SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 30, 2000

[ ] 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: 1-6024

WOLVERINE WORLD WIDE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**38-1185150**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification no.)
9341 Courtland Drive, Rockford, Michigan	**49351**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (616) 866-5500

Securities registered pursuant to Section 12(b) of the Securities Exchange Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1 Par Value	New York Stock Exchange/Pacific Exchange, Inc.

Securities registered pursuant to Section 12(g) of the Act: None

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 _X_ No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Number of shares outstanding of the registrant's Common Stock, $1 par value (excluding shares of treasury stock) as of March 23, 2001: 41,686,231.

The aggregate market value of the registrant's voting stock held by non-affiliates of the registrant based on the closing price on the New York Stock Exchange on March 23, 2001: $552,231,329.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement for the registrant's annual stockholders' meeting to be held April 26, 2001, are incorporated by reference into Part III of this report.

PART I

Item 1. Business.

General.

Wolverine World Wide, Inc. (the "Company") is a leading designer, manufacturer and marketer of a broad line of quality casual shoes, rugged outdoor and work footwear, and constructed slippers and moccasins. The Company, a Delaware corporation, is the successor of a 1969 reorganization of a Michigan corporation of the same name, originally organized in 1906, which in turn was the successor of a footwear business established in Grand Rapids, Michigan in 1883.

Consumers around the world purchased more than 36 million pairs of Company branded footwear during fiscal 2000, making the Company a global leader among U.S. shoe companies in the marketing of branded casual, work and outdoor footwear. The Company's products generally feature contemporary styling with proprietary technologies designed to provide maximum comfort. The products are marketed

throughout the world under widely recognized brand names, including *Bates*®, *Caterpillar*®, *Coleman*®, *Harley-Davidson*®, *Hush Puppies*®, *HyTest*®, *Merrell*®, *Stanley*® and *Wolverine*®. The Company believes that its primary competitive strengths are its well-recognized brand names, broad range of comfortable footwear, patented and proprietary comfort technologies, numerous distribution channels and diversified manufacturing and sourcing base.

The Company's footwear is sold under a variety of brand names designed to appeal to most consumers of casual, work and outdoor footwear at numerous price points. The Company's footwear products are organized under three operating divisions: (i) the Wolverine Footwear Group, focusing on work, outdoor and lifestyle boots and shoes, (ii) the Performance Footwear Group, focusing on the *Caterpillar*® and *Merrell*® product lines of performance and lifestyle footwear and (iii) the Casual Footwear Group, focusing on *Hush Puppies*® brand comfortable casual shoes, slippers and moccasins under the *Hush Puppies*® brand and other private labels for third party retailers and children's footwear under various Company brands. The Company's Global Operations Group is responsible for manufacturing, sourcing and distribution in support of the various Company brands. The Company's footwear is distributed domestically through 62 Company-owned retail stores and to accounts including department stores, footwear chains, catalogs, specialty retailers, mass merchants and Internet retailers. Many of these retailers operate multiple storefront locations. The Company's products are distributed worldwide in over 140 markets through licensees and distributors.

The Company, through its Wolverine Leathers Division, operates a Company-owned tannery and is one of the premier tanners of quality pigskin leather for the shoe and leather goods industries. The pigskin leather tanned by the Company is used in a significant portion of the footwear manufactured and sold by the Company, and is also sold to Company licensees and other domestic and foreign manufacturers of shoes. In addition, Wolverine Procurement, Inc., a Company-owned subsidiary, both performs skinning operations and purchases raw pigskins which it then cures and sells to the Wolverine Leathers Division and to outside customers for processing into pigskin leather products.

For financial information regarding the Company, see the consolidated financial statements of the Company, which are attached as Appendix A to this Form 10-K. The Company has one reportable operating segment, Branded Footwear. The "Branded Footwear" segment is engaged in the manufacture and marketing of branded footwear, including casual shoes, slippers, moccasins, dress shoes, boots, uniform shoes, work shoes and performance outdoor footwear. The Company's "Other Businesses" category consists of the Company's retail stores, apparel and accessory licensing, tannery and pigskin

procurement operations. Financial information regarding the Company's operating segments can be found in Note 9 to the consolidated financial statements of the Company, which are attached as Appendix A to this Form 10-K.

Branded Footwear.

The Company manufactures and markets a broad range of footwear styles including shoes, boots and sandals under many recognizable brand names including *Bates*®, *Caterpillar*®, *Coleman*®, *Harley-Davidson*®, *Hush Puppies*®, *HyTest*®, *Merrell*®, *Stanley*® and *Wolverine*®. The Company, through its wholly owned subsidiary, Wolverine Slipper Group, Inc., also manufactures constructed slippers and moccasins and markets them under the *Hush Puppies*®, *Joe Boxer*®, and *Turtle Fur*® trademarks and on a private label basis. The Company combines quality materials and skilled workmanship from around the world to produce footwear according to its specifications at both Company-owned and independent manufacturing facilities.

The Company's three branded footwear operating divisions are described below.

1. The Wolverine Footwear Group. The Wolverine Footwear Group encompasses multiple brands designed with performance and comfort features to serve a variety of work, outdoor and lifestyle functions. The *Wolverine*® brand, which has been in existence for 118 years, is identified with performance and quality and markets work and outdoor footwear in two categories: (i) work and industrial footwear; and (ii) rugged outdoor and sport footwear. The Wolverine Footwear Group also includes the *Bates*® and *HyTest*® product lines. These products feature quality materials and components and patented technologies and designs, such as *DuraShocks*®, *DuraShocks SR*™, *Wolverine Fusion*™ and the new *Wolverine Durashocks Motion Control*™ sole, and unique proprietary technologies such as the *SEMC*™ non-metallic composite safety toe. The Wolverine Footwear Group also markets *Harley-Davidson*® footwear. *Harley-Davidson*® footwear styles include traditional motorcycle riding designs as well as contemporary fashion, military and western inspired footwear. The Wolverine Footwear Group also markets hiking and outdoor shoes, boots and

sandals through the *Coleman* ® footgear line of products. In addition, the Wolverine Footwear Group markets *Stanley*® work boots and shoes.

Wolverine® *Work and Industrial Footwear*. The Company believes the *Wolverine*® brand has built its reputation by offering quality, durable and comfortable work boots and shoes. The development of *DuraShocks*® technology allowed the *Wolverine*® brand to introduce a broad line of work footwear with a focus on comfort. The recently developed *Wolverine Fusion*™, *Wolverine Durashocks Motion Control*™ and *SEMC*® composite safety toe technologies continue the Company's tradition of comfortable work and industrial footwear. The *Wolverine*® work product line features work boots and shoes, including steel toe boots and shoes, targeting male and female industrial and farm workers.

Wolverine® *Rugged Outdoor and Sport Footwear*. The *Wolverine*® rugged outdoor and sport product lines incorporate *DuraShocks*®, *DuraShocks SR*™, *Wolverine Fusion* ™ and *Wolverine*

Durashocks Motion Control™ technology and other comfort features into products designed for rugged outdoor use. This broad product line targets active lifestyles and includes all-terrain sport boots, walking shoes, trail hikers, rugged casuals and outdoor sandals. The Company also produces boots that target hunters, fishermen and other active outdoor users. Warmth, waterproofing and comfort are achieved through the use of *Gore-Tex*® and *Thinsulate*® brand fabrics and the Company's performance leathers and patented *DuraShocks*® technologies.

Bates® *Uniform Footwear*. The Company's Bates Uniform Footwear Division is an industry leader in supplying footwear to military and civilian uniform users. The Bates Uniform Footwear Division utilizes *DuraShocks*®, *DuraShocks SR*™, *CoolTech*® and other

proprietary comfort technologies in the design of its military-style boots and oxfords including the *Bates® Enforcer Series®* and *Special Ops™* footwear lines. The Bates Uniform Footwear Division contracts with the U.S. Department of Defense and other governmental organizations to supply military footwear. Civilian uniform uses include police, security, postal, restaurant and other industrial occupations. Bates Uniform Footwear Division products are also distributed through specialty retailers and catalogs.

HyTest®. The *HyTest®* product line consists primarily of high quality work boots and shoes designed to protect male and female industrial workers from foot injuries. *HyTest®* footwear incorporates various safety features into its product lines, including steel toe, composite toe, electrical hazard, static dissipating and conductive footwear to protect against hazards of the workplace. In addition, *HyTest®* brand footwear incorporates features such as *FootRests®* comfort technology and the proprietary *SEMC®* composite toe to provide comfort together with safety for working men and women. *HyTest®* footwear is distributed primarily through a network of independently owned *Shoemobile®* mobile truck retail outlets providing direct sales to workers at industrial facilities.

Harley-Davidson® Footwear. Pursuant to a license arrangement with the Harley-Davidson Motor Company, the Company has the exclusive right to manufacture, market, distribute and sell *Harley-Davidson ®* brand footwear throughout the world. *Harley-Davidson®* brand footwear products include motorcycle, casual, fashion, work and western footwear for men, women and children. *Harley-Davidson®* footwear is sold globally through a network of approximately 650 independent *Harley-Davidson®* dealerships as well as through department stores and specialty retailers.

