The obligations of the Company pursuant to the Credit Agreement are guaranteed by substantially all of the Company's material domestic subsidiaries and secured by substantially all of the personal and real property of the Company and its material domestic subsidiaries, subject to certain exceptions.

The Credit Agreement also contains certain affirmative and negative covenants, including covenants that limit the ability of the Company and its Restricted Subsidiaries to, among other things: incur or guarantee indebtedness; incur liens; pay dividends or repurchase stock; enter into transactions with affiliates; consummate asset sales, acquisitions or mergers; prepay certain other indebtedness; or make investments, as well as covenants restricting the activities of certain foreign subsidiaries of the Company that hold intellectual property related assets. Further, the Credit Agreement requires compliance with the following financial covenants: a maximum Consolidated Leverage Ratio; a maximum Consolidated Secured Leverage Ratio; and a minimum

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Consolidated Interest Coverage Ratio (all capitalized terms used in this paragraph are as defined in the Credit Agreement). As of April 1, 2017, the Company was in compliance with all covenants and performance ratios under the Credit Agreement.

The Company has \$250.0 million of senior notes outstanding that are due on September 1, 2026 (the "Senior Notes"). The Senior Notes bear interest at 5.00% with the related interest payments due semi-annually. The Senior Notes are guaranteed by substantially all of the Company's domestic subsidiaries.

The Company has various foreign revolving credit facilities with aggregate available borrowings of \$9.0 million that are uncommitted and, therefore, each borrowing against the applicable facility is subject to approval by the lender. Borrowings against these facilities were \$1.9 million, \$1.8 million and \$0 as of April 1, 2017, December 31, 2016 and March 26, 2016, respectively.

The Company has a capital lease obligation with payments scheduled to continue through February 2022.

The Company included in interest expense the amortization of deferred financing costs of \$0.7 million and \$0.7 million for the quarters ended April 1, 2017 and March 26, 2016, respectively.

7. DERIVATIVE FINANCIAL INSTRUMENTS

The Company follows FASB ASC Topic 815, *Derivatives and Hedging* ("ASC 815"), which is intended to improve transparency in financial reporting and requires that all derivative instruments be recorded on the consolidated balance sheets at fair value by establishing criteria for designation and effectiveness of hedging relationships. The Company does not hold or issue financial instruments for trading purposes.

The Company utilizes foreign currency forward exchange contracts to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business. These foreign currency forward exchange hedge contracts extend out to a maximum of 362 days, 356 days and 349 days, as of April 1, 2017, December 31, 2016 and March 26, 2016, respectively. The Company also utilizes foreign currency forward exchange contracts that are not designated as hedging instruments to manage foreign currency translation exposure. Foreign currency derivatives not designated as hedging instruments are offset by foreign exchange gains or losses resulting from the underlying exposures of foreign currency denominated assets and liabilities.

The Company has two interest rate swap arrangements which exchange floating rate for fixed rate interest payments over the life of the agreements without the exchange of the underlying notional amounts. These derivative instruments, which, unless otherwise terminated, will mature on October 6, 2017 and July 13, 2020, have been designated as cash flow hedges of the debt. The notional amounts of the interest rate swap arrangements are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss.

The Company has a cross currency swap to minimize the impact of exchange rate fluctuations. The hedging instrument, which, unless otherwise terminated, will mature on September 1, 2021, has been designated as a hedge of a net investment in a foreign operation. The Company will pay 2.75% on the euro-denominated notional amount and receive 5.00% on the USD notional amount, with an exchange of principal at maturity. The notional amount of the cross currency swap arrangement is used to measure interest to be paid or received and do not represent the amount of exposure to credit loss.

The notional amounts of the Company's derivative instruments are as follows:

<u>(Dollars in millions)</u>	<u>April 1, 2017</u>	<u>December 31, 2016</u>	<u>March 26, 2016</u>
Foreign exchange contracts:			
Hedge contracts	\$ 164.6	\$ 169.2	\$ 162.5
Non-hedge contracts	—	2.1	13.5
Interest rate swaps	494.6	496.0	583.9
Cross currency swap	106.4	—	—

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The recorded fair values of the Company’s derivative instruments are as follows:

(In millions)	April 1, 2017		December 31, 2016		March 26, 2016	
Financial assets:						
Foreign exchange contracts - hedge	\$	3.2	\$	6.6	\$	2.3
Interest rate swaps		0.3		0.1		—
Financial liabilities:						
Foreign exchange contracts - hedge	\$	(0.5)	\$	(0.3)	\$	(1.4)
Interest rate swaps		(3.7)		(5.3)		(9.8)
Cross currency swap		(0.7)		—		—

Hedge effectiveness on the foreign exchange contracts is evaluated by the hypothetical derivative method. Any hedge ineffectiveness is reported within the cost of goods sold line item in the consolidated condensed statements of operations. Hedge ineffectiveness was not material to the Company’s consolidated condensed financial statements for the quarters ended April 1, 2017 and March 26, 2016. If, in the future, the foreign exchange contracts are determined to be ineffective hedges or terminated before their contractual termination dates, the Company would be required to reclassify into earnings all or a portion of the unrealized amounts related to the cash flow hedges that are currently included in Accumulated other comprehensive income (loss) (“AOCI”) within stockholders’ equity.

The differential paid or received on the interest rate swap arrangements is recognized as interest expense. In accordance with ASC 815, the Company has formally documented the relationship between the interest rate swaps and the variable rate borrowings, as well as its risk management objective and strategy for undertaking the hedge transaction. This process included linking the derivative to the specific liability or asset on the balance sheet. The Company also assessed at the hedges’ inception, and continues to assess on an ongoing basis, whether the derivatives used in the hedging transaction are highly effective in offsetting changes in the cash flows of the hedged item. The effective portion of unrealized gains (losses) is deferred as a component of AOCI and will be recognized in earnings at the time the hedged item affects earnings. Any ineffective portion of the change in fair value will be immediately recognized as a component of interest expense.

Hedge effectiveness on the cross currency swap will be assessed using the spot method. In accordance with ASC 815, the Company has formally documented the relationship between the cross currency swap and Company’s investment in its euro-denominated subsidiary, as well as its risk management objective and strategy for undertaking the hedge transaction. This process included linking the derivative to its net investment on the balance sheet. The Company also assessed at the hedges’ inception, and continues to assess on an ongoing basis, whether the derivative used in the hedging transaction is highly effective in offsetting changes in the cash flows of the hedged item. The effective portion of unrealized gains (losses) is deferred as a component of AOCI and will be recognized in earnings at the time the hedged item affects earnings. Any ineffective portion of the change in fair value will be immediately recognized as a component of interest expense.

8. STOCK-BASED COMPENSATION

The Company accounts for stock-based compensation in accordance with the fair value recognition provisions of FASB ASC Topic 718, *Compensation – Stock Compensation* (“ASC 718”). The Company recognized compensation expense of \$7.7 million and related income tax benefits of \$2.6 million for grants under its stock-based compensation plans for the quarter ended April 1, 2017. The Company recognized compensation expense of \$7.6 million and related income tax benefits of \$2.6 million for grants under its stock-based compensation plans for the quarter ended March 26, 2016.

During the quarter ended April 1, 2017, the Company did not grant any employee stock options. During the quarter ended March 26, 2016, the Company granted 2,204,609 employee stock options with an estimated weighted average grant date fair value of \$3.27. The Company estimated the fair value of the options on the date of grant using the Black-Scholes-Merton model with the following weighted average assumptions:

	12 Weeks Ended March 26, 2016
Expected market price volatility ⁽¹⁾	27.1%
Risk-free interest rate ⁽²⁾	1.0%
Dividend yield ⁽³⁾	1.4%
Expected term ⁽⁴⁾	4 years

⁽¹⁾ Based on historical volatility of the Company’s common stock. The expected volatility is based on the daily percentage change in the price of the stock over the four years prior to the grant.

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- (2) Represents the U.S. Treasury yield curve in effect for the expected term of the option at the time of grant.
- (3) Represents the Company's estimated cash dividend yield for the expected term.
- (4) Represents the period of time that options granted are expected to be outstanding. As part of the determination of the expected term, the Company concluded that all employee groups exhibit similar exercise and post-vesting termination behavior.

During the quarter ended April 1, 2017, the Company issued 730,081 restricted awards at a weighted average grant date fair value of \$22.92 per award. During the quarter ended March 26, 2016, the Company issued 976,815 restricted awards at a weighted average grant date fair value of \$16.50 per award.

During the quarter ended April 1, 2017, the Company issued 488,918 performance awards at a weighted average grant date fair value of \$25.02 per award. During the quarter ended March 26, 2016, the Company issued 973,219 performance awards at a weighted average grant date fair value of \$16.51 per award.

9. RETIREMENT PLANS

The following is a summary of net pension and Supplemental Executive Retirement Plan ("SERP") expense recognized by the Company.

(In millions)	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
Service cost pertaining to benefits earned during the period	\$ 1.8	\$ 1.5
Interest cost on projected benefit obligations	4.4	4.4
Expected return on pension assets	(4.9)	(4.6)
Net amortization loss	2.4	1.1
Net pension expense	\$ 3.7	\$ 2.4

10. INCOME TAXES

The Company maintains management and operational activities in overseas subsidiaries, and its foreign earnings are taxed at rates that are generally lower than the U.S. federal statutory income tax rate. A significant amount of the Company's earnings are generated by its Canadian, European and Asian subsidiaries and, to a lesser extent, in jurisdictions that are not subject to income tax. The Company has not provided for U.S. taxes for earnings generated in foreign jurisdictions because it intends to reinvest these earnings indefinitely outside the U.S. However, if certain foreign earnings previously treated as permanently reinvested are repatriated, the additional U.S. tax liability could have a material adverse effect on the Company's results of operations and financial position.

The Company's effective tax rates for the quarters ended April 1, 2017 and March 26, 2016 were 20.7% and 31.4%, respectively. The lower effective tax rate in the current year period reflects the positive impact from discrete items and a shift in income between tax jurisdictions with differing tax rates.

The Company is subject to periodic audits by domestic and foreign tax authorities. Currently, the Company is undergoing routine periodic audits in both domestic and foreign tax jurisdictions. It is reasonably possible that the amounts of unrecognized tax benefits could change in the next 12 months as a result of the audits; however, any payment of tax is not expected to be significant to the consolidated financial statements.

The Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2012 in the majority of tax jurisdictions.

11. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

AOCI represents net earnings and any revenue, expenses, gains and losses that, under U.S. GAAP, are excluded from net earnings and recognized directly as a component of stockholders' equity.

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The change in AOCI during the quarters ended April 1, 2017 and March 26, 2016 is as follows:

(In millions)	Foreign currency translation adjustments	Derivatives	Pension adjustments	Total
Balance of AOCI as of January 2, 2016	\$ (47.3)	\$ 4.0	\$ (12.8)	\$ (56.1)
Other comprehensive income (loss) before reclassifications ⁽¹⁾	5.0	(6.1)	—	(1.1)
Amounts reclassified from AOCI	—	(1.5) ⁽²⁾	1.1 ⁽³⁾	(0.4)
Income tax expense (benefit)	—	0.4	(0.3)	0.1
Net reclassifications	—	(1.1)	0.8	(0.3)
Net current-period other comprehensive income (loss) ⁽¹⁾	5.0	(7.2)	0.8	(1.4)
Balance of AOCI as of March 26, 2016	<u>\$ (42.3)</u>	<u>\$ (3.2)</u>	<u>\$ (12.0)</u>	<u>\$ (57.5)</u>
Balance of AOCI as of December 31, 2016	\$ (53.5)	\$ 2.8	\$ (30.4)	\$ (81.1)
Other comprehensive income (loss) before reclassifications ⁽¹⁾	2.7	(0.6)	—	2.1
Amounts reclassified from AOCI	—	(0.7) ⁽²⁾	2.4 ⁽³⁾	1.7
Income tax expense (benefit)	—	—	(0.8)	(0.8)
Net reclassifications	—	(0.7)	1.6	0.9
Net current-period other comprehensive income (loss) ⁽¹⁾	2.7	(1.3)	1.6	3.0
Balance of AOCI as of April 1, 2017	<u>\$ (50.8)</u>	<u>\$ 1.5</u>	<u>\$ (28.8)</u>	<u>\$ (78.1)</u>

⁽¹⁾ Other comprehensive income (loss) is reported net of taxes and noncontrolling interest.

⁽²⁾ Amounts related to foreign currency derivatives are included in cost of goods sold. Amounts related to interest rate swaps and cross currency hedges are included in interest expense.

⁽³⁾ Amounts reclassified are included in the computation of net pension expense.

12. FAIR VALUE MEASUREMENTS

The Company follows FASB ASC Topic 820, *Fair Value Measurements and Disclosures* (“ASC 820”), which provides a consistent definition of fair value, focuses on exit price, prioritizes the use of market-based inputs over entity-specific inputs for measuring fair value and establishes a three-tier hierarchy for fair value measurements. ASC 820 requires fair value measurements to be classified and disclosed in one of the following three categories:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value is measured using either direct or indirect inputs, other than quoted prices included within Level 1, which are observable for similar assets or liabilities.

Level 3: Fair value is measured using valuation techniques in which one or more significant inputs are unobservable.

Recurring Fair Value Measurements

The following table sets forth financial assets and liabilities measured at fair value in the consolidated balance sheets and the respective pricing levels to which the fair value measurements are classified within the fair value hierarchy.

(In millions)	Fair Value Measurements		
	Quoted Prices With Other Observable Inputs (Level 2)		
	April 1, 2017	December 31, 2016	March 26, 2016
Financial assets:			
Derivatives	\$ 3.5	\$ 6.7	\$ 2.3
Financial liabilities:			
Derivatives	\$ (4.9)	\$ (5.6)	\$ (11.2)

The fair value of foreign currency forward exchange contracts represents the estimated receipts or payments necessary to terminate the contracts. The interest rate swaps are valued based on the current forward rates of the future cash flows. The fair value of the cross currency swap is determined using the current forward rates and changes in the spot rate.

[Table of Contents](#)**Nonrecurring Fair Value Measurements**

The following is a summary of assets and impairments that were measured at fair value on a nonrecurring basis.

(In millions)	13 Weeks Ended April 1, 2017	
	Fair Value	Impairment
Property and equipment	\$ —	\$ 4.5

The property and equipment was valued using an income approach based on the discounted cash flows expected to be generated by the underlying assets (Level 3).

Fair Value Disclosures

The Company's financial instruments, that are not recorded at fair value, consist of cash and cash equivalents, accounts and notes receivable, accounts payable, borrowings under revolving credit agreements and other short-term and long-term debt. The carrying amount of these financial instruments is historical cost, which approximates fair value, except for the debt. The carrying value and the fair value of the Company's debt, excluding capital leases, are as follows:

(In millions)	April 1, 2017	December 31, 2016	March 26, 2016
Carrying value	\$ 812.6	\$ 820.2	\$ 869.7
Fair value	816.6	827.6	907.0

The fair value of the fixed rate debt was based on third-party quotes (Level 2). The fair value of the variable rate debt was calculated by discounting the future cash flows to its present value using a discount rate based on the risk-free rate of the same maturity (Level 3).

13. LITIGATION AND CONTINGENCIES

The Company is involved in various environmental claims and other legal actions arising in the normal course of business. The environmental claims include sites where the U.S. Environmental Protection Agency has notified the Company that it is a potentially responsible party with respect to environmental remediation. These remediation claims are subject to ongoing environmental impact studies, assessment of remediation alternatives, allocation of costs between responsible parties and concurrence by regulatory authorities and have not yet advanced to a stage where the Company's liability is fixed. However, after taking into consideration legal counsel's evaluation of all actions and claims against the Company, it is management's opinion that the outcome of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

The Company is also involved in routine non-environmental litigation incidental to its business and is a party to legal actions and claims, including, but not limited to, those related to employment and intellectual property. Some of the legal proceedings include claims for compensatory as well as punitive damages. While the final outcome of these matters cannot be predicted with certainty, considering, among other things, the meritorious legal defenses available and liabilities that have been recorded along with applicable insurance, it is management's opinion that the outcome of these items will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Minimum future royalty and advertising obligations for the fiscal periods subsequent to April 1, 2017 under the terms of certain licenses held by the Company are as follows:

(In millions)	2017	2018	2019	2020	2021	Thereafter
Minimum royalties	\$ 1.5	\$ 1.4	\$ 1.5	\$ 1.5	\$ —	\$ —
Minimum advertising	2.1	3.3	3.4	3.5	3.7	7.6

Minimum royalties are based on both fixed obligations and assumptions regarding the Consumer Price Index. Royalty obligations in excess of minimum requirements are based upon future sales levels. In accordance with these agreements, the Company incurred royalty expense of \$0.6 million and \$0.4 million for the quarters ended April 1, 2017 and March 26, 2016, respectively.

The terms of certain license agreements also require the Company to make advertising expenditures based on the level of sales of the licensed products. In accordance with these agreements, the Company incurred advertising expense of \$0.9 million and \$0.7 million for the quarters ended April 1, 2017 and March 26, 2016, respectively.

14. BUSINESS SEGMENTS

The Company’s portfolio of brands is organized into the following four operating segments, which the Company has determined to be reportable operating segments.

- **Wolverine Outdoor & Lifestyle Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Hush Puppies*® footwear and apparel, *Chaco*® footwear, *Sebago*® footwear and apparel and *Cushe*® footwear;
- **Wolverine Boston Group**, consisting of *Sperry*® footwear and apparel, *Saucony*® footwear and apparel and *Keds*® footwear and apparel;
- **Wolverine Heritage Group**, consisting of *Wolverine*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *HyTest*® safety footwear; and
- **Wolverine Multi-Brand Group**, consisting of *Stride Rite*® footwear and apparel and the Company's multi-brand consumer-direct businesses.

The reportable segments are engaged in designing, manufacturing, sourcing, marketing, licensing and distributing branded footwear, apparel and accessories. Reported revenue for the reportable operating segments includes revenue from the sale of branded footwear, apparel and accessories to third-party customers; revenue from third-party licensees and distributors; and revenue from the Company’s consumer-direct businesses.

The Company also reports “Other” and “Corporate” categories. The Other category consists of the Company’s leather marketing operations and sourcing operations that include third-party commission revenues. The Corporate category consists of unallocated corporate expenses, including restructuring and impairment costs and organizational transformation costs. The Company’s operating segments are determined based on how the Company internally reports and evaluates financial information used to make operating decisions. The operating segment managers all report directly to the chief operating decision maker.

Company management uses various financial measures to evaluate the performance of the reportable operating segments. The following is a summary of certain key financial measures for the respective fiscal periods indicated.

<u>(In millions)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016
Revenue:		
Wolverine Outdoor & Lifestyle Group	\$ 232.6	\$ 217.7
Wolverine Boston Group	203.9	209.1
Wolverine Heritage Group	75.7	71.8
Wolverine Multi-Brand Group	64.4	68.4
Other	14.7	10.6
Total	\$ 591.3	\$ 577.6
Operating profit (loss):		
Wolverine Outdoor & Lifestyle Group	\$ 52.3	\$ 48.8
Wolverine Boston Group	31.9	27.7
Wolverine Heritage Group	9.6	8.5
Wolverine Multi-Brand Group	0.2	(1.4)
Other	1.3	0.5
Corporate	(62.7)	(50.1)
Total	\$ 32.6	\$ 34.0

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(In millions)	April 1, 2017	December 31, 2016	March 26, 2016
Total assets:			
Wolverine Outdoor & Lifestyle Group	\$ 443.5	\$ 391.8	\$ 494.7
Wolverine Boston Group	1,260.2	1,273.5	1,328.0
Wolverine Heritage Group	147.4	157.8	154.2
Wolverine Multi-Brand Group	131.2	140.8	188.2
Other	34.7	33.7	29.8
Corporate	370.8	434.1	229.7
Total	\$ 2,387.8	\$ 2,431.7	\$ 2,424.6
Goodwill:			
Wolverine Outdoor & Lifestyle Group	\$ 127.0	\$ 126.6	\$ 129.7
Wolverine Boston Group	257.9	257.5	258.0
Wolverine Heritage Group	16.5	16.5	16.5
Wolverine Multi-Brand Group	23.7	23.7	26.0
Total	\$ 425.1	\$ 424.3	\$ 430.2

15. RESTRUCTURING ACTIVITIES

2016 Plan

On October 6, 2016, the Board of Directors of the Company approved a realignment of the Company's consumer-direct operations (the "2016 Plan"), which will result in the closure of certain retail stores. The Company has closed 155 retail stores in connection with the 2016 Plan through the end of the first quarter of fiscal 2017 and plans to close approximately 115 additional stores through the end of fiscal 2017. The Company currently estimates pretax charges related to the 2016 Plan will range from \$66.0 million to \$71.0 million. The Company estimates it will record the remaining charges through the end of fiscal 2017. Once fully implemented, the Company expects annual pretax benefits of approximately \$20.0 million as a result of the 2016 Plan.

Costs incurred related to the 2016 Plan have been recorded within the Corporate category. The cumulative costs incurred is \$29.7 million, with \$7.3 million recorded in the restructuring costs line item as a component of cost of goods sold, and \$22.4 million recorded in the restructuring and impairment costs line item as a component of operating expenses. The following is a summary of the activity during the quarter ended April 1, 2017, with respect to a reserve established by the Company in connection with the 2016 Plan, by category of costs.

(In millions)	Severance and employee related	Impairment of property and equipment	Costs associated with exit or disposal activities	Total
Balance at December 31, 2016	\$ 0.8	\$ —	\$ 1.2	\$ 2.0
Restructuring costs	1.5	4.5	17.9	23.9
Amounts paid	(0.6)	—	(9.3)	(9.9)
Charges against assets	—	(4.5)	(4.6)	(9.1)
Balance at April 1, 2017	\$ 1.7	\$ —	\$ 5.2	\$ 6.9

2014 Plan

On July 9, 2014, the Board of Directors of the Company approved a realignment of the Company's consumer-direct operations (the "2014 Plan"). As a part of the 2014 Plan, the Company closed 136 retail stores, consolidated certain consumer-direct support functions and implemented certain other organizational changes. The Company completed the 2014 Plan during the first quarter of fiscal 2016. Costs incurred related to the 2014 Plan have been recorded within the Corporate category. The cumulative costs incurred is \$49.5 million, with \$6.5 million recorded in the restructuring costs line item as a component of cost of goods sold, and \$43.0 million recorded in the restructuring and impairment costs line item as a component of operating expenses. Approximately \$23.0 million represents non-cash charges. The Company expects annual pretax benefits of approximately \$16.0 million as a result of the 2014 Plan. The majority of the remaining restructuring reserve relates to a lease liability that extends to 2019.

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The following is a summary of the activity during the quarters ended April 1, 2017 and March 26, 2016, with respect to a reserve established by the Company in connection with the 2014 Plan, by category of costs.

(In millions)	Severance and employee related	Impairment of property and equipment	Costs associated with exit or disposal activities	Total
Balance at January 2, 2016	\$ 2.1	\$ —	\$ 6.5	\$ 8.6
Restructuring and impairment costs	1.2	0.2	9.6	11.0
Amounts paid	(1.4)	—	(3.8)	(5.2)
Charges against assets	—	(0.2)	(6.9)	(7.1)
Balance at March 26, 2016	\$ 1.9	\$ —	\$ 5.4	\$ 7.3
Balance at December 31, 2016	\$ —	\$ —	\$ 1.7	\$ 1.7
Restructuring and impairment costs	—	—	—	—
Amounts paid	—	—	(0.1)	(0.1)
Charges against assets	—	—	—	—
Balance at April 1, 2017	\$ —	\$ —	\$ 1.6	\$ 1.6

Other Restructuring Activities

During the quarters ended April 1, 2017 and March 26, 2016, the Company recorded restructuring costs of \$0.7 million and \$3.3 million, respectively, in connection with certain organizational changes. The costs associated with these restructuring activities were recorded within the Company's Corporate category in the restructuring and impairment costs line item as a component of operating expenses.

During the quarter ended March 26, 2016, the Company recorded restructuring costs of \$0.3 million related to its decision to wind-down operations of its *Cushie*® brand. The Company recorded these costs within its Corporate category in the restructuring and impairment costs line item as a component of operating expenses.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of the Company's results of operations and liquidity and capital resources. This section should be read in conjunction with the Company's consolidated condensed financial statements and related notes included elsewhere in this Quarterly Report.

OVERVIEW

BUSINESS OVERVIEW

The Company is a leading designer, manufacturer and marketer of branded footwear, apparel and accessories. The Company's vision statement is “*to build a family of the most admired performance and lifestyle brands on earth.*” The Company seeks to fulfill this vision by offering innovative products and compelling brand propositions; complementing its footwear brands with strong apparel and accessories offerings; expanding its global consumer-direct footprint; and delivering supply chain excellence.

The Company's brands are marketed in approximately 200 countries and territories at April 1, 2017, including through owned operations in the U.S., Canada, the United Kingdom and certain countries in continental Europe and Asia Pacific. In other regions (Latin America, portions of Europe and Asia Pacific, the Middle East and Africa), the Company relies on a network of third-party distributors, licensees and joint ventures. At April 1, 2017, the Company operated 190 retail stores in the United States and Canada and 30 consumer-direct websites.

Prior to fiscal 2017, the Company reported its quarterly results of operations on the basis of 12-week periods for each of the first three fiscal quarters and a 16 or 17-week period for the fiscal fourth quarter. Beginning in fiscal 2017, the Company's fiscal year will be comprised of 13-week quarters for each of the first three fiscal quarters and a 13 or 14-week period for the fiscal fourth quarter. There is no change to our annual fiscal year reporting. References to the “quarter ended” or “fiscal quarter” refer to the 13-week period ended April 1, 2017 or the 12-week period ended March 26, 2016.

2017 FINANCIAL OVERVIEW

- Revenue was \$591.3 million for the first quarter of fiscal 2017, representing a growth of 2.4% versus the first quarter of fiscal 2016. The change in revenue reflected a 6.8% increase from the Outdoor & Lifestyle Group, a 2.5% decline from the Boston Group, a 5.4% increase from the Heritage Group and a 5.8% decline from the Multi-Brand Group. The change in revenue includes \$43.2 million in revenues due to the additional week of operations. Revenue was negatively impacted by a challenging U.S. retail environment, the closure of Company retail stores and unfavorable foreign exchange rates.
- Gross margin improved 10 basis points to 39.7% in the first quarter of fiscal 2017 driven by product cost improvements, partially offset by product mix, store closures and the negative impact of foreign exchange.
- The effective tax rate in the first quarter of fiscal 2017 was 20.7% compared to 31.4% in the first quarter of fiscal 2016.
- Diluted earnings per share for the first quarter of fiscal 2017 and the first quarter of fiscal 2016 was \$0.17 per share and \$0.18 per share, respectively.
- Inventory declined 25.9% in the first quarter of fiscal 2017 versus the prior year.
- The Company declared cash dividends of \$0.06 per share in both the first quarter of fiscal 2017 and fiscal 2016.

RESULTS OF OPERATIONS

<u>(In millions, except per share data)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016	Percent Change
Revenue	\$ 591.3	\$ 577.6	2.4 %
Cost of goods sold	352.0	344.9	2.1
Restructuring costs	4.6	3.9	17.9
Gross profit	234.7	228.8	2.6
Selling, general and administrative expenses	182.1	184.1	(1.1)
Restructuring and impairment costs	20.0	10.7	86.9
Operating profit	32.6	34.0	(4.1)
Interest expense, net	8.9	8.5	4.7
Other expense (income), net	2.5	(0.1)	2,600.0
Earnings before income taxes	21.2	25.6	(17.2)
Income tax expense	4.4	8.0	(45.0)
Net earnings	16.8	17.6	(4.5)
Less: net earnings attributable to noncontrolling interests	0.1	0.2	(50.0)
Net earnings attributable to Wolverine World Wide, Inc.	\$ 16.7	\$ 17.4	(4.0)%
Diluted earnings per share	\$ 0.17	\$ 0.18	(5.6)%

REVENUE

Revenue was \$591.3 million for the first quarter of fiscal 2017, an increase of 2.4% from the first quarter of fiscal 2016. The change in revenue reflected a 6.8% increase from the Outdoor & Lifestyle Group, a 2.5% decline from the Boston Group, a 5.4% increase from the Heritage Group and a 5.8% decline from the Multi-Brand Group. The change in consolidated revenue included \$43.2 million in revenues due to the additional week in fiscal 2017 compared to the first quarter of fiscal 2016. Revenue was negatively impacted by a challenging U.S. retail environment which resulted in higher inventories at key retail partners and by lower consumer traffic and lower consumer spending in the Company's brick and mortar retail stores. Revenue was also impacted by the closure of Company retail stores (\$13.6 million) and the exit of the *Cushe*[®] business (\$1.3 million). Changes in foreign exchange rates decreased reported revenues by approximately \$2.5 million for the first quarter of fiscal 2017.

GROSS MARGIN

Gross margin was 39.7% in the first quarter of fiscal 2017 compared to 39.6% in the first quarter of fiscal 2016. Gross margin was favorably impacted by product cost improvements, partially offset by product mix, store closures and the negative impact of foreign exchange.

OPERATING EXPENSES

Operating expenses increased \$7.3 million, from \$194.8 million in the first quarter of fiscal 2016 to \$202.1 million in the first quarter of fiscal 2017. The increase was driven by the additional week of operations (\$15.5 million), higher restructuring and impairment costs (\$9.3 million) and higher pension expense (\$1.3 million), partially offset by lower selling costs (\$6.7 million), lower store operating costs (\$6.0 million), lower advertising costs (\$3.9 million) and lower incentive compensation costs (\$2.4 million).

INTEREST, OTHER AND INCOME TAXES

Net interest expense was \$8.9 million in the first quarter of fiscal 2017 compared to \$8.5 million in the first quarter of fiscal 2016. The increase in interest expense was primarily driven by the additional week in the first quarter of fiscal 2017.

The Company maintains management and operational activities in overseas subsidiaries, and its foreign earnings are taxed at rates that are generally lower than the U.S. federal statutory income tax rate. A significant amount of the Company's earnings are generated by its Canadian, European and Asian subsidiaries and, to a lesser extent, in other jurisdictions that are not subject to income tax. The Company has not provided for U.S. taxes for earnings generated in foreign jurisdictions because it intends to reinvest these earnings indefinitely outside the U.S. However, if certain foreign earnings previously treated as permanently reinvested are repatriated, the additional U.S. tax liability could have a material adverse effect on the Company's results of operations and financial position.

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The Company's effective tax rate was 20.7% in the first quarter of fiscal 2017, compared to 31.4% in the first quarter of fiscal 2016. The lower effective tax rate in the current year period reflects the positive impact from discrete items and a shift in income between tax jurisdictions with differing tax rates.

REPORTABLE OPERATING SEGMENTS

The Company has four reportable operating segments. The Company's operating segments are determined on the basis of how the Company internally reports and evaluates financial information used to make operating decisions. The Company's reportable operating segments are:

- **Wolverine Outdoor & Lifestyle Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Hush Puppies*® footwear and apparel, *Chaco*® footwear, *Sebago*® footwear and apparel and *Cushe*® footwear;
- **Wolverine Boston Group**, consisting of *Sperry*® footwear and apparel, *Saucony*® footwear and apparel and *Keds*® footwear and apparel;
- **Wolverine Heritage Group**, consisting of *Wolverine*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *HyTest*® safety footwear; and
- **Wolverine Multi-Brand Group**, consisting of *Stride Rite*® footwear and apparel and the Company's multi-brand consumer-direct businesses.

The Company also reports "Other" and "Corporate" categories. The Other category consists of the Company's leather marketing operations and sourcing operations that include third-party commission revenues. The Corporate category consists of unallocated corporate expenses, including restructuring and impairment costs and organizational transformation costs.

The current quarter and prior year reportable operating segment results are as follows:

<u>(In millions)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016	Change	Percent Change
REVENUE				
Wolverine Outdoor & Lifestyle Group	\$ 232.6	\$ 217.7	\$ 14.9	6.8 %
Wolverine Boston Group	203.9	209.1	(5.2)	(2.5)
Wolverine Heritage Group	75.7	71.8	3.9	5.4
Wolverine Multi-Brand Group	64.4	68.4	(4.0)	(5.8)
Other	14.7	10.6	4.1	38.7
Total	<u>\$ 591.3</u>	<u>\$ 577.6</u>	<u>\$ 13.7</u>	<u>2.4 %</u>

<u>(In millions)</u>	13 Weeks Ended April 1, 2017	12 Weeks Ended March 26, 2016	Change	Percent Change
OPERATING PROFIT (LOSS)				
Wolverine Outdoor & Lifestyle Group	\$ 52.3	\$ 48.8	\$ 3.5	7.2 %
Wolverine Boston Group	31.9	27.7	4.2	15.2
Wolverine Heritage Group	9.6	8.5	1.1	12.9
Wolverine Multi-Brand Group	0.2	(1.4)	1.6	114.3
Other	1.3	0.5	0.8	160.0
Corporate	(62.7)	(50.1)	(12.6)	(25.1)
Total	<u>\$ 32.6</u>	<u>\$ 34.0</u>	<u>\$ (1.4)</u>	<u>(4.1)%</u>

Further information regarding the reportable operating segments can be found in Note 14 to the consolidated condensed financial statements.

Wolverine Outdoor & Lifestyle Group

The Outdoor & Lifestyle Group's revenue increased \$14.9 million, or 6.8%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The reported revenue increase reflected \$18.3 million of revenue due to the additional week of operations, partially offset by \$2.3 million unfavorable impact from foreign exchange and lower revenues due to the exit of the *Cushe*® business (\$1.3 million). The increase in revenues included high single digit growth for *Merrell*® and a high teens revenue increase for *Chaco*®, partially offset by a low teens decline for *Hush Puppies*®.

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The *Merrell*[®] revenue increase was primarily due to the additional week of operations and growth in eCommerce partially offset by the negative impact of foreign exchange. The *Chaco*[®] revenue increase was a result of strong brand momentum and consumer engagement particularly within the brand's core sandal category. The *Hush Puppies*[®] decline was due to lower demand in Canada and a difficult retail environment in Europe.

The Outdoor & Lifestyle Group's operating profit increased \$3.5 million, or 7.2%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The increase reflects higher operating profit from *Chaco*[®] due to increased revenues and the additional week in operations for the group.

Wolverine Boston Group

The Boston Group's revenue decreased \$5.2 million, or 2.5%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The reported revenue decrease reflected \$15.3 million of revenue due to the additional week of operations. The reported revenue decrease included a low single digit revenue decline for *Sperry*[®] and a high single-digit revenue decline for *Keds*[®].

The *Sperry*[®] decrease was due to lower demand within its boat shoe and vulcanized categories, partially offset by growth in active footwear driven by the launch of a new product line and the additional week of operations. The *Keds*[®] decrease was due to the intentional exit of certain unprofitable points of distribution in the U.S. market, partially offset by growth in eCommerce and the additional week of operations.

The Boston Group's operating profit increased \$4.2 million, or 15.2%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016 due primarily to increased profitability from *Keds*[®] and *Saucony*[®] due to higher gross margins and lower advertising expenses for *Keds*[®] and the additional week of operations for the group.

Wolverine Heritage Group

The Heritage Group's revenue increased \$3.9 million, or 5.4%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The reported revenue increase reflected \$4.3 million of revenue due to the additional week of operations. The reported revenue increase included a mid teens revenue increase for *Wolverine*[®], partially offset by a mid teens revenue decline for *Bates*[®].

The revenue increase for *Wolverine*[®] was attributable to higher demand within the U.S. market driven by new product introductions and the impact of the additional week of operations. The *Bates*[®] decrease was driven by lower volumes related to military contract awards.

The Heritage Group's operating profit increased \$1.1 million, or 12.9%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The increase was driven by *Wolverine*[®] due to the higher revenues.

Wolverine Multi-Brand Group

The Multi-Brand Group revenue decreased \$4.0 million, or 5.8%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The reported revenue decrease reflected \$4.3 million of revenue due to the additional week of operations. The remaining decrease was due to store closures.

The Multi-Brand Group's operating profit increased \$1.6 million, or 114.3%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The increase was due to increased gross margins for *Stride Rite*[®] within the U.S. wholesale market.

Other

The Other category's revenues increased \$4.1 million, or 38.7%, in the first quarter of fiscal 2017 compared to the first quarter of fiscal 2016. The increase was primarily due to increased demand within the performance leathers business and the impact of the additional week of operations.

Corporate

Corporate expenses were \$62.7 million in the first quarter of fiscal 2017 compared to \$50.1 million in the first quarter of fiscal 2016. The \$12.6 million increase was driven by higher restructuring and impairment costs (\$10.0 million), higher pension expense (\$1.3 million), higher organizational transformation costs (\$0.8 million) and the additional week of operations (\$2.9 million), partially offset by lower incentive compensation costs (\$2.4 million).

LIQUIDITY AND CAPITAL RESOURCES

<u>(In millions)</u>	<u>April 1, 2017</u>	<u>December 31, 2016</u>	<u>March 26, 2016</u>
Cash and cash equivalents	\$ 304.1	\$ 369.8	\$ 158.2
Debt	813.1	820.7	870.3
Available revolving credit facility ⁽¹⁾	597.5	597.4	436.2

⁽¹⁾ Amounts are net of both borrowings and outstanding standby letters of credit in accordance with the terms of the revolving credit facility.

<u>(In millions)</u>	<u>13 Weeks Ended April 1, 2017</u>	<u>12 Weeks Ended March 26, 2016</u>
Net cash used in operating activities	\$ (30.8)	\$ (78.9)
Net cash used in investing activities	(11.8)	(10.5)
Net cash provided by (used in) financing activities	(23.8)	52.5
Additions to property, plant and equipment	11.1	9.9
Depreciation and amortization	9.2	9.8

Liquidity

Cash and cash equivalents of \$304.1 million as of April 1, 2017 were \$145.9 million higher compared to March 26, 2016. The Company had \$597.5 million of borrowing capacity available under the Revolving Credit Facility as of April 1, 2017. Cash and cash equivalents located in foreign jurisdictions totaled \$235.7 million as of April 1, 2017. The Company intends to permanently reinvest cash in these foreign locations.

Cash flow from operating activities, along with borrowings on the Revolving Credit Facility, if any, are expected to be sufficient to meet the Company's working capital needs for the foreseeable future. Any excess cash flow from operating activities are expected to be used to fund organic growth initiatives, reduce debt, pay dividends, repurchase the Company's common stock and pursue acquisitions.

Operating Activities

The principal source of the Company's operating cash flow is net earnings, including cash receipts from the sale of the Company's products, net of costs of goods sold.

For the first quarter of fiscal 2017, an increase in net working capital represented a use of cash of \$74.9 million. Working capital balances were unfavorably impacted by an increase in accounts receivable and inventories of \$23.7 million and \$11.4 million, respectively. Accounts payable and other operating liabilities drove a use of cash of \$36.1 million and \$13.4 million, respectively, which were partially offset by a decrease in other operating assets of \$9.7 million. These changes in working capital balances reflect the seasonality of the Company's business.

Investing Activities

The Company made capital expenditures of \$11.1 million in the first quarter of fiscal 2017 and \$9.9 million in the first quarter of fiscal 2016 related primarily for building improvements and information system enhancements.

Financing Activities

As of April 1, 2017, the Company was in compliance with all covenants and performance ratios under the Credit Agreement.

The Company's debt at April 1, 2017 totaled \$813.1 million compared to \$820.7 million at December 31, 2016. The decrease is due to scheduled principal payments on Term Loan A.

The Company repurchased \$2.3 million and \$3.6 million of shares during the first quarters of fiscal 2017 and 2016. The Company may purchase up to an additional \$242.3 million of shares under its existing common stock repurchase program that expires in 2020. The Company also acquired \$4.9 million of shares in the first quarter of fiscal 2017 in connection with employee transactions related to stock incentive plans.

The Company declared cash dividends of \$0.06 per share, or \$5.8 million and \$5.9 million, for the first quarters of fiscal 2017 and 2016, respectively. The 2017 dividend is payable on May 1, 2017 to shareholders of record on April 3, 2017.

CRITICAL ACCOUNTING POLICIES

The preparation of the Company's consolidated financial statements, which have been prepared in accordance with U.S. GAAP, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. On an ongoing basis, management evaluates these estimates. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Historically, actual results have not been materially different from the Company's estimates. However, actual results may differ materially from these estimates under different assumptions or conditions.

The Company has identified the critical accounting policies used in determining estimates and assumptions in the amounts reported in its Management Discussion and Analysis of Financial Conditions and Results of Operations in its 2016 Form 10-K. Management believes there have been no material changes in those critical accounting policies.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

The Company faces market risk to the extent that changes in foreign currency exchange rates affect the Company's foreign assets, liabilities and inventory purchase commitments. The Company manages these risks by attempting to denominate contractual and other foreign arrangements in U.S. dollars. The Company does not believe that there has been a material change in the nature of the Company's primary market risk exposures, including the categories of market risk to which the Company is exposed and the particular markets that present the primary risk of loss to the Company. As of the date of this Quarterly Report on Form 10-Q, the Company does not know of any material change in the near-term in the general nature of its primary market risk exposure.

Under the provisions of FASB ASC 815, the Company is required to recognize all derivatives on the balance sheet at fair value. Derivatives that are not qualifying hedges must be adjusted to fair value through earnings. If a derivative is a qualifying hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either offset against the change in fair value of the hedged assets, liabilities or firm commitments through earnings or recognized in AOCI until the hedged item is recognized in earnings.

The Company conducts wholesale operations outside of the U.S. in Canada, continental Europe, United Kingdom, Colombia, Hong Kong, China and Mexico where the functional currencies are primarily the Canadian dollar, euro, British pound, Colombian peso, Hong Kong dollar, Chinese renminbi and Mexican peso, respectively. The Company utilizes foreign currency forward exchange contracts to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business as well as to manage foreign currency translation exposure. At April 1, 2017 and March 26, 2016, the Company had outstanding forward currency exchange contracts to purchase primarily U.S. dollars in the amounts of \$164.6 million and \$162.5 million, respectively, with maturities ranging up to 362 and 349 days, respectively.

The Company also has sourcing locations in Asia, where financial statements reflect the U.S. dollar as the functional currency. However, operating costs are paid in the local currency. Revenue generated by the Company from third-party foreign licensees is calculated in the local currencies, but paid in U.S. dollars. Accordingly, the Company's reported results are subject to foreign currency exposure for this stream of revenue and expenses. Any associated foreign currency gains or losses on the settlement of local currency amounts are reflected within the Company's consolidated statement of operations.

Assets and liabilities outside the U.S. are primarily located in the United Kingdom, Canada and the Netherlands. The Company's investments in foreign subsidiaries with a functional currency other than the U.S. dollar are generally considered long-term. Accordingly, the Company currently does not hedge these net investments. At April 1, 2017, a weaker U.S. dollar compared to certain foreign currencies increased the value of these investments in net assets by \$2.7 million from their value at December 31, 2016. At March 26, 2016, a weaker U.S. dollar compared to foreign currencies increased the value of these investments in net assets by \$5.0 million from their value at January 2, 2016.

The Company is exposed to interest rate changes primarily as a result of interest expense on borrowings used to finance acquisitions and working capital requirements. As of April 1, 2017, the Company had no outstanding borrowings and outstanding letters of credit of \$2.5 million under the Revolving Credit Facility and \$2.4 million in borrowings under foreign revolving credit agreements and other short-term notes. The Company's total variable-rate debt was \$570.5 million at April 1, 2017 and the Company held two interest rate swap agreement denominated in U.S. dollars that effectively converts \$494.6 million to fixed-rate debt.

The Company does not enter into contracts for speculative or trading purposes, nor is it a party to any leveraged derivative instruments.

ITEM 4. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on, and as of the time of such evaluation, the Company's management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Company's disclosure controls and procedures, as defined in Securities Exchange Act Rule 13a-15(e), were effective as of the end of the period covered by this report. There have been no changes during the quarter ended April 1, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION**ITEM 1A. Risk Factors**

There have been no material changes in the assessment of the Company's risk factors from those set forth in its 2016 Form 10-K.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information regarding the Company's purchases of its own common stock during the first quarter of fiscal 2017.

Issuer Purchases of Equity Securities

<u>Period</u>	<u>Total Number of Shares Purchased</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Maximum Dollar Amount that May Yet Be Purchased Under the Plans or Programs</u>
Period 1 (January 1, 2017 to February 4, 2017)				
Common Stock Repurchase Program ⁽¹⁾	17,619	\$ 21.98	17,619	\$ 244,174,343
Employee Transactions ⁽²⁾	6,282	22.94	—	—
Period 2 (February 5, 2017 to March 4, 2017)				
Common Stock Repurchase Program ⁽¹⁾	90,804	\$ 21.00	90,804	\$ 242,267,186
Employee Transactions ⁽²⁾	215,153	23.02	—	—
Period 3 (March 5, 2017 to April 1, 2017)				
Common Stock Repurchase Program ⁽¹⁾	—	—	—	\$ 242,267,186
Employee Transactions ⁽²⁾	—	—	—	—
Total for Quarter Ended April 1, 2017				
Common Stock Repurchase Program ⁽¹⁾	108,423	\$ 21.16	108,423	\$ 242,267,186
Employee Transactions ⁽²⁾	221,435	23.02	—	—

(1) The Company's Board of Directors approved a common stock repurchase program on August 8, 2016 that authorizes the repurchase of up to \$300.0 million in common stock over a four-year period, although the annual amount of any stock repurchases are restricted under the terms of the Company's Credit Agreement and senior notes indenture.

(2) Employee transactions include: (1) shares delivered or attested to in satisfaction of the exercise price and/or tax withholding obligations by holders of employee stock options who exercised options, and (2) restricted shares and units withheld to offset statutory minimum tax withholding that occurs upon vesting of restricted shares and units. The Company's employee stock compensation plans provide that the shares delivered or attested to, or withheld, shall be valued at the closing price of the Company's common stock on the date the relevant transaction occurs.

ITEM 6. Exhibits

Exhibits filed as a part of this Form 10-Q are listed on the Exhibit Index, which is incorporated by reference herein.

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.

WOLVERINE WORLD WIDE, INC.

May 10, 2017

Date

/s/ Blake W. Krueger

Blake W. Krueger
Chairman, Chief Executive Officer and President
(Principal Executive Officer and Duly Authorized Signatory for Registrant)

May 10, 2017

Date

/s/ Michael D. Stornant

Michael D. Stornant
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer and Duly Authorized Signatory for Registrant)

EXHIBIT INDEX

Exhibit Number	Document
3.1	Amended and Restated Certificate of Incorporation. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 24, 2014.
3.2	Amended and Restated By-laws. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on February 19, 2015.
10.1	2017 Form of Restricted Stock Unit Agreement.*
10.2	Form of Performance Stock Unit Award Agreement (2017 - 2019 performance period).*
10.3	Employees' Pension Plan (Restated as amended through May 1, 2017)*
10.4	409A Supplemental Executive Retirement Plan (2008 Restatement through First Amendment).*
31.1	Certification of Chairman, Chief Executive Officer and President under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Senior Vice President, Chief Financial Officer and Treasurer under Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification pursuant to 18 U.S.C. §1350.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

* Management contract or compensatory plan or arrangement.

Restricted Stock Unit Agreement #
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RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (the “**Agreement**”) is made as of the award date set forth in the grant (the “**Grant Date**”), between WOLVERINE WORLD WIDE, INC., a Delaware corporation (“Wolverine”), and the employee identified in the grant (“**Employee**”).

The Wolverine World Wide, Inc. Stock Incentive Plan of 2016 (the “Plan”) is administered by the Compensation Committee of Wolverine’s Board of Directors (the “Committee”). The Committee has determined that Employee is eligible to participate in the Plan and has awarded restricted stock units to Employee, subject to the terms and conditions contained in this Agreement and in the Plan.

The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the “**Restricted Stock Unit Award**”). Employee acknowledges receipt of a copy of the Plan and accepts this restricted stock unit award subject to all of the terms, conditions, and provisions of this Agreement and the Plan.

1 . Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of the number of restricted stock units as set in the grant (the “**Restricted Stock Units**”), which shall be eligible to vest in accordance with the terms of this Agreement and the Plan. Each Restricted Stock Unit shall represent the right to receive on the applicable vesting date one share of common stock of the Company (“Common Stock”) together with any unpaid Dividend Equivalent (as defined below) thereon or, at the option of the Committee, a cash payment in an amount equal to the Fair Market Value (as defined in the Plan) of a share of Common Stock multiplied by the number of shares of Common Stock that vest hereunder, together with any unpaid Dividend Equivalent thereon in respect of the vested Restricted Stock Units for which the Company elects to pay cash, subject to any applicable withholdings required by applicable laws.

2. Consideration. Employee acknowledges that the Award referenced in Section 1 as well as any discretionary cash bonus that Employee receives from the Company on February 17, 2017 constitute adequate consideration for the execution of the Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenant Agreement.

3. Transferability. Until the Restricted Stock Units vest as set forth in this Agreement, the Plan provides that Restricted Stock Units granted under this Agreement are generally not transferable by Employee except by will or according to the laws of descent and distribution, and further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee’s lifetime only by Employee, Employee’s guardian, or legal representative.

4 . Vesting. *Except as otherwise provided in this Agreement, the Restricted Stock Units awarded pursuant to this Agreement shall vest as follows: twenty percent (20%) at the end of the first, twenty percent (20%) at the end of the second, thirty percent (30%) at the end of the third, and thirty (30%) at the end of the fourth year anniversary of the Grant Date, respectively.*

5. Termination of Employment Status.

(a) If the Employee’s employment with Wolverine or any of its subsidiaries is terminated prior to the date on which the Restricted Stock Units vest hereunder, any then unvested Restricted Stock Units shall be automatically forfeited with no consideration due to the employee.

(b) Notwithstanding the above, if the Employee's employment with Wolverine or its subsidiaries terminates due to the Employee's (a) death; (b) disability (as defined in Wolverine's Long-Term Disability Plan) resulting in termination of employment; or (c) the voluntary termination by Employee of all employment with Wolverine and its subsidiaries if Employee has attained 59 years of age and ten years of service as an employee of Wolverine or its subsidiaries, absent a determination to the contrary by the Committee (after taking into consideration the Factors, as defined in 5(c), below) within fourteen days following a termination of employment (the "**Determination Period**"), any then unvested Restricted Stock Units will immediately vest in full (subject to subsection (c) below).

(c) In the absence of any contrary determination by the Compensation Committee during the Determination Period and provided Employee has entered into an Acceleration Agreement before the expiration of the Determination Period and otherwise meets the conditions of 5(A)(c), unvested Restricted Stock Units shall vest on the date immediately following the last day of the Determination Period, except as provided in Section 5(e) below. For purposes of this Section 5, "Factors" that would result in a determination to the contrary by the Compensation Committee shall include the Employee's: (i) inadequate job performance; (ii) inadequate notice of resignation; (iii) intention for comparable future employment at a third party organization; (iv) intention for future employment or other service or advisory relationship with a competitor of the Company; or (v) any other similar consideration.

(d) Notwithstanding anything in the Plan to the contrary, except as provided in subsection (e) below, to the extent assumed or substituted by an acquiror in the Change in Control, the Restricted Stock Units shall not immediately vest upon a Change in Control, but if Employee's employment is terminated by Wolverine without Cause or by Employee for Good Reason, in each case, within the twenty-four (24) month period following the Change in Control, the Restricted Stock Units shall immediately vest and become payable. If Employee is party to an employment or other severance-benefit agreement that contains a definition of "Good Reason," the definition set forth in such agreement will apply hereunder for so long as such agreement is in effect; if Employee is party to multiple such agreements, "Good Reason" under any such agreement shall count as "Good Reason" for purposes of this Agreement.

If Employee is not party to any such agreement, "Good Reason" shall mean any of the following and the below notice provision shall apply: (i) a reduction in Employee's base salary, annual bonus opportunity, or long-term incentive opportunity; (ii) failure by the Company or its Subsidiaries to pay amounts owed to Employee as salary, bonus, deferred compensation or other compensation; (iii) any material adverse change to Employee's position, duties, responsibilities, reporting responsibilities or title; or (iv) any requirement that the Employee be based at a location that is more than twenty-five (25) miles from his or her regular place of employment immediately before the Change in Control, unless such change results in a shorter commute for Employee. Notwithstanding the foregoing, no termination of the Employee's employment shall be for Good Reason unless (i) termination of the Employee's employment (or notice of the Grantee's intent to terminate employment) occurs during the twenty-four (24) month period following the Change in Control, and (ii) Employee gives the Company written notice within ninety (90) days of the Grantee obtaining knowledge of circumstances giving rise to Good Reason (describing in reasonable detail the circumstances and the Good Reason event that has occurred) and the Company does not remedy these circumstances within thirty (30) days of receipt of such notice.

Employee's rights under this sub-Section (d) are in addition to any other rights Employee has under this Section 5.

(e) Notwithstanding Section 5(d), if, at any time during the vesting period of the Restricted Stock Units, Employee is or becomes eligible to terminate his or her employment with Wolverine or its subsidiaries due to Retirement (without regard to the application of any Factors or any Determination Period), the Restricted Stock Units shall immediately vest in full upon the Change in Control.

(f) If, in connection with a Change in Control, the Restricted Stock Units are not assumed or continued, or a new award is not substituted for the Restricted Stock Units by the acquirer or survivor (or an affiliate of the acquirer or survivor) in accordance with the provisions of Section 13(b) of the Plan, the Restricted Stock Units will automatically vest in full upon the occurrence of such Change in Control.

6 . Employment by Wolverine. The Agreement and the Restricted Stock Unit Award under this Agreement shall not impose upon Wolverine or any Subsidiary any obligation to retain Employee in its employ for any given period or upon any specific terms of employment. Wolverine or any Subsidiary may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee.

7 . Stockholder Rights. The Employee (or the Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to the Employee upon vesting of the Restricted Stock Units, in accordance with the terms of this Agreement. Employee shall be paid a dividend equivalent ("Dividend Equivalent") in the form of cash, with respect to any cash dividend, and additional Restricted Stock Units, with respect to any stock dividend, as of each dividend payment date, if any, in respect of which dividends are paid on Common Stock underlying the Restricted Stock Units prior to vesting of the award (or any portion of the award). Such Dividend Equivalent shall be computed by multiplying the amount of the cash dividend or the amount of the stock dividend, as applicable, declared and paid per share of Common Stock by the number of Restricted Stock Units held by Employee on the record date for the payment of such dividend. Any stock dividends declared on the Common Stock underlying the Restricted Stock Units prior to vesting of the award (or any portion of the award) will be credited by the Company for the Employee's account and will be paid to Employee on the applicable vesting date with respect to the applicable Restricted Stock Units that vest. Any cash Dividend Equivalent will be paid within seven days of the payment date of such cash dividend, and, for the avoidance of doubt, will be paid on unvested Restricted Stock Units. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying shares of Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying shares of Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal, provincial and state securities laws.

8 . Withholding. Wolverine or one of its subsidiaries shall be entitled to (a) withhold and deduct from Employee's future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units award under this Agreement, including, without limitation, the award, vesting, or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

9. Section 409A of the Code.

(a) If Employee is deemed on the date of his or her termination of employment to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then, with regard to any payment that is considered nonqualified deferred compensation under Section 409A of the Code, to the extent applicable, payable on account of a "separation from service", such payment will be made or provided on the date that is the earlier of (i) the expiration of the six-month period measured from the date of such "separation from service" and (ii) the date of the Participant's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments delayed pursuant to this Section (whether they

would have otherwise been payable in a single lump sum or in installments in the absence of such delay) will be paid on the first business day following the expiration of the Delay Period in a lump sum and any remaining payments due under the Award will be paid in accordance with the normal payment dates specified for them in this Agreement.

(b) For purposes of Section 409A, each payment made hereunder will be treated as a separate payment.

(c) With regard to any payment considered to be nonqualified deferred compensation under Section 409A of the Code, to the extent applicable, that is payable upon a Change in Control or other similar event, to avoid the imposition of an additional tax, interest or penalty under Section 409A of the Code, no amount will be payable unless such change in control constitutes a “change in control event” within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

(d) This Restricted Stock Unit Award is intended to comply with, or be exempt from, the requirements of Section 409A of the Code and shall be interpreted consistent with this intent. Notwithstanding the foregoing, neither the Company, any affiliate of the Company, the Committee, nor any other person shall have any liability to Employee with respect to the foregoing.

10. Effective Date. This Restricted Stock Unit Award shall be effective as of the Grant Date.

11. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

WOLVERINE WORLD WIDE, INC.

/s/ Michael D. Stornant

Michael D. Stornant

Sr Vice President and Chief Financial Officer

FORM OF PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

Performance Restricted Stock Unit Agreement #
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PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

This Performance Restricted Stock Unit Award Agreement (together with Attachment 1 hereto, the “**Agreement**”) is made as of the award date set forth in the grant (the “**Grant Date**”), by and between WOLVERINE WORLD WIDE, INC., a Delaware corporation (“**Wolverine**” or the “**Company**”), and the employee identified in the grant (“**Employee**”).

Wolverine maintains a Stock Incentive Plan of 2016 (as amended from time to time, the “**Plan**”) that is administered by the Compensation Committee of Wolverine’s Board of Directors (the “**Committee**”), under which the Committee may award restricted stock units as all or part of a long-term incentive award. The Plan has been approved by the Company’s shareholders.

The Committee has determined (i) that Employee is eligible to participate in the Plan and receive a long-term incentive award, (ii) Employee’s participation level, and (iii) the performance criteria for the award. The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the “**Restricted Stock Unit Award**”). Employee acknowledges receipt of a copy of the Plan and accepts this Restricted Stock Unit Award subject to all such terms, conditions and restrictions.

1. Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of a target number of restricted stock units as set forth in the grant (the “**Restricted Stock Units**”), which shall be eligible to vest in accordance with the terms of this Agreement and the Plan. The ultimate “**Incentive Award**” received by Employee will be the number of Restricted Stock Units that vest hereunder as determined by the Committee. Each Restricted Stock Unit represents the conditional right to receive, without payment but subject to the terms, conditions and limitations set forth in this Agreement and in the Plan, one share of common stock of the Company (“**Common Stock**”) in accordance with this Agreement. On the Payout Date, the Company shall deliver to Employee a number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents (as defined below) thereon, or, at the option of the Company, a cash payment in an amount equal to the Fair Market Value on the Payout Date multiplied by the number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents thereon, subject to any applicable withholdings required by applicable law.

2. Consideration. Employee acknowledges that the Award referenced in Section 1 as well as any discretionary cash bonus that Employee receives in February 2017 constitute adequate consideration for the execution of the Employee Confidentiality, Intellectual Property Protection, Non-Solicitation and Non-Competition Agreement.

3. Transferability. Until the Restricted Stock Units vest as set forth in Section 4 below and Attachment 1, the Plan provides that Restricted Stock Units are generally not transferable by Employee except by will or according to the laws of descent and distribution. The Plan further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee's lifetime only by Employee, Employee's guardian or legal representative.

4. Vesting. Except as otherwise provided in this Agreement or by action of the Committee to reduce the number of Restricted Stock Units that would otherwise vest hereunder, the Restricted Stock Units shall vest as set forth in Attachment 1.

5. Termination of Employment Status.

(a) Except as set forth in subsection (b) or Section 6 below, Employee:

(i) must be an employee of the Company or one of its subsidiaries at the time the Committee certifies the achievement of the Performance Period performance criteria for the vesting of any portion of the Restricted Stock Unit Award (the performance criteria being Cumulative BVA, Cumulative EPS, and TSR Percentile Ranking, as defined in Attachment 1); and

(ii) shall forfeit the entire unvested Restricted Stock Unit Award if, before such certification, Employee's employment with Wolverine or its subsidiaries terminates (the "**Employment Termination**") or the Committee terminates the Restricted Stock Unit Award (an "**Award Termination**").

(b) If the Employment Termination is:

(i) due to Employee's:

(1) disability (as defined in Wolverine's long-term disability plan);

(2) death;

(3) Retirement, absent a determination to the contrary by the Compensation Committee (after taking into consideration the Factors, as defined below) within fourteen days following such termination of employment (the "**Determination Period**"); or

(ii) to such other circumstances as the Committee in its discretion allows;

then the number of Restricted Stock Units which shall vest at the end of the Performance Period shall be calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion. If there is an Award Termination, the Committee may in its discretion allow some or all of the Restricted Stock Units to vest, calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion.

"Factors" that would result in a determination to the contrary by the Compensation Committee shall include Employee's: (i) inadequate job performance; (ii) inadequate notice of resignation; (iii) intention for comparable future employment at a third party organization; (iv) intention for future employment or other service or advisory relationship with a competitor of the Company; or (v) any other similar consideration.

(c) As soon as reasonably practicable following the end of the Performance Period, the Committee shall calculate, as set forth in Attachment 1, the number of Restricted Stock Units that would have vested based on the attainment of the performance criteria if Employee's employment or Restricted Stock Units had not been terminated prior to the certification. The remainder of the Restricted Stock Units shall be automatically forfeited.

6. Change in Control.

(a) If, prior to the Performance Period End Date (as defined in Attachment 1), a Change in Control occurs, to the extent the Restricted Stock Units are outstanding immediately prior to such Change in Control, they shall be converted into Restricted Stock Units that vest solely based on time, with the number of Restricted Stock Units that are so converted equal to the target number of Restricted Stock Units. The Restricted Stock Units shall continue to vest solely based on time and shall vest on the Performance Period End Date, subject to the Participant remaining an employee through such date, except as otherwise provided in Section 5(b)(i)(1) or (2) above (related to termination due to death or disability) or as provided below.

(b) If Employee's employment is terminated by Wolverine without Cause or by Employee for Good Reason, in each case, within the twenty-four (24) month period following the Change in Control, the Restricted Stock Units, to the extent then outstanding and not vested, shall immediately vest and become payable. If Employee is party to an employment or other severance-benefit agreement that contains a definition of "Good Reason," the definition set forth in such agreement will apply under hereunder for long as such agreement is in effect; if Employee is party to multiple such agreements, "Good Reason" under any such agreement shall count as "Good Reason" for purposes of this Agreement.

If Employee is not party to any such agreement, "Good Reason" shall mean any of the following and the below notice provision shall apply: (i) a reduction in Employee's base salary, annual bonus opportunity, or long-term incentive opportunity; (ii) failure to pay amounts owed to Employee as salary, bonus, deferred compensation or other compensation; (iii) any material adverse change to Employee's position, duties, responsibilities, reporting responsibilities or title; or (iv) any requirement Employee be based at a location that is more than 25 miles from his or her regular place of employment immediately before the Change in Control unless such change results in a shorter commute for Employee. Notwithstanding the foregoing, no termination of Employee's employment shall be for Good Reason unless (i) termination of Employee's employment (or notice of Employee's intent to terminate employment) occurs during the 24-month period following the Change in Control, and (ii) Employee gives the Company written notice within 90 days of Employee obtaining knowledge of circumstances giving rise to Good Reason (describing in reasonable detail the circumstances and the Good Reason event that has occurred) and the Company does not remedy these circumstances within 30 days of receipt of such notice.

Employee's rights under this subsection (b) are in addition to any other rights Employee has under this Section 6.

(c) Notwithstanding Section 5(b)(3) above or this Section 6, if, at any time during the Performance Period, Employee is or becomes eligible to terminate his or her employment with Wolverine or its subsidiaries due to Retirement (without regard to the application of any Factors or any Determination Period), in the event of a Change in Control that occurs prior to the Performance Period End Date, to the extent then outstanding, the target number of Restricted Stock Units shall immediately vest in full upon the Change in Control.

(d) Notwithstanding this Section 6, in the event a Change in Control occurs following an Employment Termination described in Section 5(b)(i) above and prior to the Performance Period End Date, the target number of Restricted Stock Units will automatically vest in full upon the occurrence of such Change in Control.

(e) If, in connection with a Change in Control, the Restricted Stock Units are not assumed or continued, or a new award is not substituted for the Restricted Stock Units by the acquirer or survivor (or an affiliate of the acquirer or survivor) in accordance with the provisions of Section 13(b) of the Plan having an equivalent value at the time of such substitution or assumption, as applicable, the target number of Restricted Stock Units will automatically vest in full upon the occurrence of such Change in Control.

7. Employment by Wolverine. The Agreement and the Restricted Stock Unit Award shall not impose upon Wolverine or any of its Subsidiaries any obligation to retain Employee in its employ for any given period or upon any specific terms of employment. Wolverine or any of its Subsidiaries may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee.

8. Stockholder Rights. Employee (or Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to Employee upon vesting of the Restricted Stock Units in accordance with the terms of this Agreement. Employee shall be entitled to receive a dividend equivalent ("**Dividend Equivalent**") in the form of cash, with respect to any cash dividend that is declared and paid on the Common Stock underlying the Restricted Stock Units prior to the Payout Date, with the amount that is paid to Employee in respect of the Dividend Equivalents equal to the aggregate cash dividends declared and paid per share of Common Stock during the period beginning on the Grant Date and ending immediately prior to the Payout Date multiplied by the number of Restricted Stock Units that vest hereunder in accordance with Appendix 1. For greater certainty, no Dividend Equivalent shall be payable to Employee in respect of any unvested Restricted Stock Units that are forfeited. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal and state securities laws.

9. Withholding. Wolverine and any of its Subsidiaries shall be entitled to (a) withhold and deduct from Employee's future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary, including amounts under this Agreement), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units Award under this Agreement, including, without limitation, the award, vesting or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

10. Effective Date. This grant of Restricted Stock Units shall be effective as of the Grant Date set forth in the grant.

11. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

**WOLVERINE WORLD WIDE, INC.
COMPENSATION COMMITTEE**

ATTACHMENT 1 TO RESTRICTED STOCK UNITS AWARD AGREEMENT

To the extent that either Threshold BVA or Threshold EPS is satisfied, as determined by the Committee, 600% of the target number of Restricted Stock Units (“the Maximum RSU Amount”) shall be deemed earned hereunder. The actual number of Restricted Stock Units that will vest is equal to the number resulting from the formula set forth immediately below, but not in excess of the Maximum RSU Amount. Restricted Stock Units are intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code because of the requirement to achieve the pre-set Threshold BVA goal or Threshold EPS goal to earn the Maximum RSU Amount, with any reduction from such maximum based on the level of achievement under the formula immediately below (in an amount no greater than the Maximum RSU Amount) or as a result of any exercise of negative discretion of the Committee.

1. The number of Restricted Stock Units that will vest under this Attachment 1 and this Agreement, as determined by the Committee, is equal to:

$[(\text{Overall Award Percentage} \times \text{Applicable Earnings}) / \text{Market Price}] \times \text{the Adjustment Factor}$

rounded up to the nearest whole number (but not in excess of the Maximum RSU Amount) where:

Overall Award Percentage will be the sum of (i) the BVA Award Percentage multiplied by the BVA Factor, and (ii) the EPS Award Percentage multiplied by the EPS Factor.

(a) BVA Award Percentage will be calculated as follows:

If the Cumulative BVA is < Threshold BVA, BVA Award Percentage = 0%

If the Cumulative BVA is \geq Threshold BVA and < Target BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative BVA} - \text{Threshold BVA})}{(\text{Target BVA} - \text{Threshold BVA})} \right] \times 0.5 \right] + 0.5 \right) \times 100$$

If the Cumulative BVA is \geq Target BVA and < Goal BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative BVA} - \text{Target BVA})}{(\text{Goal BVA} - \text{Target BVA})} \right] \times 0.5 \right] + 1.0 \right) \times 100$$

If the Cumulative BVA is \geq Goal BVA and < Stretch BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative BVA} - \text{Goal BVA})}{(\text{Stretch BVA} - \text{Goal BVA})} \right] \times 0.5 \right] + 1.5 \right) \times 100$$

If the Cumulative BVA is \geq Stretch BVA, BVA Award Percentage = Award Cap

(b) EPS Award Percentage will be calculated as follows:

If the Cumulative EPS is < Threshold EPS, EPS Award Percentage = 0%

If the Cumulative EPS is \geq Threshold EPS and < Target EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative EPS} - \text{Threshold EPS})}{(\text{Target EPS} - \text{Threshold EPS})} \right] \times 0.5 \right] + 0.5 \right) \times 100$$

If the Cumulative EPS is \geq Target EPS and < Goal EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative EPS} - \text{Target EPS})}{(\text{Goal EPS} - \text{Target EPS})} \right] \times 0.5 \right] + 1.0 \right) \times 100$$

If the Cumulative EPS is \geq Goal EPS and < Stretch EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{Cumulative EPS} - \text{Goal EPS})}{(\text{Stretch EPS} - \text{Goal EPS})} \right] \times 0.5 \right] + 1.5 \right) \times 100$$

If the Cumulative EPS is \geq Stretch EPS, EPS Award Percentage = Award Cap

2. The number of Restricted Stock Units that vest based on performance as determined under Section 1 above will be adjusted by the following "Adjustment Factor":

- a. If the TSR Percentile Rank is greater than or equal to the 75.00, then the number of Restricted Stock Units that vest will be a number equal to the number of Restricted Stock Units that would vest based on performance as determined under Section 1 above, multiplied by an Adjustment Factor of 1.25 (e.g., if 100 Restricted Stock Units would vest under Section 1 prior to applying the Adjustment Factor, 125 would vest), subject to the Maximum RSU Amount.
- b. If the TSR Percentile Rank is greater than the 25.01 and less than the 74.99, the Adjustment Factor is 1.0 (e.g., there shall be no adjustment to the number of Restricted Stock Units that vest based on performance as determined under Section 1 above).
- c. If the TSR Percentile Rank is less than or equal to 25.00, then the number of Restricted Stock Units that vest based on performance as determined under Section 1 above will be a number equal to the number of Restricted Stock Units that would vest based on performance as determined under Section 1 above, multiplied by an Adjustment Factor of 0.75 (e.g., if 100 Restricted Stock Units would vest under Section 1 prior to applying the Adjustment Factor, 75 would vest).

The other defined terms shall have the following meanings for the purpose of this Agreement:

Applicable Earnings	The sum of the annualized base salaries at the end of each year of the Performance Period, multiplied by the target incentive award percentage as of the end of each of the year of the Performance Period, divided by three. For any year during the Performance Period where Employee is either not designated as a three-year plan participant for the full year or is not employed for the full year, annualized base salary shall be multiplied by a fraction, the numerator of which is months employed/participating during such year and the denominator of which is 12. Partial months employed/participating shall only be included in the numerator, above, if Employee is employed/participating for the majority of days in such month.
Award Cap	200%
Award Recipient	An employee of the Company to whom the Compensation Committee of the Board of Directors or the Board of Directors grants a Performance Restricted Unit Award, for such portion of the Performance Period as the Committee determines.
BVA	An economic value added measurement that equals the operating income for a Fiscal Year reduced by (i) a provision for income taxes equal to the operating income multiplied by the Company's total effective tax rate for the same Fiscal Year; and (ii) a capital charge equal to a 13-point average of "net operating assets" at the beginning and end of a Fiscal Year (with "net operating assets" defined as the net of trade receivables (net of reserves), inventory (net of reserves), other current assets, property, plant and equipment, trade payables and accrued liabilities) multiplied by 10%, as adjusted by resolution of the Compensation Committee within the first 90 days of the Performance Period.
Cumulative BVA	The sum of the BVA for each of the Fiscal Years in the Performance Period.
Cumulative EPS	The sum of the EPS for each of the Fiscal Years in the Performance Period.
EPS	The total after-tax profits for a Fiscal Year divided by the fully-diluted weighted average shares outstanding during the Fiscal Year, as adjusted by resolution of the Compensation Committee within the first 90 days of the Performance Period.
Fiscal Year	The fiscal year of the Company for financial reporting purposes as the Company may adopt from time to time.
Market Price	The Fair Market Value on the Grant Date.
Payout Date	The date determined by the Committee upon the vesting of Restricted Stock Units for the issuance and delivery of Common Stock and, if applicable, any cash payment, to which such Payout Date relates, which date shall be as soon as practicable following the date of vesting, but not later than March 15, 2020 (or, if earlier, within 30 days following the date of a Change in Control or termination of employment, to the extent provided in Section 6 of this Agreement).
Performance Period	The three year period beginning on the first day of the Company's 2017 Fiscal Year and ending on the last day of the Company's 2019 Fiscal Year.
Performance Period End Date	The last day of the Company's 2019 Fiscal Year.
Russell 3000 Companies	The companies making up the Russell 3000 Consumer Discretionary Index as of the first day of the Performance Period.

Total Shareholder Return	The change in value expressed as a percentage of a given dollar amount invested in a company's most widely publicly traded stock over the Performance Period, taking into account both stock price appreciation (or depreciation) and the reinvestment of dividends (including the cash value of non-cash dividends) in such stock of the company. The thirty (30) calendar-day average closing price of shares of Common Stock and the stock of the Russell 3000 Companies (i.e., the average closing prices over the period of trading days occurring in the thirty (30) calendar days prior to the first day of the Performance Period and ending on the first day of the Performance Period and the average closing prices over the period of trading days occurring in the final thirty (30) calendar days ending on the Performance Period End Date) will be used to value shares of Common Stock and the stock of the Russell 3000 Companies. Dividend reinvestment will be calculated using the closing price of a share of Common Stock or the stock of the applicable Russell 3000 Company on the ex-dividend date or, if no trades were reported on such date, the latest preceding date for which a trade was reported. If a company that is included in the Russell 3000 Consumer Discretionary Index as of the first day of the Performance Period ceases to be publicly traded (other than through bankruptcy) during the Performance Period, or if it publicly announced that any such company will be acquired, whether or not such acquisition occurs during the Performance Period, such company shall not be treated as Russell 3000 Company for purposes of the determinations herein and such company's Total Shareholder Return shall not be included for purposes of the calculations herein. Companies that were in the Russell 3000 Consumer Discretionary Index on the first day of the Performance Period but that exit due to bankruptcy before the end of the Performance Period remain Russell 3000 Companies and are assigned a Total Shareholder Return value of -100%. Companies that exit the Russell 3000 Consumer Discretionary Index before the end of the Performance Period but remain publicly-traded throughout the Performance Period remain Russell 3000 Companies.
TSR Percentile Rank	The percentage of Total Shareholder Return values among the Russell 3000 Companies at the Performance Period End Date that are equal to or lower than the Company's Total Shareholder Return at the Performance Period End Date, provided that if the Company's Total Shareholder Return falls between the Total Shareholder Return of two of the Russell 3000 Companies the TSR Percentile Rank shall be adjusted by interpolating the Company's Total Shareholder Return on a straight line basis between the Total Shareholder Return of the two Russell 3000 Companies that are closest to the Company's. For purposes of the TSR Percentile Rank calculation, the Company will be excluded from the group of Russell 3000 Companies.
BVA Factor	As set by the Compensation Committee within the first 90 days of the Performance Period.
Threshold BVA	As set by the Compensation Committee within the first 90 days of the Performance Period.
Target BVA	As set by the Compensation Committee within the first 90 days of the Performance Period.
Goal BVA	As set by the Compensation Committee within the first 90 days of the Performance Period.
Stretch BVA	As set by the Compensation Committee within the first 90 days of the Performance Period.
EPS Factor	As set by the Compensation Committee within the first 90 days of the Performance Period.
Threshold EPS	As set by the Compensation Committee within the first 90 days of the Performance Period.
Target EPS	As set by the Compensation Committee within the first 90 days of the Performance Period.
Goal EPS	As set by the Compensation Committee within the first 90 days of the Performance Period.
Stretch EPS	As set by the Compensation Committee within the first 90 days of the Performance Period.

WOLVERINE
EMPLOYEES' PENSION PLAN

Warner Norcross & Judd LLP
700 Terrace Point Road, Suite 350
Muskegon, Michigan 49440
P.O. Box 900
Muskegon, Michigan 49443-0900
(231) 727-2600

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WOLVERINE

EMPLOYEES' PENSION PLAN

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WOLVERINE
EMPLOYEES' PENSION PLAN

Wolverine World Wide, Inc., a Delaware corporation, amends and restates the Wolverine Employees' Pension Plan.

ARTICLE 1

Establishment of Plan and Trust

1.1 Establishment of Plan.

This defined benefit plan is established by the Employer for the exclusive benefit of eligible Employees and their beneficiaries.

(a) Employer. "Employer" means Wolverine World Wide, Inc.

(b) Plan History. A schedule of the effective dates of this plan and certain amendments may be attached.

(c) Adoption by Affiliated Employer. Adoption of this plan by an Affiliated Employer shall be effective as of the date specified by the Employer in Schedule A. Adoption of this plan by an Affiliated Employer shall not create a separate plan.

(i) Conditions/Special Provisions. In approving adoption of this plan by an Affiliated Employer, the Employer may specify special eligibility rules, entry dates, prior service credits or other provisions that apply to employees of the Affiliated Employer. The Employer may limit participation to, or exclude from participation, employees of any division, facility, subsidiary or other economic or administrative unit of the Employer or Affiliated Employer.

(ii) Affiliated Employer. An "Affiliated Employer" may be a subsidiary, which is an entity of which 50% or more of the voting control is owned directly or indirectly by the Employer, or an affiliate which is an entity of which 50% or more of the voting control is owned by owners of 50% or more of the voting stock of the Employer.

(d) Administration. For purposes of administration of this plan, "Employer" means only Wolverine World Wide, Inc.

1.2 Declaration of Trust.

The Employer may establish one or more Trusts to fund the benefits under the Plan. A trust so established shall be operated for the exclusive benefit of Participants and their beneficiaries. Trust assets shall not be used for any other purpose except payment of reasonable administrative expenses.

1.3 Compliance With Law.

This benefit program is intended to continue a qualified retirement plan and trust under the Internal Revenue Code of 1986 ("Code") and the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, and all applicable Regulations issued under the Code and ERISA ("Regulations").

1.4 Effective Dates of Plan Provisions.

"Effective Date" of this restated plan means January 1, 2011, unless a provision specifies a different effective date. Each plan provision applies from its effective date until the effective date of an amendment.

Notwithstanding the Effective Date specified in the preceding paragraph, the provisions of this restated plan complying with the Economic Growth and Tax Relief Reconciliation Act of 2001, including technical corrections made under the Job Creation and Workers Assistance Act of 2002, are retroactively effective as of the first day of the Plan Year beginning after December 31, 2001.

1.5 Application to Inactive and Former Participants.

An amendment to this plan shall apply to former Participants and to Participants not employed in Covered Employment on the effective date of the amendment only if it amends a provision of the plan that continues to apply to those Participants or only to the extent it expressly states that it is applicable. Except as specified in the preceding sentence, if a Participant is not employed in Covered Employment on the effective date of an amendment, the amendment shall not become applicable to the Participant unless the Participant has an Hour of Service in Covered Employment after the effective date of the amendment.

ARTICLE 2

Definitions

Except for the following general definitions, defined terms are located at or near the first major use of the term in this plan. A table showing the location of all definitions appears immediately after the table of contents. When used as defined, the first letter of each defined term is capitalized.

2.1 Break in Service.

"Break in Service" means an Employee's failure to complete more than 500 Hours of Service during a 12-consecutive-month period. An unpaid leave of absence under the Family and Medical Leave Act of 1993 shall not be treated as or counted toward a Break in Service. Any other leave of absence (for sickness, accident, vacation or similar reasons governed by rules uniformly applied to similarly situated Employees by the Employer) shall not cause a Break in Service.

2.2 Employer Contributions.

"Employer Contributions" means all contributions paid to the trust by the Employer under Article 4.

2.3 5% Owner.

"5% Owner" means:

(a) Corporation. An individual who owns (or is considered to own under Code Section 318) either more than 5% of the outstanding stock of a corporate Employer or Related Employer, or stock possessing more than 5% of the total combined voting power of all stock of a corporate Employer or Related Employer;

(b) Partnership. A partner who owns more than 5% of the capital or profits interest in an Employer or Related Employer that is a partnership; or

(c) Proprietorship. An Employer or Related Employer that is a sole proprietor.

Notwithstanding aggregation of the Employer and all Related Employers as required by Code Sections 414(b), (c) and (m), the percentage of ownership for purposes of this definition shall be determined separately for each entity that is an Employer or Related Employer.

2.4 Highly Compensated Employee.

(a) Definition. "Highly Compensated Employee" for a Plan Year means any Employee who:

(i) 5% Owner. Was a 5% Owner at any time during the current Plan Year or the 12-month period immediately preceding the current Plan Year; or

(ii) Other. Is described in (A) and (B) during the Look-Back Year.