Coleman® Footgear. The Company has been granted the exclusive worldwide rights to manufacture, market, distribute and sell

outdoor footwear under the *Coleman*® brand. *Coleman*® brand footwear products include lightweight hiking boots, outdoor sport boots, rubber footgear and outdoor sandals, which are sold primarily at value-oriented prices through specialty retailers and mass merchants.

Stanley® *Footgear*. Pursuant to a license arrangement completed in 2000 with The Stanley Works, the Company has an exclusive license to manufacture, market, distribute and sell footwear under the *Stanley*® brand. The *Stanley*® *Footgear* line provides the Company with an entry into the value-price work footwear market. *Stanley*® Footgear is currently marketed in Payless ShoeSource, Inc. stores throughout the United States.

2. The Performance Footwear Group. The Performance Footwear Group began operating as a separate division of the Company in 1999. The Performance Footwear Group is comprised of two of the Company's performance-lifestyle brands, *Caterpillar*® and *Merrell*®.

Caterpillar® *Footwear*. The Company has been granted the exclusive worldwide rights to manufacture, market and distribute footwear under the *Caterpillar*®, *CAT & Design*®, *Walking Machines*® and other trademarks. The Company believes the association with *Caterpillar*® equipment enhances the reputation of its boots for quality, ruggedness and durability. *Caterpillar*® brand footwear products include work boots and shoes, sport boots, rugged casuals and lifestyle footwear. In addition, the Company also manufactures and markets *CAT*® Marine Power footwear, designed for industrial and recreational marine uses. *Caterpillar*® brand products target work and industrial users and active lifestyle users. *Caterpillar*® footwear is marketed in over 130 countries worldwide.

Merrell® *Footwear*. The *Merrell*® product line consists primarily of technical hiking, rugged outdoor and outdoor inspired casual footwear designed for backpacking, day hiking and rugged every day use. The *Merrell*® product line also includes the "After-Sport" product line, incorporating *Merrell*® *Footwear's* technical hiking and outdoor expertise with *Wolverine Performance Leathers*™ and other technical materials to create footwear with unique styling, performance and

comfort features. *Merrell*® products are sold primarily through outdoor specialty retailers, department stores and catalogs.

3. The Casual Footwear Group. The Casual Footwear Group consists of the Hush Puppies Company, Wolverine Slipper Group, Inc. and the Children's Footwear Group. Each of these groups is described below.

The Hush Puppies Company. The Company believes that the 40-year heritage of the *Hush Puppies*® brand as a pioneer of comfortable casual shoes positions the brand to capitalize on the global trend toward

more casual workplace and leisure attire. The diverse product line includes numerous styles for both work and casual wear and utilizes comfort features, such as the *Comfort Curve*® sole, *Float Fx*™, *HPO2*® cushioning, patented *Bounce*® technology and lightweight *Zero-G*™ constructions. *Hush Puppies*® shoes are sold to men, women and children in over 90 countries.

Wolverine Slipper Group, Inc. Through its wholly owned subsidiary, Wolverine Slipper Group, Inc., the Company is one of the leading suppliers of constructed slippers in the United States. The styling of Wolverine Slipper Group's footwear reflects consumer demand for the "rugged indoor" look by using natural leathers such as moosehide, shearling and suede in constructed slipper and indoor and outdoor moccasin designs. Wolverine Slipper Group, Inc., designs and manufactures constructed slippers, aftersport footwear and moccasins on a private label basis according to customer specifications. Such products are manufactured for leading United States retailers and catalogs, such as Nordstrom, L.L. Bean, Eddie Bauer and Lands' End. In addition to its traditional line of private label slippers, Wolverine Slipper Group, Inc. also manufactures and markets slipper products under the popular *Hush Puppies*®, *Turtle Fur*® and *Joe Boxer*® brands and has developed

a *College Clogs*™ program for the sale of licensed collegiate slipper products.

The Children's Footwear Group. The Children's Footwear Group consists of the Company's *Hush Puppies*® and *Caterpillar*® children's footwear business together with the children's footwear programs under the *Coleman*®, *Wolverine*®, and *Harley-Davidson*® brands. The Company believes the consolidation of these brands into the Children's Footwear Group facilitates the dedicated marketing, sourcing and sales programs that are necessary to extend the Company's high-profile, global brands into the children's footwear market segment.

Other Businesses.

In addition to the manufacture and marketing of the Company's footwear products that are reported in the Branded Footwear segment, the Company also (i) operates a Company-owned pigskin tannery through its Wolverine Leathers Division, (ii) purchases and cures raw pigskins for sale to various customers through its wholly owned subsidiary Wolverine Procurement, Inc., (iii) operates 62 domestic retail footwear stores, and (iv) licenses the Company's brand names for use on non-footwear products.

1. The Wolverine Leathers Division. The Wolverine Leathers Division produces pigskin leathers primarily for use in the footwear industry. The Wolverine Leathers Division is the largest domestic tanner of pigskin. *Wolverine Leathers*® brand products are manufactured in the Company's pigskin tannery located in Rockford, Michigan. The Company believes these leathers offer superior performance and advantages over cowhide leathers. The Company's waterproof, stain resistant and washable leathers are featured in many of the Company's domestic footwear lines and many products

offered by the Company's international licensees and distributors. Wolverine performance leathers are also featured in certain outside brands of athletic and outdoor footwear.

2. Wolverine Procurement, Inc. Wolverine Procurement, Inc. performs skinning operations and purchases raw pigskins from third parties, which it then cures

and sells to the Wolverine Leathers Division and to outside customers for processing into pigskin leather products.

3. Retail Stores. The Company operated 62 domestic retail shoe stores as of March 23, 2001, under two formats, consisting of 60 factory outlet stores under the *Hush Puppies and Family* name and two mall-based stores called *Up Footgear™*. The Company expects the scope of its retail operations to remain relatively consistent in the foreseeable future. Most of the Company's 60 factory outlet stores carry a large selection of first quality Company branded footwear at discounted retail prices. The *Up Footgear™* stores feature Company brands such as *Wolverine®*, *Merrell®*, *Hush Puppies®*, *Caterpillar®* and *Harley-Davidson®*. These stores also carry a selection of branded footwear from other manufacturers.

4. Apparel and Accessory Licensing. The Company's Apparel and Accessory Licensing Division licenses the Company's brands for use on non-footwear products including apparel, eyewear, watches, socks, handbags and plush toys. Current licensing programs include *Hush Puppies®* brand apparel, eyewear and plush toys and watches under the *Wolverine®* and *Hush Puppies®* brands.

Marketing.

The Company's overall marketing strategy is to develop brand-specific plans and related promotional materials for the United States market to foster a differentiated and globally consistent image for each of the Company's core footwear brands. Each footwear brand group has its own marketing personnel who develop the marketing strategy for products within that group. Domestic marketing campaigns target both the Company's retail accounts and consumers, and strive to increase overall brand awareness for the Company's branded products. The Company's advertisements typically emphasize fashion, comfort, quality, durability, functionality and other performance and lifestyle aspects of the Company's footwear. Components of the brand-specific plans include print, radio and television advertising, in-store point of purchase displays, promotional materials, and sales and technical assistance.

The Company's footwear brand groups provide its international licensees and distributors with creative direction and materials to convey consistent messages and brand images. Examples of marketing assistance provided by the Company to its licensees and distributors are (i) direction concerning the categories of footwear to be promoted, (ii) photography and layouts, (iii) broadcast advertising, including commercials and film footage, (iv) point of purchase presentation specifications, blueprints and packaging, (v) sales materials, and (vi) consulting concerning retail store layout and design. The Company believes its footwear brand names provide a competitive advantage. In support of this belief, the Company makes significant

expenditures on marketing and promotion to support the position of its products and enhance brand awareness.

Domestic Sales and Distribution.

The Company uses a wide variety of distribution channels to distribute its branded footwear products. To meet the diverse needs of its broad customer base, the Company uses three primary distribution strategies.

- Traditional wholesale distribution is used to service department stores (such as J.C. Penney, Sears and Nordstrom), large footwear chains (such as Famous Footwear), specialty retailers, catalog and independent retailers, and military outlets. A dedicated sales force and customer service team, advertising and point of purchase support, and in-stock inventories are used to service these accounts.

- Volume direct programs provide branded and private label footwear at competitive prices with limited marketing support. These programs service major retail, mail order, mass merchants and government customers.

- A network of independent *Shoemobile*® distribution outlets is primarily used to distribute and sell *HyTest*® brand products. The Company also distributes work and occupational footwear under a number of the Company's other brands through this independent distributor network.

In addition to its wholesale activities, the Company also operates domestic retail shoe stores as described above. The Company is developing various programs both independently and with its retail customers for the distribution of its products over the Internet and in 2000 opened a direct to customer site at *www.upfootgear.com*.