(A) Compensation. Received Section 415 Compensation in excess of \$110,000 (as adjusted under Code Section 415(d)); and

(B) Top-Paid 20%. Was among the top-paid 20% of Employees when ranked by Section 415 Compensation.

(b) Determination Rules. The determination of who is a Highly Compensated Employee for a Plan Year shall be made under Code Section 414(q) and Regulations, including the following rules:

(i) Look-Back Year. "Look-Back Year" means the 12-month period immediately preceding the current Plan Year.

(ii) Top-Paid 20%. The following Employees are excluded before determining the top-paid 20% of Employees:

(A) Age and Service. Employees who have not attained age 21 or completed six months of service by the last day of the Look-Back Year;

(B) Part-Time/Seasonal. Employees who normally work less than 17 1/2 hours per week or normally work six months or less in any Plan Year;

(C) Nonresident Aliens. Employees who are nonresident aliens receiving no earned income from sources within the United States; and

(D) Collective Bargaining Employees. Employees covered by a collective bargaining agreement if more than 90% of all Employees are covered by a collective bargaining agreement and this plan excludes them.

(iii) Former Employees. A former Employee who was a Highly Compensated Employee at termination of employment or at any time after attaining age 55 shall be a Highly Compensated Employee at all times thereafter.

(iv) Consistency. The determination of Highly Compensated Employees shall be applied consistently to the determination years of all qualified retirement and non-retirement plans maintained by the Employer (and any Related Employer) that begin with or within the same calendar year. For purposes of this provision, determination year means the plan year for which the determination of Highly Compensated Employees is being made.

2.5 Hour of Service.

(a) Definition. "Hour of Service" means each hour that an Employee is directly or indirectly paid or entitled to be paid by the Employer for the performance of duties during the applicable period. These hours will be credited for the period in which the duties are performed.

(b) Back Pay. Hours of Service include each hour for which back pay, irrespective of mitigation of damages, is awarded or agreed to by the Employer. Back pay hours shall be credited to the Employee for the period or periods to which the award or agreement pertains.

(c) No Duties Performed. For all purposes under this plan, an Employee shall be credited with the first 501 Hours of Service for which the Employee is directly or indirectly paid or entitled to be paid by the Employer (including back pay) for each single period of absence from work, even if no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military service, leave of absence, or other similar reasons, even if employment terminates. However, an Employee is not required to be credited with Hours of Service for periods in which no duties are performed if the Employee is compensated solely as required by worker's compensation, unemployment compensation, or disability insurance laws. Hours described in this subsection (c) shall be credited to the Employee for the period in which payment is made or amounts payable to the Employee become due.

(d) Qualified Maternity or Paternity Absence. Only for purposes of determining whether the Employee has a Break in Service, an Employee shall be credited with the first 501 Hours of Service during a Qualified Maternity or Paternity Absence.

(i) Definition of Qualified Maternity or Paternity Absence. "Qualified Maternity or Paternity Absence" means an absence from work due to pregnancy of the Employee, birth of a child of the Employee, placement of a child with the Employee in connection with adoption of the child, or caring for a child immediately after the birth or placement of the child with the Employee.

(ii) Credit. If necessary to avoid a Break in Service, Hours of Service shall be credited for the period in which the absence begins. If the hours are not necessary to prevent a Break in Service for that period, the hours shall be credited for the next period. Hours of Service are credited at the rate the Employee normally would have earned Hours of Service. If these hours cannot be determined, the hours shall be credited at the rate of eight hours per day of absence.

(e) Qualified Military Service. If employment terminates due to Qualified Military Service, the Employee shall be credited with Hours of Service for the hours the Employee would have been scheduled to work during the period of Qualified Military Service.

(i) Definition of Qualified Military Service. "Qualified Military Service" means the performance of duty, on a voluntary or involuntary basis, in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty. For purposes of this definition, a uniformed service means the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, or any other category of persons designated by the President in time of war or national emergency.

(ii) Qualification/Reemployment. To qualify for this credit, the Employee must return to employment with the Employer in accordance with and within the time limits established by the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") (Chapter 43 of Title 38 of the United States Code).

(f) No Duplication. There shall be no duplication in the crediting of Hours of Service. An Employee shall not be credited with more than one Hour of Service for each hour paid at a premium rate.

(g) Non-Covered Employment. Hours of Service earned in employment with the Employer or a Related Employer that is not Covered Employment count toward Years of Eligibility and Vesting Service, but not toward Years of Benefit Service.

(h) Periods Credited. Generally, Hours of Service shall be credited as provided in Section 2530.200b of the ERISA Regulations. Hours of Service under (c) above shall be credited under the rules of this section and as provided in Section 2530.200b-2(b) of those Regulations. Hours of Service shall be credited to appropriate periods determined under the rules set forth in Section 2530.200b-2(c) of those Regulations.

(i) Additional Hours. The Administrator may adopt additional written, uniform, and nondiscriminatory rules that credit more Hours of Service than those required under the rules set forth in this section.

(j) Predecessor Plan. If this plan is required to be treated as a continuation of the plan of a predecessor employer under Code Section 414(a), an Employee shall be credited with all Hours of Service credited to the Employee under the predecessor's plan.

(k) Leased Employee. Hours of Service shall be credited for any period for which an individual is a Leased Employee or would have been a Leased Employee but for the requirement that the individual perform services as described in Section 3.4(a)(i) on a full-time basis for at least a one-year period.

(l) Equivalency. If an Employee is not paid on an hourly basis and records of hours worked are not maintained, Hours of Service shall be credited at the rate of 10 hours per day that the Employee would be credited with at least one Hour of Service under this section.

2.6 Person.

"Person" means an individual, committee, proprietorship, partnership, corporation, trust, estate, association, organization, or similar entity.

2.7 Plan Year.

"Plan Year" means the 12-month period beginning each January 1.

2.8 Related Employer.

"Related Employer" means (i) each corporation, other than the Employer, that is a member of a controlled group of corporations, as defined in Code Section 414(b), of which the Employer is a member; (ii) each trade or business, other than the Employer, whether or not incorporated, under common control of or with the Employer within the meaning of Code Section 414(c); (iii) each member, other than the Employer, of an affiliated service group, as defined in Code Section 414(m), of which the Employer is a member; and (iv) any other entity required to be aggregated with the Employer by Regulations under Code Section 414(o). An entity shall not be considered a Related Employer for any purpose under this plan during any period it is not described in (i), (ii), (iii), or (iv) in the preceding sentence.

2.9 Valuation Date.

"Valuation Date" means the last day of the Plan Year and any other date specified as a Valuation Date by the Administrator.

ARTICLE 3

Eligibility to Participate

3.1 Eligibility Requirements.

The eligibility requirements for participation in this plan are as to Regular Employees, the completion of one Hour of Service and as to all other Employees the completion of one Year of Eligibility Service. An Employee in Covered Employment shall become a Participant ("Participant") on the first Entry Date following the date the Employee satisfies the eligibility requirements.

(a) Employee Definitions. "Employee" means an individual who is employed by the Employer or a Related Employer and who receives compensation for personal services to the Employer or Related Employer that is subject to withholding for federal income tax purposes. "Regular Employee" means an Employee who normally renders, or is scheduled to render, personal services for at least 1,000 hours per Plan Year.

(b) Entry Date. "Entry Date" means each January 1, or July 1.

(c) Year of Eligibility Service. "Year of Eligibility Service" means completion of at least 1,000 Hours of Service during an Eligibility Period. A Year of Eligibility Service is credited only at the end of the Eligibility Period.

An Employee who is credited with at least 1,000 Hours of Service in both the initial Eligibility Period and the second Eligibility Period (the Plan Year beginning during the initial Eligibility Period) shall be credited with two Years of Eligibility Service.

(d) Eligibility Period. The initial "Eligibility Period" means the 12-month period beginning on the date the Employee first has an Hour of Service. For an Employee who has a Break in Service due to termination of employment before completing the eligibility service requirements, the initial Eligibility Period begins on the date the Employee has an Hour of Service due to reemployment. The second "Eligibility Period" means the Plan Year beginning within the initial Eligibility Period. Each later Eligibility Period shall coincide with each later Plan Year.

(e) Breaks in Service. Breaks in Service under this article shall be determined by reference to Eligibility Periods.

3.2 Requirement of Covered Employment.

If an eligible Employee is not employed in Covered Employment on the applicable Entry Date and the Employee's Years of Eligibility Service are not canceled under Section 3.3(b), the Employee shall become a Participant on the first subsequent day on which the Employee has an Hour of Service in Covered Employment.

"Covered Employment" means all employment with the Employer except employment with a Related Employer that has not adopted this Plan, employment as a Leased Employee, employment in a unit of employees covered by a collective bargaining agreement which does not extend the Plan to Employees within the unit under which the Employer has engaged in good faith negotiations about retirement benefits, employment of individuals employed by Sebago, Inc. on the date of the asset acquisition by the Employer (except as provided under Schedule C-9 or unless the Employee is subsequently hired independently of the acquisition by the Employer), employment as an employee of Wolverine Colorado, Inc., a Delaware corporation, or employment as a nonresident alien receiving no earned income from sources within the United States, for Employees hired on or after August 1, 2011, employment as a retail store Employee or, employment as an Employee who first completes an Hour of Service for an Adopting Employer after December 31, 2012. "Covered Employment" also excludes any person who is classified by the Employer as other than an Employee even if it is later determined that the classification is not correct.

3.3 Participation Rules.

(a) Termination of Participation. Participation shall terminate upon the earliest of the date the Participant is not an Employee and has been paid the full amount due under this plan, the date of the Participant's death, or the date the Participant's Years of Eligibility Service are canceled under (b) below.

(b) Cancellation of Years of Eligibility Service. An Employee's Years of Eligibility Service shall be canceled if the Employee's vested percentage is zero and the Employee has at least five consecutive Breaks in Service.

(c) Resumption of Participation. If an Employee's Years of Eligibility Service are canceled under (b) above, the Employee must satisfy the eligibility requirements of Section 3.1 again to participate or to resume participation in this plan. If the Years of Eligibility Service of a former Participant are not canceled, the former Participant shall resume participation immediately upon completion of an Hour of Service in Covered Employment.

(d) No Resumption of Participation . Notwithstanding anything in this section to the contrary, if a former Participant is rehired after December 31, 2014, the former Participant shall not be eligible to resume participation in the plan.

3.4 Leased Employee.

(a) Definition. "Leased Employee" means an individual described in and required to be treated as employed by the recipient under Code Sections 414(n) and 414(o) and Regulations. For this definition, the term recipient includes the Employer and any Related Employer for whom the individual performs services.

(i) Code Section 414(n). A Leased Employee under Code Section 414(n) is an individual who is not an Employee but who performs services for the recipient under the primary direction or control of the recipient, pursuant to an agreement between the recipient and a leasing organization, on a full-time basis for at least a one-year period.

(ii) Code Section 414(o). A Leased Employee includes a leased owner or a leased manager determined to be a Leased Employee under Code Section 414(o) and the Regulations.

(b) Exceptions. A Leased Employee shall not be treated as employed by the recipient if:

(i) Less Than 20%. Leased Employees determined under (a) above do not constitute more than 20% of the recipient's non-highly compensated work force, and

(ii) Covered by Plan Described in Code Section 414(n). The individual is covered by a money purchase pension plan described in Code Section 414(n) maintained by the leasing organization with a nonintegrated employer contribution rate of at least 10% of compensation, immediate participation for all employees of the leasing organization, and full and immediate vesting. Immediate participation shall not be required for employees who received less than \$1,000 in compensation from the leasing organization in each Plan Year during the four-year period ending with the current Plan Year. For purposes of this provision, compensation means Section 415 Compensation.

ARTICLE 4

Contributions

4.1 Contributions/Amount.

Each Plan Year the Employer shall contribute to the trust an amount determined by a funding policy consistent with plan objectives and in accordance with the funding method adopted on the advice of the Actuary. The funding method shall not be changed except with the automatic or prior approval of the Internal Revenue Service. The Employer Contribution for any Plan Year need not be sufficient to fully fund any benefit. The Employer Contribution shall meet the minimum funding requirements of the Code, unless the Employer obtains a waiver of that requirement. Forfeitures shall be applied to reduce the cost of this plan in the calculations of the Actuary and shall not be applied to increase the benefits otherwise payable to a Participant.

4.2 Limits on Employer Contributions.

Employer Contributions for a Plan Year shall not exceed the amount allowable as a deduction under Code Section 404 and shall not exceed the full funding limitation under Code Section 412. A nondeductible Employer Contribution may be subject to a 10% excise tax.

4.3 Return of Employer Contributions.

(a) Mistake of Fact. Part or all of any Employer Contribution made by mistake of fact shall be returned to the Employer, upon demand, within one year after payment of the contribution.

(b) Nondeductible. Each Employer Contribution is conditioned on its deductibility under Code Section 404. A nondeductible Employer Contribution shall be returned to the Employer, upon demand, before the due date for the Employer's federal income tax return for the taxable year for which the contribution was made or if later, within one year after the date of disallowance of the deduction. The portion of the contribution to be returned shall not exceed the amount determined to be nondeductible.

(c) Amount. The amount that may be returned shall be determined as of the Valuation Date coinciding with or most recently preceding the date of repayment. The amount shall be the excess of the amount contributed over the amount that is deductible or the amount that would have been contributed if the mistake of fact had not occurred. Earnings attributable to the excess amount shall not be returned. Losses attributable to the excess amount shall reduce the amount returned.

4.4 Reduction of Contribution for Leased Employees.

If a Leased Employee becomes a Participant in this plan, the Employer Contribution shall be reduced by the Actuarially Equivalent value of contributions made by the leasing organization on behalf of the Participant to a qualified retirement plan for services performed by the Leased Employee for the Employer.

4.5 Timing of Contributions.

(a) Quarterly Payments. The Employer Contribution may be made at any time during the Plan Year to which it relates. When required by Code Section 412, the Employer shall contribute four equal, quarterly installments (not more than 15 days after the end of each quarter) during the Plan Year. If the Employer fails to pay the full amount of a required installment for a Plan Year, interest on the underpayment shall be charged in accordance with Code Section 412.

(b) Final Payment. The entire Employer Contribution shall be made by the due date (including extensions) of the Employer's federal income tax return, but not later than 8 1/2 months after the end of the Plan Year unless the Employer obtains a waiver of the minimum funding requirement.

ARTICLE 5

Amount of Benefits

5.1 Normal Retirement.

A Participant whose employment terminates, for reasons other than death or Disability, on the Participant's Normal Retirement Date is eligible for a Normal Retirement Benefit.

(a) Normal Retirement Date. "Normal Retirement Date" means the date the Participant attains age 65.

(b) Normal Retirement Benefit. "Normal Retirement Benefit" means the Participant's Accrued Benefit. The monthly Normal Retirement Benefit shall be not less than the amount of any Early Retirement Benefit to which the Participant was entitled if the Participant had retired at any time under the provisions of Section 5.2.

(c) Accrued Benefit. "Accrued Benefit" means a monthly pension benefit, payable as a Single Life Annuity, beginning on the first day of the month following the Participant's Normal Retirement Date reduced by any charge.

(i) Base Monthly Amount. The monthly amount shall be the greater of:

(A) Unit. 1.6% of Average Monthly Compensation multiplied by the Participant's Years of Benefit Service (not exceeding 30) less the Participant's Monthly Social Security Allowance, or

(B) Flat Dollar. The applicable dollar amount set forth in Schedule B multiplied by the Participant's Years of Benefit Service (not exceeding 30).

(ii) Monthly Social Security Allowance. A Participant's Monthly Social Security Allowance shall be the lesser of:

(A) $\frac{3}{4}$ Unit. $\frac{3}{4}$ of 1% of the lesser of the Participant's Final Average Monthly Compensation or Covered Compensation multiplied by the Participant's Years of Benefit Service.

(B) $\frac{1}{2}$ Benefit. $\frac{1}{2}$ of the Participant's Accrued Benefit calculated under 5.1(c)(i)(A) above but based upon the smallest of the Participant's Monthly Average Compensation, Final Average Compensation or Covered Compensation.

If payment begins after normal retirement age but before Social Security Retirement Age, the monthly Social Security Allowance shall be reduced by .5555% ($\frac{1}{180^{\text{th}}}$) for each month by which payment precedes the Participant's attainment of Social Security Retirement Age.

(iii) Covered Compensation. "Covered Compensation" for the Plan Year means the average (without indexing) of the Taxable Wage Base in effect for each calendar year during the 35-year period ending with December 31 of the calendar year in which the Participant attains the Social Security Retirement Age. Covered Compensation shall be expressed as a monthly amount by dividing the average by 12.

(A) Taxable Wage Base. "Taxable Wage Base" means the contribution and benefit base in effect under Section 230 of the federal Social Security Act at the beginning of the Plan Year.

(B) Calculation/Adjustment. The determination for a Plan Year shall assume that there will be no increase for a subsequent Plan Year. However, Covered Compensation will be automatically adjusted for each Plan Year including the Plan Year in which a Participant attains Social Security Retirement Age. Covered Compensation after the 35-year period shall be the Covered Compensation amount for the Plan Year during which the 35-year period ends. Covered Compensation before the 35-year period is the Taxable Wage Base in effect on the first day of the Plan Year..

(iv) Final Average Compensation. "Final Average Compensation" means the monthly average of the Participant's Compensation (not exceeding the Taxable Wage Base) for the three consecutive Plan Years preceding the Participant's Normal Retirement Date (or termination of employment).

(A) Less Than 3 Years. If the Participant does not have three complete consecutive Plan Years of Compensation preceding the Participant's retirement or termination of employment, Final Average Compensation shall be the average of the Participant's Compensation (not exceeding the Taxable Wage Base) during the Participant's completed consecutive Plan Years of employment, including the Participant's Compensation for the Plan Year that includes the Participant's retirement or termination of employment.

(B) Calculation. The average shall be determined and expressed as a monthly amount by adding the Participant's Compensation (not exceeding the Taxable Wage Base) for the period of three or fewer consecutive Plan Years and dividing the sum by 36 or by the lesser number of months of total service. Final Average Compensation shall be determined as of the date the Participant's employment terminates.

(v) Preserved Benefits. A Participant's Accrued Benefit shall not be less than:

(A) 1989. The Accrued Benefit determined under the terms of the Plan as of December 31, 1988, or

(B) 1994. The sum of the Participant's Accrued Benefit as of December 31, 1993, (based on the then terms of the Plan and the Participant's Credited Service and earnings) plus the benefit accrued since December 31, 1993.

(vi) Fresh Start Extended Wear Away. Benefit determined under 5.1(c)(i)(A) above shall be the greater of the actual benefit amount or the sum of the Adjusted Accrued Benefit and Future Service Benefit.

(A) 401(a)(17) Participant. A 401(a)(17) Participant is a Participant with accrued benefits before January 1, 1994, that were determined taking into account Compensation in excess of \$150,000.

(B) Adjusted Accrued Benefit. The "Adjusted Accrued Benefit" shall mean the Participant's Accrued Benefit determined as of December 31, 1993, determined without regard to the \$150,000 Code Section 401(a)(127) compensation limit adjusted as permitted under Section 415(d) of the Code.

(C) Future Service Benefit. The "Future Service Benefit" shall be equal to the benefit computed under 5.1(c)(i)(A) above for Years of Benefit Service after December 31, 1993. In calculating the benefit:

(1) Less Than 30 Years. For a Participant who would have less than 30 Years of Benefit Service as of the later of December 31, 1993, or Normal Retirement Date, future service benefit credits shall equal the excess of 1.6% of Average Monthly Compensation multiplied by Years of Benefit Service after December 31, 1993. The Participant's Monthly Social Security Allowance utilizing only Years of Benefit Service after December 31, 1993. The post-December 31, 1993, Years of Benefit Service shall not exceed the difference between 30 years and the Years of Benefit Service used in determining the Adjusted Accrued Benefit.

(2) 30 Years or More. For a Participant not described in (1) above, the Future Service Benefit shall be determined by multiplying the excess of 1.6% of Monthly Average compensation multiplied by Years of Benefit Service (not exceeding 30) over the Monthly Social Security Allowance by a fraction. The numerator of the fraction is the Participant's years of Benefit Service credited before December 31, 1993, and the denominator is the Participant's total Years of Benefit Service at Normal Retirement Date.

(d) Average Monthly Compensation. "Average Monthly Compensation" means the monthly average of the Participant's Compensation for the four consecutive Plan Years that yield the highest average during the 10-year period preceding the Participant's Normal Retirement Date (or termination of employment).

(i) Final Year. The Participant's Compensation for the Plan Year that includes the Participant's retirement or termination of employment shall be annualized (based upon current pay plus non-deferral bonus). The Participant's annualized compensation shall be included in the determination of the Participant's Average Monthly Compensation provided it results in a higher amount. In that case, the 10-year period described above shall become an 11-year period as a result of including the Participant's final year of employment in the determination.

(ii) Less Than 4 Years. If the Participant does not have four complete consecutive Plan Years of Compensation, Average Monthly Compensation shall be the

average of the Participant's Compensation during the Participant's completed consecutive Plan Years of employment.

(iii) Calculation. The average shall be determined and expressed as a monthly amount by adding the Participant's Compensation for the period of four or fewer consecutive Plan Years and dividing the sum by 48 or by the lesser number of months of total service. Average Monthly Compensation shall be determined as of the date the Participant's employment terminates.

(e) Compensation. "Compensation" means the gross salary or wages paid to a Participant in a Plan Year for personal services performed for the Employer that are required to be reported under Code Sections 6041, 6051, and 6052 (Wages, tips and other compensation as reported on Form W-2) for the Participant plus Elective Deferrals and any amount that is excluded from gross income pursuant to Code Section 125, but excluding, whether or not includable in income, reimbursements or other expense allowances, cash and noncash fringe benefits, moving expenses, deferred compensation, welfare benefits, and payments under the Wolverine World Wide, Inc. Executive Long Term Incentive Plan.

(i) Elective Deferrals. "Elective Deferrals" means any portion of the Participant's income deferred and excluded from current taxation under Code Sections 401(k) (a qualified cash or deferred arrangement); 408(k)(6) (a simplified employee pension plan); 403(b) (a tax-sheltered annuity); 408(p)(2)(A)(ii) (a SIMPLE retirement plan); 457 (a deferred compensation plan of governments and tax-exempts); or 501(c)(18) (a pre-June 25, 1959, employee contributions only plan).

(ii) Adjusted Annual Compensation Limit. Compensation for any Plan Year shall not exceed the Annual Compensation Limit. For Plan Years beginning on or after January 1, 2002, the "Annual Compensation Limit" means \$200,000 (as adjusted under Code Section 401(a)(17)(B)).

If Compensation for any prior Plan Year is used to determine a Participant's benefit accruing in a Plan Year beginning on or after January 1, 2002, the Participant's Compensation for that prior Plan Year is subject to the Annual Compensation Limit. For this purpose, for Plan Years beginning before January 1, 2002, the Annual Compensation Limit is \$200,000.

(iii) Compensation For Period of Qualified Military Service. Effective December 12, 1994, if a Participant returns from Qualified Military Service to employment with the Employer within the time limits established by USERRA, the Participant shall be treated as receiving Compensation from the Employer at the rate of pay the Participant would have received during the period of qualified military Service. If the Participant's Compensation during the period of qualified Military Service cannot be determined with reasonable certainty, the Participant's Compensation shall equal the Participant's average compensation from the Employer for the 12-month period immediately preceding the Qualified Military Service (or, if shorter than 12 months, the period of employment immediately preceding the Qualified Military Service).

(iv) Commissioned Salesperson. Compensation, for a salesperson compensated on a commission basis, shall be 70% of the amount otherwise determined in this subsection.

(f) Benefit Service. A Participant shall earn a "Year of Benefit Service" for each full or fractional year of Credited Service to which the Participant was entitled under the terms of the Plan prior to January 1, 1976, and Plan Years after December 31, 1975, in which the Participant completes at least 1,000 Hours of Service in Covered Employment.

(i) Maximum. A Participant shall not be credited with more than 30 Years of Benefit Service.

(ii) Restoration. Notwithstanding the provisions of Section 6.4(b), if a Participant has completed at least four years of continuous employment at termination of employment and the Participant is reemployed after attaining age 55 and remains employed until attainment of Normal Retirement Age or subsequently is credited with at least 10 Years of Vesting Service, all years of the Participant's Benefit Service (including those which would have otherwise been cancelled) shall be included in determining the Participant's Benefit Service.

5.2 Early Retirement.

A Participant whose employment terminates, for reasons other than death or Disability, on or after the Participant's Early Retirement Date and before the Participant's Normal Retirement Date is eligible for an Early Retirement Benefit.

(a) Early Retirement Date. "Early Retirement Date" means the date the Participant attains age 60, or if later, the date the Participant completes 10 Years of Vesting Service.

(b) Early Retirement Benefit. "Early Retirement Benefit" means the Participant's Accrued Benefit determined as of the date that the Participant's employment terminated. In determining the benefit under 5.1(c)(i)(A):

(i) Tentative Benefit. The tentative benefit shall be calculated utilizing what the Participant's Years of Benefit Service (not exceeding 30) and Compensation would have been had the Participant continued in employment until the Normal Retirement Date.

(ii) Compensation. The Participant's Compensation shall be assumed to have continued at the same amount immediately before the Participant's early retirement.

(iii) Fraction. The tentative benefit shall be multiplied by a fraction. The numerator of the fraction shall be the Participant's Years of Benefit Service at the Early Retirement Date (not limited to 30) and the denominator shall be the total number of Years of Benefit Service (not limited to 30) that the Participant would have had at Normal Retirement Date.

(c) Early Payment. If the Participant elects payment of the Early Retirement Benefit beginning earlier than the first day of the month after the Participant's Normal Retirement Date, the monthly amount of the benefit shall be reduced for each additional month that the benefit is payable by the percentage determined below:

	<u>Percentage Reduction</u>
1.6% or Dollar Formula	.3333 (1/3 of 1%)
Social Security Allowance First 60 months Preceding Social Security Retirement Age	.5555 (5/9% per month)
Social Security Allowance Next 60 months Preceding Social Security Retirement Age	.2777 (5/18% per month)

5.3 Late Retirement.

A Participant whose employment terminates or whose employment continues after the Participant's Normal Retirement Date is eligible for a Late Retirement Benefit.

(a) Late Retirement Date . "Late Retirement Date" means the date that the Participant's employment terminates or, if earlier, the Participant's Required Beginning Date.

(b) Late Retirement Benefit. "Late Retirement Benefit" means a monthly pension benefit equal to:

(i) Before Required Beginning Date. If the Participant's employment terminates on or before the Participant's Required Beginning Date, the greater of:

(A) Actuarially Equivalent. The monthly benefit that is Actuarially Equivalent to the Normal Retirement Benefit that would have been payable on the Participant's Normal Retirement Date; or

(B) Additional Accrual. The monthly benefit that is determined as of the Late Retirement Date, including any additional benefits accrued for the period of employment after the Participant's Normal Retirement Date.

(ii) After Required Beginning Date. If the Participant's employment terminates after the Participant's Required Beginning Date, the amount determined in (i) above reduced by the Actuarially Equivalent value of the total plan distributions made to the Participant up to the Participant's Late Retirement Date.

5.4 Deferred Vested Retirement.

A Participant whose vested percentage is greater than zero and whose employment terminates before the Participant's Normal or Early Retirement Date, for reasons other than death or Disability, is eligible for a Deferred Vested Benefit.

(a) Deferred Vested Benefit. "Deferred Vested Benefit" means the Participant's Vested Accrued Benefit determined under Section 5.2(b) (Early Retirement Benefit).

(b) Vested Accrued Benefit. "Vested Accrued Benefit" means the Participant's Deferred Vested Benefit multiplied by the Participant's vested percentage. The nonvested portion of a Participant's Accrued Benefit is the difference between the Participant's Accrued Benefit and the Participant's Vested Accrued Benefit.

(c) Early Payment. If the Participant is eligible to elect and elects payment of the Deferred Vested Benefit beginning earlier than the first day of the month after the Participant's Normal Retirement Date, the monthly amount of the benefit shall be reduced for each additional month that the benefit is payable in the same manner as provided for early payment of the Early Retirement Benefit.

5.5 Death Benefits.

A death benefit shall be paid only as provided in this section.

(a) Death Before Vesting. If a Participant whose vested percentage is zero dies, a benefit shall not be payable under this plan.

(b) Death Before Annuity Starting Date. If a Participant who has a Vested Accrued Benefit dies before the Annuity Starting Date benefits, if any, will be paid as follows:

(i) Surviving Spouse. If the Participant has a Surviving Spouse, the Surviving Spouse shall receive a QPSA unless the Surviving Spouse waives the QPSA and elects another available form of payment.

(A) Spouse Defined. "Spouse" means the individual to whom the Participant is lawfully married under the laws of the domestic or foreign jurisdiction where the ceremony was performed. A former Spouse shall not be a Spouse except to the extent specified in a QDRO.

(B) Surviving Spouse Defined. "Surviving Spouse" means the Spouse to whom the Participant was married at the time of death and who survives the Participant. If the Participant dies before benefit payments begin, "Surviving Spouse" means the Spouse to whom the Participant was married for at least 6 consecutive months at the Participant's death and who survives the Participant.

(C) QPSA Defined. "QPSA" means a qualified pre-retirement survivor annuity that is a monthly Single Life Annuity payable to the Surviving Spouse of a Participant. The monthly amount of the QPSA is:

(1) Employee - 10 Years. If the Participant had three years of Vesting Service by December 31, 2003, and had completed at least 10 Years of Vesting Service and was an Employee on the Date of Death, 50% of the monthly pension which should have been provided under the standard form of payment computed as though the Participant had continued in covered Employment until the Normal Retirement Date based on his Average Monthly Compensation at the date of death.

(2) Non-Employee – 10 Years. If the Participant had three years of Vesting Service by December 31, 2003, was not employed but had completed at least 10 years of Vesting Service on the date of death, 50% of the Deferred Vested Benefit payable without reduction for early payment; or

(3) Other. As to any other Participant, 50% of the benefit that would have been payable to the Participant if the Participant had retired on the day before the Participant died and had elected to have benefit payments begin on the earliest permitted payment date in the form of an immediate QJSA. The monthly amount is subject to reasonable actuarial adjustments to reflect a payment earlier or later than the date as of which the QPSA was determined.

(ii) No Surviving Spouse. If the Participant does not have a Surviving Spouse, a benefit shall not be payable under this plan.

(c) Death After Annuity Starting Date. If a Participant who has a Vested Accrued Benefit dies after the Annuity Starting Date, the Beneficiary shall be paid any remaining benefits payable under the form of payment the Participant was receiving before death.

(d) Death While Performing Qualified Military Service. If a Participant dies on or after January 1, 2007, while performing Qualified Military Service and the Participant was entitled to reemployment rights under USERRA immediately before the Participant's death, the Participant's Beneficiary shall be entitled to any additional benefits (including, without limitation, accelerated vesting, credit for service for vesting purposes, and any survivor benefit, but not including benefit accruals relating to the period of Qualified Military Service) that would have been provided under the plan had the Participant resumed employment with the Employer and then terminated employment due to death.

5.6 Pension Offsets.

The amount of any retirement benefit shall be reduced by payments (other than reimbursement for medical expenses) to the Participant.

(a) Workers Compensation. On account of disability due to injury or occupational disease for which an Employer is liable under workers compensation for occupational disease law received after becoming eligible for and meeting all requirements to commence benefits.

(i) Lump Sum. A lump sum payment of amounts under this paragraph shall be charged in full on a monthly basis against the benefit otherwise payable until the amount received is exhausted.

(ii) Offset Limited. A lump sum shall not be charged to the extent that the lump sum would have been previously exhausted if the Participant has been receiving benefits and the payment has been charged since the earlier of the Participant's receipt of disability benefits or the date the Participant last completed an Hour of Service.

(b) Disability Pension. In the nature of a disability pension under Federal or State law (other than a military service pension, disability insurance benefits under the Social Security Act or payments under State law enacted pursuant to Title I of the Social Security Act).

Payments due to dismemberment or loss of sight or payments arising from disability provisions of group life insurance policies shall not reduce any retirement benefit.

5.7 Special Benefit Schedules.

The provisions of this Article (and, if necessary Articles 3 and 6) may be modified and superceded as specified in Schedule C to apply to any identified group or classification of Employees.

5.8 Benefit Rules.

(a) Single Benefit. A Participant shall not receive more than one type of benefit in any month.

(b) Previously Paid Benefits. The amount of a benefit payable under this article shall be reduced by the amount of benefits previously paid to or with respect to the Participant, including a lump-sum payment of the Participant's entire Vested Accrued Benefit after the Participant's employment terminates. All reductions shall be computed on a uniform basis by calculating and offsetting the Actuarially Equivalent value of the benefit previously paid from the Participant's final benefit.

(c) Transfer. A transfer between Covered Employment and any other employment with the Employer (including employment as a Leased Employee), or a transfer between the Employer and a Related Employer, is not termination of employment.

5.9 Maximum Annual Benefits .

The Annual Benefit accrued by or payable to a Participant in a Limitation Year, from all defined benefit plans maintained by the Employer and each Related Employer, may not exceed the lesser of the Defined Benefit Dollar Limit or the Compensation Limit. If the benefit that a Participant would otherwise accrue in a Limitation Year would produce an Annual Benefit in excess of the permissible amount under Code Section 415 and

Regulations, the benefit shall be limited (or the rate of accrual reduced) to a benefit that does not exceed the limits. The limitations of this section apply for Limitation Years beginning on or after July 1, 2007, unless otherwise provided.

(a) Annual Benefit . "Annual Benefit" means a benefit payable annually in the form of a Single Life Annuity. Annual Benefit includes social security supplements described in Code Section 411(a)(9) and benefits transferred from another defined benefit plan (other than transfers of distributable benefits pursuant to Regulations Section 1.411(d)-4, Q&A-3(c)), but does not include benefits attributable to after-tax employee contributions or rollover contributions. The treatment of benefits that are transferred to this plan is determined pursuant to Regulations Section 1.415(b)-1(b)(3).

(b) Defined Benefit Dollar Limit . "Defined Benefit Dollar Limit" means \$195,000, as adjusted, effective January 1 of each year, under Code Section 415(d) in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. The limit as adjusted under Code Section 415(d) will apply to Limitation Years ending with or within the calendar year for which the adjustment applies, however, a Participant's benefit shall not reflect the adjusted limit prior to January 1 of that calendar year.

(c) Compensation Limit . Effective for Limitation Years beginning after December 31, 2005, "Compensation Limit" means 100% of the average of the Participant's Section 415 Compensation for the three consecutive years of service (or, if the Participant has less than three consecutive years, the Participant's longest consecutive period of service, including fractions thereof, but not less than one year) that produce the highest average. The period for determining a year of service under this provision shall be the Plan Year.

(i) Termination of Employment. If a Participant's employment terminates, the Participant's highest average compensation shall be automatically adjusted by the cost-of-living adjustment factor under Code Section 415(d) in the manner prescribed by the Secretary of Treasury. The adjusted compensation amount shall apply to Limitation Years ending with or within the calendar year of the date of the adjustment, however, a Participant's benefit shall not reflect the adjusted limit prior to January 1 of that calendar year.

(ii) Reemployment. If a Participant is subsequently reemployed following a termination of employment, the "Compensation Limit" for the Participant is the greater of (A) 100% of the average of the Participant's Section 415 Compensation for the three consecutive years that produced the highest average determined at the time the Participant's employment terminated (as adjusted under (i) above) or (b) 100% of average of the Participant's Section 415 Compensation for the three consecutive years that produce the highest average determined by excluding all years for which the Participant performed no services for, and received no compensation from, the Employer or any Related Employer and by treating the years immediately preceding the date of termination and the years following the date of reemployment as consecutive.

(d) Section 415 Compensation . "Section 415 Compensation" means the gross salary or wages paid to a Participant in a Plan Year for personal services performed

for the Employer that are required to be reported under Code Sections 6041, 6051, and 6052 (wages, tips and other compensation as reported on Form W-2) for the Participant. Differential wage payments as defined under Code Section 3401(h)(2) made by the Employer to an Employee with respect to any period during which the Employee is performing Qualified Military Service for a period of more than 30 days shall be included in Section 415 Compensation. Differential wage payments as described in the preceding sentence shall be included only for purposes of determining compliance with Code Section 415 and Regulations and in no event, notwithstanding any other provision of this plan to the contrary, shall any benefit under this plan be based on the differential wage payment.

(i) Inclusions. Section 415 Compensation includes:

(A) Elective Contributions. Elective contributions that are excluded from gross income by Code Sections 125, 132(f)(4), 402(g)(3) or 457;

(B) Deemed Section 125 Compensation. Elective contributions for payment of group health coverage that are not available to a Participant in cash because the Participant is unable to certify to alternative health coverage but only if the Employer does not request or collect information regarding the Participant's alternative health coverage as part of the enrollment process for the group health plan;

(C) Compensation Paid after Employment Terminates. For Limitation Years beginning on or after July 1, 2007, the following amounts provided they are paid by the later of 2 1/2 months after the Participant's employment terminates or the end of the Limitation Year that includes the date of termination:

(1) Regular Compensation. Regular compensation for services performed during the Participant's regular working hours, or compensation for services performed outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, provided they would have been made had the Participant continued in employment with the Employer;

(2) Leave Cashouts. Payments made for unused accrued bona fide sick, vacation, or other leave that the Participant would have been able to use if employment had continued; or

(3) Deferred Compensation. Payments made pursuant to a nonqualified unfunded deferred compensation plan that would have been paid at the same time had employment continued, but only to the extent the payment is includible in the Participant's gross income.

(ii) Limitation. Section 415 Compensation shall not exceed the Annual Compensation Limit.

(iii) Estimation. Until Section 415 Compensation is actually determinable, the Employer may use a reasonable estimate of Section 415 Compensation. As soon as administratively feasible, actual Section 415 Compensation shall be determined.

(e) Limitation Year . "Limitation Year" means the Plan Year. If the Limitation Year is amended to a different 12-month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made.

(f) Aggregation Rules.

(i) General Rule. In accordance with Regulations Section 1.415(f)-1, all defined benefit plans maintained by the Employer and any Related Employer (as modified by Code Section 415(h)), all benefits under those plans, and Section 415 Compensation from the Employer and any Related Employer (as modified by Code Section 415(h)) shall be aggregated for purposes of applying this section and the remainder of this article. In applying the limitations of this article, if this plan is aggregated with another plan, a Participant's benefits shall not be counted more than once in determining the Participant's aggregate Annual Benefit pursuant to Regulations Section 1.415(f)-1(d)(1).

(ii) Terminated Plan. The benefits provided under a terminated defined benefit plan maintained by the Employer or any Related Employer shall be taken into account in applying the limitations of this article in accordance with Regulations Section 1.415(b)-(1)(b)(5).

(iii) Formerly Affiliated Plan. A formerly affiliated plan shall be treated as a plan maintained by the Employer but the formerly affiliated plan shall be treated as if it had terminated immediately prior to the cessation of affiliation with sufficient assets to pay benefit liabilities under the plan and had purchased annuities to provide benefits. For purposes of this provision, a formerly affiliated plan is a plan that, immediately prior to the cessation of affiliation, was actually maintained by an entity that constitutes the Employer (as determined under Regulations Sections 1.415(a)-1(f)(1) and (2)) and immediately after the cessation of affiliation, is not actually maintained by the entity. Cessation of affiliation under the preceding sentence means the event that causes an entity to no longer be aggregated with the Employer under the affiliation rules described in Regulations Sections 1.415(a)-1(f)(1) and (2) (such as the sale of a subsidiary to an unrelated corporation) or that causes a plan to not actually be maintained by an entity that constitutes the Employer under the affiliation rules described in Regulations Sections 1.415(a)-1(f)(1) and (2) (such as a transfer of plan sponsorship to an unrelated corporation).

(iv) Predecessor Employer. If the Employer maintains a defined benefit plan that provides benefits accrued by a Participant while performing services for a former employer (for example, the Employer assumed sponsorship of the former employer's plan or this plan received a transfer of benefits from the former employer's plan), the Participant's benefit under plan maintained by the former employer shall be treated as provided under a plan maintained by the Employer as provided under Regulations Section 1.415(f)-1(c). A former entity that existed before the Employer will be considered a predecessor employer with respect to a Participant if, under the facts and circumstances, the Employer constitutes a continuation of all or a portion of the trade or business of the former entity.

(v) Previously Unaggregated Plans. In accordance with Regulations Section 1.415(f)-1(e), two or more defined benefit plans that were not required to be aggregated as of the first day of a Limitation Year will satisfy the requirements of Code Section 415 with respect to a Participant for the Limitation Year if the plans are aggregated

later in that Limitation Year, provided that no plan amendments increasing benefits with respect to the Participant under either plan are made after the occurrence of the event causing the plans to be aggregated. Two or more defined benefit plans that are required to be aggregated pursuant to Code Section 415(f) during a Limitation Year subsequent to the Limitation Year during which the plans were first aggregated will satisfy the requirements of Code Section 415 with respect to a Participant for the Limitation Year if they are aggregated, provided there have been no increases in the Participant's benefit (including increases as a result of increased compensation or service) under any of the plans at any time during which the plans have been aggregated.

5.10 Adjustments to Maximum Annual Benefits .

The Annual Benefit and limitations described in Section 5.9 shall be adjusted in accordance with this section and applicable Regulations. The provisions of this section shall apply for Limitation Years beginning on or after July 1, 2007, unless otherwise provided.

(a) Annual Benefit Actuarial Adjustment .

(i) Actuarial Adjustment. Except as specified in (ii) below, an Annual Benefit payable in form other than a Single Life Annuity must be adjusted to the actuarially equivalent value of the Single Life Annuity in accordance with the following.

(A) Benefits Not Subject To 417(e). For any benefit paid in a form to which Code Section 417(e) does not apply, the actuarially equivalent value of the Single Life Annuity shall be the greater of (1) the annual amount of the Single Life Annuity (if any) payable to the Participant under the plan commencing at the same Annuity Starting Date as the form of benefit payable to the Participant, or (2) annual amount of the Single Life Annuity commencing at the Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using an interest rate assumption of 5% and the 417(e) Mortality Table for that Annuity Starting Date.

(B) Benefits Subject To 417(e). For any benefit paid in a form to which Code Section 417(e) applies, the actuarially equivalent value of the Single Life Annuity shall be determined as follows:

(1) After December 31, 2005. If the Annuity Starting Date occurs in a Limitation Year beginning after December 31, 2005, the value shall equal the greatest annual amount of the Single Life Annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant computed by: (i) using the interest rate and mortality table specified in this plan for adjusting benefits in the same form, (ii) using an interest rate assumption of 5.5% and the 417(e) Mortality Table, or (iii) using the 417(e) Interest Rate and the 417(e) Mortality Table and then dividing the result by 1.05.

(2) 2004 or 2005. If the Annuity Starting Date occurs in a Limitation Year beginning in 2004 or 2005, the value shall be the largest amount determined under (1) above using the actuarial equivalence factors specified in (i) and (ii) only.

(3) PFEA Transition Rule. Notwithstanding (2) above, if the Annuity Starting Date occurs after December 31, 2003 and before January 1, 2005, the value shall not be less than the greatest benefit determined by (i) using the interest rate and mortality table specified in this plan for adjusting benefits in the same form, (ii) using the 30-Year Treasury Rate as defined and determined under the provisions of this plan then in effect and the 417(e) Mortality Table, or (iii) using the 30-Year Treasury Rate on the last day of the last Limitation Year beginning before January 1, 2004 under the provisions of this plan then in effect and the 417(e) Mortality Table.

(ii) No Actuarial Adjustment. Actuarial adjustments are not required for:

(A) Survivor Benefits. Survivor benefits payable to a Surviving Spouse under a QJSA to the extent such benefits would not be payable if the Participant's benefit were paid in another form;

(B) Ancillary Benefits. Benefits that are not directly related to retirement benefits (such as a qualified disability benefit, preretirement incidental death benefits, and post-retirement medical benefits); and

(C) Automatic Benefit Increase. The inclusion in the form of benefit of an automatic benefit increase feature, provided the form of benefit is not subject to Code Section 417(e)(3) and would otherwise satisfy the limitations of Code Section 415(b) and Regulations, and in no event would the amount payable to the Participant under the form of benefit in any Limitation Year exceed the limits of Code Section 415(b) and Regulations applicable at the Annuity Starting Date, as increased in subsequent years pursuant to Code Section 415(d) and Regulations Section 1.415(d)-1. For purposes of the preceding sentence, an automatic benefit increase feature is included in a form of benefit if the benefit provides for automatic, periodic increases to the benefits paid in that form, such as a form of benefit that automatically increases the benefit annually according to a specified percentage or objective index, or a form of benefit that automatically increases the benefit to share favorable investment returns on plan assets.

(iii) Adjustment For Multiple Annuity Starting Dates. If a Participant has or will have payments commencing at more than one Annuity Starting Date, the limitations of Code Section 415 must be satisfied as of each of the Annuity Starting Dates, taking into account the benefits that have been or will be provided at all of the Annuity Starting Dates. In determining the Annual Benefit for such a Participant as of a particular Annuity Starting Date, the plan must actuarially adjust the past and future payments with respect to the benefits that commenced at the other Annuity Starting Dates. The determination of whether a new Annuity Starting Date has occurred is made pursuant to Regulations Section 1.415(b)-1(b)(1)(iii) and without regard to Regulations Section 1.410(a)(20), Q&A-10(d) (under which the commencement of certain distributions may not give rise to a new Annuity Starting Date).

(b) Adjustments to Defined Benefit Dollar Limit and Compensation Limit .

(i) Service Adjustment. If the Annual Benefit begins when the Participant has less than 10 years of participation (as defined below), the Defined Benefit Dollar Limit shall be multiplied by a fraction. The numerator of the fraction is the number of the Participant's years of participation (not less than one) and the denominator is 10. If the Participant has less than 10 years of service (as defined below) when the Annual Benefit begins, the Compensation Limit shall be multiplied by a fraction. The numerator of the fraction is the number of the Participant's years of service (not less than one) and the denominator is 10.

(A) Year of Participation. A Participant shall be credited with a year of participation (computed to fractional parts of a year) for each Plan Year during which the Participant is credited with the service required for benefit accrual purposes beginning with the Plan Year in which the Participant first becomes a Participant.

(B) Year of Service. A Participant shall be credited with a year of service (computed to fractional parts of a year) for each Plan Year during which the Participant is credited with the service required for benefit accrual purposes taking into account only service with the Employer or a predecessor employer (as defined in Regulations Section 1.415(f)-1(c)).

(C) General Rules. A Participant who is permanently and totally disabled within the meaning of Code Section 415(c)(3)(C)(i) for a Plan Year shall be credited with a year of participation and/or service for that Plan Year. A Participant will not be credited with more than one year of participation and/or year of service for each Plan Year. If two or more defined benefit plans are required to be aggregated for a Limitation Year, periods that are counted as years of participation or years of service, as applicable, under any of the plans are counted in computing the reduction for the plans as aggregated.

(ii) Age Adjustment.

(A) Before Age 62. If the Annual Benefit begins before the date the Participant attains age 62 and the plan does not have an immediately commencing Single Life Annuity payable at both age 62 and the age of benefit commencement, the Defined Benefit Dollar Limit at that Annuity Starting Date is the annual amount of a benefit payable as a Single Life Annuity commencing on the Participant's Annuity Starting Date that is the actuarially equivalent of the Defined Benefit Dollar Limit (as reduced under (i) above if necessary) with actuarial equivalence computed using an interest rate assumption of 5% and the 417(e) Mortality Table in effect for that Annuity Starting Date (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date). If, however, the plan has an immediately commencing Single Life Annuity payable both at age 62 and at the age of benefit commencement, the Defined Benefit Dollar Limit at the Participant's Annuity Starting Date is the lesser of (1) the reduced Defined Benefit Dollar Limit as determined under the preceding sentence or (2) the Defined Benefit Dollar Limit (as reduced under (i) above if necessary) multiplied by the ratio of the annual amount of the immediately commencing Single Life Annuity under the plan at the Participant's Annuity Starting Date to the annual amount of the immediately commencing Single Life Annuity under the plan at age 62, with both annual amounts determined without applying the rules of Code Section 415.

(B) After Age 65. If the Annual Benefit begins after the Participant attains age 65 and the plan does not have an immediately commencing Single Life Annuity payable at both age 65 and the age of benefit commencement, the Defined Benefit Dollar Limit at that Annuity Starting Date is the annual amount of a benefit payable as a Single Life Annuity commencing on the Participant's Annuity Starting Date that is the actuarially equivalent of the Defined Benefit Dollar Limit (as reduced under (i) above if necessary) with actuarial equivalence computed using an interest rate assumption of 5% and the 417(e) Mortality Table in effect for that Annuity Starting Date (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date). If, however, the plan has an immediately commencing Single Life Annuity payable both at age 65 and at the age of benefit commencement, the Defined Benefit Dollar Limit at the Participant's Annuity Starting Date is the lesser of (1) the increased Defined Benefit Dollar Limit as determined under the preceding sentence or (2) the Defined Benefit Dollar Limit (as reduced under (i) above if necessary) multiplied by the ratio of the annual amount of the adjusted immediately commencing Single Life Annuity under the plan at the Participant's Annuity Starting Date to the annual amount of the adjusted immediately commencing Single Life Annuity under the plan at age 65, with both annual amounts determined without applying the rules of Code Section 415. For this purpose, the adjusted immediately commencing Single Life Annuity under the plan at the Participant's Annuity Starting Date is the annual amount of such annuity payable to the Participant computed disregarding the Participant's accruals after age 65 but including actuarial adjustments, even if those actuarial adjustments are applied to offset accruals, and the adjusted immediately commencing Single Life Annuity under the plan at age 65 is the annual amount of such annuity that would be payable under the plan to a hypothetical participant who is age 65 and has the same accrued benefit (with no actuarial increases for commencement after age 65) as the Participant receiving the payment (determined disregarding the Participant's accruals after age 65).

(iii) Mortality Adjustment. In adjusting the Defined Benefit Dollar Limit for the Participant's Annuity Starting Date under (ii) above, no adjustment shall be made to reflect the probability of a Participant's death between the Annuity Starting Date and age 62, or between age 65 and the Annuity Starting Date, if benefits will not be forfeited upon the Participant's death before the Annuity Starting Date. To the extent that a forfeiture occurs upon the Participant's death before the Annuity Starting Date, an adjustment must be made to reflect the probability of the Participant's death. A forfeiture shall not be treated as occurring upon the Participant's death if the plan does not charge Participants for providing the QPSA on the Participant's death.

(c) \$10,000 Minimum Benefit . A benefit shall not be deemed to exceed the Compensation Limit if benefits payable for a Limitation Year under any form of benefit with respect to the Participant under this plan and all other defined benefit plans (regardless of whether terminated) of the Employer and all Related Employers does not at any time exceed \$1,000 multiplied by the Participant's years of service or parts thereof (not to exceed 10) with the Employer and any Related Employer. This limitation shall be applicable only to a Participant who has never participated in a defined contribution plan maintained by the Employer or a Related Employer.

(d) Grandfathered Annual Benefit . The maximum Annual Benefit shall be the greatest of the maximum Annual Benefit as specified in this Article that applies to a

Participant at the time of application under Code Section 415, ERISA Section 2004, Section 235(g) of the Tax Equity and Fiscal Responsibility Act of 1982, Section 1106 of the Tax Reform Act of 1986, the Retirement Protection Act of 1994, Section 1449(a) of the Small Business Job Protection Act of 1996, Revenue Ruling 98-1, Section 611 of the Economic Growth and Tax Relief Reconciliation Act of 2001, Section 101 of the Pension Funding Equity Act of 2004, the Pension Protection Act of 2006, and Regulations under the acts and Final Regulations under Code Section 415, including all effective dates, transitional rules and alternate limitations contained in those acts and Regulations.

(e) Cost of Living Adjustment . If the Annual Benefit payable to a terminated Participant who has not received a complete distribution of the Participant's Accrued Benefit is limited by either the Defined Benefit Dollar Limit or the Compensation Limit, such benefit, may, as determined by the Employer in a nondiscriminatory and uniform manner, be increased in accordance with the cost of living adjustments under Code Section 415(d).

ARTICLE 6

Determination of Vested Percentage

6.1 Year of Vesting Service.

(a) Credit. An Employee shall be credited with a "Year of Vesting Service" for each Vesting Period in which the Employee completes at least 1,000 Hours of Service, including periods before the Employee became a Participant and before the original effective date of this plan.

(b) No Credit. An Employee shall not be credited with Years of Vesting Service for service before the date that ERISA became effective for this plan, if that service would have been disregarded under the rules of the plan then in effect with respect to breaks in service.

The "Vesting Period" for determining Years of Vesting Service and the existence of Breaks in Service under this article shall be the Plan Year.

6.2 Vested Percentage.

(a) Vesting Schedule. A Participant's vested percentage shall be determined as follows:

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
Less than 5 years	-0-
5 years or more	100%

(b) Normal Retirement Date. The vested percentage of a Participant who is employed in Covered Employment on the Participant's Normal Retirement Date shall be 100%.

6.3 Cashout.

If a Participant's employment terminates and the Participant's vested percentage under Section 6.2(b) is zero, the nonvested amount shall be forfeited as of the date that the Participant's employment terminates. If the former Participant is reemployed by the Employer or a Related Employer before the Participant has five consecutive Breaks in Service, the forfeited amount shall be restored as of the date the Participant is reemployed.

6.4 Five Breaks in Service.

(a) Cancellation of Vesting Service. If an Employee whose vested percentage is zero has five consecutive Breaks in Service, the Participant's Years of Vesting Service and years of Benefit Service credited before the Breaks in Service shall be permanently canceled except as provided in Section 5.1(f)(ii).

(b) Forfeiture of Nonvested Accrued Benefit. Unless previously forfeited, a Participant's nonvested Accrued Benefit shall be permanently forfeited as of the end of the period that includes the Participant's fifth consecutive Break in Service except as provided in Section 5.1(f)(ii).

6.5 Death After Termination/Lost Recipient.

(a) Death After Termination. If a Participant whose vested percentage is not 100% dies after termination of employment but before the Participant has five consecutive Breaks in Service, any nonvested amount shall be forfeited as of the date of the Participant's death.

(b) Lost Recipient. If a Person entitled to a payment cannot be located after the Administrator has made a diligent search, the Participant's account shall be forfeited as of the date the Administrator certifies to the Trustee that the Person cannot be located. The Participant's Vested Accrued Benefit shall be restored to the Participant's account if the Person entitled to the payment submits a written election of method of payment.

ARTICLE 7

Payment of Benefits

7.1 Time of Payment.

Subject to the QJSA and QPSA provisions of this plan and the required distribution rules of Section 7.4, benefit payments shall begin not later than the time required under Code Section 401(a)(14). Notwithstanding the preceding sentence, a Participant may elect to defer benefit payments scheduled to begin at the Participant's Normal Retirement Date or Late Retirement Date to any date not later than the Participant's Required Beginning Date as defined in Section 7.4(a).

(a) Normal Retirement Benefit. The Normal Retirement Benefit shall begin on the first day of the month following the Participant's Normal Retirement Date.

(b) Early Retirement Benefit. The Early Retirement Benefit shall begin on the first day of the month following the Participant's Normal Retirement Date. The Participant may elect earlier payment beginning on the first day of any month following the Participant's Early Retirement Date.

(c) Late Retirement Benefit. The Late Retirement Benefit shall begin on the first day of the month following the Participant's termination of employment or, if earlier, the Participant's Required Beginning Date.

(d) Deferred Vested Benefit. The Deferred Vested Benefit shall begin on the first day of the month following the Participant's Normal Retirement Date. If the Participant had completed at least 10 Years of Vesting Service at termination of employment, the Participant may elect earlier payment beginning on the first day of any month following the date the Participant attains age 60.

(e) Death Benefit.

(i) Before Annuity Starting Date. The QPSA shall begin on the first day of the month following the Participant's Normal Retirement Date. The Surviving Spouse may elect earlier payment beginning on the first day of the month following the date of death, or if later, the first day a Participant could have elected early payment of an Early Retirement Benefit or a Deferred Vested Benefit, if applicable.

(ii) After Annuity Starting Date. If the form of payment to the Participant provides for benefits after the Participant's death, the continuing benefit shall be paid to the Beneficiary as provided.

(iii) Before Annuity Starting Date/Lump Sum. If a lump sum is available under Section 7.3(b)(iv) or payable under Section 7.5(f)(i), the Administrator shall direct

payment of the lump sum to the Participant's Beneficiary at the time and in the manner described in (g) below for an unmarried Participant.

(f) Disability Benefit. The Disability Benefit shall begin on the first day of the month following the date of Disability.

(g) Immediate Benefit .

(i) Small Balance Cashout. If consent is not required pursuant to Section 7.5(f)(i), the Administrator shall direct payment of the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit in a lump sum as soon as administratively feasible following the date the Participant's employment terminates for any reason (including death) or with respect to payment to an alternate payee, as soon as administratively feasible following entry of the QDRO.

(ii) Consent Required. If the Participant is required to consent to payment, and the Participant is eligible to elect a lump sum payment under Section 7.3(b)(iv), the Administrator shall direct payment of the Participant's Vested Accrued Benefit as soon as administratively feasible following a Participant's election of an immediate benefit in the form of: (A) a lump sum payment, or (B) a Single Life Annuity if the Participant is unmarried or QJSA if the Participant is married. In lieu of the QJSA, a married Participant may elect an immediate 75% joint and survivor annuity with the Participant's Spouse as the joint annuitant. For a Participant who has not reached age 60 (or other early retirement age specified in an applicable schedule to the plan), the monthly amount of the immediate annuity shall be Actuarially Equivalent to the monthly amount that would have been payable at the Participant's Normal Retirement Date.

(h) QDRO. If the plan receives a QDRO, benefits to an alternate payee shall begin as specified in the QDRO, but not before benefits could have otherwise been payable. If a lump sum is available under Section 7.3(b)(iv) or payable under Section 7.5(f)(i), the Administrator shall direct payment of the lump sum at the time and in the manner described in (g) above for an unmarried Participant.

"QDRO" means a qualified domestic relations order, as defined in Code Section 414(p), that is issued by a competent state court and that meets the following conditions:

(i) Alternate Payee. The alternate payee must be the Spouse or former Spouse or a child or other dependent of the Participant.

(ii) Reason for Payments. The payments must relate to alimony, support of a child or other dependent, or a division of marital property.

(iii) Contents. The QDRO must contain the name and address of the Participant and the alternate payee, the amount of benefits or percentage of the Participant's Vested Accrued Benefit to be paid to the alternate payee, the Valuation Date

as of which the amount or percentage is to be determined, and instructions concerning the timing and method of payment.

(iv) Restrictions. A QDRO may not require (A) this plan to pay more than the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit to the Participant and all alternate payees; (B) a method, payment date, or duration of payment not otherwise permitted under this article; or (C) cancellation of the prior rights of another alternate payee.

(i) Plan Termination; Partial Termination. Benefits shall be paid in accordance with Article 12 as soon as administratively feasible following termination or partial termination of this plan.

7.2 Determination of Benefits.

The age of the individuals to whom benefits are payable shall be determined as of the date the benefit is payable. All forms of payment shall be Actuarially Equivalent to the benefit payable as a Single Life Annuity.

(a) Lump Sum. For purposes of determining the lump sum present value of a benefit:

(i) Interest Rate. The interest rate shall be the 417(e) Interest Rate. "417(e) Interest Rate" means the applicable interest rate determined in accordance with Code Section 417(e). The 417(e) Interest Rate shall be the interest rate determined under the preceding sentence for the month that is three months preceding the first day of the Plan Year that includes the Annuity Starting Date.

(ii) Mortality Table. The mortality table shall be the 417(e) Mortality Table. "417(e) Mortality Table" means the applicable mortality table prescribed by the Internal Revenue Service to be used for purposes of Code Section 417(e).

(b) Optional Forms. For purposes of determining the amount of optional forms of benefit, the interest rate shall be 8% and the mortality table shall be the 417(e) Mortality Table. The amount of an optional form of benefit shall not be less than the amount determined as of June 30, 2004.

7.3 Form of Payment.

(a) Standard Form. Generally, benefits under this plan shall be paid as follows:

(i) Married. If the Participant is married when benefit payments are to begin, the Participant's benefit shall be paid as a QJSA unless the Participant waives the QJSA, with consent of the Spouse, and properly elects another available form of payment.

(A) Definition. "QJSA" means an immediate qualified joint and survivor annuity under which a reduced (compared to the amount of the Participant's Vested Accrued Benefit payable as a Single Life Annuity) amount is payable to the Participant for life and 50% of the reduced amount is payable to the Surviving Spouse, if any, for life after the Participant's death.

(B) Monthly Payments. The monthly amount payable to the Participant and the monthly amount payable to the Surviving Spouse shall not increase after payments begin. The monthly payments under the QJSA shall be such that the value of the expected payments to the Participant and the Surviving Spouse is Actuarially Equivalent to the benefit payable as a Single Life Annuity.

(ii) Not Married. If the Participant is not married when benefit payments are to begin, the Participant's benefit shall be paid as a Single Life Annuity, unless the Participant waives that form and properly elects another available form of payment.

(b) Optional Forms of Payment. Upon waiver of the QJSA (or Single Life Annuity for an unmarried Participant), the Participant may elect one of the following optional forms of benefit payment. Upon waiver of the QPSA by the Surviving Spouse, the Surviving Spouse may elect one of the following optional forms of benefit payment. A Beneficiary other than the Surviving Spouse shall not be permitted to elect an alternative form of payment. A lump sum shall be the only available optional form of benefit payment for payment prior to the Participant's earliest Early Retirement Date.

(i) Single Life Annuity. A "Single Life Annuity" is a monthly benefit payable in equal installments for the life of the Participant or other individual with no payments to be made for any periods after the recipient's death.

(ii) 75% or 100% Joint and Survivor Annuity. A 75% or 100% joint and survivor annuity is an Actuarially Equivalent monthly benefit payable to the Participant for life with a continuation of 75% or 100% of the Participant's monthly benefit to the Surviving Spouse for the remainder of the Spouse's life after the Participant's death.

(iii) 60 or 120 Months Certain and Life Annuity. A 60 or 120 months certain and life annuity is an Actuarially Equivalent monthly benefit payable to the Participant for life while the Participant is alive. If the Participant dies before receiving 60 or 120 monthly payments, the Participant's Beneficiary shall receive the monthly benefit the Participant was receiving until a total of 60 or 120 monthly payments have been paid.

(iv) Lump Sum. A lump sum is an Actuarially Equivalent benefit payable in single payment, or if necessary, in one or more payments, within one taxable year of the recipient. The Actuarially Equivalent present value of a Participant's Vested Accrued Benefit paid as a lump sum before a Participant's Normal Retirement date shall be Actuarially Equivalent to the Vested Accrued Benefit payable at Normal Retirement Date (without regard to any early retirement subsidies). A lump sum shall not be available to a Participant, Surviving

Spouse, or alternate payee under a QDRO, if the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit is more than \$10,000 on the date the lump sum is payable, except that, notwithstanding any other provision of this plan to the contrary, a Participant or Beneficiary, including an alternate payee under a QDRO, may elect a lump sum payment of more than \$10,000 during a window beginning on October 7, 2016, and ending on November 10, 2016, but only if the recipient:

(A) Termination Date. Ceased employment with the Employer and all Related Employers on or before July 31, 2016 (if the recipient is a Participant), and is not rehired during the period beginning August 1, 2016, and ending on the date payment is made or commences in accordance with this window;

(B) Payment Not Yet Commenced. Has not otherwise begun payments under this plan on or before December 1, 2016;

(C) Under Age 70 1/2. Has not attained age 70 1/2 as of December 1, 2016;

(D) SERP Participant. Is not a participant in the Wolverine World Wide, Inc. 409A Supplemental Executive Retirement Plan;

(E) Located. Is able to be located, after a diligent search (if necessary) and the benefit payable can be determined before the window begins; and

(F) Election. The required election forms are properly completed and any related required documentation has been attached to the election forms and returned to the Administrator no later than November 10, 2016, or such later date determined by the Administrator as a result of an unforeseen administrative delay.

(c) Direct Transfer. A distributee may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan.

(i) Eligible Rollover Distribution. An eligible rollover distribution is a distribution of any portion of the balance to the credit of a distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent that the distribution is required under Code Section 401(a)(9); any hardship distribution; and any other distribution that is reasonably expected to total less than \$200 during a year.

(ii) Eligible Retirement Plan. An eligible retirement plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), an

annuity contract described in Code Section 403(b), or a qualified trust described in Code Section 401(a), that accepts the distributee's eligible rollover distribution. An eligible retirement plan also includes an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan. For any portion of an eligible rollover distribution consisting of after-tax contributions that are not includable in gross income, an eligible retirement plan is an individual retirement account or annuity described in Code Section 408(a) or 408(b), a qualified defined contribution plan described in Code Section 401(a) or 403(a) and effective January 1, 2007, a qualified defined benefit plan described in Code Section 401(a) or an annuity contract described in Code Section 403(b) that agrees to separately account for such portion (including attributable earnings).

(iii) Distributee. A distributee includes a Participant or former Participant, the Participant's or former Participant's Surviving Spouse, and the Participant's or former Participant's Spouse or former Spouse who is an alternate payee under a QDRO.

(iv) Non-Spouse Beneficiary. Effective January 1, 2007, a Beneficiary who is not a Spouse may elect to transfer all or any portion of a distribution deemed to be an eligible rollover distribution to an individual retirement account or annuity described in Code Section 408(a) or (b) that is established for the purpose of receiving the distribution on behalf of the designated Beneficiary and which is treated as an inherited IRA within the meaning of Code Section 408(d)(3)(C). Additional rules, including the determination of any distribution required under Code Section 401(a)(9), apply as provided under Code Section 402(c)(11) and Regulations and any other applicable guidance published by the Internal Revenue Service.

(d) Small Balance/Automatic Rollover to IRA. If consent is not required pursuant to Section 7.5(f)(i), the distributee shall be paid a lump sum in accordance with Section 7.1(g)(i). The distributee may elect to receive the lump sum payment in cash or to have the lump sum payment transferred to an eligible retirement plan. Effective December 1, 2014, if no election is made and the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit exceeds \$1,000, the Trustee shall transfer the eligible rollover distribution to the trustee or custodian of an individual retirement plan designated by the Administrator. If no election is made and the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit is \$1,000 or less, the Trustee shall distribute the lump sum payment directly to the distributee.

7.4 Required Distribution Rules.

Subject to the QJSA and QPSA provisions, this section generally states the requirements of Code Section 401(a)(9) and the Regulations and shall take precedence over any other provision of this plan that permits payment at a later time or in a smaller amount. The provisions of this section apply to calendar years beginning on or after January 1, 2003. All payments shall be determined and made in accordance with the Regulations

under Code Section 401(a)(9), including the minimum incidental benefit requirement under Code Section 401(a)(9)(G).

(a) Time of Distribution.

(i) Required Beginning Date. Unless payments begin earlier, the entire interest of the Participant must be distributed or distribution must begin not later than the Participant's Required Beginning Date. "Required Beginning Date" means:

(A) 5% Owner. For a Participant who is a 5% Owner, the April 1 following the calendar year in which the Participant attains age 70 1/2. Once distribution begins to a 5% Owner, it shall continue even if the Participant ceases to be a 5% Owner.

(B) Non-5% Owner. For a Participant who is not a 5% Owner, the April 1 following the calendar year in which the Participant attains age 70 1/2, or, if later, following the calendar year in which the Participant's employment terminates.

(ii) Death Before Required Beginning Date. If the Participant dies before the Required Beginning Date and before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) Spouse is Only Beneficiary. If the Participant's Surviving Spouse is the Participant's sole designated beneficiary, then distributions to the Surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(B) Other Beneficiary. If the Participant's Surviving Spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) No Beneficiary. If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) Death of Spouse Prior to Payment. If the Participant's Surviving Spouse is the Participant's sole designated beneficiary and the Surviving Spouse dies after the Participant but before distributions to the Surviving Spouse begin, this section (other than (A) above), will apply as if the Surviving Spouse were the Participant.

For purposes of this provision and (d) below, distributions are considered to begin on the Participant's Required Beginning Date (or, if (D) above applies, the date distributions are required to begin to the Surviving Spouse under (A) above). If annuity payments irrevocably commence to the Participant before the Participant's Required

Beginning Date (or to the Participant's Surviving Spouse before the date distributions are required to begin to the Surviving Spouse under (A) above), the date distributions are considered to begin is the date distributions actually commence.

(iii) Death After Required Beginning Date. If the Participant dies after the Required Beginning Date, or if earlier, the date payment begins in the form of an irrevocable annuity, payments shall be made at least as rapidly as benefit payments were being paid to the Participant before death.

(b) General Annuity Requirements.

(i) Annuity Payments. If benefit payments under this plan are paid in the form of an annuity, the annuity payments shall comply with the following requirements:

(A) Payment Intervals. The annuity payments will be paid in periodic payments made at uniform intervals not longer than one year;

(B) Payment Period. The distribution period will be over a life (or lives) or over a period certain not longer than the period described in (c) or (d) below;

(C) No Recalculation. Once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted; and

(D) Nonincreasing or Permissible Increase. Payments will either be nonincreasing or increase only as permitted under Regulation Section 1.401(a)9-6, Q&A-14.

(ii) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under (a)(ii) above) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's Required Beginning Date.

(iii) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(c) Requirements For Annuity Distributions That Commence During Participant's Lifetime.

(i) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a nonspouse beneficiary, annuity payments to be made on or after the Participant's Required Beginning Date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2(c)(2) of Regulations Section 1.401(a)(9)-6, in the manner described in Q&A-2(c) of those Regulations, to determine the applicable percentage. If the form of distribution combines a joint and survivor annuity for the joint lives of the participant and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(ii) Period Certain Annuities. Unless the Participant's Spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Regulations Section 1.401(a)(9)-9, Q&A-2, for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Regulations Section 1.401(a)(9)-9, Q&A-2, plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's Spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this section, or the joint life and last survivor expectancy of the Participant and the Participant's Spouse as determined under the Joint and Last Survivor Table set forth in Regulations Section 1.401(a)(9)-9, Q&A-3, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the calendar year that contains the Annuity Starting Date.

(d) Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin.

(i) Participant Survived by Designated Beneficiary. If the Participant dies before the date distribution begins and there is a designated beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in (a)(ii)(A) or (B) above, over the life of the designated beneficiary or over a period certain not exceeding:

(A) Annuity Starting Date After First Distribution Calendar Year. If the Annuity Starting Date is after the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's

birthday in the calendar year immediately following the calendar year of the Participant's death; or

(B) Annuity Starting Date Before First Distribution Calendar Year. If the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

(ii) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iii) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Participant dies before the date distribution begins, the Participant's Surviving Spouse is the Participant's sole designated beneficiary, and the Surviving Spouse dies before distributions to the Surviving Spouse begin, this section will apply as if the Surviving Spouse were the Participant, except that the time by which distributions must begin will be determined without regard to (a)(ii)(A) above.

(iv) Payments to Surviving Child. Payments made to a Participant's surviving child until the child reaches the age of majority, as determined under Regulations Section 1.401(a)(9)-6, Q&A-15, or the child dies, if earlier, may be treated as if such payments were made to the Surviving Spouse to the extent the payments become payable to the Surviving Spouse upon cessation of the payments to the child.

(e) Definitions.

(i) Designated Beneficiary. The designated beneficiary is the individual who is designated as the beneficiary under Section 7.6 and is the designated beneficiary under Code Section 401(a)(9) and Regulations Section 1.401(a)(9)-4.

(ii) Distribution Calendar Year. A distribution calendar year is a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to (a) above.

(iii) Life Expectancy. Life expectancy is the life expectancy computed by use of the Single Life Table in Regulations Section 1.401(a)(9)-9, Q&A-1.

(f) Actuarial Increase. If benefit payments to a Participant who is not a 5% Owner begin on a Required Beginning Date that is later than the April 1 following the

calendar year in which the Participant attains age 70 1/2, the benefit shall be actuarially increased to reflect the delay in payment to the date on which benefit payments commence.

The period for the actuarial increase shall begin on April 1 following the calendar year in which the Participant attains age 70 1/2 (or January 1, 1997, in the case of an Employee who attained age 70 1/2 prior to 1996) and shall end on the date on which benefits commence after termination of employment in an amount sufficient to satisfy Code Section 401(a)(9). The amount of the increase for the period for the actuarial increase must result in a benefit that is Actuarially Equivalent to the benefit payable on the April 1 following the calendar year in which the Participant attains age 70 1/2 plus the Actuarially Equivalent value of all additional benefits accrued after that date minus the Actuarially Equivalent value of any benefit payments made after that date. The actuarial increase is generally the same as, and in addition to, the actuarial increase required for that same period under Code Section 411 to reflect a delay in payments after normal retirement, except that the actuarial increase required under Code Section 401(a)(9)(C) must be provided even during the period during which a Participant is in Section 203(a)(3)(B) Service.

For purposes of Code Section 411(b)(1)(H), the actuarial increase will be treated as an adjustment attributable to the delay in payment of benefits after the attainment of normal retirement age. Accordingly, to the extent permitted under Code Section 411(b)(1)(H), the actuarial increase required under Code Section 401(a)(9)(C)(iii) may reduce the benefit accrual otherwise required under Code Section 411(b)(1)(H)(i), except that the rules on suspension of benefits are not applicable.

(g) TEFRA Election. Benefit payments may begin or may be made at the time and by the method specified in a TEFRA Election even if later than the Required Beginning Date. "TEFRA Election" means a written election made before January 1, 1984, pursuant to the transitional rules of Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act of 1982. An amendment or revocation of a TEFRA Election shall void the election, and the Participant's benefits shall be paid pursuant to this article. Designation of a different or additional beneficiary shall not void a TEFRA Election if the designation does not directly or indirectly alter the time when benefits begin or the period over which benefits are to be paid.

7.5 Waiver of QJSA or QPSA; Election of Method and Time of Benefit Payments.

(a) Waiver of QJSA.

(i) Notice. At least 30 days, but not more than 180 days, before the Annuity Starting Date, the Administrator shall provide each Participant, in writing, a reasonable explanation of (A) the terms and conditions of the QJSA; (B) the Participant's right to waive, and the effect of the waiver of, the QJSA; (C) the rights of the Spouse; and (D) the right to revoke, and the effect of a revocation of, a previous waiver of the QJSA.

(ii) Waiver. During the 180-day period before the Annuity Starting Date, a Participant may waive the QJSA, or the Single Life Annuity if the Participant is not married, and may revoke a prior waiver. A waiver of a QJSA shall not be effective unless the Spouse consents to the waiver. The Participant may revoke the waiver without the Spouse's consent. The waiver may be in the form of a written election under (g) below containing the Spouse's consent.

(b) Waiver of QPSA.

(i) Notice. The Administrator shall provide each Participant with a written notice containing an explanation of the QPSA and other benefits available upon the death of the Participant. The explanation shall be comparable to the explanation described above with respect to the QJSA. The notice shall be provided to each Participant within the period described below that ends last:

(A) Age Related. The period beginning with the first day of the Plan Year that includes the date the Participant attains age 32 and ending with the last day of the Plan Year preceding the Plan Year in which the Participant attains age 35; or

(B) Participation. A reasonable period that includes the date the Employee becomes a Participant. A reasonable period is the two-year period beginning one year before, and ending one year after, the occurrence of the described event.

If a Participant's employment terminates before the Plan Year that includes the date the Participant attains age 35, notice shall be provided within the two-year period beginning one year before termination of employment and ending one year after termination of employment. If the Participant later returns to employment with the Employer, the applicable period for the Participant shall be redetermined.

(ii) Waiver. At any time during the period beginning on the first day of the Plan Year that includes the date a Participant attains age 35 (or the date the Participant's employment terminates, if earlier) and ending on the earlier of the date the first payment is made to the Participant or the Participant's death, the Participant may waive the QPSA with the written consent of the Spouse and elect an optional form of benefit payment. The waiver shall be in the form of a written election by the Participant and consent by the Spouse. The Participant may not designate a different Beneficiary without a new consent by the Spouse. If the Participant does not waive the QPSA during the Participant's lifetime, the Spouse may waive the QPSA and elect an optional form of benefit payment at any time after the Participant's death and before payment begins. A Participant or Spouse may waive the QPSA as to the entire benefit or any portion of the otherwise payable benefit.

(iii) Pre-Age 35 Waiver. A Participant who has not attained age 35 as of the last day of any current Plan Year may make a special waiver of the QPSA for the period beginning on the date of the waiver and ending on the first day of the Plan Year in which the Participant attains age 35. The waiver is subject to (i) and (ii) above except that the notice under (i) above must be provided to the Participant before the date of the waiver.

The waiver shall not be valid unless the Participant receives the notice before the date of the waiver.

The QPSA shall be automatically reinstated as of the first day of the Plan Year in which the Participant attains age 35. Any new waiver on or after that date is subject to (i) and (ii) above.

(c) Spousal Consent. A consent by a Spouse shall not be effective unless the consent is in writing, signed by the Spouse and witnessed by an individual designated for this purpose by the Administrator or by a notary public. The consent must acknowledge the effect of the waiver of the QJSA or the QPSA. If it is established to the satisfaction of the Administrator that the Spouse cannot be located or if other circumstances set forth in Regulations issued under Code Section 417 exist, the Spouse's consent is not required. The consent is effective only with respect to the consenting Spouse and not with respect to a subsequent Spouse. Consent by the Spouse will be irrevocable with respect to the Participant's election, waiver, or designation of a Beneficiary to which the consent relates.

(i) Specific Beneficiary or Form of Payment. The consent may be limited to payment to a specific alternate Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, and a specified form of payment. Any waiver after the revocation of a prior waiver or change of Beneficiary will require a new spousal consent.

(ii) General Consent. The consent may permit the Participant to designate a Beneficiary, or elect an optional form of benefit payment, or to change either or both without a further consent by the Spouse. This form of consent is not valid unless the Spouse expressly and voluntarily permits such designations and elections without any further spousal consent. The consent may be limited to certain Beneficiaries or to certain forms of payment.

(iii) Consent Not Required. This subsection (c) shall apply only to a Participant whose payments had not actually begun on or before August 23, 1984, who was alive on August 23, 1984, and who had at least one Hour of Service on or after September 2, 1974.

(d) Permitted Elections. To the extent permitted under this article and subject to waiver of the QJSA or QPSA, the Participant or other recipient may elect the method and time of payment. To the extent satisfied under subsections (a), (b), or (c), the requirements under (e) and (g) need not be met again.

(e) Participant Consent. If payment is due to termination of employment prior to the Participant's Normal Retirement Date for any reason other than death, payment of benefits shall not begin without the Participant's consent. The consent shall be given by an election of benefit payments. An election of payment shall be made within the 180-day period ending on the Annuity Starting Date.

(i) Notice. When consent is required, the Participant shall be notified of the right to elect benefit payments and the right (if any) to defer payments and the consequences of failing to defer. The written notice shall provide an explanation of the material features and relative values of the available forms of payment. The notice shall be provided at least 30 days and not more than 180 days before the Annuity Starting Date.

(ii) Annuity Starting Date. "Annuity Starting Date" means the first day of the first period for which an amount is payable in any form. Generally, the Annuity Starting Date is the date on which benefit payments may begin after all conditions and requirements for payment have been met.

(A) Disability. The Annuity Starting Date for Disability Benefits shall be the date they begin if the Disability Benefit is not an auxiliary benefit. An auxiliary benefit is a Disability Benefit that does not reduce the benefit payable at Normal Retirement Date. Payment of a Disability Benefit that is an auxiliary benefit is disregarded in determining the Annuity Starting Date.

(B) Suspension of Benefits. If benefit payments are suspended pursuant to Section 7.9 for an Employee who continues to be employed without terminating employment and without receiving benefit payments under this plan, the date benefit payments start shall be the Annuity Starting Date for the Participant. Benefit payments that commence on the Participant's Required Beginning Date and before the Participant terminates employment shall be disregarded in determining the Annuity Starting Date.

(C) Lump Sum Window. The Annuity Starting Date with respect to an election made during the window beginning on October 2, 2014, and ending on November 14, 2014, pursuant to Section 7.3(b)(iv) shall be December 1, 2014, and payment shall be made, or commence, on December 1, 2014, or as soon as practicable thereafter.