A broad distribution base insulates the Company from dependence on any one customer. No customer of the Company accounted for more than 10% of the Company's net sales and other operating income in fiscal 2000.

Footwear sales are seasonal with significant increases in sales experienced during the fall hunting season, Christmas, Easter and back-to-school periods. Due to this seasonal nature of footwear sales, the Company experiences some fluctuation in its levels of working capital. The Company provides working capital for such fluctuations through internal financing and through a revolving credit agreement that the Company has in place. The Company expects the seasonal sales pattern to continue in future years.

International Operations and Global Licensing.

The Company records revenue from foreign sources through a combination of sales of branded footwear products generated from the Company's wholly owned operations in Canada and the United Kingdom, and from royalty income through a network of independent licensees and distributors. The Company's owned operations include Hush Puppies (UK) Ltd., Merrell (Europe) Limited, Hush Puppies Canada Footwear, Ltd., and the Merrell Canada division. The Company's owned operations are located in markets where the Company believes it can gain a strategic advantage.

The Company derives royalty income from sales of Company footwear bearing the *Hush Puppies*®, *Wolverine*®, *Bates*®, *HyTest*®, *Merrell*® and other trademarks by independent distributors and licensees. The Company also derives royalty income from sales of footwear bearing the *Caterpillar*®, *Coleman*® and *Harley-Davidson*® trademarks through foreign distributors. License and

distribution arrangements enable the Company to develop international markets without the capital commitment required to maintain inventories or fund localized marketing programs. In fiscal 2000, the Company's wholly owned foreign operations, together with the Company's foreign licensees and distributors sold an estimated 18 million pairs of footwear, which is similar to the level of international sales in fiscal 1999.

The Company continues to develop a global network of licensees and distributors to market its footwear brands. The Company assists in designing products

that are appropriate to each foreign market but are consistent with the global brand position. The licensees and distributors then purchase goods from either the Company or authorized third-party manufacturers pursuant to a distribution agreement or manufacture branded products consistent with Company standards pursuant to a license agreement. Distributors and licensees are responsible for independently marketing and distributing Company branded products in their respective territories, with product and market support provided by the Company.

Manufacturing and Sourcing.

The Company controls the sourcing and manufacture of approximately 75% of the pairs of footwear marketed under the Company's brand names globally. The balance is controlled directly by the Company's licensees. Of the pairs controlled by the Company, approximately 85% are purchased or sourced from third parties, the remainder are produced at Company-owned facilities. Footwear produced by the Company is manufactured at Company-owned facilities in several domestic and certain affiliated foreign facilities located in Michigan, Arkansas, the Caribbean Basin and Mexico. For some of the Company-produced footwear, the Company has implemented a "twin plant" concept whereby a majority of the labor intensive cutting and fitting construction of the "upper" portion of shoes and boots is performed at the Company's facilities in the Caribbean Basin and Mexico and the technology intensive construction, or "bottoming," is performed at the Company's domestic facilities.

The Company's factories each have the flexibility to produce a variety of footwear, and depart from the industry's historic practice of dedicating a given facility to production of specific footwear products. This flexibility allows the Company to quickly respond to changes in market preference and demand. The Company produces primarily slippers and work footwear in its domestic and international facilities, allowing the Company to respond to both market and customer-specific demand. In fiscal 2000, the Company announced its intention to close its facilities in Malone, New York; Kirksville, Missouri; Aguadilla, Puerto Rico; San Jose, Costa Rica; and Ontario, Canada. Consolidating operations into the remaining facilities allows the Company to take better advantage of sophisticated global sourcing alternatives.

The Company sources a majority of its footwear from a variety of foreign manufacturing facilities in the Asia-Pacific region, Central and South America, India and Europe. The Company maintains technical offices in the Asia-Pacific region to facilitate the sourcing and importation of quality footwear. The Company has established guidelines for each of its third-party manufacturers in order to monitor product quality, labor practices and financial viability. In addition, the Company has developed its "Engagement Criteria for Partners & Sources" to require that its domestic and foreign manufacturers, licensees and distributors use ethical business

standards, comply with all applicable health and safety laws and regulations, are committed to environmentally safe practices, treat employees fairly with respect to wages, benefits and working conditions, and do not use child or prison labor.

The Company's domestic manufacturing operations allow the Company to (i) reduce its lead time, enabling it to quickly respond to market demand and reduce inventory risk, (ii) lower freight and shipping costs, and (iii) closely monitor product quality. The Company's foreign manufacturing strategy allows the Company to (i) benefit from lower labor costs, (ii) source the highest quality raw materials from around the world, and (iii) avoid additional capital expenditures necessary for factories and equipment. The Company believes that its overall global manufacturing strategy gives the Company maximum flexibility to properly balance the need for timely shipments, high quality products and competitive pricing.

The Company owns and operates through its Wolverine Leathers Division a pigskin tannery, which is one of the premier tanners of quality leather for the footwear industry. The Company and its licensees receive virtually all of their pigskin requirements from the tannery. The Company believes the tannery provides a strategic advantage for the Company by producing leather using proprietary technology at prices below those available from other sources.

The Company's principal required raw material is quality leather, which it purchases from a select group of domestic and offshore suppliers, including the Company's tannery. The global availability of shearling and cowhide leather eliminates any reliance by the Company upon a sole supplier. Cowhide leather prices in the global market have increased and may continue to increase in 2001 due primarily to a reduction in supply in key cattlehide producing countries as a result of disease and other factors. The Company currently purchases the vast majority of the raw pigskins used in a significant portion of its tannery operations from one domestic source. This source has been a reliable and consistent supplier for over 30 years. Alternative sources of pigskin are available, however the price, processing and/or product characteristics are less advantageous to the Company. The Company

purchases all of its other raw materials and component parts from a variety of sources, none of which is believed by the Company to be a dominant supplier.

The Company is subject to the normal risks of doing business abroad due to its international operations, including the risk of expropriation, acts of war, political disturbances and similar events, the imposition of trade barriers, quotas and tariffs and loss of most favored nation trading status. With respect to international sourcing activities, management believes that over a period of time, it could arrange adequate alternative sources of supply for the products currently obtained from its foreign suppliers. A sustained disruption of such sources of supply could, particularly on a short-term basis, have an adverse impact on the Company's operations.

Trademarks, Licenses and Patents.

The Company holds a significant portfolio of registered and common law trademarks that identify its branded footwear products. The trademarks that are most widely used by the Company include *Hush Puppies*®, *Wolverine*®, *Bates*®, *Wolverine Fusion*™, *DuraShocks*®, *Hidden Tracks*®, *Bounce*®, *Comfort Curve*®, *HPO2*®, *HyTest*®, *Merrell*® and *FootRests*®. The Company has obtained the right to manufacture, market and distribute footwear throughout most countries of the world under the *Caterpillar*®, *Harley-Davidson*® and *Coleman*® trademarks, the right to manufacture, market and distribute footwear in the United States and other countries under the *Stanley*® trademark and the right to manufacture, market and distribute slippers in the United States and certain other countries under the *Turtle Fur*® and *Joe Boxer*® trademarks pursuant to license arrangements with the respective trademark owners. With the exception of the *Coleman*® license, all of the Company's licenses are long term and extend for three or more years with renewal options. The Company's arrangement with the Coleman Company, Inc. expires on December 28, 2002, with possible renewal options if certain sales goals are achieved. The licenses are subject to customary approval, performance and default provisions. Pigskin

leather produced by the Company's Wolverine Leathers Division is sold under the trademarks *Wolverine Leathers*®, *Weather Tight*® and *All Season Weather Leathers*™.

The Company believes that its products are identified by consumers by its trademarks and that its trademarks are valuable assets. The Company is not aware of

any infringing uses or any prior claims of ownership of its trademarks that could materially affect its current business. It is the policy of the Company to pursue registration of its primary marks whenever possible and to vigorously defend its trademarks against infringement or other threats to the greatest extent practicable under the laws of the United States and other countries. The Company also holds many design and utility patents, copyrights and various other proprietary rights. The Company protects all of its proprietary rights to the greatest extent practicable under applicable laws.

Order Backlog.

At March 24, 2001, the Company had a backlog of footwear orders of approximately $195 million compared with a backlog of approximately $159 million at March 25, 2000. Approximately two-thirds of the backlog increase is related to orders for products expected to be shipped in the third and fourth quarters of 2001 and can be affected by the timing of customer requests for shipment of the ordered products. While orders in backlog are subject to cancellation by customers, the Company has not experienced significant cancellation of orders in the past and the Company expects that substantially all of the orders will be shipped in fiscal 2001. The backlog at a particular time is affected by a number of factors, including seasonality, retail conditions, product availability and the schedule for the manufacture and shipment of products. Accordingly, a comparison of backlog from period to period is not necessarily meaningful and may not be indicative of eventual actual shipments.

Competition.