(D) 2016 Lump Sum Window. The Annuity Starting Date with respect to an election made during the window beginning on October 7, 2016, and ending on November 10, 2016, pursuant to Section 7.3(b)(iv) shall be December 1, 2016, and payment shall be made, or commence, on December 1, 2016, or as soon as practicable thereafter.

(f) Exceptions.

(i) Small Balance Exceptions. The waiver of the QJSA or QPSA and the Participant's consent are not required with respect to a payment made on or after December 1, 2014 if the Participant's employment terminates prior to the Participant's Normal Retirement Date for any reason and the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit is \$5,000 (or such larger amount as may be specified in Code Section 411(a)(11)(A)) or less unless the payment is one of a series of scheduled periodic payments and the Participant's consent was required at the time the initial payment was made.

(A) Death. If the Actuarially Equivalent present value of the QPSA payable to the Participant's Surviving Spouse is \$5,000 (or such larger amount as may be specified in Code Section 411(a)(11)(A)) or less, distribution will be made to the Surviving Spouse as soon as administratively feasible following the Participant's death without the consent of the Spouse.

(B) QDRO. If the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit payable to an alternate payee under a QDRO is \$5,000 (or such larger amount as may be specified in Code Section 411(a)(11)(A)) or less, distribution will be made to the alternate payee as soon as administratively feasible following entry of the QDRO, even though the Participant may not be entitled to a concurrent distribution under the provisions of this plan.

(ii) Waiver of Notice Period. Payments may commence less than 30 days after the notices required under (a)(i) and (e)(i) above are given, provided:

(A) Right to 30-day Period. The Administrator clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notices to consider the decision of whether or not to elect payment or to waive the QJSA and consent to a form of payment other than the QJSA;

(B) Election. The Participant, after receiving the notices, affirmatively elects an optional form of payment;

(C) Right to Revoke. The Participant is permitted to revoke the affirmative election until the Annuity Starting Date or, if later, at any time prior to the end of the 7-day period that begins the day after the notices are given to the Participant; and

(D) Benefit Payments. Benefit payments in accordance with the affirmative election do not commence before the end of the 7-day period described in (C) above.

(g) Election Requirements.

(i) Time. The election shall be made not later than the date benefit payments begin or, if earlier, the date when benefit payments must begin. An election may be revoked or changed before benefit payments begin.

(ii) Form. An election shall be made in a form acceptable to the Administrator.

(iii) Other Conditions. An election shall become void upon the death of the Participant prior to the date the first monthly payment is required to be paid to the Participant. If a benefit is payable to a Surviving Spouse and conditioned upon the survival of and measured by the life of the Surviving Spouse, death of the Surviving Spouse prior

to the date the first monthly benefit is required to be paid to the Participant shall void the election.

(h) Failure to Elect. If a Person fails to elect (or multiple recipients cannot agree):

(i) Method. The form of benefit payment shall be a QJSA or QPSA if the Participant is married or a Single Life Annuity if the Participant is not married.

(ii) Time. Benefit payments shall begin at the time specified in this article.

(i) Additional Information. The Administrator may require additional forms or information when required by law or deemed necessary or appropriate in connection with any benefit payment.

(j) No Reduction or Delay of Payments. An election or failure to elect shall not cause noncompliance with the QJSA or QPSA provisions, the requirements of Section 7.4, the requirements of Code Section 415, or the terms of a QDRO.

(k) No Retroactive Payment. Payment shall not be made for any period prior to the date the notice under (a)(i) is provided and the Participant has properly completed a written application for the benefit on the form provided for such purpose by the Administrator. If the written application as originally filed with the Administrator is not completed properly, benefit payments shall not begin until a properly completed application has been filed. If the notice under (a)(i) is properly provided to the Participant at the Participant's Normal or Late Retirement Date and the Participant fails to make an election, the Participant shall be deemed to have made an election to defer payment to a later date, but not later than the Participant's Required Beginning Date. If the Participant makes or is deemed to make an election to defer payment beyond the Participant's Normal or Late Retirement Date, the amount of the benefit payment shall be Actuarially Equivalent to the benefit that would have been payable but for the deferral.

7.6 Determination of Beneficiary.

A Participant's Beneficiary and successor Beneficiaries are determined under this section. The determination of a designated beneficiary under Section 7.4 is not only determined under this section but also is subject to and determined under Code Section 401(a)(9) and Regulations. A Participant may designate or change a Beneficiary by filing a signed designation with the Administrator in a form approved by the Administrator. The Participant's Will is not effective for this purpose.

(a) Beneficiary. "Beneficiary" means the Person designated by the Participant, or determined under this section, to receive the Participant's benefits, if any, that are provided by this plan or by the form of payment in effect under this plan after the Participant's death. The rules of this section apply to a designation by the Participant and in the absence of a valid designation or upon the failure of a designation by the Participant.

(b) Successor Beneficiaries. One or more successor Beneficiaries may be designated by the Participant or determined under this section.

(c) Married Participant; Spousal Consent. The Beneficiary of a married Participant shall be the Spouse unless the Spouse consents to designation of a Beneficiary other than the Spouse. If a married Participant designates or changes a Beneficiary other than the Spouse without the Spouse's consent, the designation will be void. A consent that permits further designations without consent is void unless the consent expressly permits such designations without additional spousal consent.

(i) Consent. Consent by the Spouse must be voluntary and must acknowledge and accept the consequences of the designation of a Beneficiary other than the Spouse. Consent by the Spouse is irrevocable. The consent and acknowledgment must be witnessed by an individual designated by the Administrator or by a notary public. If the Spouse cannot be located or if any of the other exceptions set forth in Regulations issued under Code Section 417 apply, a consent is not required.

(ii) Successors. Spousal consent is not required for the designation or determination under this section of successor Beneficiaries to the Spouse.

(iii) Change of Marital Status. An existing Beneficiary designation by a Participant will be void upon the Participant's subsequent marriage or remarriage unless the new Spouse consents to the designation.

(d) Default Determination. If a Participant fails to designate a Beneficiary, or if there is no Beneficiary or successor at the Participant's death or at any later payment date for the reason specified in (e) below or for any other reason, the Beneficiary shall be the surviving Spouse at the time of the Participant's death and the Spouse's estate with respect to any amount remaining undistributed at the subsequent death of the Spouse. If the Participant is not survived by a Spouse, the Beneficiary shall be the members of the first of the following classes with a living member on the date a benefit payment is due:

(i) Children. The Participant's children, including those by adoption, dividing the distribution equally among the Participant's children with the living issue of any deceased child taking their parent's share by right of representation;

(ii) Parents. The Participant's parents, dividing the distribution equally if both parents are living;

(iii) Brothers and Sisters. The Participant's brothers and sisters, dividing the distribution equally among the Participant's living brothers and sisters.

(e) Death of Beneficiary. If payment to one Beneficiary is pending or has begun and the Beneficiary dies before all payments have been made, the remaining payments shall be paid to the successor Beneficiary designated by the Participant or, if no successor

Beneficiary has been designated, to the Beneficiary determined under (d) above. If payment is pending or has begun to more than one Beneficiary, payments shall continue to the survivor or survivors of them, and any amount remaining upon the death of the last survivor shall be paid to the successor Beneficiary designated by the Participant or, if no successor Beneficiary has been designated, to the Beneficiary determined under (d) above. Survivors shall include the issue of any deceased child who shall take the deceased child's share by right of representation.

(f) No Surviving Beneficiary. If a deceased Participant has no surviving Beneficiary or successor Beneficiaries as designated by the Participant or as determined under (d) above on the date of the Participant's death, or on any subsequent date on which a payment is due, all remaining payments shall be paid to the Participant's estate, if then under the active administration applicable probate or similar laws, or if not, to those Persons who would then take the Participant's personal property under the Michigan intestate laws then in force, and in the proportions provided by those laws, as though the Participant had died at that time.

(g) Alternate Payee. An alternate payee awarded an independent benefit under this plan shall be considered a Participant for purposes of determining the alternate payee's Beneficiary under this section.

(h) Determination. The Administrator shall apply the rules of this section to determine the proper Persons to whom payment should be made. The decision of the Administrator shall be final and binding on all Persons.

7.7 Facility of Payment.

A payment under this section shall fully discharge the Employer and Trustee from all future liability with respect to that payment.

(a) Minimum Payments. When the amount of a benefit payment is less than \$25 per month, the Administrator may direct payment of accumulated amounts at less frequent intervals, but at least annually, in order to minimize the administrative expense of the payment.

(b) Incapacity. If a recipient entitled to a payment is legally, physically, or mentally incapable of receiving or acknowledging payment, the Administrator may direct the payment to the recipient; or, for the benefit of the recipient, to the recipient's legal representative or any other Person who is legally entitled to receive payments on behalf of the recipient under the laws of the state in which the recipient resides; or to a custodian for the recipient under any applicable uniform transfers to minors act.

(c) Legal Representative. Neither the Employer nor the Trustee shall be required to commence probate proceedings or to secure the appointment of a legal representative.

(d) Annuity Contract Purchase. An annuity contract purchased and distributed by the plan shall comply with the requirements of this plan and shall be nontransferable.

7.8 Penalties.

The following penalties apply to payment of, or failure to make payment of, certain amounts under this plan.

(a) Payment Before Age 59 1/2. A Participant who receives a payment of benefits before attaining age 59 1/2 may be liable for an additional 10% federal income tax on any portion of the benefit payments included in gross income.

(b) Failure to Receive Minimum Payments. For a calendar year in which a Participant or Beneficiary fails to receive the minimum payments required under Code Section 401(a)(9), the recipient shall be subject to an additional tax equal to 50% of the difference between the minimum payments and the amount the recipient actually received.

7.9 Suspension of Benefit Payments.

(a) Normal/Early Retirement Benefits. Normal or Early or Deferred Vested Retirement Benefits in pay status will be suspended at the first day of the first Plan Year following a Plan Year in which the Participant is credited with at least 500 Hours of Service.

(i) Resumption of Payment. If benefit payments have been suspended, payments shall resume at the earlier of the first day of the Plan Year following a Plan Year in which the Participant incurs a Break in Service or the month after the calendar month in which the Participant ceases to be employed. The initial payment upon resumption shall occur in the calendar month when payments resume and shall include any amounts withheld during the period between the cessation of employment and the resumption of payments.

(ii) Amount of Benefit Payment at Resumption of Payments. When a Participant whose retirement benefit payments have been in pay status and were then suspended ceases to be employed with the Employer and resumes receipt of benefit payments, the benefits shall be increased to the Actuarially Equivalent value of the benefits at the date payments were suspended (but not in excess of the maximum Annual Benefit).

(iii) Death During Suspension of Benefits. If a Participant dies while benefit payments are suspended, benefit payments to the Surviving Spouse or other Beneficiary shall be determined as if the Participant had ceased employment the day before death. If the Participant had begun receiving benefit payments before the suspension of benefit payments, payment to the Surviving Spouse or other Beneficiary shall be made in the manner required under the form of benefit payment the Participant elected before the

suspension. If the benefit payments had been paid as a Single Life Annuity, the Surviving Spouse or other Beneficiary shall receive a lump-sum payment in the amount of the sum of the benefit payments suspended before the Participant died. If benefit payments had not begun before the suspension of benefits, the Surviving Spouse shall receive benefit payments under the death benefit or the QPSA.

(b) Disability. Disability Benefits shall be suspended:

(i) Employment. If the Employee engages in a regular occupation or employment (except for rehabilitation as determined by the Administrator) for remuneration or profit;

(ii) Recovery. If the Administrator determines on the basis of a medical examination that the Employee has sufficiently recovered to return to regular work; or

(iii) Refuse Examination. If the Employee refuses to undergo a medical examination ordered by the Administrator. The Employee shall not be required to undergo medical examinations more frequently than once during each six-month period or after attaining age 65.

ARTICLE 8

Administration of the Plan

8.1 Duties, Powers, and Responsibilities of the Employer.

(a) Required. The Employer shall be responsible for:

(i) Employer Contributions.

(A) Amount. Determining the amount of Employer Contributions,

(B) Payment. Paying Employer Contributions (including additional contributions if necessary to correct an error); and

(C) Compliance. Determining that the amount and time of Employer Contributions comply with this plan;

(ii) Agent for Service of Process. Serving as the agent for service of process;

(iii) Trustee. Appointing the Trustee;

(iv) Amendment. Amending this plan and trust;

(v) Plan Termination. Revoking this instrument and terminating this plan and trust; and

(vi) Mergers; Spin-Offs. Merging this plan with another qualified retirement plan maintained by the Employer or dividing this plan into multiple plans.

(b) Discretionary. The Employer may exercise the following responsibilities:

(i) Investment Manager. Appointing one or more Investment Managers who shall have the power to acquire, manage, or dispose of any or all trust assets subject to:

(A) Functions. The functions of the Investment Manager shall be limited to those specified services and duties for which the Investment Manager is engaged, and the Investment Manager shall have no other duties, obligations, or responsibilities under this plan or trust;

(B) Qualification. "Investment Manager" means a Person that is a registered investment adviser under the Investment Advisors Act of 1940, a bank (as defined in the Investment Advisors Act of 1940), or an insurance company licensed to manage, acquire, and dispose of assets of qualified retirement plans under the laws of more than one state; and

(C) Acknowledgment. A prospective Investment Manager must acknowledge in writing that it is a fiduciary with respect to this plan and trust;

(i) Custodian. Appointing one or more agents to act as custodians of trust assets transferred to the custodian;

(iii) Alternate Administrator. Designating a Person other than the Employer as the Administrator; and

(iv) Payment of Administrative Expenses. Paying administrative expenses incurred in the operation, administration, management, and control of this plan or the trust. These expenses shall be the obligation of the trust unless paid by the Employer.

8.2 Employer Action.

An action required to be taken by the Employer shall be taken by its board of directors, by resolution of an authorized committee of the Board of Directors, or by a person authorized to act on behalf of the Employer.

8.3 Plan Administrator.

"Administrator" means the Employer or a Person designated by the Employer. The Administrator is a named fiduciary for operation and management of this plan and shall have the responsibilities conferred by ERISA upon the "Administrator" as defined in ERISA Section 3(16).

8.4 Administrative Committee.

(a) Appointment. The Employer may, but shall not be required to, appoint an administrative committee to perform the duties involved in the daily operation of this plan.

(b) Agent; Powers and Duties. The administrative committee is an agent of the Employer. The administrative committee shall have the powers and duties delegated to it by the Administrator.

(c) Not Fiduciary. Except to the extent the administrative committee is expressly delegated a fiduciary responsibility with respect to this plan, the administrative committee will be responsible to the Employer for its actions and will not be a named fiduciary for operation and management of this plan.

(d) Membership. The number of members of the administrative committee shall be determined by the Employer and shall be not less than three nor more than seven. The Employer shall appoint the members of the administrative committee and may remove or replace them at any time.

(e) Records. The administrative committee shall keep records of its proceedings.

(f) Actions. The administrative committee shall act by a majority of its members then in office. Action may be taken either by a vote at a meeting or in writing without a meeting. Any or all members may participate in a meeting by a conference telephone or similar electronic equipment. Actions of the administrative committee may be evidenced by written instrument executed by the chairman or the secretary of the administrative committee.

(g) Report to Administrator. The administrative committee shall report to the Administrator when requested with respect to the administration, operation, and management of this plan.

(h) Compensation. Any member of the administrative committee who is an Employee shall serve without compensation.

(i) Conflict of Interest. Any member of the administrative committee who is a Participant shall not vote or act on a matter that relates solely to that Participant. If that Participant is the only member of the administrative committee, the necessary action shall be exercised by the Administrator.

8.5 Duties, Powers, and Responsibilities of the Administrator.

Except to the extent properly delegated, the Administrator shall have the following duties, powers, and responsibilities and shall:

(a) Plan Interpretation. Interpret all provisions of this instrument (including resolving an inconsistency or ambiguity or correcting an error or an omission);

(b) Participant Rights. Subject to Section 8.10, determine the rights of Participants and Beneficiaries under the terms of this plan and communicate that information to the Trustee;

(c) Limits; Tests. Be responsible for determining that this plan complies with all limitations and tests (including, without limitation, nondiscrimination tests, coverage tests, and top-heavy tests) under the Code and Regulations and maintain records necessary to demonstrate compliance with such limits and tests;

(d) Benefits and Vesting. Determine which Participants are entitled to additional benefit accruals for a Plan Year, the amount of each eligible Participant's Compensation for the Plan Year, and a Participant's vested percentage;

(e) Errors. Correct an error, including (but not limited to) errors in the calculation of benefits, allocation of investment experience, or in determination of vesting or payment of a Participant's benefits;

(f) Claims and Elections. Establish or approve the manner of making an election, designation, application, claim for benefits, and review of claims;

(g) Benefit Payments. Direct the Trustee as to the recipient, time payments are to be made or to begin, and the elected form of payment;

(h) QDRO Determination. Establish procedures to determine whether or not a domestic relations order is a QDRO, to notify the Participant and any alternate payee of this determination, and to administer benefit payments pursuant to a QDRO;

(i) Administration Information. Obtain to the extent reasonably possible all information necessary for the proper administration of this plan;

(j) Recordkeeping. Establish procedures for and supervise the establishment and maintenance of all records necessary and appropriate for the proper administration of this plan;

(k) Reporting and Disclosure. Prepare and (i) file annual and periodic reports required under ERISA and Regulations; and (ii) distribute disclosure documents including (but not limited to) the summary plan description, an explanation to recipients of payments eligible for rollover treatment, the summary annual report, Form 5500 series, requested and required benefit statements, and notices to Employees of applications for determination;

(l) Penalties; Excise Taxes. Report and pay any penalty tax or excise taxes incurred by this plan or the Employer in connection with this plan on the proper tax form designated by the Internal Revenue Service and within the time limits specified for the tax form;

(m) Advisers. Employ attorneys, "Actuaries" (an individual or firm employed to provide actuarial services for this plan), accountants, clerical employees, agents, or other Persons who are necessary for operation, administration, and management of this plan;

(n) Expenses, Fees, and Charges. Present to the Trustee for payment (if not paid by the Employer) or reimbursement (if advanced by the Employer) all reasonable and necessary expenses, fees and charges, including fees for attorneys, Actuaries, accountants, clerical employees, agents, or other Persons, incurred in connection with the administration, management, or operation of this plan;

(o) Nondiscrimination. Apply all rules, policies, procedures, and other acts without discrimination among Participants;

(p) Bonding. Review compliance with the bonding requirements of ERISA; and

(q) Other Powers and Duties. Exercise all other powers and duties necessary or appropriate under this plan, except those powers and duties allocated to another named fiduciary.

8.6 Delegation of Administrative Duties.

The powers and duties of the Employer and the Administrator set forth in Sections 8.1 and 8.5 may be delegated to another fiduciary.

(a) In Writing. The written delegation shall specify (i) the date of the action and the effective date of the delegation; (ii) the responsibility delegated; (iii) the name, office, or other reference of each fiduciary to whom the responsibility is delegated; and (iv) if a responsibility is delegated to more than one fiduciary, the allocation of the responsibility among the fiduciaries.

(b) Acceptance of Responsibility. The delegation shall be communicated to the fiduciary to whom the responsibility is assigned, and written acceptance of the responsibility shall be made by the fiduciary. A fiduciary shall retain the responsibility until the fiduciary resigns or rejects the responsibility in writing, or the Administrator takes a superseding action.

(c) Conflict. If a fiduciary's powers or actions conflict with those of the Administrator, the powers of and actions of the Administrator will control.

8.7 Interrelationship of Fiduciaries; Discretionary Authority.

A Person may serve in more than one fiduciary capacity with respect to this plan and trust.

(a) Performance of Duties. Each fiduciary shall act in accordance with this plan and trust. Each fiduciary shall be responsible for the proper exercise of its responsibilities.

(b) Reliance on Others. Except as required by ERISA Section 405(b), each fiduciary may rely upon the action of another fiduciary and is not required to inquire into the propriety of any action.

(c) Discretionary Authority of Fiduciaries. Each fiduciary shall have full discretionary authority in the exercise of the powers, duties, and responsibilities allocated or delegated to that fiduciary under this instrument.

8.8 Compensation; Indemnification.

An Employee fiduciary who is compensated on a full-time basis by the Employer shall not receive compensation from this plan, except for reimbursement of expenses, unless permitted under a prohibited transaction exemption issued by the Department of Labor. The Employer shall indemnify and hold harmless each member of the Board of Directors and each Employee to whom fiduciary duties or other responsibilities for the operation and administration of this plan and trust have been assigned or delegated, from any and all claims, losses, damages, expenses, and liabilities arising from any action or failure to act with respect to any matter related to this plan and trust. Indemnification shall not apply if the action or inaction is due to gross negligence or willful misconduct. The Employer may purchase and maintain liability insurance covering itself, any Related Employer, and any other Person against claims, losses, damages, expenses, and liabilities arising from the performance or failure to perform any power, duty, or responsibility with respect to this plan and trust.

8.9 Fiduciary Standards.

Each fiduciary shall act solely in the interest of Participants and Beneficiaries:

(a) Prudence. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent Person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(b) Exclusive Purpose. For the exclusive purpose of providing benefits and paying expenses of administration; and

(c) Prohibited Transaction. To avoid engaging in a prohibited transaction under the Code or ERISA unless an exemption for the transaction is available or obtained.

8.10 Benefit Applications; Appeal Procedures.

(a) Application for Benefits. The Administrator will process an application for benefits by a Participant or Beneficiary and provide written notification of the determination to the Participant or Beneficiary not later than 90 days after receipt of the application unless the Administrator determines that special circumstances require an extension of time for processing the application.

(b) Notification of Adverse Determination for Application. Notification of an adverse determination shall be written in a manner that can be understood by the Participant or Beneficiary and shall include: (i) the specific reasons for the denial; (ii) specific reference to pertinent plan provisions on which the denial is based; (iii) a statement outlining additional material or information necessary to enable approval of the claim and the reasons why such material is necessary; and (iv) an explanation of the appeal procedures, including a statement of the Participant's or Beneficiary's right to initiate a lawsuit under ERISA Section 502(a) in the event of a denial on appeal.

(c) Appeal. Any Participant or Beneficiary asserting entitlement to a benefit different from the benefit approved by the Administrator in response to the application for payment, or who has received an adverse determination from the Administrator, whether relating to the amount, form of payment or time of payment, may, within 60 days after notice of the determination, file a written appeal for a full and fair review by the Administrator.

(d) Final Decision. The Administrator shall render a final determination and provide written notification to the Participant or Beneficiary within 60 days after receipt of the appeal, unless the Administrator determines that circumstances require an extension of time for processing the appeal.

(e) Notification of Adverse Determination on Appeal. Notification of an adverse determination on appeal shall be written in a manner that can be understood by the Participant or Beneficiary and shall include: (i) the specific reasons for the denial; (ii) specific reference to pertinent plan provisions on which the denial is based; (iii) a statement of the Participant's or Beneficiary's right to reasonable access to, and copies of, all documents, records and information relevant to the claim at no cost; and (iv) an explanation of the additional appeal procedures, if any are available, including a statement of the Participant's or Beneficiary's right to initiate a lawsuit under ERISA Section 502(a).

(f) Disability Claims. For the application and any appeal involving a claim for benefit payments due to Disability, the alternative and additional requirements and the shorter response times specified in Regulations Section 2560.503-1 shall apply.

(g) Extensions. If the response time in (a) or (d) is extended, written notice of the extension must be provided within the original response period and the extension cannot be longer than the original response period – i.e., 90 or 60 days. Notice of the extension must specify the circumstances requiring the extension and the date by which the Administrator expects to complete the determination.

Except as provided in (f), the initial and extended response times in (d) are automatically extended, to the extent permitted under Regulations Section 2560.503-1(i), if appeals are processed by a committee or board that holds regular meetings at least quarterly.

(h) Full and Fair Review. A full and fair review provides the Participant or Beneficiary with (i) reasonable access to, and copies of, all documents, records, and information relevant to the claim at no cost, (ii) the opportunity to submit written comments, documents or information relating to the claim, and (iii) the right to have such comments, documents or information taken into account, even if not submitted or considered in the preceding determination.

(i) Authorized Representative; Hearings. A Participant or Beneficiary may designate an authorized representative to act on behalf of, or with, the Participant or Beneficiary at all stages of an appeal. There shall be no right to a hearing or other presentation before the Administrator or its committee. The Administrator or its committee may, in its sole discretion, require a hearing or other presentation if deemed necessary for full and fair review and adjudication of the claim.

8.11 Participant's Responsibilities.

All requests for action of any kind by a Participant or Beneficiary under this plan shall be in writing, executed by the Participant or Beneficiary, sent to the Plan Administrator by registered mail, and shall be subject to any other plan rules applicable to any specific type of request.

8.12 Electronic Administration.

Notwithstanding the requirement set forth in this plan that certain transactions, notices, elections, consents and disclosures be evidenced in the form of written documentation, documentation for such transactions, notices, elections, consents or disclosures may be provided or obtained through electronic media to the extent consistent with Regulations and other guidance.

ARTICLE 9

Investment of Funds

9.1 Investment Responsibility.

Except to the extent investment responsibility is granted to an Investment Manager, the Trustee shall have sole and complete authority and responsibility for the investment, management, and control of trust assets.

9.2 Authorized Investments.

The trust may be invested and reinvested in common or preferred stocks, bonds, mortgages, leases, notes, debentures, mutual funds, guaranteed investment contracts and other contracts and funds of insurance companies, other securities, and other real or personal property including, without limitation, the investments described in (a) below.

(a) Specific Investments.

(i) Interest-Bearing Deposits. The trust may be invested in deposits, certificates, or share accounts of a bank, savings and loan association, credit union, or similar financial institution, including a fiduciary, if the deposits bear a reasonable rate of interest, whether or not the deposits or certificates are insured or guaranteed by an agency of the United States Government.

(ii) Pooled Investment Funds. The trust may be invested through ownership of assets or shares in a common trust fund, pooled investment fund, mutual fund, or other commingled investment, including any pooled or common fund or mutual fund maintained, sponsored, or provided investment management services by, or otherwise associated with, the Trustee, custodian, or other fiduciary, or affiliate of the Trustee or custodian, that allows participation or investment by a trust fund established under a qualified retirement plan. For this purpose, the terms and provisions of the declaration of trust or other governing documents through which the common trust fund, pooled investment fund or mutual fund is maintained are incorporated in, and made applicable to, this plan.

(iii) Qualifying Employer Securities. The trust may be invested in Qualifying Employer Securities in an amount which, together with all other qualifying employer securities held by the trust on the date of the investment, does not exceed 10% of the fair market value of the trust. Fair market value shall be determined as of the most recent Valuation Date coinciding with or preceding the date of investment.

"Qualifying Employer Security" means stock of the Employer or a marketable obligation of the Employer, as defined in ERISA Section 407.

(b) Right of Trustee To Hold Cash. The Trustee may hold a reasonable portion of the trust in cash pending investment or payment of expenses and benefits.

9.3 Commingled Investment.

The trust and separate accounts may be commingled for investment without distinction between principal and income.

ARTICLE 10

Administration of the Trust

10.1 Duties and Powers of the Trustee.

(a) Duties of the Trustee. The Trustee shall be a named fiduciary having the following duties:

(i) Control, Manage, and Invest Assets. To control, manage, and invest trust assets;

(ii) Administrator's Instructions. To carry out the instructions of the Administrator; and

(iii) Records; Reports. To maintain records and to prepare and file reports required by law or Regulations, other than those for which the Administrator is responsible under the terms of this plan.

(b) Powers of the Trustee. The Trustee shall have the following powers:

(i) Control Property. To hold, manage, improve, repair, and control all property, real or personal, forming part of the trust;

(ii) Asset Investment. To invest trust assets subject to the limitations in this plan;

(iii) Disposition of Asset. To sell, convey, transfer, exchange, partition, lease for any term (even extending beyond the duration of the trust), or otherwise dispose of a trust asset from time to time, in the manner, for the consideration, and upon the terms and conditions that the Trustee, in its discretion, determines;

(iv) Agents, Advisers, and Counsel. To employ and to compensate from the trust agents, advisers, and legal counsel reasonably necessary in managing the trust and advising the Trustee as to its powers, duties, and liabilities;

(v) Claims. To prosecute, defend, settle, arbitrate, compromise, or abandon all claims and demands in favor of or against the trust, with or without the assistance of legal counsel;

(vi) Vote Securities. To vote a corporation's stock or other securities, either in person or by proxy, for any purpose;

(vii) Exercise Trust Rights. To exercise, refrain from the exercise of, or convey a conversion privilege or subscription right applicable to a trust asset;

(viii) Collection. To demand, collect, and receive the principal, dividends, interest, income, and all other moneys or other property due upon trust assets;

(ix) Change of Structure. To consent to, oppose, or take another action in connection with a bankruptcy, composition, arrangement, reorganization, consolidation, merger, liquidation, readjustment of the financial structure, or sale of assets of a corporation or other organization, the securities of which may constitute a portion of the trust;

(x) Issue, Hold, or Register Securities. To cause securities or other property forming part of the trust to be issued, held, or registered in the individual name of the Trustee or its nominee; provided, however, any securities held in a nominee or street name must be held on behalf of the plan by (a) a bank or trust company that is subject to supervision by the US or a state, or a nominee of such bank or trust company; (b) a broker or dealer registered under the Securities Exchange Act of 1934, or a nominee of such broker or dealer; or (c) a clearing agency as defined in Section 3(a)(23) of the Securities Exchange Act, or its nominee;

(xi) Borrowing. To borrow money for the benefit of the trust without binding itself individually, and to secure the loan by pledge, mortgage, or creation of another security interest in the property;

(xii) Benefit Payments. To make benefit payments from the trust as directed by the Administrator;

(xiii) Expenses. Unless paid by the Employer, to pay from the trust all reasonable fees, taxes, commissions, charges, premiums and other expenses, including expenses described in Section 8.5(n) and reasonable fees of the Trustee and any other custodian or Investment Manager, incurred in connection with the administration of this plan or trust;

(xiv) Insure Assets. To insure trust assets through a policy or contract of insurance;

(xv) Incorporate. To incorporate (or participate in an incorporation) under the laws of any state for the purpose of acquiring and holding title to any property that is part of the trust;

(xvi) Depository. To keep any part of the trust on deposit with a custodian in the United States; and

(xvii) Other Acts. To perform all other acts the Trustee deems necessary, suitable, or desirable for the control and management of the trust and discharge of its duties.

(c) Limitation on Duties and Powers of the Trustee. Unless properly delegated and assumed by agreement of the Trustee, the Trustee shall not be required to exercise a duty or power of the Employer, Administrator, or any other fiduciary under this instrument.

If an Investment Manager is appointed to manage and invest some or all of the trust assets, the Investment Manager shall have, and the Trustee shall not have, the specified duties and powers with respect to investment of trust assets subject to the Investment Manager's control. The Trustee shall have no obligation or power to exercise discretionary authority or control with respect to investment of the assets subject to management by the Investment Manager or to render advice regarding the investment of such assets, unless required by ERISA Section 405. The Trustee shall not be liable for the investment performance of the assets subject to management by the Investment Manager. The powers and duties of the Trustee with respect to such assets shall be limited to the following:

(i) Custody and Protection. To act as custodian of the trust assets not transferred to the custody of the Investment Manager or another custodian, and to protect the assets in its custody from loss by theft, fire, or other cause;

(ii) Acquisitions. To acquire additional assets for the trust in accordance with the direction of the Investment Manager;

(iii) Dispositions. To sell or otherwise dispose of trust assets in accordance with the direction of the Investment Manager;

(iv) Accountings. To account for and render accountings with respect to the trust (except for assets held by another custodian);

(v) Authorized Actions. To take authorized actions for and on behalf of the trust in accordance with the direction of the Investment Manager; and

(vi) Ministerial and Custodial Tasks. To perform other ministerial and custodial tasks in accordance with the direction of the Investment Manager.

If trust assets are transferred to another custodian, that custodian shall have, and the Trustee shall not have, the foregoing duties and powers with respect to those assets.

10.2 Accounting.

The Trustee shall maintain accurate and detailed records of all investments, receipts, disbursements, and other transactions for the trust. The records shall be available for inspection at all reasonable times by Persons designated by the Administrator.

(a) Report. As soon as administratively feasible after the last day of each Plan Year and each other date agreed to by the Administrator and the Trustee, the Trustee shall prepare and furnish to the Administrator a statement of account containing the information required by ERISA Section 103(b)(3).

(b) Judicial Settlement. A dispute concerning the Trustee's records or statement of account may be settled by a suit for an accounting brought by a Person having an interest in the trust.

The accounting and reporting responsibilities shall not apply with respect to assets held by another custodian except to the extent assumed by the Trustee at the direction of the Administrator.

10.3 Appointment, Resignation, and Removal of Trustee.

The Trustee shall be at least one individual or eligible corporation with trust powers appointed in writing by the Employer and authorized to act as Trustee by ERISA and the Code.

(a) Resignation. The Trustee may resign with at least 60 days' written notice to the Employer, effective as of the date specified in the notice.

(b) Removal. The Employer may remove the Trustee with at least 60 days' written notice to the Trustee, effective as of the date specified in the notice.

(c) Successor Trustee. At least 10 days before the effective date of the resignation or removal, the Employer shall appoint a successor Trustee by written instrument delivered to the Trustee with the acceptance of the successor Trustee endorsed on the instrument.

(d) Effective Date of Resignation or Removal. The resignation or removal of the Trustee shall not be effective before the appointment is made and accepted by the successor Trustee. The parties, by agreement, may waive the time requirements.

(e) Procedure Upon Transfer. Upon the resignation or removal of the Trustee, the Trustee shall pay from the trust all accrued fees and expenses of the trust, including its own fees, and, as of the effective date of its resignation or removal, shall deliver a statement of account to the Administrator and the successor Trustee.

(f) Earlier Transfer. In order to facilitate the prompt transfer of fiduciary responsibility and trust assets to the successor Trustee, the Administrator and the Trustee may agree upon a procedure by which the Trustee shall deliver all trust assets (less a reasonable reserve for fees and expenses) to the successor Trustee as soon as administratively feasible after receipt of notice of appointment of the successor Trustee and acceptance of trust by the successor Trustee. The Administrator and the Trustee may agree to the transfer of trust assets to the successor Trustee pending preparation and approval of the final trust accountings.

(g) Final Transfer. As soon as administratively feasible, the Trustee shall deliver the remaining trust assets to the successor Trustee, together with records maintained by the Trustee.

(h) In Kind Transfer. The Trustee shall consult with the Administrator concerning the liquidation of trust assets to be transferred for the purpose of determining the feasibility of the transfer of certain trust assets in kind before implementing the liquidation.

(i) Limitation on Liability of Successor. The successor Trustee shall not be liable for the acts or omissions of any prior Trustee.

10.4 Trustee Action.

Actions by a corporate Trustee shall be either by a resolution of its board of directors or by a written instrument executed by one of its authorized officers. Actions taken by any other Trustee shall be by a written instrument executed by the Trustee.

10.5 Exculpation of Nonfiduciary.

A transfer agent, brokerage, clearing house, insurance company, or any other Person that is not a fiduciary with respect to this plan and who has paid money or delivered property to the Trustee shall not be responsible for its application or for determining the propriety of the actions of the Trustee concerning the money or other property.

ARTICLE 11

Amendment, Mergers, Successor Employer

11.1 Amendment.

The Employer may amend this plan and trust. An amendment may be retroactive or prospective, in the sole discretion of the Employer, except where prohibited by ERISA or the Code.

(a) Prohibitions. An amendment may be made without the consent of any other Person, except that an amendment shall not:

(i) Exclude Participant. Exclude an Employee who previously became a Participant;

(ii) Decrease Benefit. Decrease a Participant's Vested Accrued Benefit, determined as of the later of the date the amendment is adopted or becomes effective, except as permitted by ERISA Section 302(c)(8) and Code Section 412(c)(8) (for Plan Years beginning on or before December 31, 2007), and Code Section 412(d)(2) (for Plan Years beginning after December 31, 2007);

(iii) Reduce Vested Percentage. Reduce a Participant's vested percentage as of the later of the adoption of the amendment or the effective date of the amendment;

(iv) Vesting Schedule. Modify the vesting schedule for a Participant who was a Participant on the later of the effective date or the date of adoption of the amendment, except to increase the Participant's vested percentage (for each Year of Vesting Service);

(v) Elimination of Protected Benefits. Eliminate any early retirement benefits and retirement-type subsidy under Code Section 411(d)(6)(B)(i) or any optional forms of distribution with respect to benefits attributable to service earned before the amendment, except as may be permitted under Code Sections 401(a)(4) and 411; and

(vi) Alter Duties. Alter the duties, responsibilities, or liabilities of the Trustee or the Committee without the consent of the affected party; and

(vii) Special Restrictions. Violate the special restrictions of Section 12.7.

(b) Notice. An amendment which provides for a significant reduction in future benefit accruals shall require at least 15 days prior notice to affected Participants and alternate payees under a QDRO before becoming effective.

11.2 Amendment by WN&J .

(a) Authorized Amendments . Warner Norcross & Judd LLP ("WN&J") adopted an amendment on June 30, 2006, which permits WN&J to amend this plan on behalf of the Employer for changes in the Code, Regulations, revenue rulings, other statements published by the Internal Revenue Service (including model, sample, or other required good faith amendments, but only if their adoption will not cause the plan to be individually designed), and for corrections of prior approved plans.

(b) Termination of Authority . WN&J will no longer have the authority to amend the plan on behalf of the Employer as of:

(i) Form 5300. The date the Internal Revenue Service requires the Employer to file Form 5300 as an individually designed plan as a result of an amendment by the Employer to incorporate a type of plan not allowable in the volume submitter program (as described in Revenue Procedure 2005-16); or

(ii) Individually Designed. The date the plan is otherwise considered an individually designed plan due to the nature and extent of amendments by the Employer.

(c) Authority Conditioned on Favorable Determination Letter . If the Employer is required to obtain a determination letter for any reason in order to maintain reliance on the advisory letter for the volume submitter plan, WN&J's authority to amend this plan on behalf of the Employer is conditioned on the receipt of a favorable determination letter.

11.3 Merger of Plans.

This plan may be merged or consolidated, or its assets and liabilities may be transferred, in whole or in part, to another qualified retirement plan if:

(a) Preservation of Accrued Benefits. Each Participant's Accrued Benefit would be equal to or greater than the Participant's Accrued Benefit as of the date immediately before the merger, consolidation, or transfer, assuming that this plan had terminated at that time.

(b) Actuarial Statement. If required, at least 30 days before the merger, consolidation, or transfer, the Administrator shall file an actuarial statement of valuation, in accordance with Code Section 6058, that the requirements of (a) will be met upon consummation of the merger, consolidation, or transfer.

(c) Authorization. The Employer and any new or successor employer shall authorize the merger, consolidation, or transfer.

11.4 Successor Employer.

If an Employer is dissolved, merged, consolidated, restructured, or reorganized, or if the assets of the Employer are transferred, this plan and trust may be continued by the successor, and in that event, the successor will be substituted for the Employer.

ARTICLE 12

Termination

12.1 Right to Terminate .

(a) Employer . The Employer reserves the right to revoke this instrument and terminate this plan and trust. The right to terminate is subject to, and conditioned upon, proper and timely notice to the Participants before the effective date of plan termination, including, if applicable, advance notice of the effective date of an amendment which ceases the accrual of benefits under this plan.

(b) Pension Benefit Guaranty Corporation . Unless this plan meets the exception described in ERISA Section 4021(b)(13), termination of this plan is also subject to the requirements of the Pension Benefit Guaranty Corporation ("PBGC"). These requirements include:

(i) Intent to Terminate. A notice of the intention to terminate this plan to the affected parties at least 60 days and not more than 90 days before the proposed termination date;

(ii) PBGC Certification. An actuarial certification to the PBGC stating the projected amount of plan assets, the Actuarially Equivalent present value of Benefit Commitments, and either that this plan is projected to be sufficient for all Benefit Commitments or that this plan meets the criteria for a distress termination together with a certification by the Administrator of the accuracy of the information underlying the actuarial certification; and

(iii) Benefit Commitments. As soon as possible after issuance of the notice of intent to terminate, a notice to each Participant and Beneficiary of the amount of Benefit Commitments or benefits payable, the amount and availability of alternative benefits or forms of payment, and the specific personal data (retirement age, spouse's age, and service) used to calculate the benefit. "Benefit Commitments" consist of all amounts set forth in subparagraphs (i)-(v) of Section 12.3(c).

12.2 Automatic Termination.

This plan shall automatically terminate, or partially terminate when applicable, and contributions to the trust shall cease upon the Employer's legal dissolution or when required by ERISA or the Code.

12.3 Termination or Partial Termination of Plan .

(a) Termination . Upon plan termination, the trust assets shall be liquidated over a reasonable period determined by the Trustee after consultation with the Administrator and, if covered by ERISA Section 4021(a), upon expiration of the statutory 60-day period after filing of the PBGC certification or extension of that period (for a standard termination), or upon the consent and approval of the PBGC (for a distress termination). The net assets (after provision is made for administrative expenses and expenses of liquidation) shall be applied and paid as provided in this section.

(b) Partial Termination . If there is a partial termination of this plan, trust assets representing the interests of affected Participants shall be segregated by the Trustee. The proportionate interest of the affected Participants shall be determined by the Actuary on the basis of the funding method used by this plan, the assumptions used by the Actuary in making actuarial valuations of this plan, and other factors as the Actuary deems appropriate and equitable.

(c) Priorities . Assets remaining after reserving sufficient assets to pay the expenses of administration and termination shall be applied as required under ERISA Section 4044 in the following order of priority:

(i) After-Tax Employee Contribution Benefits. First, to the portion of Participant's Accrued Benefits derived from the Participant's after-tax employee contributions.

(ii) Mandatory Contribution Benefits. Second, to the portion of Participant's Accrued Benefits derived from Participants' mandatory contributions. The amount of mandatory contributions shall be reduced by amounts paid to the Participant before the termination of this plan.

(iii) Benefits Payable. Third, to benefits payable to a Participant or Beneficiary who at the date which is three years before termination either had begun to receive benefit payments or would have begun receiving benefit payments had the Participant elected to retire and begin receiving benefits as of that date.

(A) Benefit. For this purpose, the benefit shall be the smaller of the benefit that was being received or the benefit that would have been received had the Participant retired based on the least benefit in effect during the five-year period ending at termination.

(B) Benefit Decrease. If benefits under this plan had been reduced during the three-year period ending at termination by amendment or due to the form of payment, the lowest payment received during that period shall be considered as the benefit that was being received three years before termination.

(iv) Benefits Guaranteed. Fourth, to benefits to a Participant (or Beneficiary) if, on the effective date of plan termination, the Participant's employment had terminated with a pension payable or the Participant would have had a pension payable had the Participant's employment terminated other than by death on that date.

(A) Benefit. The benefit shall be the benefit not covered in the previous priority category which was provided by this plan at the date five years prior to the effective date of plan termination and a prorated portion of any benefit increase from that period to the effective date of termination. The prorated portion of a benefit increase shall be determined by multiplying the amount of the increase by 20% for each Plan Year that the increase was in effect.

(B) Limitation. A benefit payable under this subsection shall not be greater than the actuarial value of a monthly single life annuity benefit of \$750 beginning at age 65. The amount shall be increased by cost of living and other adjustments after 1974.

(v) Other Vested Benefits. Fifth, to benefits to a Participant (or Beneficiary) if, on the effective date of plan termination, the Participant's employment had terminated with a benefit payable or the Participant would have had a benefit payable had such Participant's employment terminated other than by death on that date. The benefit shall be the benefit provided by this plan as in effect on the date of termination.

(vi) Other Nonvested Benefits. Sixth, to benefits to a nonvested Participant whose employment had not terminated as of the effective date of plan termination. The benefit shall be the Actuarially Equivalent present value of the Participant's Accrued Benefit determined without regard to the vesting schedule under this plan.

(d) Rules For Application . The liability established by each priority shall be fully satisfied before provision for payment may be made under the next priority.

(i) Distress Termination. If the assets of the trust fund are insufficient to satisfy the benefits payable under priorities (c)(i) through (v), this plan shall be subject to the distress termination provisions of ERISA.

(ii) Insufficiency Within Priority. If the assets of the trust are insufficient within a priority to provide full benefits for all persons included within priorities (c)(i), (ii), (iii), (iv), and (vi), the benefits shall be proportionately reduced based upon the present value of the full benefit payable. If the insufficiency occurs in priority (c)(v), benefits in effect for the entire five-year period shall first be satisfied. Then benefit increases shall be satisfied in the chronological order of their effective dates.

12.4 Effect of Termination or Partial Termination.

(a) Nonforfeitability. Upon termination or partial termination of this plan, the rights of all affected Participants to Accrued Benefits as of the date of termination shall be nonforfeitable, except to the extent that they are subject to limitations with respect to maximum benefits.

(b) Distribution. Upon satisfaction of the procedural termination (or partial termination) requirements, the Administrator shall direct payment of benefits under the payment provisions of this plan, providing the benefits, where appropriate or required, through the purchase of annuity contracts.

(c) Recourse Only Against Trust Assets. Except as required under ERISA, Participants shall not have recourse for the payment of Accrued Benefits as of the date of plan termination other than against the trust assets and the Employer shall have no further liability for contributions to this plan or for payment of benefits for affected Participants upon plan termination.

12.5 Reversion of Assets.

The Employer shall not receive an amount from the trust due to plan termination, except that, the Employer shall receive all amounts, if any, remaining after payment of the present value of (or application to purchase annuities to pay) the Benefit Commitments under this plan to Participants and Beneficiaries. Any excess remaining after payment or application of these amounts shall be considered to result from a variation between actual experience and expected actuarial experience.

12.6 Highest Paid Restriction.

(a) Restrictions on Termination. If this plan terminates, the benefit of any present or former Highly Compensated Employee shall be limited to a benefit that is nondiscriminatory under Code Section 401(a)(4).

(b) Restrictions on Distributions. The benefits payable to any of the 25 present and former Highly Compensated Employees paid the most compensation in the current or any prior Plan Year shall be restricted to annual payments no greater than (1) the annual payment that would be made to or with respect to the Participant under a life annuity that is Actuarially Equivalent to the sum of the Participant's Vested Accrued Benefit and the Participant's other benefits under this plan (other than a social security supplement) plus (2) the amount the Participant is entitled to receive under a social security supplement.

(i) Exceptions. The restriction shall not apply if: after payment of the benefit the value of the plan assets equals or exceeds 110% of the value of current liabilities as defined in Code Section 412(l)(7); the value of the benefits for the Participant is less than 1% of the value of current liabilities before distribution; the value of the benefit payable does not exceed the amount described in Code Section 411(a)(11)(A); or the plan terminates and the benefit is nondiscriminatory under Code Section 401(a)(4).

(ii) Benefit. For purposes of the restriction, the Participant's benefit includes loans in excess of the amount set forth in Code Section 72(p)(2)(A), any periodic income, any withdrawal values paid to a Participant, and any death benefits not provided for by insurance on the Participant's life.

(c) Payment of Restricted Benefit in Full. A Participant's otherwise restricted benefit may be paid in full if the Participant enters into a written agreement with the Administrator to secure repayment of the restricted amount. The restricted amount is the excess of the amount paid to the Participant (accumulated with reasonable interest) over the amount that could have been paid under the restriction (accumulated with reasonable interest). The Participant may secure repayment of the restricted amount by one of the following methods.

(i) Deposit in Escrow. The Participant may deposit in escrow, with an acceptable depository, property having a fair market value equal to at least 125% of the restricted amount. The escrow arrangement may permit the Participant to withdraw amounts in excess of 125% of the restricted amount. If the market value of the property falls below 110% of the remaining restricted amount, the Participant must deposit additional property to bring the value of the property held by the depository up to 125% of the restricted amount. The escrow arrangement may provide that the Participant may have the right to receive any income from the property placed in escrow, subject to the Participant's obligation to deposit additional property.

(ii) Letter of Credit. The Participant may provide a bank letter of credit in an amount equal to at least 100% of the restricted amount.

(iii) Bond. The Participant may post a bond equal to at least 100% of the restricted amount. If a bond is posted, the bond must be furnished by an insurance company, bonding company or other surety for federal bonds.

A surety or bank may release any liability on a bond or letter of credit in excess of 100% of the restricted amount. If the Administrator certifies to the depository, surety, or bank that the Participant (or the Participant's estate) is no longer obligated to repay any restricted amount, a depository may redeliver any property held under the escrow arrangement, and a surety or bank may release any liability on the Participant's bond or letter of credit. The Administrator shall make such a certification only upon an occurrence described in (b)(i) above.

(d) Payments Prior to January 1, 1994. Payments that were made or began before January 1, 1994, and that were restricted under Regulations Section 1.401-4(c) will not continue to be restricted unless the payments also would be subject to restriction under the rules of this section. Any payment that remains restricted will be restricted in accordance with Regulations Section 1.401-4(c), but the Participant may receive payment of an amount in escrow or release of any bond or letter of credit if the amount could be released under either Regulations Section 1.401-4(c) or 1.401(a)(4)-5(b).

12.7 Special Restriction.

If the Plan is terminated or merged during the period from a Restricted Date to the following Unrestricted Date (“a Restricted Period”), the provisions of this section shall govern any termination, partial termination or merger or consolidation of the Plan.

(a) Restricted Date. “Restricted Date” means the first date on which the Employer enters into an agreement which could constitute a Change in Control; a person (including the Employer) publicly announces an intention to take or consider taking actions which would, if consummated, constitute a Change in Control; a Person (other than the Trustee or a fiduciary holding Employer securities under an employee benefit plan or any entity owned directly or indirectly by shareholders of the Employer in substantially the same proportions as their ownership of the Employer) increases beneficial ownership of the combined voting power of the Employer’s then outstanding securities by 5% or more over the percentage owned on May 19, 1987, and after the increase the Person holds as beneficial owner, directly or indirectly, 9.5% or more of securities of the Employer; or the Board of Directors of the Employer adopts a resolution to the effect that a Potential Change in Control has occurred for purposes of this Agreement.

(b) Change in Control. “Change in Control” means:

(i) the acquisition of 20% or more of either (1) the then outstanding shares of common stock of the employer or (2) the combined voting power entitled to vote for the Board of Directors of the Employer, excluding: (A) an acquisition by the Employer, (B) an acquisition by an employee benefit plan (or related trust) of the Employer, (C) an acquisition where, afterwards the ownership is substantially the same (in accordance with (1), (2), and (3) of subsection (iii) of this Section), or (D) an acquisition by an executive or group of executives of the Employer;

(ii) a change in majority of the incumbent Board of Directors of the Employer as of May 9, 1987, except that a board member approved by a three-quarters vote of the directors shall be defined as an incumbent and a board member elected out of a proxy contest is deemed not to be an incumbent;

(iii) approval by the stockholders of the Employer of a reorganization, merger, consolidation plan of complete liquidation or distribution or sale of substantially all of the Employer's assets unless the ownership afterwards is substantially the same including, (1) more than 50% of common stock and voting power is the same and in roughly the same proportion, (2) no Person except the Employer, an Employer employee benefit plan (or related trust) or stockholder who held 20% before such transaction, owns 20% of the common stock or voting power of the new company, and (3) at least a majority of the new board members were members of the incumbent board.

(c) Unrestricted Date. "Unrestricted Date" means the last day of the two-year period following the Restricted Date.

(d) Termination/Partial Termination. Upon termination (or partial termination) during a Restricted Period, if assets remain in the Trust which could otherwise be reverted to the Employer, the assets shall instead be applied:

(i) Retiree Benefits. First, to the purchase of retiree medical and life insurance to Participants and their beneficiaries in full (or partial prorata) satisfaction of the Employers' obligation then existing obligation; and

(ii) Benefit Increase. To increase benefits on a prorata basis to Participants and beneficiaries to the maximum extent permissible under the Plan.

(e) Merger Consolidation. If the Plan is merged or consolidated with another plan or a transfer of plan assets and liabilities is effected during a Restricted Period:

(i) Full Vesting. The Accrued Benefit of each Participant whose benefit may be affected and is in Covered Employment on the proposed effective date of the merger, consolidation or transfer shall be fully vested.

(ii) Benefit Increase. The vested accrued benefit of each Participant or beneficiary shall be increased under subsection (d) above (including retiree benefits) as though the Plan had terminated immediately prior to the effective date of the merger, consolidation or transfer shall be fully vested.

(iii) Payment/Purchase. The increased fully-vested benefit provided by this Section shall be satisfied before the consummation of the merger, consolidation or transfer by, at the Participant or beneficiary's election: a lump sum payment of the present value of the benefits calculated on a termination basis or by the purchase of an annuity contract which represents an irrevocable commitment to satisfy the increased, fully-vested benefit and satisfies applicable provisions of law regarding selection of an annuity provider.

(f) Amendment. During a Restricted Period, the Plan may not be amended to:

(i) Adversely Impact. Adversely affect the computation or amount of or entitlement to benefits under this Section including any adverse change in or to: the rate at which benefit accrue or vest; the determination of compensation; optimal forms of payment; the time of commencement of benefits; or actuarial factors utilized to compute benefits.

(ii) Modify Section 12.7. Modify this Section 12.7 without the consent of a majority of the Participants in Covered Employment immediately prior to the Restricted Date in both number and interest (calculated based upon the present value of the benefits provided by this Section).

ARTICLE 13

General Provisions

13.1 Spendthrift Provision.

An interest in the trust shall not be subject to assignment, conveyance, transfer, anticipation, pledge, alienation, sale, encumbrance, or charge, whether voluntary or involuntary, by a Participant or Beneficiary except under a QDRO or as permitted in subsection (a) or (b).

(a) Not Security. An interest shall not provide collateral or security for a debt of a Participant or Beneficiary or be subject to garnishment, execution, assignment, levy, or to another form of judicial or administrative process or to the claim of a creditor of a Participant or Beneficiary, through legal process or otherwise, except for a claim under a voluntary revocable assignment permitted by Regulation Section 1.401(a)-13.

(b) Crimes and ERISA Violations. A Participant's interest in the trust may be offset to pay an amount that the Participant is required to pay to the plan for certain crimes and ERISA violations in accordance with the following rules:

(i) Express Provision. An offset may be made if it is expressly provided for by:

(A) Judgment of Conviction. A judgment of conviction for a crime involving this plan;

(B) Civil Judgment. A civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation (or alleged violation) of the fiduciary responsibility provisions under ERISA; or

(C) IRS/PBGC Settlement. A settlement agreement between the Participant and the Internal Revenue Service or Pension Benefit Guaranty Corporation in connection with a violation (or alleged violation) of the fiduciary responsibility provisions under ERISA by a fiduciary or any other person.

(ii) Spousal Consent. A Participant's interest in the trust shall not be offset if the Participant has a Spouse on the date of the offset unless the QJSA and QPSA have been waived or the Spouse consents in writing to the offset. The consent must be witnessed by an individual named by the Administrator or by a notary public. If the Spouse cannot be located or if other circumstances set forth in Regulations issued under Code Section 417 exist, the consent is not required.

(iii) Waiver of Consent Requirement. The consent of the Spouse is not required if the judgment or settlement agreement in (i) above:

(A) Payment Ordered. Orders or requires the Spouse to pay an amount to this plan in connection with a violation of the fiduciary responsibility provisions under ERISA; or

(B) Rights Retained. Retains the Spouse's right to the QJSA or QPSA determined in accordance with Code Section 401(a)(13)(D).

(c) Attempts Void. Any other attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or otherwise dispose of benefits payable, before actual receipt of the benefits, or a right to receive benefits, shall be void. The trust shall not be liable for, or subject to, the debts, contracts, liabilities, engagements, or torts of a Person entitled to benefits. The benefits and trust assets under this plan shall not be considered an asset of a Participant or Beneficiary in the event of insolvency or bankruptcy.

13.2 Effect Upon Employment Relationship.

The adoption of this plan shall not create a contract of employment between the Employer and an Employee, confer upon an Employee a legal right to continuation of employment, limit or qualify the right of the Employer to discharge or retire an Employee, or affect the right of an Employee to remain in service after the Normal Retirement Date.

13.3 No Interest in Employer Assets.

Nothing in this plan and trust shall be construed to give an Employee, Participant, or Beneficiary an interest in the assets or the business affairs of the Employer or the right to examine the books and records of the Employer. A Participant's rights are solely those granted by this instrument.

13.4 Construction.

The singular includes the plural, and the plural includes the singular, unless the context clearly indicates the contrary. Capitalized terms have the meaning specified in this plan. If a term is not defined, the term shall have the general, accepted meaning of the term.

Any period of time described in this plan shall consist of consecutive days, months, or years, as appropriate.

13.5 Severability.

If any provision of this plan is invalid, unenforceable, or disqualified under the Code, ERISA, or Regulations, for any period of time, the affected provision shall be ineffective, but the remaining provisions shall be unaffected.

13.6 Governing Law.

This plan and trust shall be interpreted, administered, and managed in compliance with the Code, ERISA, and Regulations. To the extent not preempted by federal law, this plan and trust shall be interpreted, administered, and managed in compliance with the laws of the State of Michigan.

13.7 Nondiversion.

Except for reversion of assets permitted upon plan termination, all of the trust assets shall be retained for the exclusive benefit of Participants and their Beneficiaries, shall be used to pay benefits to such Persons and to pay administrative expenses to the extent not paid by the Employer and shall not revert to or inure to the benefit of the Employer.

13.8 Limitations for Underfunded Plans.

This section generally states the requirements of Code Section 436 and the Regulations and shall take precedence over any other provision of this plan. The applicability of Code Section 436 and its limitations shall be determined in accordance with the provisions of Regulations Section 1.436-1, including, but not limited to, the application of Code Section 436 to the plan as determined under Regulations Section 1.436-1(a) and the methods for avoiding the benefit limitations of Code Section 436 specified in Regulations Section 1.436-1(f).

(a) Limitation on Benefit Accruals. If the AFTAP for a Plan Year is less than 60%, benefit accruals under this plan will cease as of the Applicable Measurement Date in accordance with Regulations Section 1.436-1(e). If benefit accruals must cease under this provision, the plan may not be amended in a manner that would increase the liabilities of the plan by reason of an increase in benefits or establishment of new benefits, regardless of whether such amendment would otherwise be permitted under Code Section 436(c)(3).

(b) Limitation on Benefit Payments. Benefit payments to a Participant or Beneficiary will be limited as specified below.

(i) AFTAP Less Than 60%. If the AFTAP for a Plan Year is less than 60%, a Participant or Beneficiary may not elect an optional form of benefit payment that includes a Prohibited Payment, and the plan will not pay any Prohibited Payment, with an Annuity Starting Date that is on or after the Applicable Measurement Date.

(ii) Bankruptcy. A Participant or Beneficiary may not elect an optional form of benefit payment that includes a Prohibited Payment, and the plan will not pay any Prohibited Payment, with an Annuity Starting Date that occurs during any period in which the Employer is a debtor in a case under Title 11 of the United States Code or similar federal or state law. The preceding sentence shall not apply to payments made within a Plan Year with an Annuity Starting Date that occurs on or after the date on which the Actuary certifies that the AFTAP for that Plan Year is not less than 100%.

(iii) AFTAP Between 60% and 80%. If the AFTAP for a Plan Year is 60% or more but less than 80%, a Participant or Beneficiary may not elect an optional form of benefit that includes a Prohibited Payment, and the plan will not pay any Prohibited Payment, with an Annuity Starting Date that is on or after the Applicable Measurement Date, unless the present value, determined in accordance with Code Section 417(e)(3), of the Restricted Portion of the benefit does not exceed the lesser of (A) 50% of the present value (determined in accordance with Code Section 417(e)(3)) of the benefit payable in the optional form of benefit payment that includes the Prohibited Payment or (B) 100% of the PBGC Maximum Benefit Guarantee Amount.

(A) Election Options. If an optional form of benefit payment that is otherwise available under this plan is not available as of the Annuity Starting Date due to (iii) above, the Participant or Beneficiary may elect to:

(1) Bifurcation. Receive the Unrestricted Portion of that optional form at that Annuity Starting Date, determined by treating the Unrestricted Portion of the benefit as if it were the Participant's or Beneficiary's entire benefit under this plan, and to receive payment of the remainder of the benefit in any optional form of benefit at the same Annuity Starting Date otherwise available that would not have included a Prohibited Payment if that optional form applied to the Participant or Beneficiary's entire benefit; provided the rules of Code Section 1.417(e)-1 are applied separately to the separate optional forms of payment for the Unrestricted Portion of the benefit and the remainder of the benefit;

(2) Other Optional Form. Commence benefit payments with respect to the Participant's or Beneficiary's entire benefit in any other optional form of benefit available under this plan at the same Annuity Starting Date that is not restricted under (iii) above; or

(3) Defer Payment. Defer commencement of the benefit payments if permitted and in accordance with the terms of this plan.

(B) One Time Application. If a Prohibited Payment (or series of Prohibited Payments under a single optional form of benefit payment) is made to a Participant in accordance with the above provisions, no additional Prohibited Payment may be made with respect to that Participant during any period of consecutive Plan Years for which the limitations on benefit payments under (b) above apply.

(C) Alternative Election Option. With respect to an optional form of benefit payment that includes a Prohibited Payment that is not permitted to be paid under (iii) above, for which no additional information from the Participant or Beneficiary is needed, rather than wait for the Participant or Beneficiary to elect such optional form of benefit payment, the Administrator may determine to provide for separate elections with respect to the Restricted and Unrestricted Portions of that optional form of benefit provided this rule is applied to all such optional forms and the option that the separate election replaces is identified.

(i v) Special Election Options. The Administrator may determine, on a uniform and nondiscriminatory basis, to offer optional forms of benefit in accordance with Regulations Section 1.436-1(d)(6) including, but not limited to, the options listed in (A) and (B) below that will be available solely during the period in which subsections (i), (ii), or (iii) apply to limit Prohibited Payments under this plan.

(A) Single Sum Payment. A Participant or Beneficiary who commences benefit payments during the period in which (i) or (ii) above applies to limit Prohibited Payments under this plan may be permitted to elect (when the restricted period expires) to receive the remaining benefit in the form of a single-sum payment equal to the present value of the remaining benefit, but only to the extent then permitted under this section.

(B) Deferral of Restricted Portion. A Participant or Beneficiary who commences benefit payments during the period in which (iii) above applies to restrict Prohibited Payments under this plan may be permitted to elect payment in an optional form of benefit payment that provides for the current payment of the Unrestricted Portion of the benefit with a delayed commencement for the Restricted Portion of the benefit, subject to the other requirements of this plan.

(c) Limitation on Unpredictable Contingent Event Benefits. Unpredictable Contingent Event Benefits with respect to an Unpredictable Contingent Event occurring during a Plan Year shall not be paid if the AFTAP for the Plan Year is (i) less than 60%, or (ii) 60% or more, but would be less than 60% if the AFTAP were redetermined applying an actuarial assumption that the likelihood of occurrence of the Unpredictable Contingent Event during the Plan Year is 100%.

(d) Limitation on Plan Amendments. In accordance with Regulations Section 1.436-1(c) and except as otherwise provided therein, no amendment to the plan that has the effect of increasing liabilities of the plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable will take effect in a Plan Year if the AFTAP for the Plan Year is (i) less than 80%; or (ii) 80% or more, but would be less than 80% if the benefits attributable to the amendment were taken into account in determining the AFTAP.

(e) Automatic Resumption/Restoration.

(i) Benefit Accruals. Benefit accruals that had been limited under (a) above shall be automatically restored as of the Applicable Measurement Date that the limitation ceases to apply. The restoration of benefit accrual is treated as a plan amendment subject to the limitations under (d) above, unless the continuous period of the limitation was 12 months or less and the plan's Actuary certifies that the AFTAP would not be less than 60% taking into account the restored benefit accruals for the prior Plan Year.

(ii) Benefit Payments. If a limitation on Prohibited Payments under (b) above applied to the plan as of an Applicable Measurement Date, but that limit no longer applies as of a later Applicable Measurement Date, the limitation on Prohibited Payments does not apply to benefits with Annuity Starting Dates that are on or after that later Applicable Measurement Date. Notwithstanding any other provision of this plan to the contrary, the Administrator may determine, on a uniform and nondiscriminatory basis, to provide a Participant who had an Annuity Starting Date within a period during which a limitation under (b) above applied to the plan with the opportunity to have a new Annuity Starting Date (which would constitute a new Annuity Starting Date under Code Sections 415 and 417) under which the form of benefit payment previously elected may be modified once the limitations cease to apply.

(iii) Unpredictable Contingent Event Benefits. If Unpredictable Contingent Event Benefits with respect to an Unpredictable Contingent Event that occurs during the Plan Year are not permitted to be paid after the occurrence of the event in accordance with (c) above, but are permitted to be paid later in the Plan Year as a result of additional contributions under Regulations Section 1.436-1(f)(2) or pursuant to the Actuary's certification of the AFTAP for the Plan Year that meets the requirements of Regulations Section 1.436-1(g)(5)(ii)(B), the Unpredictable Contingent Event Benefits will automatically become payable, retroactive to the period those benefits would have been payable under the terms of this plan. If the benefits do not become payable during the Plan Year in accordance with the preceding sentence, the plan is treated as if it does not provide those benefits; provided, however, that all or any portion of those benefits can be restored pursuant to an amendment that meets the requirements of (d) above.

(iv) Plan Amendments. If an amendment to the plan does not take effect as of the effective date of the amendment in accordance with (d) above, but is permitted to take effect later in the Plan Year as a result of additional contributions under Regulations Section 1.436-1(f)(2) or pursuant to the Actuary's certification of the AFTAP for the Plan Year that meets the requirements of Regulations Section 1.436-1(g)(5)(ii)(C), the amendment will automatically take effect as of the first day of the Plan Year (or, if later, the original effective date of the amendment). If the amendment cannot take effect during the Plan Year, it will be treated as if it were never adopted, unless the amendment provides otherwise.

(f) Definitions. The following definitions apply for purposes of this section only.

(i) AFTAP. "AFTAP" means the adjusted funding target attainment percentage as defined in Regulations Section 1.436-1(j)(1), including all applicable assumptions, elections, and transition rules specified in Code Section 436 and Regulations Section 1.436-1.

(ii) Annuity Starting Date. "Annuity Starting Date" generally means the first day of the first period for which an amount is payable as an annuity as described in Code Section 417(f)(2)(A)(i). The Annuity Starting Date shall be determined in accordance with Regulations Section 1.436-1(j)(2).

(iii) Applicable Measurement Date. "Applicable Measurement Date" means the date used to determine when the limitations of this article apply or cease to apply, and also for calculations with respect to applying the limitations of this article, as defined in Regulations Section 1.436-1(j)(8).

(iv) PBGC Maximum Benefit Guarantee Amount. "PBGC Maximum Benefit Guarantee Amount" means the present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation, using the interest and mortality assumptions under Code Section 417(e)) of the maximum benefit guarantee with respect to a Participant (based on the Participant's age or the Beneficiary's age at the Annuity Starting Date) under ERISA Section 4022 for the year in which the Annuity Starting Date occurs.

(v) Prohibited Payment. "Prohibited Payment" means any payment for a month that is in excess of the monthly amount paid under a Single Life Annuity (plus any social security supplements described in the last sentence of Code Section 411(a)(9)) to a Participant or Beneficiary whose Annuity Starting Date occurs during any period that a limitation on Prohibited Payments is in effect, as well as any payment for the purchase of an irrevocable commitment from an insurer to pay benefits. Prohibited Payment includes any transfer of assets and liabilities to another plan maintained by the Employer or any Related Employer that is made to avoid or terminate the application Code Section 436 and any other amount that is identified as a Prohibited Payment in guidance published by the Commissioner of the Internal Revenue Service. Prohibited Payment does not include the payment of a benefit which may be distributed without the consent of the Participant in accordance with Code Section 411(a)(11).

(vi) Restricted Portion. "Restricted Portion" means, with respect to a benefit being paid in an optional form for which any of the payments is greater than the amount payable under a Single Life Annuity to the Participant or Beneficiary (plus any social security supplements described in the last sentence of Code Section 411(a)(9) payable to the Participant or Beneficiary) with the same Annuity Starting Date, the excess of each payment over the smallest payment during the Participant's lifetime under the optional form of benefit (treating a period after the Annuity Starting Date and during the Participant's lifetime in which no payments are made as a payment of zero).

(vii) Unpredictable Contingent Event. "Unpredictable Contingent Event" means a plant shutdown (whether full or partial) or similar event, or an event (including the absence of an event) other than the attainment of any age, performance of any service, receipt or derivation of any compensation, or the occurrence of death or Disability.

(viii) Unpredictable Contingent Event Benefits. "Unpredictable Contingent Event Benefits" means any benefit or increase in benefits to the extent the benefit or increase would not be payable but for the occurrence of an Unpredictable Contingent Event.

(ix) Unrestricted Portion. "Unrestricted Portion" generally means 50% of the amount payable under the optional form of benefit. The Unrestricted Portion of the benefit shall be determined in accordance with Regulations Section 1.436-1(d)(3)(iii)(D).

ARTICLE 14
Top-Heavy Plan Provisions

14.1 Top-Heavy Plan.

If this plan is or becomes a Top-Heavy Plan in a Plan Year, the provisions of this article shall supersede all conflicting plan provisions. "Top-Heavy Plan" means this plan for a Plan Year if:

(a) Not Required or Permissive Aggregation Group . This plan is not part of a Required Aggregation Group or a Permissive Aggregation Group, and the Top-Heavy Ratio exceeds 60%;

(b) Required Aggregation Group . This plan is part of a Required Aggregation Group (but not part of a Permissive Aggregation Group), and the Top-Heavy Ratio for the Required Aggregation Group exceeds 60%; or

(c) Permissive Aggregation Group . This plan is part of a Permissive Aggregation Group, and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds 60%.

14.2 Top-Heavy Determination.

The determination of the Top-Heavy Ratio and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with Code Section 416 and Regulations.

(a) Top-Heavy Ratio. "Top-Heavy Ratio" means the ratio, as of this plan's Determination Date, calculated by dividing the aggregate Present Value of Accrued Benefits of all Key Employees of each plan in the Required Aggregation Group (and each other plan in the Permissive Aggregation Group, if necessary or desirable) by the aggregate Present Value of Accrued Benefits of all Participants under all plans in the Required (or Permissive) Aggregation Group.

(i) Disregard Certain Employees. In calculating the Top-Heavy Ratio, the account balance or Accrued Benefit of a Participant who was a Key Employee in a prior year but is no longer a Key Employee or has not performed services for an Employer maintaining this plan at any time during the one-year period ending on the Determination Date(s) will be disregarded.

(ii) Ownership. Ownership shall be determined under Code Section 318 as modified by Code Section 416(i)(1)(B)(iii) without regard to the aggregation rules under Code Section 414.

(b) Present Value of Accrued Benefits.

(i) This Plan. "Present Value of Accrued Benefits" under this plan means the Actuarially Equivalent present value of the Accrued Benefits of all Participants and Beneficiaries determined as of the most recent Top-Heavy Valuation Date within the 12-month period ending on the Determination Date. The Present Value of Accrued Benefits includes:

(A) One-Year Period. The amount of benefit payments made from this plan due to severance from employment, death or disability during the one-year period ending on the Determination Date; and

(B) Five-Year Period. The amount of benefit payments made from this plan for any other reason during the five-year period ending on the Determination Date.

(i i) Accrual Method. The Accrued Benefit of any Participant who is not a Key Employee shall be determined (i) under the method, if any, that applies uniformly with respect to all defined benefit plans maintained by the Employer, or (ii) if there is no uniform method, as if the benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Code Section 411(b)(1)(C).

(i i i) Multiple Plans. The Present Value of Accrued Benefits shall be determined with respect to, and pursuant to the provisions of, all qualified retirement plans (including a simplified employee pension plan) in the aggregation group. When aggregating plans, the Present Value of Accrued Benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

(i v) Unpaid Contribution. A contribution not paid as of a Determination Date for any plan in the aggregation group shall be included in the determination of the Present Value of Accrued Benefits as required in Code Section 416 and Regulations.

(v) Actuarial Assumptions. If this plan is part of a Permissive Aggregation Group or a Required Aggregation Group and at least one of the qualified retirement plans aggregated with this plan is a defined benefit plan, the Present Value of Accrued Benefits under any such defined benefit plan shall be determined based on the interest rates and mortality tables set forth in Section 7.2.

(vi) Rollovers and Transfers. A distribution rolled over or an amount transferred from this plan to another qualified retirement plan of the Employer or a Related Employer shall not be included in the Present Value of Accrued Benefits under this plan. A distribution rolled over or an amount transferred from another qualified retirement plan of the Employer or a Related Employer to this plan shall be included in the Present Value of Accrued Benefits under this plan. If a rollover or transfer to a qualified retirement plan of an unrelated employer was initiated by the former Participant, it shall be deemed a distribution from this plan. If a rollover or transfer from a qualified retirement plan of an unrelated employer to this plan for a Participant was initiated by the Participant, it shall not be included in the Present Value of Accrued Benefits under this plan.

(c) Required Aggregation Group. "Required Aggregation Group" means all qualified retirement plans, including terminated plans, of the Employer and each Related Employer in which at least one Key Employee is a participant at any time during the Plan Year containing the Determination Date or any of the four preceding Plan Years (regardless of whether the plan has terminated), plus all other qualified retirement plans of the Employer and each Related Employer, that enable one or more of the plans covering at least one Key Employee to meet the requirements of Code Sections 401(a)(4) or 410.

(d) Permissive Aggregation Group. "Permissive Aggregation Group" means all qualified retirement plans, including terminated plans, if any, of the Employer and each Related Employer that are part of a Required Aggregation Group that includes this plan, plus any other qualified retirement plan (designated by the Employer) of the Employer and each Related Employer that is not part of the Required Aggregation Group but that, when considered part of the Permissive Aggregation Group, does not prevent the group from meeting the requirements of Code Sections 401(a)(4) and 410.

(e) Determination Date. For any Plan Year after the initial Plan Year, "Determination Date" means the last day of the preceding Plan Year. For the initial Plan Year, "Determination Date" means the last day of the initial Plan Year.

(f) Key Employee. "Key Employee" means an Employee or former Employee (including any deceased Employee or the Beneficiary of any deceased Employee) who, under Code Section 416(i), is or was, during the Plan Year that includes the Determination Date, one of the following:

(i) Officer. An officer of an Employer or Related Employer if the officer's Section 415 Compensation exceeds \$160,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning after December 31, 2010);

(ii) 5% Owner. A 5% Owner; or

(iii) 1% Owner; \$150,000 Compensation. A 1% owner, determined under the definition of 5% Owner but replacing "5%" with "1%," whose Section 415 Compensation exceeds \$150,000.

Ownership under (ii) and (iii) shall be determined separately for each Employer and Related Employer. Compensation for (i) and (iii) above for a Plan Year is determined without regard to the Annual Compensation Limit.

(g) Top-Heavy Valuation Date. "Top-Heavy Valuation Date" means, for a defined contribution plan (including a simplified employee pension plan), the date for revaluation of the assets to market value coinciding with, or occurring most recently within the 12-month period ending on, the Determination Date. For a defined benefit plan, the term means the most recent date used for computing the plan costs for minimum funding purposes (whether or not an actuarial valuation is performed during that Plan Year) occurring within the 12-month period ending on the Determination Date.

14.3 Minimum Benefits.

For each Plan Year in which this plan is or becomes a Top-Heavy Plan, each Participant who is not a Key Employee and who completes at least 1,000 Hours of Service shall accrue a Minimum Accrued Benefit.

(a) Minimum Accrued Benefit. The "Minimum Accrued Benefit" for a Participant who is not a Key Employee means the monthly amount of a pension benefit payable as a Single Life Annuity beginning on the first day of the first month following the Participant's Normal Retirement Date. The monthly amount shall be 2% of Minimum Average Monthly Compensation multiplied by Years of Vesting Service (maximum of 10 years) earned for Plan Years beginning on or after January 1, 1984, during which this plan is a Top-Heavy Plan.

(b) Minimum Average Monthly Compensation. "Minimum Average Monthly Compensation" means the Participant's Average Monthly Compensation, provided that Minimum Average Monthly Compensation shall not be less than the average of the Participant's Section 415 Compensation for the five consecutive Plan Years during the Participant's period of employment that yield the highest amount. The five consecutive Plan Years shall not include Plan Years beginning before January 1, 1984, and any Plan Year after the last Plan Year in which this plan is a Top-Heavy Plan, and shall not include or be deemed interrupted by, Plan Years during which the Participant does not earn a Year of Vesting Service.

14.4 Vesting Schedule.

The vesting schedule for each Participant who has an Hour of Service during a Plan Year in which this plan is or becomes a Top-Heavy Plan shall be replaced with the following schedule:

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
Less than 2 years	-0-
2 years	20%
3 years	40%
4 years	60%
5 years	100%

(a) Cessation. If this plan ceases to be a Top-Heavy Plan, vested percentages shall continue to be determined under this schedule.

(b) Vesting Schedule Change. Any change in the vesting schedule due to this plan becoming, or ceasing to be, a Top-Heavy Plan shall be treated as an amendment to this plan, and all rules applying to the amendment of a vesting schedule shall apply.

SCHEDULE A
ADOPTING EMPLOYERS

A.1 Current Adopting Employers.

Hush Puppies Retail, Inc.	06-0861235
Sebago USA, LLC	32-0093054
Wolverine Outdoors, Inc.	38-3375022
Wolverine Procurement, Inc.	38-2889988
Wolverine Slipper Group, Inc.	38-3442561
Wolverine World Wide, Inc.	38-1185150
Wolverine Worldwide Leathers, Inc.	30-0655945

A.2 Historical Adopting Employers

<u>UNIT</u>	<u>EFFECTIVE DATE UNDER PLAN</u>
Tru-Stitch Footwear Division - Salaried D	01-01-70
Frolic Footwear Division - Salaried	02-01-70
Hush Puppies Retail, Inc. - Division 5	01-01-77
Town & Country Shoes, Inc.	06-01-81
Brooks Shoe Company, Inc.	01-01-82
Viner Bros., Inc.	04-01-84
Tru-Stitch Footwear Division - Hourly - Non Union	01-01-85
Wolverine Hy-Test, Inc. non-collectively bargained employees	04-17-96

SCHEDULE B

<u>Retirement Date (Normal/Deferred Benefit), Date of Disability (Disability Retirement Benefit) or Termination of Employment Date (Early Retirement/Monthly Deferred</u>	<u>Dollar Benefit Multiplier</u>
January 1, 1976 - December 31, 1978	\$4 (pre-1/1/76 Service)/ \$6 (post-12/31/75 Service)
January 1, 1979 - December 31, 1983	\$6.00
January 1, 1984 - December 31, 1985	\$7.00
January 1, 1986 - December 31, 1988	\$8.00
January 1, 1989 - December 31, 1989	\$8.50
January 1, 1990 - December 31, 1991	\$9.00
January 1, 1992 - December 31, 1992	\$11.00
January 1, 1993 - December 31, 1993	\$12.00
January 1, 1994 - December 31, 1994	\$14.00
January 1, 1995 - December 31, 1995	\$15.00
January 1, 1996 - December 31, 1997	\$16.00
January 1, 1998 - December 31, 1998	\$18.00
January 1, 1999 - December 31, 1999	\$20.00
January 1, 2000 - December 31, 2000	\$21.00
January 1, 2001 - December 31, 2001	\$23.00
January 1, 2002 or after	\$24.00

SCHEDULE C-1
FORMER PARTICIPANTS UNDER
WEBSTER MANUFACTURING UNIT
HOURLY RATED EMPLOYEES PENSION PLAN

C1.1 Purpose. This Schedule recognizes and preserves certain benefits resulting from the merger of the above Plan ("Webster Plan") with this Plan effective May 31, 1988.

C1.2 Participant. Each Participant in the Webster Plan on May 31, 1988, shall be a C-1 Participant.

C1.3 Benefit. Each C-1 Participant's Accrued Benefit shall be equal to the sum of:

(a) Post-May 31, 1988. \$3 multiplied by Years of Benefit Service after May 31, 1988 (utilizing a full year of Benefit Service for 1998).

(b) 1970 – June 1, 1988. \$3 multiplied by Years of Benefit Service between January 1, 1970, and June 1, 1988, under the Webster Plan, and

(c) Pre-1970. \$1.20 multiplied by the Participant's Years of Benefit Service under the Webster Plan before January 1, 1970.

C 1.4 Supplemental Benefit. Each C-1 Participant who terminates employment after May 31, 1988, shall be entitled to a monthly accrued benefit in addition to the benefit set forth above equal to the actuarially equivalent of the following applicable single sum amount.