The Company's footwear lines are manufactured and marketed in a highly competitive environment. The Company competes with numerous domestic and foreign marketers, manufacturers and importers of footwear, some of which are larger and have greater resources than the Company. The Company's major competitors for its brands of footwear are located in the United States. The Company has at least ten major competitors in connection with the sale of its work shoes and boots, at least eight major competitors in connection with the sale of its sport boots, and at least fifteen major competitors in connection with the sale of its casual and dress shoes. Product performance and quality, including technological improvements, product identity, competitive pricing, and the ability to adapt to style changes are all important elements of competition in the footwear markets served by the Company. The footwear industry in general is subject to changes in consumer preferences. The Company strives to maintain its competitive position through promotion of brand awareness, manufacturing efficiencies, its tannery operations, and the style, comfort and value of its products. Future sales by the Company will be affected by its

continued ability to sell its products at competitive prices and to meet shifts in consumer preferences.

Because of the lack of reliable published statistics, the Company is unable to state with certainty its position in the footwear industry. Market shares in the non-athletic footwear industry are highly fragmented and no one company has a dominant market position.

Research and Development.

In addition to normal and recurring product development, design and styling activities, the Company engages in research and development related to new and improved materials for use in its branded footwear and other products and in the development and adaptation of new production techniques. The Company's continuing relationship with the Biomechanics Evaluation Laboratory at Michigan State University, for example, has led to specific biomechanical design concepts, such as *Bounce*®, *DuraShocks*® and *Hidden Tracks*® comfort technologies, that have been incorporated in the Company's footwear. While the Company continues to be a leading developer of footwear innovations, research and development costs do not represent a material portion of operating expenses.

Environmental Matters.

Compliance with federal, state and local provisions which have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment have not had, nor are they expected to have, any material effect on the capital expenditures, earnings or competitive position of the Company. The Company uses and generates, and in the past has used and generated, certain substances and wastes that are regulated or may be deemed hazardous under certain federal, state and local regulations with respect to the environment. The Company from time to time works with federal, state and local agencies to resolve cleanup issues at various waste sites or other regulatory issues.

Employees.

As of December 30, 2000, the Company had approximately 4,903 domestic and foreign production, office and sales employees. Approximately 677 employees were covered by five union contracts expiring at various dates through March 31, 2004. The Company has experienced no work stoppages since 1990. The Company presently considers its employee relations to be good.

Item 2. Properties.

The Company either directly or through its subsidiaries owned or leased the following offices and manufacturing facilities as of December 30, 2000:

LOCATION	TYPE OF FACILITY	OWNED LEASED	SQUARE FOOTAGE
Rockford, MI	Administration/Sales	Owned	223,300
Jonesboro, AR	Administration/Sales	Leased	5,680
Malone, NY	Administration/Sales	Owned	11,718
New York, NY	Administration/Sales	Leased	3,811
St. Laurent, Quebec, Canada	Administration/Sales	Leased	2,800
Saint-Sauveur-des-Monts, Quebec, Canada	Administration/Sales	Leased	1,500
Tai Chung, Taiwan	Administration/Sales	Leased	19,000
Leicester, England, United Kingdom	Administration/Sales	Leased	13,250

Bristol, England, United Kingdom	Administration/Sales	Leased	2,200
Total Administration/Sales			**283,259**
Rockford, MI	Tannery	Owned	160,000
Des Moines, IA	Procurement	Owned	6,200
Dyersburg, TN	Procurement	Leased	12,000
Durant, OK	Procurement	Leased	12,900
Dennison, KS	Procurement	Leased	1,855
Total Tannery and Procurement			**192,955**
Jonesboro, AR	Manufacturing	Leased	79,197

Jonesboro, AR	Manufacturing	Owned	11,680
Monette, AR	Manufacturing	Owned	18,030
Rockford, MI	Manufacturing	Owned	20,833
Rockford, MI	Manufacturing	Owned	19,624
Rockford, MI	Manufacturing	Owned	7,790
Big Rapids, MI	Manufacturing	Owned	77,626
Kirksville, MO	Manufacturing	Owned	104,000
Malone, NY	Manufacturing	Owned	90,664
Malone, NY	Manufacturing	Owned	37,596
Malone, NY	Manufacturing	Owned	8,100
Malone, NY	Manufacturing	Owned	27,125
Bombay, NY	Manufacturing	Leased	58,980
Monterrey, MX	Manufacturing	Leased	60,000
Aguadilla, Puerto Rico	Manufacturing	Leased	62,100
San Pedro, Dominican Republic	Manufacturing	Leased	65,111
Santo Domingo, Dominican Republic	Manufacturing	Leased	54,332
Cartago, Costa Rica	Manufacturing	Leased	88,308
Total Manufacturing			**891,096**
Jonesboro, AR	Warehouse	Leased	2,000
Jonesboro, AR	Warehouse	Leased	19,500
Jonesboro, AR	Warehouse	Owned	13,500
Jonesboro, AR	Warehouse	Owned	15,478
Rockford, MI	Warehouse	Owned	304,278
Rockford, MI	Warehouse	Owned	93,140
Rockford, MI	Warehouse	Owned	75,000
Cedar Springs, MI	Warehouse	Leased	32,900
Cedar Springs, MI	Warehouse	Leased	230,000
Big Rapids, MI	Warehouse	Owned	39,800
Howard City, MI	Warehouse	Leased	350,000

Malone, NY	Warehouse	Owned	115,211
Bombay, NY	Warehouse	Leased	26,000
St. Laurent, Quebec, Canada	Warehouse	Leased	33,000
Total Warehouse			**1,349,807**

In addition, the Company's subsidiary, Hush Puppies Retail, Inc., operates retail stores through leases with various third-party landlords. The Company believes that its current facilities are suitable and adequate to meet its anticipated needs for the next twelve months.

Item 3. Legal Proceedings.

The Company is involved in litigation and various legal matters arising in the normal course of business, including certain environmental compliance activities. The Company has considered facts that have been ascertained and opinions of counsel handling these matters, and does not believe the ultimate resolution of such proceedings will have a material adverse effect on the Company's financial condition or future results of operations.

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

No matter was submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the fourth quarter of the fiscal year covered by this report.

Supplemental Item. Executive Officers of the Registrant.

The following table lists the names and ages of the Executive Officers of the Company as of the date of this Annual Report on Form 10-K, and the positions presently held with the Company. The information provided below the table lists the business experience of each such Executive Officer during the past five years. All Executive Officers serve at the pleasure of the Board of Directors of the Company, or if not appointed by the Board of Directors, they serve at the pleasure of management.

Name	Age	Positions held with the Company
Geoffrey B. Bloom	59	Chairman of the Board
John Deem	45	Executive Vice President and President, Casual Footwear Group
Steven M. Duffy	48	Executive Vice President and President, Global Operations Group
V. Dean Estes	51	Vice President and President, Wolverine Footwear Group
Stephen L. Gulis, Jr.	43	Executive Vice President, Chief Financial Officer and Treasurer
Blake W. Krueger	47	Executive Vice President, General Counsel and Secretary
Thomas P. Mundt	51	Vice President of Strategic Planning and

		Corporate Communications
Timothy J. O'Donovan	55	Chief Executive Officer and President

Nicholas P. Ottenwess	38	Corporate Controller
Robert J. Sedrowski	51	Vice President of Human Resources
James D. Zwiers	33	Associate General Counsel and Assistant Secretary

Geoffrey B. Bloom has served the Company as Chairman of the Board since 1996. From 1996 to 2000 he served the Company as Chief Executive Officer and Chairman of the Board. From 1993 to 1996 he served the Company as President and Chief Executive Officer.

John Deem has served the Company as Executive Vice President and President, Casual Footwear Group since July 1998. From 1996 to July 1998, he served as Vice President of Global Product Development. From 1992 to 1996 he served as Executive Vice President of Product Development and Marketing at Dexter Shoe Company.

Steven M. Duffy has served the Company as Executive Vice President since April 1996 and is President of the Company's Global Operations Group. From 1993 to 1996 he served the Company as Vice President.

V. Dean Estes has served the Company as Vice President since 1995. Mr. Estes is also President of the Wolverine Footwear Group. Since he joined the Company in 1975, Mr. Estes has served in various positions relating to the sales, marketing and product development functions of the Company's work boot and shoe and related businesses.

Stephen L. Gulis, Jr., has served the Company as Executive Vice President, Chief Financial Officer and Treasurer since April 1996. From 1994 to April 1996 he served the Company as Vice President and Chief Financial Officer.

Blake W. Krueger has served the Company as Executive Vice President, General Counsel and Secretary since April 1996. From 1993 to April 1996 he served

the Company as General Counsel and Secretary. From 1985 to 1996 he was a partner with the law firm of Warner Norcross & Judd LLP.

Thomas P. Mundt has served the Company as Vice President of Strategic Planning and Corporate Communications since April 1996. From December 1993 to April 1996, he served the Company as Vice President of Strategic Planning and Treasurer.