(a) 1-10 Years of Service. If the C1 Participant had completed 1 but less than 10 Years of Service, \$111 multiplied by the by the Participant's Years of Service.

(b) 10-20 Years of Service. If the C1 Participant had completed 10 but less than 20 Years of Service, \$166.50 multiplied by the by the Participant's Years of Service.

(c) At Least 20 Years of Service. If the C1 Participant had completed at least 20 Years of Service, \$222 multiplied by the by the Participant's Years of Service.

SCHEDULE C-2
BENEFITS FOR CERTAIN FORMER EMPLOYEES
1994 SPECIAL SEVERANCE PROGRAM

C2.1 Purpose. The purpose of this Schedule is to provide benefits for certain Participants of the Plan who retire under the 1994 Wolverine Special Severance Program (the "1994 Program").

C 2 . 2 C-2 Participant. A Participant shall be a "C-2 Participant" if the Participant is eligible for and elects between November 3, 1994 and December 18, 1994 to retire under the 1994 Program.

C2.3 Highly Compensated Exclusion. The benefits under this Schedule shall not be available to a Participant who is a "Highly Compensated Employee."

C2.4 Amount of Pension. Each C-2 Participant shall be entitled to a monthly pension computed under Section 5.1 of the Plan, based on final average earnings and years of credited service at the date that employment with the Employers terminates. If the pension of a C-2 Participant is determined under subsection 4.2(a) of the Plan, then the amount payable to the C-2 Participant as of the first day of any month coincident with or preceding the date the C-2 Participant attains age 62 shall be calculated without reduction of the monthly Social Security Allowance.

C2.5 Full Vesting. Each C-2 Participant shall be fully vested in the Participant's benefits under the Plan.

C2.6 Commencement of Pension. Payment of the monthly pension to a C-2 Participant shall begin as of the first day of the month coincident with or next following the date that employment terminates. The pension of a C-2 Participant shall not be reduced for commencement prior to normal retirement date.

SCHEDULE C-3
NONDISCRIMINATORY EXECUTIVE BENEFITS

C3.1 Purpose. The purpose of this Supplement is to define and designate certain executives of the Company to receive benefits under a nondiscriminatory enhancement of the Plans' benefit formula.

C3.2 A Executive. An "A Executive" is a Participant whose name is listed below in this section:

- ! G. Bloom (Normal Retirement 5/1/2000)
- ! W. Brown (Through 12/31/2003)
- ! J. Deem (Deferred vested as of 10/30/2001)
- ! L. Dubrow (Deferred vested as of 10/30/2001)
- ! S. Duffy
- ! D. Estes
- ! S. Gulis
- ! B. Krueger
- ! T. O'Donovan
- ! R. Sedrowski

C3.3 B Executive. A "B Executive" is a Participant whose name is listed below in this Section:

- ! O. Baxter (for benefits accrued through 12/31/2003)
- ! A. Croci
- ! R. DeBlasio
- ! T. Gedra
- ! B. Jungers
- ! J. Lovejoy (Normal retirement / /2000)
- ! T. Mundt
- ! N. Ottenwess
- ! D. West
- ! G. Fountain
- ! J. Lavertue
- ! A.T. Payne, III
- ! S. Zimmerman
- ! J. Weston
- ! W. Brown (Beginning 1/1/2004)
- ! S. Sible
- ! J. Zwiers
- ! D. Grimes
- ! P. Linton
- ! M. Jeppesen

C3.4 Benefit. The Accrued Benefit for:

(a) A Executive. A Supplement A Executive shall be the greatest of the Accrued Benefit at Section 5.1(c) or 2.4 percent of Final Average Compensation multiplied by the A Executive's Years of Benefit Service (not in excess of 25 years).

(b) B Executive. A Supplement B Executive shall be the greatest of the Accrued Benefit at Section 5.1(c) or 2.0 percent of Final Average Compensation multiplied by the B Executive's Years of Benefit Service (not in excess of 25 years).

C 3 . 5 Modifications. The Company may add, remove, or reclassify a Participant under this Schedule. The modification of a Participant's status may not reduce a Participant's benefit or become effective until the date which is 45 days after the Participant receives notice of the modification.

SCHEDULE C-4
BENEFITS FOR CERTAIN FORMER EMPLOYEES
OF FROLIC FOOTWEAR DIVISION
OR THE WOLVERINE SLIPPER GROUP

C 4 . 1 Purpose. The purposes of this Schedule C-4 is to provide benefits for certain Participants of Wolverine Employees' Pension Plan (the "Plan") who terminate employment under The Frolic Footwear Special Severance Program dated August 4, 1997, (the "Frolic Program") and the Wolverine Slipper Group Special Severance Program (the "Slipper Program") dated December 1997.

C 4 . 2 C-4 Participant. A Participant will be a "C-4 Participant" if the Participant is eligible for and elects to terminate employment under the "Frolic Program" no later than September 15, 1997, or under the "Slipper Program" no later than January 30, 1998.

C4.3 Highly Compensated Employees Excluded. A Participant who is a "Highly Compensated Employee" shall not be entitled to any benefits under this Schedule.

C 4 . 4 Amount of Pension. Each C-4 Participant shall be entitled to a monthly pension computed under subsection 4.1 of the Plan based on final average earnings and years of credited service at the date that employment terminates. If the pension of a C-4 Participant is determined under subparagraph 5.1(c)(i)(A) of the Plan, then the amount payable as of the first day of any month on or before the date the Participant attains age 62 shall be calculated without reduction for the Social Security Allowance.

C4.5 Full Vesting. Each C-4 Participant shall be fully vested in his benefits under the Plan.

C4.6 Commencement of Pension. Payment of the monthly pension to a C-4 Participant shall begin as of the first day of the month coincident with or next following the date that his employment with the employers terminates, in the full amount determined under paragraph G-4 above. The pension of a Supplement G Participant shall not be reduced for commencement prior to normal retirement date.

SCHEDULE C-5
2000 EARLY RETIREMENT WINDOW

C5.1 Purpose. The purpose of this Schedule C-5 is to provide benefits for TruStitch employee Participants of the Wolverine Employees' Pension Plan who were eligible to terminate employment under the Wolverine Early Retirement Window-2000, dated July 12, 2000. (2000 Window) but remained employed as of June 1, 2001, Participants who terminated employment under the 2000 Window, or members who terminated under the reduction in force dated July 12, 2000, and were listed as severance only in the listing maintained by the Employer (the RIF).

C5.2 C-5 Participant. A Participant will be a C-5 Participant if the Participant is eligible and retired under the 2000 Window or was terminated under the RIF.

C5.3 Calculation of Pension. For purposes of calculating the Normal, Late, Early, or Deferred Vested Benefit and for purposes of commencing benefits under those sections, a C-5 Participant shall be deemed to be 5 years older or age 65 whichever is less. However, this increase in age shall not change a Participant's normal retirement date.

C5.4 Amount of Pension. In addition to the increased age: a C-5 Participant shall be entitled to;

(a) Lump Sum. The following Lump Sum payment

<u>Health Care Plan Status</u> (as of July 12, 2000)	<u>Lump Sum Amount</u>
Employee Only	\$1,576.08
Employee & Child	\$3,050.22
Employee & Spouse	\$3,874.92
Employee & Family	\$4,932.42

This benefit shall not apply to C-5 Participants who remained employed on June 1, 2001.

(b) Age 60-65. If the Participant is at least age 60, an additional percentage increase in the benefit calculated under C5.3 above, as follows;

<u>Age</u> (as of July 12, 2000)	<u>Percentage Increase</u> <u>in Benefit</u>
60 but less than 61	2%
61 but less than 62	4%
62 but less than 63	6%
63 but less than 64	8%
64 or more	10%

C5.5 4.7 Transfer. For purposes of former Section 4.7:

(a) Allocation of Transfer. A C-5 Participant shall be treated as having retired during the year of termination of employment.

(b) Vesting. A C-5 Participant shall be fully, 100% vested in the Participant's Section 4.7 account.

C 5 . 6 Full Vesting. A Participant who is terminated under the RIF and listed in the "Severance Only" classification shall be fully vested in the accrued benefits under the Plan (including the benefits provided by this Schedule).

C5.7 Commencement of Pension. Benefits shall be paid as follows:

(a) Lump Sum. The lump sum benefit, as soon as administratively feasible after the expiration of the revocation period following written acceptance of the 2000 Window.

(b) Monthly Pension. The monthly pension at the first day of any month following the latest of: expiration of the revocation period following written acceptance of the 2000 Window; the attainment of the deemed age of 60 by a C-5 Participant; or a C-5 Participant's termination of employment on or after June 1, 2001.

SCHEDULE C-6
HY-TEST MERGER

C6.1 Purpose. The purpose of this Schedule is to reflect the merger of the Wolverine Hy-Test, Inc. Collectively Bargained Pension Plan (Hy-Test Plan) with this Plan and to provide enhanced pension benefits for members formerly included within the drivers unit represented by Teamsters Local 406 (Teamsters Unit).

C6.2 Participants Included. This Schedule shall apply to Participants formerly included within the Hy-Test Plan and formerly covered by a collective bargaining agreement between the Employer and Local 160A, UNITE!, AFL/CIO/CLC and, only where specifically designated, to Participants within the Teamsters Unit.

C6.3 Teamsters Unit Members. Each Participant included within the Teamsters Unit shall be fully vested in the Participants accrued benefit as of the member's termination of employment. Each Participant between ages 55 and 60 as of September 30, 2000, shall receive an additional seven Years of Vesting Service for purposes of determining the Participant's eligibility for monthly pension benefits.

C6.4 Hy-Test Members. The following provisions apply to former Participants of the Hy-Test Plan.

(a) Normal Retirement. A Participant whose employment terminates, other than by death or Disability, on the Participant's Normal Retirement Date is eligible for a Normal Retirement Benefit.

(i) Normal Retirement Date. "Normal Retirement Date" means the date the Participant attains age 62.

(ii) Normal Retirement Benefit. "Normal Retirement Benefit" means the Participant's Accrued Benefit. The monthly Normal Retirement Benefit shall be not less than the amount of any Early Retirement Benefit to which the Participant was entitled if the Participant had retired at any time under the provisions of C6.4(b).

(iii) Accrued Benefit. "Accrued Benefit" means a monthly pension benefit, payable as a Single Life Annuity, beginning on the first day of the month following the Participant's Normal Retirement Date. The monthly amount shall be equal to the Participant's Years of Benefit Service multiplied by the applicable Benefit Rate set forth in this subsection.

<u>Retirement Date</u>	<u>Benefit Rate</u>
On or after January 1, 1996	\$10.25
On or after January 1, 1997	\$10.75
On or after January 1, 1998	\$11.00
On or after March 1, 1999	\$12.00
On or after January 1, 2000	\$13.00

(iv) Benefit Service. A Participant earns a “Year of Benefit Service” for each Plan Year under the following schedule:

<u>Hours of Service in Covered Employment</u>	<u>Percentage of Year of Service</u>
0 - 199	0
200 - 499	25%
500 - 799	50%
800 - 999	75%
1,000 or more	100%

(b) Early Retirement. A Participant whose employment terminates, other than by death or Disability, on or after the Participant’s Early Retirement Date and before the Participant’s Normal Retirement Date is eligible for an Early Retirement Benefit.

(i) Early Retirement Date. “Early Retirement Date” means the date the Participant attains age 55, or if later, the date the Participant completes 25 Years of Vesting Service.

(ii) Early Retirement Benefit. “Early Retirement Benefit” means the Participant’s Accrued Benefit determined as of the date that the Participant’s employment terminated.

(iii) Early Payment. A Participant who is eligible for Early Retirement may elect to begin payment on the first day of any month following the termination of employment after the Participant’s Early Retirement Date. If the Participant elects and payment begins before the first day of the month after the Participant’s Normal Retirement Date, the monthly amount of the benefit shall be reduced and shall be the actuarial equivalent of the Accrued Benefit payable at the Participant’s Normal Retirement Age.

(c) Late Retirement. A Participant whose employment terminates after the Participant’s Normal Retirement Date is eligible for a Late Retirement Benefit.

(i) Late Retirement Date. “Late Retirement Date” means the date that the Participant’s employment terminates or, if earlier, the Participant’s Required Beginning Date.

(ii) Late Retirement Benefit. “Late Retirement Benefit” means a monthly pension equal to:

(A) Pre-Age 70 1/2. If the Participant’s employment terminated on or before the Required Beginning Date, the Normal Retirement Benefit determined as of the Late Retirement Date, including any additional benefits accrued for the period of the Participant’s employment after the Normal Retirement Date.

(B) Post-Age 70 1/2. If the Participant's employment terminated after the Required Beginning Date, the amount determined in (A) above reduced by the actuarial equivalent of the total plan distributions made to the Participant up to the Participant's Late Retirement Date. The benefit shall not be reduced to an amount less than the Participant's Accrued Benefit determined as of the Participant's Normal Retirement Date.

(d) Deferred Vested Retirement. A Participant who has an Accrued Benefit and whose employment terminated before the Participant's Normal or Early Retirement Date, other than by death or Disability, is eligible for a Deferred Vested Benefit.

(i) Deferred Vested Benefit. "Deferred Vested Benefit" means the Participant's Accrued Benefit determined as of the date that the Participant's employment terminated.

(ii) Early Payment. If the Participant is eligible and elects payment of the Deferred Vested Benefit before the first day of the month following the Participant's Normal Retirement Date, the monthly amount of the benefit shall be reduced and shall be determined in the same manner as provided for early payment of the Early Retirement Benefit.

(e) Death Benefits. A death benefit shall be paid only as provided in this section.

(i) Death Before Annuity Starting Date. If a Participant who has an Accrued Benefit dies before the Annuity Starting Date, benefits will be paid as follows:

(A) Surviving Spouse. If the Participant has a Surviving Spouse, the Surviving Spouse shall receive a QPSA unless the Surviving Spouse waives the QPSA and elects another available form of payment.

(1) Spouse Defined. "Spouse" means the husband or wife to whom the Participant was married at any specified time. A former Spouse shall not be a Spouse except to the extent specified in a QDRO.

(2) Surviving Spouse Defined. "Surviving Spouse" means the Spouse to whom the Participant was married at the time of death and who survives the Participant. If the Participant dies before benefit payments begin, "Surviving Spouse" means the Spouse to whom the Participant was married for at least 12 consecutive months at the Participant's death and who survives the Participant.

(3) QPSA Defined. "QPSA" means a qualified pre-retirement survivor annuity that is a monthly Single Life Annuity payable to the Surviving Spouse of a Participant. The monthly amount of the QPSA is 50% of the benefit that would have been payable to the Participant if the Participant had retired on the day before the Participant died and had elected to have benefit payments begin on the earliest permitted payment date in the form of an immediate QJSA.

(B) No Surviving Spouse. If the Participant does not have a Surviving Spouse, a benefit shall not be payable under this plan.

(ii) Death After Annuity Starting Date. If a Participant who has a Vested Accrued Benefit dies after the Annuity Starting Date, the Beneficiary shall be paid any remaining benefits payable under the form of payment the Participant was receiving before death.

(f) Benefit Rules.

(i) Single Benefit. A Participant shall not receive more than one type of benefit in any month.

(ii) Previously Paid Benefits. The amount of a benefit payable under this article shall be reduced by the amount of benefits previously paid to or with respect to the Participant, including a lump-sum payment of the Participant's entire Vested Accrued Benefit after the Participant's employment terminates. All reductions shall be computed on a uniform basis by calculating and offsetting the Actuarially Equivalent value of the benefit previously paid from the Participant's final benefit.

(iii) Transfer. A transfer between Covered Employment and employment with the Employer other than Covered Employment, or a transfer between the Employer and a Related Employer, is not termination of employment.

(iv) Pay Status. Benefits in pay status on or after the merger shall continue to be paid in the form provided by the Plan.

(g) Vested Percentage. A Participant's Accrued Benefit shall be 100% vested. A Participant shall be credited with Vesting Service for full years of benefit service under the Florsheim Shoe Company Retirement Plan as of April 17, 1996.

(h) Time of Payment. Subject to the QJSA and QPSA provisions of this plan and the required distribution, benefit payments shall begin not later than 60 days after the end of the Plan Year that includes the Participant's Normal Retirement Date or, if later, the end of the Plan Year in which employment terminates.

(i) Normal Retirement Benefit. The Normal Retirement Benefit shall begin on the first day of the month following the Participant's Normal Retirement Date.

(ii) Early Retirement Benefit. The Early Retirement Benefit shall begin on the first day of the month following the Participant's Normal Retirement date. The Participant may elect earlier payment beginning on the first day of any month following the Participant's Early Retirement Date.

(iii) Late Retirement. The Late Retirement Benefit shall begin on the first day of the month following the Participant's termination of employment or, if earlier, the Participant's Required Beginning Date.

(iv) Deferred Vested Benefit. The Deferred Vested Benefit shall begin on the first day of the month following the Participant's Normal Retirement Date. If the Participant is credited with at least 25 (or 10 if the Participant's termination is due to permanent closing of the facility in which the Participant was employed) Years of Vesting Service at termination of employment, the Participant may elect earlier payment beginning on the first day of any month following the date the Participant attains age 55.

(v) Death Benefit.

(A) Before Annuity Starting Date. The QPSA shall begin on the first day of the month following the date of death, or if later, the first day a Participant could have elected early payment of an Early Retirement Benefit or a Deferred Vested Benefit, if applicable. The Surviving Spouse may elect to delay commencement of the benefit to the first day of any later month but not later than the first day of the month following the Participant's Normal Retirement Date.

(B) After Annuity Starting Date. If the form of payment to the Participant provides for benefits after the Participant's death, the continuing benefit shall be paid to the Beneficiary as provided.

(vi) Immediate Payment. If the Participant's employment terminates for any reason before the Participant's Normal Retirement Date and the Actuarially Equivalent present value of the Participant's Vested Accrued Benefit, including any earlier payments, is \$5,000 or less, the Administrator shall direct payment of the present value as soon as administratively feasible following termination of employment.

(i) Determination of Benefits. The age of the individuals to whom benefits are payable shall be determined as of the date the benefit is payable. All forms of payment under this Schedule shall be Actuarially Equivalent to the benefit payable as a Single Life Annuity. "Actuarially Equivalent" means equal in value based on the following actuarial assumptions:

(i) Interest Rate. 6 1/2% per annum, compounded annually.

(ii) Mortality Table. 1971 Group Annuity Mortality Table assuming three males for every seven females

(iii) Lump Sum Determination. Actuarial Equivalence of a lump-sum payment shall be determined based on.

(A) Mortality. The 1983 Group Annuity Mortality Table weighted 50% male and 50% female.

(B) Interest Rate. An interest rate for the Plan Year consisting of the annual rate of interest on 30-year Treasury securities for the month of December preceding the Plan Year in which the lump sum is calculated.

(j) Form of Payment.

(i) Standard Form. Benefits under this Schedule shall be paid as follows:

(A) Married. If the Participant is married when benefit payments are to begin, the Participant's benefit shall be paid as a QJSA unless the Participant waives the QJSA, with consent of the Spouse, and properly elects another available form of payment.

(1) Definition. "QJSA" means an immediate qualified joint and survivor annuity under which a reduced (compared to amount of the Participant's Vested Accrued Benefit payable as a Single Life Annuity) amount is payable to the Participant for life and 50% of the reduced amount is payable to the Surviving Spouse, if any, for life after the Participant's death.

(2) Monthly Payments. The monthly amount payable to the Participant and the monthly amount payable to the Surviving Spouse shall not increase after payments begin. The monthly payments under the QJSA shall be such that the value of the expected payments to the Participant and the Surviving Spouse is Actuarially Equivalent to the benefit payable as a Single Life Annuity.

(B) Not Married. If the Participant is not married when benefit payments are to begin, the Participant's benefit shall be paid as a Single Life Annuity, unless the Participant waives that form and properly elects another available form of payment.

(ii) Optional Forms of Payment. Upon waiver of the QJSA, Participant may elect a Single Life Annuity. A "Single Life Annuity" is a monthly benefit payable in equal installments for the life of the Participant or other individual with no payments to be made for any periods after the recipient's death.

(k) Merger Schedule. The Company shall, as required by Code Section 414(l), maintain a special schedule of benefits payable on a termination basis for Hy-Test Participants as required under Regulation 1.414(l)-1(h). The special benefits shall be payable in the priority required by Regulation 1.414(l)-1(h) if the Plan terminates on or before December 31, 2005. If the liabilities attributable to benefits payable under this Schedule are spun off or transferred to another plan on or before December 31, 2005, the Plan shall transfer assets to the spun off or transferee plan sufficient to satisfy the liabilities in full.

SCHEDULE C-7
SPECIAL SERVICE CREDIT
TRU STITCH DIVISION/WOLVERINE PROCUREMENT INC.

C7.1 Purpose. The purpose of this Schedule is to recognize certain service before extension of the Plan to TruStitch Division and Wolverine Procurement, Inc. Employees for purposes of determining Years of Benefit and Vesting Service.

C7.2 TruStitch Division. An hourly nonunion employee of the TruStitch Division who became a Participant in the Plan on January 1, 1985, shall be credited with Years of Benefit Service and Vesting Service for the period of service (including union service) beginning on or after January 1, 1970, under the rules of the Plan in effect during those periods.

C7.3 Wolverine Procurement, Inc. An Employee of Wolverine Procurement, Inc. shall be credited with Years of Benefit Service and Vesting Service for service on or after July 1, 1989, under the rules of the Plan in effect during those periods.

SCHEDULE C-8
SERVICE CREDIT AND INCLUSION OF
CERTAIN FORMER SEBAGO, INC. EMPLOYEES

C 8 . 1 Purpose. The purpose of this Schedule is to recognize eligibility and vesting service of certain former employees of Sebago, Inc. who have become permanent, regular employees of the Employer.

C 8 . 2 Designated Employees. The following individuals shall be covered by this Schedule (Schedule C-8 individuals).

Name

Belsak, Harald
Charron, Elayne
Cremer, Vivian
Delaware, Marie
Dufault, Victor
Josselyn, Marvin
Kriner, Debora
Mowatt, Timothy
Walls, Michael
Warren, Joseph

C 8 . 3 Eligibility/Participation. A Schedule C-8 individual shall become eligible and a Participant in the Plan under Section 3.1 as of July 1, 2004.

C8.4 Covered Employment. A Schedule C-8 individual shall not be excluded from Covered Employment under Section 3.2 as a former employee of Sebago, Inc.

C8.5 Vesting Service. A Schedule C-8 individual shall be credited with Years of Vesting Service under Section 6.1 for all periods of service beginning with their most recent date of hire with Sebago, Inc.

SCHEDULE D

PLAN HISTORY

	<u>Adopted</u>	<u>Effective</u>
D.1 <u>Original Adoption.</u>		January 1, 1969
D.2 <u>Gust Restatement.</u>	September 25, 2003	January 1, 1997
(a) <u>First Amendment.</u>	September 25, 2003	January 1, 2002
(b) <u>Second Amendment.</u>	December 19, 2003	July 1, 2004
(c) <u>Third Amendment.</u>	July 7, 2004	July 1, 2004
(d) <u>Fourth Amendment.</u>	_____, 2004	January 1, 1997
(e) <u>Fifth Amendment.</u>	September 26, 2005	March 28, 2005
(f) <u>Implementing Amendment.</u>	June 30, 2006	June 30, 2006
(g) <u>Sixth Amendment.</u>	November 30, 2007	January 1, 2003
(h) <u>Seventh Amendment.</u>	November 30, 2007	January 1, 2000/ January 1, 2008
(i) <u>Eighth Amendment.</u>	June 16, 2008	January 1, 2008
(j) <u>Ninth Amendment.</u>	January 19, 2009	January 20, 2009
(k) <u>Tenth Amendment.</u>	December 3, 2009	January 1, 2007
(l) <u>Eleventh Amendment.</u>	November 29, 2011	January 1, 2007/ December 31, 2008
D.3 <u>EGTRRA Restatement.</u>	March 12, 2012	January 1, 2011
(a) <u>First Amendment.</u>	September 1, 2012	September 1, 2012
(b) <u>Second Amendment.</u>	December 28, 2012	January 1, 2013
(c) <u>Third Amendment.</u>	December 23, 2014	December 23, 2014

(d) DOMA Amendment

October 14, 2014

June 26, 2013

(e) Fourth Amendment.

December 22, 2016

October 7, 2016

D -2

WOLVERINE WORLD WIDE, INC.
409A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
Composite Document
(2008 Restatement through First Amendment)

5/1/2017
1st Amd. 001621.052471

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WOLVERINE WORLD WIDE, INC.

409A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Wolverine World Wide, Inc. ("Wolverine") adopts the Wolverine World Wide, Inc. 409A Supplemental Executive Retirement Plan, a supplemental nonqualified plan for a select group of management personnel employed by Wolverine and any subsidiary of Wolverine. This composite document includes the 2008 restatement effective as of December 11, 2008, and incorporates the first amendment effective as of January 1, 2016.

ARTICLE 1

Establishment of Plan

1.1 Establishment of Plan.

This Plan is a supplemental, nonqualified Plan and is intended to be a Plan for a select group of management and highly compensated employees of Wolverine and affiliates of Wolverine.

(a) ERISA Limited Applicability. This Plan is intended to be a Plan described in Sections 201(2), 301(a)(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

(b) Tax Status. As a supplemental nonqualified executive retirement program it is not subject to limitations in the Internal Revenue Code applicable to benefits provided through a qualified, tax-exempt employee benefit plan established under Section 401(a) of the Internal Revenue Code of 1986, as amended ("Code"). The Plan is intended to comply with the requirements of Code Section 409A and shall be interpreted and administered accordingly.

(c) Effectiveness. This Plan replaces the Wolverine Supplemental Executive Retirement Plan (the "Grandfathered SERP") with respect to (i) any eligible Employee under the Plan who did not commence benefits under the Grandfathered SERP prior to December 11, 2008, and (ii) any participant in the Grandfathered SERP who accrued benefits under the Grandfathered SERP after December 31, 2004 and did not commence benefit distributions thereunder prior to December 11, 2008 and with whom the Company enters into a Participation Agreement under the Plan on or before December 31, 2008, provided that the Plan shall not cover any participant in the Grandfathered SERP whose entire benefit was "earned and vested" (within the meaning of IRS Notice 2005-1) as of December 31, 2004. For the avoidance of doubt, no Participant in this Plan shall receive any benefits under the Grandfathered SERP.

1.2 Rabbi Trust.

This Plan may be funded by contributions to a "Rabbi" trust which does not alter the "unfunded," nonqualified status of the Plan for federal tax purposes.

1.3 Effective Date.

The "Effective Date" of this Plan is December 11, 2008. Each Plan provision applies until the effective date of an amendment of that provision.

ARTICLE 2

Definitions

2.1 Employee.

"Employee" means an individual employed by the Employer who receives compensation for personal services performed for the Employer that is subject to withholding for federal income tax purposes.

2.2 Employer; Company.

"Employer" and "Company" mean Wolverine World Wide, Inc. and, "Employer" also includes any affiliate of Wolverine World Wide, Inc. which has adopted this Plan with the consent of Wolverine World Wide, Inc.

2.3 Pension Plan.

"Pension Plan" means the Wolverine Employees' Pension Plan, a qualified, tax-exempt defined benefit pension plan established and maintained by Wolverine under Code Sections 401(a) and 501(a), as it may be amended from time-to-time.

2.4 Plan Year.

"Plan Year" means the 12-month period beginning each January 1.

2.5 Present Value.

"Present Value" means the present value as computed using (i) the interest rate shall be the "applicable interest rate" in effect under the Pension Plan pursuant to Code Section 417(e)(3)(C) at the time benefits are to commence under the Plan disregarding any delay pursuant to Section 7.2(c), and (ii) the mortality table shall be the "applicable mortality table" in effect from time-to-time under Code Section 417(e)(3)(B) (the "417(e) Mortality Table").

2.6 Specified Employee.

"Specified Employee" means a specified employee as defined in Section 409A of the Code.

2.7 Spouse/Married.

"Spouse" means the husband or wife to whom the Participant is married on the date the benefit is scheduled to be paid, or payment is scheduled to begin. The legal existence of the marital relationship shall be governed by the law of the state or other jurisdiction of domicile of the Participant.

2.8 Surviving Spouse.

"Surviving Spouse" means the Spouse of the Participant at the time of the Participant's death who survives the Participant. If the Participant and Spouse die under circumstances which prevent ascertainment of the order of their deaths, it shall be presumed for this Plan that the Participant survived the Spouse.

2.9 Termination of Employment.

“Termination of Employment” means a separation from service as defined in Section 409A of the Code.

ARTICLE 3

Participant

3.1 Designation as Participant.

Only a select group of management and highly compensated Employees shall be eligible to participate in this Plan. Wolverine shall designate eligible Employees who shall become participants (each a “Participant”). The designation shall become effective when both the Employer and the Employee have signed a Participation Agreement in the form attached as either Exhibit “A-1” or “A-2.” A designated eligible Employee shall become a Participant on the date specified in the Participation Agreement.

3.2 Inactive Participant Status.

The Administrator shall notify an Employee Participant in writing at any time that the Participant is being converted to Inactive Participant status. An Employee Participant will not accrue additional Years of Service under this Plan after the date of such notice, except to the extent that the Participant is subsequently redesignated as a Participant under Section 3.1.

ARTICLE 4

Contributions/Funding

4.1 Amount.

The Employer is not required to make contributions to fund the benefits under this Plan. Employees shall not make any contributions under this Plan.

4.2 No Relationship to Benefits.

The benefits provided by this Plan shall be separate from and unrelated to any contributions made by Employer (including but not limited to assets held in a grantor trust created under Article 9 of this Plan, if any).

4.3 Unfunded Plan.

This shall be an unfunded Plan within the meaning of ERISA and the Code. Benefits payable under this Plan constitute only an unsecured contractual promise to pay in accordance with the terms of this Plan by the Employer.

4.4 Unsecured Creditor Status.

A Participant shall be an unsecured general creditor of the Employer as to the payment of any benefit under this Plan. The right of any Participant or Beneficiary to be paid the amount promised in this Plan shall be no greater than the right of any other general, unsecured creditor of the Employer.

ARTICLE 5

Amount of Benefits

5.1 Retirement Benefits.

A Participant who has 5 Years of Service after the effective date of either a Participation Agreement under this Plan, a Participation Agreement under the Grandfathered SERP, or a written deferred compensation agreement previously entered into between the Participant and the Company (a "Deferred Compensation Agreement"), or who has reached age 65 before Retiring, will be entitled to a benefit computed under this Section, unless the benefit is forfeited under Article 6. For purposes of this Article 5 and Article 7, the terms "Retiring" or "Retire" shall include an Employee's Termination of Employment.

(a) Annual Benefit. The "Annual Benefit" under this Plan will be an amount computed by multiplying that percentage of the Participant's Average Earnings which is designated in the Participation Agreement ("Designated Percentage") by the Participant's Years of Service, reduced by the Participant's Annual Pension Benefit (as defined in 5.1(c) below). Further, if the Participant commences payment before age 65, the Annual Benefit shall be reduced as provided in 5.1(b) below. Notwithstanding the foregoing, in the event Section 5.2(a) applies, the adjustment to the benefit under this Plan for benefits payable under the Pension Plan shall be as set forth in Section 5.2(a).

(i) Earnings. "Earnings" means Earnings as computed under the Pension Plan, but including any amounts the Employee defers under the Wolverine World Wide, Inc. Executive Deferred Compensation Plan in the year the amounts otherwise would have been paid to the Employee, and excluding:

(A) Long-Term Incentive Plan. Any amounts paid to the Participant under the Wolverine Executive Long Term Incentive (Three Year) Plan or any comparable or successor long-term bonus plan, and

(B) Severance Payments. Any payments to the Participant under any severance agreement or policy.

(i i) Average Earnings. "Average Earnings" means the average of a Participant's Earnings for the Participant's four consecutive highest Earnings calendar years of the most recent ten consecutive Years of Service immediately prior to the date on which the Participant Retires, except that Years of Service during which a Participant receives a disability benefit under Section 5.3 of this Plan will be omitted from the calculation of Average Earnings if doing so will produce higher Average Earnings. In computing Average Earnings, a Participant's earnings for the calendar year of retirement or earlier Termination of Employment shall be annualized and the Participant shall be deemed to have received earnings during that entire calendar year.

(iii) Years of Service. "Years of Service" means a Participant's Years of Service under the Pension Plan, except that: (i) periods during which a Participant is receiving a disability benefit under Section 5.3 of this Plan will count as Years of Service for computation of any benefit under this Plan other than a disability benefit, and will not count as Years of Service for computation of a disability benefit; (ii) periods during which a Participant is an Inactive Participant (as defined in Section 3.2) will not count as Years of Service under this Plan; (iii) upon the recommendation of the Compensation Committee, the Board of Directors of the Company may grant a Participant deemed Years of Service for purposes of this Section; and (iv) the maximum number of Years of Service used in computing a benefit under this Plan shall be 25.

(b) Before Age 65. The benefit payable will be the benefit computed under (a) above, which shall be actuarially equivalent (as defined below) to payments commencing when the Participant would have attained age 65 and shall be payable commencing at the later of age 55 or Termination of Employment (or such later time as elected by the Participant pursuant to Section 7.2 or Section 7.5, but in no event later than the later of age 65 or Termination of Employment).

(i) Actuarial Equivalence. If the Participant begins receiving a benefit between age 60 and 65, the actuarially equivalent reduction in the benefit amount shall be .1666% (1/6 of 1%) for each month between the date benefits begin and the first day of the month following that in which the Participant would attain age 65. If the Participant begins receiving benefits between age 55 and 60, the actuarially equivalent reduction shall be an additional .333% (1/3 of 1%) for each month between the date benefits begin and the first day of the month following that in which the Participant would attain age 60.

(ii) Deemed Early Retirement Pension Election. A Participant who is eligible and in fact commences payment prior to the Participant's attainment of age 65 shall be deemed (for purposes of calculation of the Annual Pension benefit reduction in subsection (c) below) to have elected Early Retirement under the Pension Plan as of the

later of the Participant's attainment of age 60 or the date that the Participant begins to receive benefits under this Plan.

(c) Annual Pension Benefit. A Participant's "Annual Pension Benefit" shall mean the amount of benefit payable to the Participant under the Pension Plan in the form of a life annuity, prior to any offset for workers compensation payments.

5.2 Death.

A death benefit shall be payable only under this Section.

(a) Before Commencement of Benefits. If a Participant dies before beginning to receive benefits under Section 5.1 or 5.4, the Participant's Beneficiary or Surviving Spouse, as applicable, will be paid a death benefit as specified herein without regard to the 5-year service or minimum age requirements of Section 5.1. A Surviving Spouse shall receive monthly annuity payments, commencing promptly following the Participant's death, in a monthly amount equal to the monthly benefit the Participant would have received under the Plan as a life annuity commencing at age 55 (or, if later, the actual date of the Participant's death) if the Participant had Retired on the date of death (with a reduction in the Participant's monthly benefit to the extent benefits payable to the Surviving Spouse commence prior to when the Participant would have attained age 55 using the interest rate specified in Section 2.5 but without any mortality reduction). Such benefit to a Surviving Spouse shall be offset by any death benefit paid pursuant to Section 7.1(e)(i) of the Pension Plan in connection with the Participant's pre-retirement death. Alternatively, the Participant may elect, no later than the later of December 31, 2008 or 30 days after the Participant becomes eligible to participate in the Plan, to have the Present Value of such benefit that would have been payable to the Participant paid to the Surviving Spouse in a lump sum promptly following the Participant's death. If the Participant has no Surviving Spouse at the time of his or her death, the amount described in the immediately-preceding sentence shall be paid to the Participant's Beneficiary in a lump sum only without regard to any election by the Participant. For purposes of this Section 5.2(a), all Present Value calculations shall be performed using the assumptions set forth in Section 2.5.

If the Participant has received a Disability benefit under Section 5.3, the death benefit under this subsection will be reduced by the Present Value of benefits received under Section 5.3.

(b) After Retiring. If a Participant dies after beginning to receive benefit payments under Section 5.1, benefits shall cease unless the Participant was receiving benefits in the form of a Joint and 50% Spouse Annuity, or in any form set forth in subsection 7.4(b) to the extent such form provides for continuing benefits.

5.3 Disability.

A Participant (other than an Inactive Participant) who becomes Disabled while employed by the Employer shall receive the benefit provided by this section.

(a) Disabled Defined. A Participant is Disabled if the Participant is unable to engage in any substantial gainful activity due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or, as the result of such an impairment, has received income replacement benefits for not less than three months under an accident or health plan covering Employees. In all events, this determination shall be made in accordance with the requirements of Code Section 409A.

(b) Benefit if Participant Becomes Disabled Before Retiring. If a Participant becomes Disabled before Retiring, and is not an Inactive Participant at the time of application for a benefit under this Section 5.3, the Participant will receive a disability benefit, without regard to the 5-year service or minimum age requirement of Section 5.1. The benefit will equal 60% of the benefit computed under Section 5.1(a) above, based on Years of Service up to the date the Participant became Disabled. This benefit will continue until the earliest of the date of Participant's death, the date Participant reaches age 65 or the date as of which the Participant is no longer Disabled. Each benefit payment under this subparagraph (b) shall be reduced by any benefit for the same period payable under any employer-funded disability plan. A reduction shall not be made for benefits from a disability plan funded by the Employee either directly or through a written salary reduction agreement or program.

5.4 Minimum Benefit.

(a) Difference - Additional Benefit. This Section 5.4 shall apply to any Participant who was a party to a Deferred

Compensation Agreement which is designated in the Participation Agreement as eligible for the minimum benefit calculation in this Section 5.4. As of the first date on which such a Participant begins receiving a benefit under this Plan, or as of the date a Participant's Beneficiary becomes entitled to a lump sum payment under this Plan, the Administrator will compare the projected total benefits to be paid to or on behalf of such Participant under this Plan and the current Pension Plan to the total benefits which would have been paid to or on behalf of such Participant if the Deferred Compensation Agreement had remained in effect, and the Participant had been eligible for an Annual Pension Benefit under the Pension Plan benefit formula in effect on December 31, 1994. If the Administrator determines that the total payments to or on behalf of the Participant under this Plan (before any reduction for the Participant's Annual Pension Benefit) would be less than the sum of:

(i) the total payments which would have been made to or on behalf of the Participant under the Deferred Compensation Agreement; and

(ii) the Participant's Annual Pension Benefit, but computed as if the Pension Plan benefit formula in effect on December 31, 1994 had continued in effect; then the difference will be paid to the Participant as an additional monthly amount under the form of payment elected by the Participant, or, if a lump sum payment is being made, the difference will be added to the lump sum payment.

The Administrator will again make the comparison provided for by this subsection as of the date when all benefits cease under this Plan, and if additional amounts would be due under the formula set forth above, the Administrator shall cause a lump sum payment to be made to the Participant's designated beneficiary or estate.

(b) Determinations. In making this determination, the Administrator shall compute Deferred Compensation Agreement benefits under the terms of the Deferred Compensation Agreement, except that:

(i) for purposes of computing a lump-sum benefit for which the Participant would have been eligible under the Deferred Compensation Agreement due to Termination of Employment after a Change in Control, the terms "Change in Control," "Cause," "Disability," "Retirement," "Notice of Termination," and "Date of Termination" as used in any such Deferred Compensation Agreement shall be defined as provided in Article 10 of this Plan; and

(ii) the Designated Period, as defined in Section 10.2(e) shall be used in determining whether the Participant would have been entitled to accelerated vesting under the Deferred Compensation Agreement, rather than the 5-year period provided for in the Deferred Compensation Agreement; and

(iii) the person entitled to receive the benefit will be determined under this Plan without regard to any former designation of beneficiary under the Deferred Compensation Agreement.

In making the benefit comparison under this Section, the Administrator shall use the actual dates on which a Participant Retires, dies, or is determined to have become Disabled, and in making the projection called for the Administrator shall assume that the Participant and the Participant's Spouse will remain living for their respective life expectancies as determined pursuant to the 417(e) Mortality Table. If the dates on which benefits would have been paid under the Deferred Compensation Agreement differ from the dates on which benefits are actually paid under this Plan, the Administrator will make the determination called for by this Section based on the Present Value of both streams of payments as of the date payments begin under this Plan.