Timothy J. O'Donovan has served the Company as Chief Executive Officer and President since April 2000. From 1996 to April 2000 he served the Company as Chief Operating Officer and President. From 1982 to April 1996 he served the Company as Executive Vice President.

Nicholas P. Ottenwess has served as Corporate Controller of the Company since September 1997. From 1993 to September 1997 he served as Vice President of Finance & Administration for The Hush Puppies Company.

Robert J. Sedrowski has served the Company as Vice President of Human Resources since October 1993.

James D. Zwiers has served the Company as Associate General Counsel and Assistant Secretary since January 1998. From 1995 to 1998 he was an attorney with the law firm of Warner Norcross & Judd LLP.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

Wolverine World Wide, Inc. common stock is traded on the New York Stock Exchange and the Pacific Exchange under the symbol "WWW." The following table

shows the high and low sales prices on the New York Stock Exchange and dividends declared by calendar quarter for 2000 and 1999. The number of stockholders of record on March 1, 2001, was 1,975.

	2000		1999	
	High	Low	High	Low
First quarter	**$13 3/8**	**$ 9**	$13 1/2	$8 7/8
Second quarter	**13 1/2**	**10 3/16**	14 1/4	9 1/8
Third quarter	**12 11/16**	**9**	14	9 7/8
Fourth quarter	**17 1/2**	**8 9/16**	12 1/4	9

Cash Dividends Declared Per Share:

	2000	1999
First quarter	**$.035**	$.03
Second quarter	**.035**	.03
Third quarter	**.035**	.03
Fourth quarter	**.035**	.03

Dividends of $.04 were declared in the first quarter of fiscal 2001.

Item 6. Selected Financial Data.

Five-Year Operating and Financial Summary (1)

(Thousands of Dollars, Except Per Share Data)

	2000	1999	1998	1997	1996
Summary of Operations					
Net sales and other operating income	**$701,291**	$665,576	$669,329	$665,125	$511,029
Net earnings	**10,690**	32,380	41,651	41,539	32,856
Per share of common stock:					
Net earnings(2)(3):					
Basic	**$.26**	$.80	$1.00	$1.00	$.81
Diluted	**.26**	.78	.97	.96	.76
Cash dividends(3)(4)	**.14**	.12	.11	.09	.07

Financial Position at Year End					
Total assets	**$494,568**	$534,395	$521,478	$449,663	$361,598
Long-term debt	**92,194**	139,201	161,650	94,264	41,309

Notes to Five-Year Operating and Financial Summary

1. This summary should be read in conjunction with the consolidated financial statements of the Company and the notes thereto, which are attached as Appendix A to this Form 10-K. In particular, see the discussion of the nonrecurring charges in Note 11 to the consolidated financial statements.

2. Basic earnings per share are based on the weighted average number of shares of common stock outstanding during the year after adjustment for nonvested common stock. Diluted earnings per share assume the exercise of dilutive stock options and the vesting of all common stock.

3. On April 17, 1997 and July 11, 1996, the Company announced three-for-two stock splits on shares of common stock outstanding at May 2, 1997 and July 26, 1996, respectively. All share and per share data have been retroactively adjusted for the increased shares resulting from these stock splits.

4. Cash dividends per share represent the rates paid by the Company on the shares outstanding.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Operations

Results of Operations--2000 Compared to 1999

Net sales and other operating income increased 5.4% to $701.3 million in 2000 compared to $665.6 million in 1999. On a combined basis, net sales and other operating income for the Company's branded footwear businesses, consisting of the Casual Footwear Group (comprised of The Hush Puppies Company, the Children's Footwear Group, the Wolverine Slipper Group and, in 1999, the Russian wholesale business), the Wolverine Footwear Group (comprised of the *Wolverine*®, *HYTEST*®, *Stanley*®, *Coleman*®, *Bates*® and *Harley-Davidson*® brands), and the Performance Footwear Group (comprised of the *CAT*® and *Merrell*® brands) increased $31.9 million (5.4%) in 2000 compared to

1999. The Company's other business units, consisting of Wolverine Retail, Apparel and Accessory Licensing, Wolverine Leathers and Wolverine Procurement operations, reported a $3.8 million (5.1%) increase in net sales and other operating income in 2000 compared to 1999.

The Casual Footwear Group reported a decrease in net sales and other operating income of $18.5 million (8.9%) in 2000 compared to 1999. The decline was attributable to a decrease in shipments of adult and children's *Hush Puppies*® classic suede products to department stores in the United States and a reduction in sales to three large retailers in the United Kingdom as a result of the depressed retail activity in that market. This decrease was partially offset by an increase in net sales and other operating income reported by the Wolverine Slipper Group as a result of expanded distribution efforts and new product offerings.

The Wolverine Footwear Group's net sales and other operating income increased $13.2 million (4.9%) in 2000 compared to 1999. *Harley-Davidson*® footwear provided the majority of this increase with an expanded distribution network in 2000. *Stanley*® footgear, a new footwear line for the Company, also contributed to the increase with a marketing arrangement launched with Payless ShoeSource, Inc. near the end of the third quarter of 2000. These increases were partially offset by the *Wolverine*® and *HYTEST*® work boot businesses, which reported decreases in net sales and other operating income from 1999, primarily due to retailers reducing seasonal work boot reorders in an effort to manage their inventory levels.

The Performance Footwear Group reported record net sales and other operating income, reflecting an increase of $37.2 million (32.0%) for 2000 compared to 1999. The *Merrell*® outdoor footwear business accounted for the increase in net sales and other operating income as a result of strong consumer demand for the brand, new product offerings and expansion of its domestic and international distribution. Partially offsetting this increase was a net sales and other operating income decrease reported by *Caterpillar*® footwear.

The Company's other business units reported a combined $3.8 million (5.1%) increase in net sales and other operating income in 2000 compared to 1999. Wolverine Retail reported a $5.2 million increase in net sales and other operating income in 2000 compared to 1999. This increase was partially offset by Wolverine Leathers, which recorded a decrease in net sales and other operating income primarily as a result of a decline in production of *Hush Puppies*® classic sueded product worldwide. Net sales and other operating income for the Apparel and Accessory Licensing and Wolverine Procurement operations remained flat for 2000 compared to 1999.

As discussed in Note 11 to the consolidated financial statements, on July 12, 2000, the Company announced a strategic realignment of its global sourcing and manufacturing operations. In connection with this realignment, the Company decided to close five of its manufacturing facilities in New York, Missouri, Canada, Puerto Rico and Costa Rica, discontinue the production of certain footwear products and related raw material inventories, reduce administrative support services and incur other nonrecurring charges. Accordingly, a nonrecurring, pre-tax charge to earnings of $45.0 million was recorded in 2000, of which $15.0 million was reflected in cost of products sold for inventory write-downs, $29.6 million was recognized in selling and administrative expenses for severance, bad debt, loss on disposal of fixed assets and goodwill impairment, and $0.4 million was recorded in other expenses. These charges resulted in a $0.71 per share reduction of net earnings for 2000. The realignment is expected to result in improved factory efficiencies, reduced factory and corporate overhead, and improved margins as the production of various footwear products shifts to lower cost offshore manufacturing facilities. It is anticipated that a portion of these savings will be reinvested in future product development and marketing initiatives supporting the Company's branded footwear businesses. The realignment activities were primarily completed in the third and fourth quarters of 2000.

Due to anticipated changes in the Company's overall business model and the decision to modify product mix, certain footwear products were discontinued in connection with the strategic realignment. The Company analyzed raw materials, work in process and finished goods inventories related to these low or non-profitable footwear products and developed a liquidation plan to sell or dispose of inventories that would no longer be sold or used in production.

The other nonrecurring charges relate primarily to customer charge-backs and other accounts receivable deductions. These amounts were deemed uncollectible as a result of failed customer negotiations and a decision to no longer pursue collection based on staff reductions related to the strategic realignment.

Transition costs unrelated to the direct production of footwear were incurred in certain facilities that were scheduled to be closed or reconfigured. Such costs included under absorption of overhead in facilities where production lines will be shut down, training costs associated with the reconfiguration of factories and the movement of machinery, equipment and inventory. Transition costs were expensed as incurred.

During 1999, the Company recorded a nonrecurring, pre-tax charge to earnings of $14.0 million related to the closing of its Russian wholesale footwear business, of which $6.9 million was reflected as a write-down in cost of products sold for inventory, $6.6 million was recognized in selling and administrative expenses for goodwill impairment, bad debt, severance, and other exit costs, and $0.5 million was recorded in other expenses. These charges resulted in a $0.23 per share reduction of earnings for 1999. The closure was completed in 1999.

The following table summarizes the effect of the 2000 and 1999 nonrecurring charges on reported results for those years (thousands of dollars, except per share data; percentages relate to total net sales and other operating income):

	2000				
	Results As Reported		Effect of Nonrecurring Charges	Results Excluding Nonrecurring Charges	
Gross Margin	**$ 223,973**	**31.9%**	**$ 15,036**	**$ 239,009**	**34.1%**
Selling and administrative expenses	**198,953**	**28.4%**	**29,589**	**169,364**	**24.2%**
Other expenses	**10,005**	**1.4%**	**425**	**9,580**	**1.4%**
Earnings before income taxes	**15,015**	**2.1%**	**45,050**	**60,065**	**8.6%**
Net earnings	**10,690**	**1.5%**	**29,813**	**40,503**	**5.8%**
Diluted earnings (loss) per share	**$ .26**		**$ (.71)**	**$ .97**	

	1999				
Gross Margin	$ 220,344	33.1%	$ 6,900	$ 227,244	34.1%
Selling and administrative expenses	159,749	24.0%	6,600	153,149	23.0%
Other expenses	11,049	1.7%	500	10,549	1.6%
Earnings before income taxes	49,546	7.4%	14,000	63,546	9.6%
Net earnings	32,380	4.9%	9,338	41,718	6.3%
Diluted earnings (loss) per share	$ .78		$ (.23)	$ 1.01	

The analysis in this paragraph excludes the nonrecurring charges in 2000 and 1999. Gross margin as a percentage of net sales and other operating income remained flat at 34.1% for both 2000 and 1999. Gross margin dollars increased $11.8 million or 5.2% in 2000 to $239.0 million compared to $227.2 million in 1999. The gross margin percentage for the branded footwear businesses increased to 33.5% in

2000 from 33.0% in 1999. The increase in gross margins for the branded footwear businesses resulted primarily from increased shipments of higher margin *Merrell*® and *Harley-Davidson*® products. This increase was partially offset by the strengthening of the U.S. dollar against European and Canadian currencies and additional markdowns taken to reduce inventory levels in 2000. The gross margin percentage for the other business units decreased to 38.5% in 2000 compared to 43.5% in 1999, primarily due to an increase in raw stock prices experienced by Wolverine Leathers and Wolverine Procurement.

The analysis in this paragraph excludes the nonrecurring charges in 2000 and 1999. Selling and administrative expenses of $169.4 million for 2000 increased $16.3 million (10.6%) from the 1999 level of $153.1 million and, as a percentage of net sales and other operating income, increased to 24.2% in 2000 from 23.0% in 1999. The change in selling and administrative expenses includes increased selling, advertising and administration costs of $12.6 million for *Merrell*® and *Harley-*

Davidson® and increased depreciation expense of $2.7 million related to recent capital investments in distribution centers and information services.

Interest expense in 2000 was $10.3 million compared to $11.1 million in 1999. The decrease in interest expense reflected lower average borrowings in 2000 compared to 1999. This decrease was partially offset by a slight increase in interest rates on the Company's revolving credit facility and lower capitalization of interest due to the completion of major capital projects during 1999.

The Company's 2000 effective income tax rate of 28.8% compared to 34.6% for 1999. The decrease is a result of earnings from certain foreign subsidiaries, which are taxed at lower rates, being a higher percentage of total consolidated net earnings in 2000 and income tax benefits associated with the 2000 nonrecurring charges.

Net earnings were $10.7 million for 2000 compared to $32.4 million for 1999. Diluted earnings per share were $0.26 for 2000 compared to $0.78 for 1999. Excluding nonrecurring charges, net earnings were $40.5 million for 2000 compared to $41.7 million for 1999 and diluted earnings per share were $0.97 for 2000 compared to $1.01 for 1999.

Results of Operations--1999 Compared to 1998

Net sales and other operating income decreased 0.6% to $665.6 million in 1999 compared to $669.3 million in 1998. On a combined basis, net sales and other operating income for the Company's branded footwear businesses decreased $5.7 million (1.0%) for 1999 compared to 1998. The Company's other business units reported a $1.9 million (2.7%) increase in net sales and other operating income in 1999 compared to 1998.

The Casual Footwear Group reported a $49.8 million (19.4%) decline in 1999 net sales and other operating income when compared to 1998. The decline was experienced primarily in The Hush Puppies Company, which reported a net sales and other operating income decrease of $38.9 million in 1999 compared to 1998. This decrease related primarily to a shortfall in the U.S. wholesale operation as a result of a slowdown in the sales of *Hush Puppies*® classic suede casuals, along with the planned reduction in the specialty store distribution segment of the Hush Puppies U.K. wholesale operation. The closing of the Company's Russian wholesale footwear business accounted for an additional $4.4 million decline.

The Wolverine Footwear Group reported record net sales and other operating income, reflecting an increase of $15.4 million (6.1%) in 1999 compared to 1998. *Harley-Davidson*® footwear, which began operations late in the third quarter of 1998, contributed a majority of this increase. The *Bates*® footwear division, including shipments to the United States Department of Defense, recognized a decrease in net sales and other operating income from the prior year as a result of a slowdown in draw orders against contracts. The work boot business, comprised of *Wolverine*® Boots and Shoes and *HYTEST*® Boots and Shoes, reported a slight increase in net sales and other operating income over the 1998 level.

The Performance Footwear Group continued its strong growth, reflecting an increase in net sales and other operating income of $28.8 million (32.7%) for 1999 over 1998. The *Merrell*® outdoor footwear business accounted for the increase as this business offered new products and expanded its retail distribution channels.

Within the Company's other business units, Wolverine Leathers and Wolverine Procurement accounted for substantially all of the $1.9 million increase in net sales and other operating income in 1999 over 1998. Wolverine Retail and Apparel and Accessory Licensing reported flat net sales and other operating income in 1999 compared to 1998.

The analysis in this paragraph excludes the nonrecurring charge in 1999 related to the closing of the Company's Russian wholesale footwear business. Gross margin as a percentage of net sales and other operating income was 34.1% in 1999 compared to the prior year's level of 33.7%. Gross margin dollars increased $1.6 million or 0.7% in 1999 to $227.2 million compared to $225.6 million in 1998. The gross margin percentage for the branded footwear businesses increased to 33.0% in 1999 from 32.8% in 1998. Gross margins for the branded footwear businesses were favorably affected by the performance of the Wolverine Footwear and Performance Footwear Groups as their respective brands carry higher initial margins. The gross margin percentage for the other business units increased to 43.5% for 1999 compared to 41.5% for 1998, which resulted primarily from higher margin achievement from Wolverine Leathers and Wolverine Procurement.

The analysis in this paragraph excludes the nonrecurring charge in 1999 related to the closing of the Company's Russian wholesale footwear business. Selling and administrative expenses of $153.1 million for 1999 decreased $3.3 million (2.1%) from the 1998 level of $156.4 million. As a percentage of net sales and other operating income, these expenses decreased to 23.0% in 1999 from 23.4% in 1998. The change in selling and administrative expenses includes increased depreciation expense of $1.5 million related to investments in warehousing infrastructure and information services and $4.7 million in employee benefits, that were offset by $9.5 million of cost reductions in travel, payroll and other selling and administrative expenses.

Interest expense of $11.1 million was $2.6 million greater in 1999 than the 1998 level of $8.4 million. The increase in interest expense reflected a full year of additional borrowings on the Company's revolving credit facility for the repurchase of 2.2 million shares of the Company's common stock during the last half of 1998, increased borrowings to support investments in working capital and lower capitalization of interest due to the completion of capital projects during 1999.

The 1999 effective income tax rate of 34.6% increased from 32.6% in 1998 primarily as a result of earnings from certain foreign subsidiaries, which are taxed generally at lower rates, being a smaller percentage of total consolidated net earnings and other 1999 tax adjustments.

Net earnings for 1999 were $32.4 million compared to net earnings of $41.7 million reported in 1998. Diluted earnings per share for 1999 were $0.78 compared to $0.97 in 1998. Excluding the 1999 nonrecurring charge, net earnings would have been $41.7 million or $1.01 diluted earnings per share in 1999.

Liquidity and Capital Resources

Net cash provided by operating activities was $71.0 million in 2000 compared to $47.2 million in 1999. Cash of $14.5 million was provided by reductions in working capital in 2000, whereas $23.4 million was used to fund working capital

requirements in 1999, a net improvement of $37.9 million. Accounts receivable of $162.0 million at December 30, 2000 reflected an $8.7 million (5.1%) decrease from the $170.7 million balance at January 1, 2000. Inventories of $144.2 million at December 30, 2000 decreased $23.8 million (14.2%) from $168.0 million at January 1, 2000. The decline in accounts receivable and inventories was the result of a focused asset reduction program initiated at the beginning of 2000 and reductions associated with the nonrecurring charges. Other accrued liabilities of $27.9 million at December 30, 2000 reflected a $4.1 million (17.3%) increase from the $23.8 million balance at January 1, 2000. The increase in other accrued liabilities was primarily attributable to nonrecurring charges associated with the strategic realignment.

Additions to property, plant and equipment were $12.0 million in 2000 compared to $19.4 million in 1999. The majority of the Company's legacy information system replacement was completed prior to 2000, which accounts for the decrease in property, plant and equipment additions. Depreciation and amortization expense of $17.7 million in 2000 compares to $14.9 million in 1999. The increase in depreciation resulted from the capital investments noted above.