ARTICLE 6

Forfeiture

6.1 Misconduct.

Subject to Article 10, a Participant (or Participant's Spouse or Beneficiary) will not be entitled to any benefits under this Plan if the Participant is discharged for dishonesty, commission of a misdemeanor or felony injurious to the Employer, or any action inimical to the interests of the Employer, or the Participant resigns while an investigation is ongoing to determine whether Participant should be discharged for any such reason and the Administrator determines that Participant would have been so discharged but for the resignation;

6.2 Competitive Activity.

A Participant (or such Participant's Spouse or Beneficiary) shall not be entitled to any benefit payment if, prior to the date on which such benefit payment is due, the Participant has acquired any ownership interest in a competing business (other than an ownership interest consisting of less than 5% of a class of publicly traded securities), or has been employed as director, officer, employee, consultant, adviser, partner or owner of a competing business. A "competing business" includes any business which is substantially similar to the whole or any part of the business conducted by the Employer. Upon the recommendation of the Compensation Committee, the Board of Directors may partially or completely waive the application of this provision. This Section 6.2 shall not apply to any Participant whose employment terminates after a Change in Control.

6.3 Insurance Related.

A Participant (or such Participant's Spouse or Beneficiary) shall not be entitled to any benefit payment if benefits are not payable under any policy of life or disability insurance obtained by the Employer to assist it in meeting its obligations under this Plan, due to the Participant's suicide or the Participant's misrepresentation or omission of information required to be furnished to the insurer in connection with the issuance of such policy.

ARTICLE 7

Payment of Benefits

7.1 Event of Distribution.

Benefit payments shall begin as provided in Article 5 following a Participant's death, Disability or Termination of Employment at the time and in the manner specified in this Article.

7.2 Time of Payment.

Unless postponed for a Specified Employee under paragraph (c) below or pursuant to a Participant's election under Section 7.5 or pursuant to an election made by the Participant no later than the later of December 31, 2008 or 30 days after the date the Participant first becomes eligible to participate in the Plan:

(a) Retirement. Retirement benefits shall begin on the first day of the later of the month following that in which the Participant attains age 55 or that in which the Participant Retires.

(b) Death or Disability. Death or Disability benefits shall begin on the first day of the month following the date of the Participant's death or Disability.

(c) Specified Employee Postponement. Notwithstanding paragraph (a) above or Section 10.1(b), benefits of a Specified Employee payable other than in connection with death or Disability shall not commence until the earlier of the Participant's death or six months following a Participant's Termination of Employment. The first payment shall include any payments that would have been made during the applicable six-month period but for this paragraph (c).

7.3 Calculation.

All benefit calculations shall be made as of the date the Participant's Termination of Employment or, if later, upon occurrence of the event which triggers payment of the benefit. Each form of benefit payment shall be the same Present Value as a life annuity. If the payment of benefits begins after the time specified for payment above, other than due to postponement of a Specified Employee's benefits or a Participant's election, the benefit shall be adjusted for late payment by crediting interest at a rate specified in Section 2.5 from time-to-time.

7.4 Form of Payment.

(a) Presumed Method. A Disability Benefit shall be paid in the form of a life annuity. Unless a Participant elects otherwise no later than the later of December 31, 2008 or 30 days after the Participant becomes eligible to participate in the Plan, a Retirement Benefit shall be paid in the form of a Joint and 50% Spouse Annuity to a Participant who is married at the time benefits commence (*i.e.*, a monthly amount to the Participant for the Participant's lifetime and then in an amount equal to 50% of such amount to the Participant's Surviving Spouse for life), or in the form of a life annuity to any Participant who is unmarried at the time benefits commence in lieu of the normal form of payment.

(b) Optional Methods. A Participant may elect any of the following optional forms of benefit with the same Present Value no later than the latest of December 31, 2008, 30 days after the Participant becomes eligible to participate in the Plan, or such later date as permitted by Section 409A of the Code:

(i) 5 or 10-Year Certain and Life. A monthly amount for life to the Participant, and if the Participant dies before payment of 60 or 120 monthly benefit payments, the same monthly amount shall be paid to the Participant's Beneficiary until a total of 60/120 monthly payments have been made.

(ii) Joint and 75% or 100% Spouse Annuity. A monthly amount to the Participant for the Participant's lifetime and then in an amount equal to 75% or 100% of such amount to the Participant's Surviving Spouse, if any, for life.

If a Participant elects an option under subparagraph (ii) while married but is not married when benefits commence, the form of benefit shall revert to a single life annuity unless the Participant elects a 5 or 10-Year Certain and Life Annuity. If a Participant elects an option under subparagraph (i) while unmarried but is married when benefits commence, the form of benefit shall be a Joint and 50% Spouse Annuity unless otherwise elected by the Participant after the Participant marries.

(c) Lump Sum. A lump-sum benefit shall not be available except as provided in this subsection (c).

(i) Eligible Participant/Beneficiary. A Participant (or Beneficiary) who has a benefit under subsection (a) with a Present Value which does not exceed \$5,500; a Participant who is entitled to a Change in Control Benefit (but only if the Change in Control also constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, each as determined pursuant to Code Section 409A and the applicable payment event occurs within two years following the Change in Control); or a Surviving Spouse or a non-Spouse Beneficiary who is entitled to a lump sum death benefit under Section 5.2(a) shall receive a lump-sum death benefit.

(ii) Amount. Except as modified by the provisions of Sections 5.2(a) (Pre-Commencement Death Benefit) or 10.1 (Change of Control Benefit), the amount of the lump sum shall be the Present Value of the Participant's benefit payable under the Plan at the Participant's Normal Retirement Date (as defined in the Pension Plan).

7.5 Elective Postponement of Payments .

A Participant or Beneficiary entitled to payments may postpone payment if:

(a) Earliest Effective Date. The election does not take effect until at least 12 months after the date that the election is made.

(b) Five Year Minimum. For payments other than those due to death, Disability or Unforeseeable Emergency, the first payment may not begin until a date which is not less than five years from the date that payment would otherwise have begun.

(c) Twelve Months Prior. For payments on account of Retirement, the election is made at least 12 months before the date of the first scheduled payment.

7.6 Acceleration of Payments .

Benefits may not begin before the dates specified in this Plan except:

(a) Unforeseeable Emergency. For amounts postponed under Section 7.5, the Administrator may, upon a Participant or Beneficiary's request, make payments reasonably necessary to satisfy the emergency need (including reasonably anticipated attributable taxes or penalties) which cannot be made through reimbursement or compensation from insurance or by liquidation of assets that would not cause severe financial hardship. Unforeseeable Emergency means a severe financial hardship resulting from an illness or accident of the Employee, Beneficiary, their spouses or dependents, loss of the Employee's or a Beneficiary's property due to casualty or other similar and extraordinary circumstances beyond the control of the service provider or Beneficiary (including but not limited to imminent foreclosure or eviction from the Employee's or Beneficiary's primary residence or the need to pay medical or funeral expenses of the Employee or Beneficiary or their spouse or dependent). If any payment are made pursuant to this Section 7.6(a), the Participant's benefit shall be offset by the Present Value of such payment using the factors set forth in Section 2.5.

(b) 409A Income Inclusion. Upon failure of the Plan to meet the requirements of Code Section 409A, in an amount required to pay all taxes attributable to an amount to be included in income as the result of the failure.

(c) Plan Termination. At the earliest time permitted by Code Section 409A following termination of the Plan which complies with the requirements of Section 11.1(b).

7.7 Payment of Death Benefits .

If benefits have commenced prior to the Participant's death (and, for this purpose, benefits shall not be deemed to have commenced if the Participant dies while benefit payment is delayed pursuant to Section 7.2(c)), they shall cease upon such Participant's death unless continued under this section.

(a) Spouse. If a benefit is payable as a Joint and 50%/75%/100% Spouse Annuity and the married Participant dies, payment shall continue to the Participant's Surviving Spouse until the Spouse's death.

(b) Payment to Beneficiary. If a benefit is payable as a 5 or 10-Year Certain and Life annuity and the Participant dies prior to payment of all amounts due under this Plan, payment of all remaining benefits shall be made to the Participant's Beneficiary.

(c) Beneficiary. "Beneficiary" means the individual, trust or other entity designated by the Participant to receive any benefits payable under this Plan after the Participant's death. A Participant may designate or change a Beneficiary by filing a signed designation with the Administrator in the form approved by the Administrator. The Participant's Will is not effective for this purpose. If a designation has not been properly completed and filed with the Administrator or is ineffective for any other reason, the Beneficiary shall be the Participant's Surviving Spouse. Designation of a Beneficiary shall not in itself serve to revoke an actual election of a Joint and Spouse Annuity method of payment (or a deemed election under Section 7.2(a)).

(d) Payment to Estate. If there is not an effective designation and the Beneficiary/Participant does not have a Surviving Spouse, the remaining benefits, if any, shall be paid to the Participant's estate. If payment is to be made to the estate of a Participant, payment shall be made in a lump sum.

7.8 QDRO .

If the plan receives a QDRO, benefits to an alternate payee may begin as specified in the QDRO, but not before benefits would have otherwise been payable under the Plan. "QDRO" means a qualified domestic relations order, as defined in Code Section 414(p), that is issued by a competent state court and that meets the following conditions:

(a) Alternate Payee. The alternate payee must be the Spouse or former Spouse or a child or other dependent of the Participant.

(b) Reason for Payments. The payments must relate to alimony, support of a child or other dependent, or a division of marital property.

(c) Contents. The QDRO must contain the name and address of the Participant and the alternate payee, the amount of the distribution or percentage of the Participant's benefit to be paid to the alternate payee, the date as of which the amount or percentage is to be determined, and instructions concerning the timing and method of payment.

(d) Restrictions. A QDRO may not require (i) this Plan to pay more than the Present Value of the Participant's benefit to the Participant and all alternate payees; (ii) a method, payment date, or duration of payment not otherwise permitted under this article; or (iii) cancellation of the prior rights of another alternate payee.

ARTICLE 8

Administration

8.1 Duties, Powers, and Responsibilities of the Employer.

(a) Required. The Employer shall be responsible for:

(i) Employer Contributions.

(A)Amount. Determining the amount of Employer Contributions if any.

(B)Payment. Paying, ceasing, or suspending Employer Contributions if any.

(ii) Agent of Service of Process. Serving as the agent for service of process;

(iii) Amendment. Amending this Plan and trust; and

(iv) Plan Termination. Revoking this instrument and terminating this Plan (and any related trust).

(b) Discretionary. The Employer may exercise the following responsibilities:

(i) Alternate Administrator. Designating a Person other than the Employer as the Administrator; and

(i i) Payment of Administrative Expenses. Paying administrative expenses incurred in the operation, administration, management, and control of the Plan.

(iii) Reserved Powers. Designating Participants, crediting a Participant with deemed Years of Service, or waiving the competitive activity forfeiture provisions.

8.2 Employer Action.

An action required to be taken by the Employer shall be taken by its Board of Directors unless the board has delegated the power or responsibility to one or more Persons identified by its resolution.

8.3 Plan Administrator.

"Administrator" means the Employer or a Person designated by the Employer. The Administrator is a named fiduciary for operation and management of the Plan and, if this Plan is subject to ERISA, shall have the responsibilities conferred by ERISA upon the "Administrator" as defined in ERISA Section 3(16).

8.4 Duties, Powers, and Responsibilities of the Administrator.

Except to the extent properly delegated, the Administrator shall have the following duties, powers, and responsibilities and shall:

(a) Plan Interpretation. Interpret this instrument (including resolving an inconsistency or ambiguity or to correcting an error or an omission). All questions of interpretation, construction, or application arising under this Plan shall be decided by the Administrator whose decision shall be final and conclusive upon all persons, except that the

Administrator's decision shall not be final and conclusive with regard to a Participant's entitlement to a benefit under Section 10.1;

(b) Participant Rights. Determine the rights of Participants and Beneficiaries under the terms of this Plan;

(c) Claims and Elections. Establish or approve the manner of making an election, designation, application, claim for benefits, and review of claims;

(d) Benefit Payments. Direct the time that payments are to be made or to begin, and the elected form of distribution;

(e) QDRO Determination. Establish procedures to determine whether or not a domestic relations order is a QDRO, to notify the Participant and any alternative payee of this determination, and to administer benefit payments pursuant to a QDRO;

(f) Administrative Information. Obtain to the extent reasonably possible all information necessary for the proper administration of this Plan;

(g) Recordkeeping. Establish procedures for and supervise the establishment and maintenance of all records necessary and appropriate for the proper administration of this Plan;

(h) Reporting and Disclosure. Prepare and file annual and periodic reports or disclosure documents required under ERISA and Regulations;

(i) Advisers. Employ attorneys, actuaries, accountants, clerical employees, agents, or other Persons who are necessary for operation, administration, and management of this Plan;

(j) Other Powers and Duties. Exercise all other powers and duties necessary or appropriate under this Plan, except those powers and duties allocated to another named fiduciary.

8.5 Claims Procedure.

Each Participant or Beneficiary claiming any right under this Plan must give written notification thereof to the Administrator.

If a claim is denied, the denial shall be contained in a written notice stating the following:

(a) The specific reason for the denial;

(b) Specific reference to the Plan provision on which the denial is based;

(c) Description of additional information necessary for the claimant to present his or her claim, if any, and an explanation of why such material is necessary; and

(d) An explanation of the Plan's claims review procedure.

The claimant will have 60 days to request a review of any denial by the Administrator. The request for review must be in writing and delivered to the Administrator, which will then provide a full and fair review. The claimant may review pertinent documents and may submit issues and comments in writing. The decision by the Administrator with respect to the review must be given within 60 days after receipt of the request, unless special circumstances require an extension (such as for a hearing). In no event shall the decision be delayed beyond 120 days after receipt of the request for review. The decision shall include specific reasons and refer to the specific Plan provisions on which it is based. In all events, claims and appeals shall be decided pursuant to the rules in Section 503 of ERISA.

8.6 Participant's Responsibilities.

All requests for action of any kind by a Participant or Beneficiary under this Plan shall be in writing and executed

by the Participant or Beneficiary.

ARTICLE 9

Investment and Administration of Assets

9.1 Rabbi Trust.

Contributions to this Plan or assets purchased by Employer with the intent of defraying the cost of providing benefits under this Plan may be held in a Rabbi Trust.

9.2 Insurance.

The Employer may purchase a policy of life insurance on the life of a Participant (in whom the Employer has an insurable interest) to assist it in providing the Benefits. The Employer shall be the sole applicant, owner, premium payer and beneficiary of the policy, and shall exercise all incidents of ownership. The Employer intends that the value of the policy while in force and that the death proceeds of the policy shall be excluded from taxation under Code Sections 7702 and 101(a) respectively.

9.3 Available to Creditors.

Any contribution made by Employer or asset held by Trustee related to this Plan shall be available to the general creditors of the Employer as specified in the Trust.

9.4 No Trust or Fiduciary Relationship.

Except as required by governing law, this Plan shall not create a trust or fiduciary relationship of any kind between the Participant (or the Participant's Spouse or Beneficiary) and the Employer or any third party.

9.5 Benefit Payments.

Benefit payments shall be paid directly by the Employer or indirectly through a grantor trust (owned or maintained by the Employer) to the Participant or the Participant's Beneficiary. If a trust is established, the Employer shall not be relieved of its obligation and liability to pay the benefits of this Plan except to the extent payments are actually made from the trust.

ARTICLE 10

Change in Control Benefit

10.1 Benefit.

If a Participant's employment with the Company is terminated during the Designated Period after a Change in Control other than by reason of a Nonqualifying Termination, then notwithstanding any other provision of this Plan, the Participant shall be fully vested and not subject to forfeiture under Article 6 in lieu of any other benefit to which Participant, Participant's Spouse, or Participant's Beneficiary might have been entitled at any time under this Plan or under any Deferred Compensation Agreement.

(a) Change in Control. The Change in Control Benefit shall be the greater of:

(i) Standard Benefit. A lump sum equal to 125% of the Present Value of the payments for which Participant would have been eligible under Section 5.1, disregarding any election to receive benefits later than otherwise

provided under the Plan and without reduction for the actuarial equivalence factors set forth in Section 5.1(b), based on Participant's Years of Service as of the date Participant's employment terminates; or

(ii) Minimum Benefit. The Minimum Benefit provided in Section 5.4.

(b) Time of Payment. If the Change in Control also constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, each as determined pursuant to Code Section 409A and the Date of Termination occurs within two years following the Change in Control), then, subject to Section 7.2(c), the benefit shall be paid in a lump sum within five days following the Date of Termination. Otherwise, subject to Section 7.2(c), the benefit shall be paid in the form otherwise elected by the Participant for distributions in connection with Termination of Employment.

10.2 Definitions.

As used in this Article 10, the following terms shall have the respective meanings set forth below:

(a) Cause. "Cause" means (1) the willful and continued failure by Participant to substantially perform his or her duties with Company and/or its subsidiaries (other than any such failure resulting from Participant's incapacity due to physical or mental illness, or any such actual or anticipated failure resulting from Participant's termination for Good Reason) after a demand for substantial performance is delivered to Participant by the Board and/or its Chairman (which demand shall specifically identify the manner in which the Board and/or its Chairman believes that Participant has not substantially performed his or her duties); or (2) the willful engaging by Participant in gross misconduct materially and demonstrably injurious to the Company and/or its subsidiaries. For purposes of this Section, no act or failure to act on the part of Participant shall be considered "willful" unless done or omitted to be done by Participant not in good faith and without reasonable belief that his or her action(s) or omission(s) was in the best interests of the Company and/or its subsidiaries. Notwithstanding the foregoing, Participant shall not be deemed to have been terminated for Cause unless and until the Company provides Participant with a copy of a resolution adopted by an affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for the purpose (after reasonable notice to Participant and an opportunity for Participant, with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Participant has been guilty of conduct set forth in (1) or (2) above, setting forth the particulars in detail. A determination of Cause by the Board shall not be binding upon or entitled to deference by any finder of fact in the event of a dispute, it being the intent of the parties that such finder of fact shall make an independent determination of whether the termination was for "Cause" as defined in (1) and (2) above.

(b) Change in Control. "Change in Control" means:

(1) the acquisition by any individual, entity, or group (a "Person"), including any "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of 20% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions shall not constitute a Change in Control: (a) any acquisition by the Company, (b) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (c) any acquisition by any corporation pursuant to a reorganization, merger, or consolidation involving the Company, if, immediately after such reorganization, merger, or consolidation, each of the conditions described in clauses (i), (ii), and (iii) of subsection (3) of this Section 10.2(b) shall be satisfied, or (d) any acquisition by the Participant or any group of persons including the Participant; and provided further that, for purposes of clause (a), if any Person (other than the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company) shall become the beneficial owner of 20% or more of the Outstanding Company Common Stock or 20% or more of the Outstanding Company Voting Securities by reason of an acquisition by the Company and such Person shall, after such acquisition by the Company, become the beneficial owner of any additional shares of the Outstanding Company Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(2) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, however, that any individual who becomes a

director of the Company subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by the vote of at least three-quarters of the directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board; and provided further, that no individual who was initially elected as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board, shall be deemed to have been a member of the Incumbent Board;

(3) approval by the stockholders of the Company of a reorganization, merger, or consolidation unless, in any such case, immediately after such reorganization, merger, or consolidation, (i) more than 50% of the then outstanding shares of common stock of the corporation resulting from such reorganization, merger, or consolidation and more than 50% of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals or entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior or such reorganization, merger, or consolidation and in substantially the same proportions relative to each other as their ownership, immediately prior to such reorganization, merger, or consolidation, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or the corporation resulting from such reorganization, merger, or consolidation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such reorganization, merger, or consolidation, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 20% or more of the then outstanding shares of common stock of such corporation or 20% or more of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors, and (iii) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger, or consolidation were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such reorganization, merger, or consolidation; or

(4) approval by the stockholders of the Company of (i) a plan of complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company other than to a corporation with respect to which, immediately after such sale or other disposition, (a) more than 50% of the then outstanding shares of common stock thereof and more than 50% of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such sale or other disposition and in substantially the same proportions relative to each other as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (b) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or such corporation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such sale or other disposition, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 20% or more of the then outstanding shares of Common stock thereof or 20% or more of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors and (c) at least a majority of the members of the board of directors thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition.

Notwithstanding anything contained in this Plan to the contrary, if Participant's employment is terminated prior to a Change in Control and Participant reasonably demonstrates that such termination was at the request of or in response to a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control (a "Third Party") who effectuates a Change in Control, then for all purposes of this Plan, the date of a Change of Control shall mean the date immediately prior to the date of such termination of the Participant's employment.

(c) Common Stock. "Common Stock" means the common stock of the Company, \$1 par value per share.

(d) Date of Termination. "Date of Termination" means: (1) the effective date on which the Participant's

employment by the Company and/or its subsidiaries terminates as specified in a Notice of Termination by the Company or Participant; (2) if the Participant's employment by the Company and/or its subsidiaries terminates by reason of death, the date of death of Participant; (3) if the Participant's employment is terminated for Disability (as defined in (f)), then the Date of Termination shall be the time specified in (1), but in no event earlier than thirty (30) days following the date on which a Notice of Termination is received; and (4) if the Participant's employment is terminated by the Company and/or its subsidiaries other than for Cause, then the Date of Termination shall be the time specified in (1), but in no event earlier than thirty (30) days following the date on which a Notice of Termination is received.

(e) Designated Period. "Designated Period" means the designated period set forth in the Participant's Participation Agreement.

(f) Disability. "Disability" means Participant's failure to substantially perform his/her duties with the Company and/or its subsidiaries on a full-time basis for at least one hundred eighty (180) consecutive days as a result of Participant's incapacity due to mental or physical illness. In all events, this determination shall be made in accordance with the requirements of Code Section 409A.

(g) Good Reason. "Good Reason" means, without Participant's express written consent, the occurrence of any of the following events after a Change in Control:

(1) (a) the assignment to Participant of any duties inconsistent in any material adverse respect with Participant's position(s), duties, responsibilities, or status with the Company and/or its subsidiaries immediately prior to such Change in Control; (b) a material adverse change in Participant's reporting responsibilities, titles or offices with the Company and/or its subsidiaries as in effect immediately prior to such Change in Control; or (c) any removal or involuntary termination of Participant by the Company and/or its subsidiaries otherwise than in the manner specified in Section 10.2(h); or (d) any failure to re-elect Participant to any position with the Company and/or its subsidiaries held by Participant immediately prior to such Change in Control;

(2) a reduction by the Company and/or its subsidiaries in Participant's rate of annual base salary as in effect immediately prior to such Change in Control or as the same may be increased from time to time thereafter;

(3) any requirement of the Company and/or its subsidiaries that Participant (i) be based anywhere other than the facility where Participant is located at the time of the Change in Control or reasonably equivalent facilities within twenty five (25) miles of such facility or (ii) travel for the business of the Company and/or its subsidiaries to an extent substantially more burdensome than the travel obligations of Participant immediately prior to such Change in Control;

(4) the failure of the Company and/or its subsidiaries to continue the Company's executive incentive plans or bonus plans in which Participant is participating immediately prior to such Change in Control or a reduction of the Participant's target incentive award opportunity under the Company's Executive Long-Term Incentive (Three Year) Plan (three-year bonus plan), Executive Short Term Incentive Plan (annual bonus plan) or other bonus plan adopted by the Company;

(5) the failure of the Company and/or its subsidiaries to (a) provide any employee benefit plan or compensation plan (including but not limited to stock option, restricted stock, incentive stock option or other similar programs) in which Participant is participating immediately prior to such Change in Control, in accordance with the most favorable plans, practices, programs and policies of the Company and/or its subsidiaries in effect for Participant immediately prior to the Change in Control, unless Participant is permitted to participate in other plans providing Participant with substantially comparable benefits; (b) provide Participant and Participant's dependents with welfare benefits (including, without limitation, medical, prescription, dental, disability, salary continuance, employee life, group life, accidental death and travel accident insurance plans and programs) in accordance with the most favorable plans, practices, programs, and policies of the Company and/or its subsidiaries in effect for Participant immediately prior to such Change in Control; (c) provide fringe benefits in accordance with the most favorable plans, practices, programs, and policies of the Company and/or its subsidiaries as in effect for Participant immediately prior to such Change in Control; or (d) provide Participant with paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and/or its subsidiaries as in effect for Participant immediately prior to such Change in Control; or the taking of any action by the Company and/or its subsidiaries which would adversely affect Participant's participation in or materially reduce Participant's benefits under any such plan;

(6) the failure of the Company and/or its subsidiaries to pay any amounts owed Participant as salary, bonus, deferred compensation or other compensation;

(7) the failure of the Company to obtain an assumption agreement from any successor as contemplated in Section 10.4;

(8) the refusal by the Company and/or its subsidiaries to continue to allow Participant to attend to matters or engage in activities which did not involve a substantial portion of a Participant's time and which are not directly related to the business of the Company and/or its subsidiaries which were permitted by the Company and/or its subsidiaries immediately prior to such Change in Control, including without limitation serving on the Boards of Directors of other companies or entities;

(9) Any amendment or termination of this Plan which unfavorably affects a Participant or reduces any protection afforded to a Participant (including a failure to continue to credit service with any successor after a change in control for purposes of this Plan).

(10) Any purported termination of Participant's Employment which is not effected pursuant to a Notice of Termination; and

(11) Any other material breach by Company of its obligations under any executive severance agreement between the Participant and the Company.

For purposes of this Plan, any good faith determination of Good Reason made by Participant shall be conclusive; provided, however, that an isolated and insubstantial action taken in good faith and which is remedied by the Company and/or its subsidiaries within ten (10) days after receipt of notice thereof given by Participant shall not constitute Good Reason. Any event or condition described in this subsection (g)(1) through (10) which occurs prior to a Change in Control, but which Participant reasonably demonstrates was at the request of or in response to a Third Party who effectuates a Change in Control, shall constitute Good Reason following a Change in Control for purposes of this Plan notwithstanding that it occurred prior to the Change in Control.

(h) Nonqualifying Termination. "Nonqualifying Termination" means a termination of Participant's employment (1) by the Company and/or its subsidiaries for Cause, (2) by Participant for any reason other than for Good Reason with Notice of Termination, (3) as a result of Participant's death, and (4) by the Company and/or its subsidiaries due to Participant's Disability, unless within thirty (30) days after Notice of Termination is provided to Participant following such Disability Participant shall have returned to substantial performance of Participant's duties on a full-time basis.

(i) Notice of Termination. "Notice of Termination" means written notice of Participant's Date of Termination by the Company or Participant within ninety (90) days from the date of the triggering event, as the case may be, to the other, which (1) indicates the specific termination provision in this Plan relied upon, (2) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Participant's employment under the provision so indicated, and (3) specifies the termination date. The failure by Participant or the Company to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Participant or the Company hereunder or preclude Participant or the Company from asserting such fact or circumstance in enforcing Participant's or the Company's rights hereunder.

10.3 Method of Payment.

Payment shall be made, to the extent possible, by distribution of any insurance policy or policies purchased by the Company in connection with this Plan and in effect on the date of a Change in Control, valued for distribution purposes at their cash surrender value. Any remaining balance of the distribution sum shall be paid in cash.

10.4 Successor Obligations in Change of Control Situation.

(a) Survival of Obligations. Neither this Plan nor any Participation Agreement shall be terminated by any merger or consolidation of the Company whereby the Company is or is not the surviving or resulting corporation or as a result of any transfer of all or substantially all of the assets of the Company. In the event of any such merger, consolidation, or transfer of assets, the provisions of this Plan and of such Participation Agreements shall be binding upon the surviving or resulting corporation or the person or entity to which such assets are transferred.

(b) Assumption Required. The Company agrees that concurrently with any merger, consolidation or transfer of

assets referred to in paragraph (a) of this Section 10.4, it will cause any successor or transferee unconditionally to assume, by written instrument delivered to each Participant (or his/her beneficiary or estate), all of the obligations of the Company hereunder. Failure of the Company to obtain such assumption prior to the effectiveness of any such merger, consolidation or transfer of assets shall constitute Good Reason hereunder. For purposes of implementing the foregoing, the date on which any such merger, consolidation, or transfer becomes effective shall be deemed the date Good Reason occurs, and shall be the Date of Termination if requested by the Participant.

10.5 Reimbursement of Expenses.

If any contest or dispute shall arise under this Plan or any Participation Agreement involving a Participant's entitlement to a benefit under Section 10.1, the Company shall reimburse Participant, on a current basis, for all legal fees and expenses, if any, incurred by Participant in connection with such contest or dispute regardless of the result thereof.

ARTICLE 11

General Provisions

11.1 Amendment; Termination.

Wolverine World Wide, Inc. may amend this Plan prospectively or retroactively, or to terminate this Plan, provided that an amendment or termination may not reduce or revoke the accrued benefits of any Participant who is already entitled as of the date of such amendment or termination to a benefit under Section 5.1 of this Plan, regardless of whether payment of such benefit has commenced.

(a) Vesting and Distribution. Upon termination of or a discontinuation of further accrual of benefits under this Plan, the accrued benefits of affected Participants shall become nonforfeitable and shall be distributed in accordance with the provisions of this Plan.

(b) Termination Requirements. A termination may not permit acceleration of distributions unless: the termination is within 12 months of a corporation dissolution taxed under Code Section 331 or with the approval of a Bankruptcy Court under Chapter 11 of the Bankruptcy Code; the termination is within 30 days preceding or 12 months following a Change of Control as defined in Article 10, or; all aggregated plans subject to Code Section 409A are terminated, payments are not made for a period of 12 months following the date of termination, all payments are completed within 24 months of the date of termination, and the employer shall not adopt a plan that would be aggregated with any terminated plan within five years of the date of termination. If a termination does not meet the requirements for acceleration of payments, the accounts of Participants shall be administered and distributed under the otherwise applicable provisions of the Plan.

11.2 Employment Relationship.

This Plan shall not be construed to create a contract of employment between the Employer and any Participant or to otherwise confer upon a Participant or other person a legal right to continuation of employment or any rights other than those specified herein. This Plan shall not limit or affect the right of the Employer to discharge or retire a Participant.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Plan.

11.3 Confidentiality and Relationship.

Each Participant shall agree to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Participant is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

11.4 Rights Not Assignable.

Except for designation of a Beneficiary or under a QDRO, benefits payable under this Plan shall not be subject to assignment, conveyance, transfer, anticipation, pledge, alienation, sale, encumbrance, or charge, whether voluntary or involuntary, by the Participant (or any Spouse or Beneficiary of the Participant). A benefit payable under this Plan shall not be used as collateral or security for a debt or be subject to garnishment, execution, assignment, levy, or to another form of judicial or administrative process or to the claim of a creditor through legal process or otherwise. An attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or to otherwise dispose of benefits payable, before actual receipt of the benefits, or a right to receive benefits, shall be void and shall not be recognized.

11.5 Construction.

The Plan shall be interpreted in a manner that makes it compliant with the limited application of ERISA and with the requirements of Code Section 409A. The singular includes the plural, and the plural includes the singular, unless the context clearly indicates the contrary. Capitalized terms (except those at the beginning of a sentence or part of a heading) have the meaning specified in this Plan. If a capitalized term is not defined in this Plan, the term shall have, for purposes of this Plan, the stated definitions of those terms in the Wolverine Retirement Income Plan as amended from time to time.

11.6 Tax Withholding.

The Employer may withhold from all payments due to Participant (or his/her Beneficiary or estate) hereunder all taxes which, by applicable federal, state, local or other law, the Employer is required to withhold therefrom.

11.7 Governing Law.

To the extent not preempted by applicable federal law, this Plan shall be governed by and interpreted under the laws of the State of Michigan.

EXHIBIT A - 1

WOLVERINE WORLD WIDE, INC.
409A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
PARTICIPATION AGREEMENT

_____ ("Employee") has been notified by Wolverine World Wide, Inc. ("Employer") of the Employer's intent to designate the Employee as a Participant in the Wolverine World Wide, Inc. 409A Supplemental Executive Retirement Plan ("Plan"). Employer and Employee have signed this Agreement to effectuate Employee's Participant status and to agree on certain terms relating to Employee's Participant status. Therefore, Employer and Employee agree as follows:

1. Participation Date. Employee will become a Participant in the Plan effective ____, ____. Employee agrees to be bound by the provisions of the Plan.

2. Years of Service. Employee's commencement date for purposes of computing Years of Service under the Plan is _____. Employee currently has __ Years of Service.

3. Average Earnings. Employee's current Average Earnings is \$_____.

4. Designated Percentage. The Designated Percentage under Plan Section 5.1(a) is 2.4%.

5. Designated Period. The Designated Period under Plan Section 10.1 is 3 years.

6. Form of Payment.

(a) Lifetime. The Participant accepts the presumed method of payment under the Plan (during life, a single life annuity, if single, or joint and 50% spouse annuity, if married) unless one of the following forms is selected:

- | | |
|---|--|
| <input type="checkbox"/> 5 Year Certain and Life | <input type="checkbox"/> Joint and 100% Spouse Annuity |
| <input type="checkbox"/> 10 Year Certain and Life | <input type="checkbox"/> Joint and 75% Spouse Annuity |
| <input type="checkbox"/> Life Annuity | |

(b) Pre-Benefit Death. The Participant hereby selects that any pre-retirement death benefit to his Surviving Spouse shall be paid as follows:

- | |
|--|
| <input type="checkbox"/> Single Life Annuity of Spouse |
| <input type="checkbox"/> Lump sum (default) |
-

7. Commencement of Benefit. If the Participant Terminates prior to age 65, the Participant elects that benefits shall commence:

- Promptly following Termination (but not earlier than age 55) (default)
- Age __ (but not earlier than age 55 or later than age 65)

8. Deferred Compensation Agreement. Employer and Employee agree that:

[Check one of the following]

- There is no Deferred Compensation Agreement in effect as described in Plan Section 5.4(a).
- There is a Deferred Compensation Agreement dated in effect as described in Section 5.4(a) of the Plan and attached. Employee hereby relinquishes all rights under such Deferred Compensation Agreement, and agrees to look solely to the terms of the Plan with regard to any computation of a Minimum Benefit as provided in the Plan.

9. Employment Relationship. Employee agrees that the Plan shall not be construed to create a contract of employment between the Employer and the Employee or to otherwise confer upon the Employee or other person a legal right to continuation of employment or any rights other than those specified herein. This plan shall not limit or affect the right of the Employer to discharge or retire the Employee.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Agreement.

10. Confidentiality and Relationship. Employee agrees to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Employee is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

11. Acknowledgments. Employee acknowledges the Employer's rights to:

- (a) Amend or terminate the Plan at any time, subject to Section 11.1 of the Plan; and
- (b) To designate the Employee as an Inactive Participant at any time, as provided in Section 3.2 of the Plan; and
- (c) To make final decisions on any claim or dispute related to the Plan, as provided in Section 8.5 of the Plan; and
- (d) To exercise any and all other rights of the Employer under the Plan, in the Employer's sole discretion, without any limitation other than as expressly set forth in the Plan.

Employee agrees that any amendment or termination of the Plan shall automatically amend or terminate this Agreement, to the extent permitted by the Plan.

12. Amendments. Employee agrees that this Agreement may not be amended orally, but only in a written amendment authorized by the Company's Board of Directors and signed by the Plan Administrator.

This Participation Agreement replaces and supersedes any prior participation agreement between Employee and Employer. IN WITNESS WHEREOF, the parties have signed this Agreement.

WOLVERINE WORLD WIDE, INC.

Date: _____

By: _____

Its: _____

"Employer"

Date: _____

"Employee"

EXHIBIT A - 2

WOLVERINE WORLD WIDE, INC.
409A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
PARTICIPATION AGREEMENT

_____ ("Employee") has been notified by Wolverine World Wide, Inc. ("Employer") of the Employer's intent to designate the Employee as a Participant in the Wolverine World Wide, Inc. 409A Supplemental Executive Retirement Plan ("Plan"). Employer and Employee have signed this Agreement to effectuate Employee's Participant status and to agree on certain terms relating to Employee's Participant status. Therefore, Employer and Employee agree as follows:

1. Participation Date. Employee will become a Participant in the Plan effective ____, ____. Employee agrees to be bound by the provisions of the Plan.

2. Years of Service. Employee's commencement date for purposes of computing Years of Service under the Plan is _____. Employee currently has __ Years of Service.

3. Average Earnings. Employee's current Average Earnings is \$_____.

4. Designated Percentage. The Designated Percentage under Plan Section 5.1(a) is 2.0%.

5. Designated Period. The Designated Period under Plan Section 10.1 is 2 years.

6. Form of Payment.

(a) Lifetime. The Participant accepts the presumed method of payment under the Plan (during life, a single life annuity, if single, or joint and 50% spouse annuity, if married) unless one of the following forms is selected:

- | | |
|---|--|
| <input type="checkbox"/> 5 Year Certain and Life | <input type="checkbox"/> Joint and 100% Spouse Annuity |
| <input type="checkbox"/> 10 Year Certain and Life | <input type="checkbox"/> Joint and 75% Spouse Annuity |
| <input type="checkbox"/> Life Annuity | |

(b) Pre-Benefit Death. The Participant hereby selects that any pre-retirement death benefit to his Surviving Spouse shall be paid as follows:

- | |
|--|
| <input type="checkbox"/> Single Life Annuity of Spouse |
| <input type="checkbox"/> Lump sum (default) |

7. Commencement of Benefit. If the Participant Terminates prior to age 65, the Participant elects that benefits shall commence:

- Promptly following Termination (but not earlier than age 55) (default)
- Age ___ (but not earlier than age 55 or later than age 65)

8. Deferred Compensation Agreement. Employer and Employee agree that:

[Check one of the following]

- There is no Deferred Compensation Agreement in effect as described in Plan Section 5.4(a).
- There is a Deferred Compensation Agreement dated in effect as described in Section 5.4(a) of the Plan and attached. Employee hereby relinquishes all rights under such Deferred Compensation Agreement, and agrees to look solely to the terms of the Plan with regard to any computation of a Minimum Benefit as provided in the Plan.

9. Employment Relationship. Employee agrees that the Plan shall not be construed to create a contract of employment between the Employer and the Employee or to otherwise confer upon the Employee or other person a legal right to continuation of employment or any rights other than those specified herein. This plan shall not limit or affect the right of the Employer to discharge or retire the Employee.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Agreement.

10. Confidentiality and Relationship. Employee agrees to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Employee is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

11. Acknowledgments. Employee acknowledges the Employer's rights to:

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- (a) Amend or terminate the Plan at any time, subject to Section 11.1 of the Plan; and
- (b) To designate the Employee as an Inactive Participant at any time, as provided in Section 3.2 of the Plan; and
- (c) To make final decisions on any claim or dispute related to the Plan, as provided in Section 8.5 of the Plan; and
- (d) To exercise any and all other rights of the Employer under the Plan, in the Employer's sole discretion, without any limitation other than as expressly set forth in the Plan.

Employee agrees that any amendment or termination of the Plan shall automatically amend or terminate this Agreement, to the extent permitted by the Plan.

12. Amendments. Employee agrees that this Agreement may not be amended orally, but only in a written amendment authorized by the Company's Board of Directors and signed by the Plan Administrator.

This Participation Agreement replaces and supersedes any prior participation agreement between Employee and Employer. IN WITNESS WHEREOF, the parties have signed this Agreement.

WOLVERINE WORLD WIDE, INC.

Date: _____

By: _____

Its: _____

"Employer"

Date: _____

"Employee"

CERTIFICATION

I, Blake W. Krueger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2017

/s/ Blake W. Krueger

Blake W. Krueger
Chairman, Chief Executive Officer and President
Wolverine World Wide, Inc.

CERTIFICATION

I, Michael D. Stomant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2017

/s/ Michael D. Stomant

Michael D. Stomant

Senior Vice President, Chief Financial Officer and Treasurer

Wolverine World Wide, Inc.

CERTIFICATIONS

Solely for the purpose of complying with 18 U.S.C. § 1350, each of the undersigned hereby certifies in his capacity as an officer of Wolverine World Wide, Inc. (the "Company") that the Quarterly Report of the Company on Form 10-Q for the quarter ended April 1, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period.

Date: May 10, 2017

/s/ Blake W. Krueger

Blake W. Krueger

Chairman, Chief Executive Officer and President

/s/ Michael D. Stornant

Michael D. Stornant

Senior Vice President, Chief Financial Officer and Treasurer