In addition to a $6.7 million short-term loan maintained by the Company's Canadian subsidiary, the Company maintains commercial letter-of-credit facilities of $66.8 million, of which $27.0 million and $30.4 million were outstanding at the end of 2000 and 1999, respectively. Long-term debt, including current maturities, of $92.2 million at the end of 2000 decreased $47.0 million from the $139.2 million balance at the end of 1999. The decrease in debt was the result of improved operating cash flows that provided funds to pay down amounts borrowed.

Effective October 3, 2000, the Company's Board of Directors approved a common stock repurchase program authorizing the repurchase of up to 2.0 million shares of common stock over 24 months. The primary purpose of this stock repurchase program is to increase shareholder value. Total cumulative common shares repurchased under the program were 25,900 as of December 30, 2000. The Company intends to continue to repurchase shares of its common stock in open market transactions, from time to time, depending upon market conditions and other factors.

The Company has long-term revolving credit facilities of $175.5 million expiring in October 2001. The Company is currently negotiating the renewal of its existing credit facilities to ensure that proper credit remains available for future growth. The revolving credit facilities are used to support working capital requirements. Proceeds from credit facilities and anticipated renewals along with cash

flows from operations are expected to be sufficient to meet capital needs in the foreseeable future. Any excess cash flows from operations are expected to be used to pay down existing debt, fund growth initiatives and repurchase the Company's common stock.

The Company declared dividends of $5.8 million in 2000, or $0.14 per share, which reflected a 16.7% increase over the $4.9 million, or $0.12 per share, declared in 1999. Additionally, shares issued under stock incentive plans provided cash of $0.2 million in 2000 compared to $1.4 million during 1999.

The current ratio was 6.0 to 1.0 at year-end 2000 compared to 7.2 to 1.0 at year-end 1999. The Company's total debt to total capital ratio decreased to .22 to 1.0 in 2000 from .30 to 1.0 in 1999.

Market Risk

The Company has assets, liabilities and inventory purchase commitments outside the United States that are subject to fluctuations in foreign currency exchange rates. A substantial portion of inventory sourced from foreign countries is purchased in U.S. dollars and accordingly is not subject to exchange rate fluctuations. Similarly, revenues from products sold in foreign countries under licensing and distribution arrangements are denominated in U.S. dollars. As a result, the Company engages in forward foreign exchange and other similar contracts to reduce its economic exposure to changes in exchange rates on a limited basis because the associated risk is not considered significant. Since a limited number of hedging instruments were in place as of January 1, 2001, the adoption of Statements of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities*, did not have a material effect on the Company's consolidated financial position or results of operations.

Assets and liabilities outside the United States are primarily located in Canada and the United Kingdom. The Company's investment in foreign subsidiaries with a functional currency other than the U.S. dollar are generally considered long-term. Accordingly, the Company does not hedge these net investments.

Because the Company markets, sells and licenses its products throughout the world, it could be significantly affected by weak economic conditions in foreign markets that could reduce demand for its products.

The Company is exposed to changes in interest rates primarily as a result of its long-term debt requirements. The Company's interest rate risk management objectives are to limit the effect of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve its objectives, the Company maintains substantially all fixed-rate debt to take advantage of lower relative interest rates currently available and finances seasonal working capital needs with variable-rate debt. The Company has not historically utilized interest swap or similar hedging arrangements to fix interest rates, but in 1998 entered into an interest rate lock agreement to fix the interest rate prior to the issuance of 6.5% senior notes in the amount of $75 million. The contract was settled in 1998 and resulted in a prepayment of $2.2 million that is being amortized over the term of the senior notes. The amortization of the prepayment creates an effective interest rate of 6.78% on the senior notes.

The following table provides principal cash flows and related interest rates of the Company's short- and long-term debt by fiscal year of maturity. For foreign currency-denominated debt, the

information is presented in U.S. dollar equivalents. Variable interest rates are based on the weighted average rates of the portfolio at the respective consolidated balance sheet dates.

							2000		1999	
	2001	2002	2003	2004	2005	There-after	Total	Fair Value	Total	Fair Value
	(Millions of Dollars, Except Percentages)									
Denominated in U.S. Dollars*:*										
Fixed Rate	**$4.3**	**$15.0**	**$15.0**	**$15.0**	**$10.7**	**$32.1**	**$92.1**	**$92.3**	$96.8	$98.0
Average Interest Rate	**7.8%**	**6.9%**	**6.9%**	**6.9%**	**6.5%**	**6.5%**	**6.7%**		6.8%	
Variable Rate									$40.0	$40.0
Average Interest Rate									6.5%	
Denominated in Canadian Dollars:										
Variable Rate	**$0.9**						**$0.9**	**$0.9**		
Average Interest Rate	**7.4%**						**7.4%**			
Denominated in British Sterling										
Variable Rate									$2.5	$2.5
Average Interest Rate									5.2%	

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

Forward-Looking Statements

This Item 7 and other sections of this Form 10-K may contain forward-looking statements that are based on management's beliefs, assumptions, current expectations, estimates and projections about the footwear business, worldwide economics and the Company itself. Statements, including without limitation those related to: expected economic returns, product design strength, orders, and shipments; future sales, earnings, margins, product development, and marketing investments; projected 2001 operating results; timing and amount of the beneficial impact and charges relating to the sourcing and factory realignment; anticipated product introductions or brand extensions; continued repurchases under the common stock repurchase program; sufficiency of credit facilities; expected use of excess cash flow; liquidity; capital resources; and market risk are forward-looking statements. In addition, words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "is likely," "plans," "predicts," "projects," "should," "will," variations of such words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions ("Risk Factors") that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. Therefore, actual results and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements.

Risk Factors include, but are not limited to, uncertainties relating to changes in demand for the Company's products; changes in consumer preferences or spending patterns; the cost and availability of inventories, services, labor and equipment furnished to the Company; the cost and availability of contract manufacturers; the cost and availability of raw materials, including leather; the impact of competition and pricing by the Company's competitors; changes in government and regulatory policies; foreign currency fluctuations; changes in trading policies or import and export regulations; changes in interest rates, tax laws, duties, tariffs, quotas or applicable assessments; technological developments; changes in local, domestic or international economic and market conditions including the severity of the current slowdown in the U.S. economy; the size and growth of footwear markets; changes in the amount or severity of inclement weather; changes due to the growth of Internet commerce; popularity of particular designs and

categories of footwear; the ability of the Company to manage and forecast its growth and inventories; the ability to secure and protect trademarks, patents and other intellectual property; changes in business strategy or development plans; the ability to attract and retain qualified personnel; loss of significant customers; dependence on international distributors and licensees and the Company's ability to meet at-once orders. These matters are representative of the Risk Factors that could cause a difference between an ultimate actual outcome and a forward-looking statement. Historical operating results are not necessarily indicative of the results that may be expected in the future. The Risk Factors included here are not exhaustive. Other Risk Factors exist, and new Risk Factors emerge from time-to-time, that may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The response to this Item is set forth under the caption "*Market Risk*" in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and is here incorporated by reference.

Item 8. Financial Statements and Supplementary Data.

The response to this Item is set forth in Appendix A of this Annual Report on Form 10-K and is here incorporated by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 10. Directors and Executive Officers of the Registrant.

The information regarding directors of the Company contained under the caption "Wolverine's Board of Directors" and under the caption "Related Matters" under the subheading "Section 16(a) Beneficial Ownership Reporting Compliance" in the definitive Proxy Statement of the Company dated March 16, 2001, is incorporated herein by reference. The information regarding Executive Officers is provided in the Supplemental Item following Item 4 of Part I above.

Item 11. Executive Compensation.

The information contained under the caption "Wolverine's Board of Directors" under the subheading "Compensation of Directors," under the caption "Related Matters" under the subheading "Compensation Committee Interlocks and Insider Participation," and under the captions "Executive Compensation" and "Employment Agreements and Termination of Employment and Change in Control Arrangements" in the definitive Proxy Statement of the Company dated March 16, 2001, is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The information contained under the caption "Ownership of Wolverine Stock" contained in the definitive Proxy Statement of the Company dated March 16, 2001, is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions.

The information regarding certain employee loans following the caption "Executive Compensation," under the subheading "Stock Options," and the information contained under the caption "Wolverine's Board of Directors" under the subheading "Compensation of Directors" and under the caption "Related Matters" under the subheading "Certain Relationships and Related Transactions" contained in the definitive Proxy Statement of the Company dated March 16, 2001, are incorporated herein by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

Item 14(a)(1). Financial Statements. Attached as Appendix A.

The following consolidated financial statements of Wolverine World Wide, Inc. and subsidiaries are filed as a part of this report:

- Consolidated Balance Sheets as of December 30, 2000 and January 1, 2000.
- Consolidated Statements of Stockholders' Equity and Comprehensive Income for the Fiscal Years Ended December 30, 2000, January 1, 2000, and January 2, 1999.
- Consolidated Statements of Operations for the Fiscal Years Ended December 30, 2000, January 1, 2000, and January 2, 1999.
- Consolidated Statements of Cash Flows for the Fiscal Years Ended December 30, 2000, January 1, 2000, and January 2, 1999.
- Notes to Consolidated Financial Statements as of December 30, 2000.
- Report of Independent Auditors.

Item 14(a)(2). Financial Statement Schedules. Attached as Appendix B.

The following consolidated financial statement schedule of Wolverine World Wide, Inc. and subsidiaries is filed as a part of this report:

- Schedule II--Valuation and qualifying accounts.

All other schedules (I, III, IV, and V) for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

Item 14(a)(3). Exhibits.

The following exhibits are filed as part of this report:

Exhibit Number	Document
3.1	Certificate of Incorporation, as amended. Previously filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 14, 1997. Here incorporated by reference.
3.2	Amended and Restated By-laws. Previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
4.1	Certificate of Incorporation, as amended. See Exhibit 3.1 above.
4.2	Rights Agreement dated as of April 17, 1997. Previously filed with the Company's Form 8-A filed April 12, 1997. Here incorporated by reference.
4.3	Amendment No. 1 dated as of June 30, 2000, to the Rights Agreement dated as of April 17, 1997.
4.4	Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.3 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1996. Here incorporated by reference.
4.5	Note Purchase Agreement dated as of August 1, 1994, relating to 7.81% Senior Notes.
4.6	Note Purchase Agreement dated as of December 8, 1998, relating to 6.50% Senior Notes due on December 8, 2008. Previously filed as Exhibit 4.5 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
4.7	Amendment No. 1 dated as of January 8, 1998, to the Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.

4.8 Amendment No. 2 dated as of March 5, 1999, to the Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.7 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 2000. Here incorporated by reference.

4.9 The Registrant has several classes of long-term debt instruments outstanding in addition to that described in Exhibits 4.4, 4.5 and 4.6 above. The amount of none of these classes of debt outstanding on March 24, 2001, exceeds 10% of the Company's total consolidated assets. The Company agrees to furnish copies of any agreement defining the rights of holders of any such long-term indebtedness to the Securities and Exchange Commission upon request.

10.1 1993 Stock Incentive Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed June 22, 1993, Registration No. 33-64854. Here incorporated by reference.

10.2 1988 Stock Option Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed July 21, 1988, Registration No. 33-23196. Here incorporated by reference.

10.3 Amended and Restated Directors Stock Option Plan.*

10.4 Employees Pension Plan.* Previously filed as Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1998. Here incorporated by reference.

10.5 Employment Agreement dated April 27, 1998, between the Company and Geoffrey B. Bloom.* Previously filed as Exhibit 10.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.

10.6 1994 Directors' Stock Option Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed on August 24, 1994, Registration No. 33-55213. Here incorporated by reference.

10.7 Amended and Restated Stock Option Loan Program.*

10.8 Executive Severance Agreement.* Previously filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1998.

Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.8.

10.9 Amended and Restated Supplemental Executive Retirement Plan.* A participant schedule is attached to the Plan.

10.10 1995 Stock Incentive Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed October 26, 1995, Registration No. 33-63689. Here incorporated by reference.

10.11 Form of Indemnification Agreement.* The Company has entered into an Indemnification Agreement with each director and executive officer.

10.12 Benefit Trust Agreement dated May 19, 1987, and Amendments Number 1, 2, 3 and 4

thereto.*

10.13 Outside Directors' Deferred Compensation Plan.* Previously filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended June 15, 1996. Here incorporated by reference.

10.14 1984 Executive Incentive Stock Purchase Plan, and amendment.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed August 6, 1984, Registration No. 2-92600. Here incorporated by reference.

10.15 1997 Stock Incentive Plan.* Previously filed as Appendix A to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.16 Executive Short-Term Incentive Plan (Annual Bonus Plan).* Previously filed as Appendix B to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.17 Executive Long-Term Incentive Plan (3-Year Bonus Plan).* Previously filed as Appendix C to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.18	Stock Incentive Plan of 1999.* Previously filed as Appendix A to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 23, 1999. Here incorporated by reference.
10.19	Stock Incentive Plan of 2001.* Previously filed as Appendix B to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 26, 2001. Here incorporated by reference.
21	Subsidiaries of Registrant.
23	Consent of Independent Auditors.
24	Powers of Attorney.

*Management contract or compensatory plan or arrangement.

The Company will furnish a copy of any exhibit listed above to any stockholder without charge upon written request to Mr. Blake W. Krueger, Executive Vice President, General Counsel and Secretary, 9341 Courtland Drive, Rockford, Michigan 49351.

Item 14(b). Reports on Form 8-K.

A report on Form 8-K was filed in the fourth quarter of the fiscal year ended December 30, 2000.

Date Filed	Items Reported	Financial Statements

October 4, 2000 Item 5 None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Dated March 30, 2001

By: /s/Stephen L. Gulis, Jr.

Stephen L. Gulis, Jr.
Executive Vice President,
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
*/s/Geoffrey B. Bloom Geoffrey B. Bloom	Chairman of the Board of Directors	March 30, 2001
*/s/Timothy J. O'Donovan Timothy J. O'Donovan	Chief Executive Officer, President and Director	March 30, 2001

/s/Stephen L. Gulis, Jr. Stephen L. Gulis, Jr.	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)	March 30, 2001

*/s/Daniel T. Carroll Daniel T. Carroll	Director	March 30, 2001
*/s/Donald V. Fites Donald V. Fites	Director	March 30, 2001
*/s/Alberto L. Grimoldi Alberto L. Grimoldi	Director	March 30, 2001
*/s/David T. Kollat David T. Kollat	Director	March 30, 2001
*/s/Phillip D. Matthews Phillip D. Matthews	Director	March 30, 2001
*/s/David P. Mehney David P. Mehney	Director	March 30, 2001

*/s/Joseph A. Parini	Director	March 30, 2001
Joseph A. Parini		
*/s/Joan Parker	Director	March 30, 2001
Joan Parker		
*/s/Elizabeth A. Sanders	Director	March 30, 2001
Elizabeth A. Sanders		
*/s/Paul D. Schrage	Director	March 30, 2001
Paul D. Schrage		

*by/s/Stephen L. Gulis, Jr.

Stephen L. Gulis, Jr.
Attorney-in-Fact

APPENDIX A

Wolverine World Wide, Inc.

Consolidated Balance Sheets

	As of Fiscal Year End	
	2000	1999
Assets	*(Thousands of Dollars)*	
Current assets:		
Cash and cash equivalents	**$ 8,434**	$ 1,446
Accounts receivable, less allowances (2000 -- $6,147; 1999 -- $7,700)	**161,957**	170,732
Inventories:		
Finished products	**114,855**	128,458
Raw materials and work-in-process	**29,337**	39,553
	144,192	168,011
Refundable income taxes		1,302
Deferred income taxes	**4,032**	3,377
Other current assets	**6,471**	4,433
Total current assets	**325,086**	349,301
Property, plant and equipment:		
Land	**1,105**	1,177
Buildings and improvements	**63,286**	64,848
Machinery and equipment	**119,828**	117,524
Software	**32,524**	29,217
	216,743	212,766

Less accumulated depreciation	**114,078**	96,483
	102,665	116,283
Other assets:		
Goodwill and other intangibles, less accumulated amortization (2000 -- $4,545; 1999 -- $3,565)	**14,328**	16,178
Cash value of life insurance	**18,307**	16,443
Prepaid pension costs	**20,376**	19,099
Assets held for exchange	**6,881**	7,706
Notes receivable	**3,580**	4,736
Other	**3,345**	4,649
	66,817	68,811
Total assets	**$ 494,568**	$ 534,395
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	**$ 896**	$ 148
Accounts payable	**20,907**	20,252
Salaries, wages and other compensation	**8,444**	7,992
Income taxes	**1,508**	
Taxes, other than income taxes	**3,281**	2,368
Other accrued expenses	**14,652**	13,409
Current maturities of long-term debt	**4,316**	4,370
Total current liabilities	**54,004**	48,539
Long-term debt, less current maturities	**87,878**	134,831
Deferred compensation	**6,017**	6,076
Deferred income taxes	**9,431**	12,844
Stockholders' equity:		
Common stock, $1 par value: authorized 80,000,000 shares; issued, including treasury shares: 2000 -- 44,785,009 shares; 1999 -- 44,426,322 shares	**44,785**	44,426
Additional paid-in capital	**79,633**	76,752
Retained earnings	**260,158**	255,265
Accumulated other comprehensive loss	**(2,532)**	(614)
Unearned compensation	**(5,921)**	(5,974)
Cost of shares in treasury: 2000 -- 3,232,172 shares; 1999 -- 3,125,952 shares	**(38,885)**	(37,750)

Total stockholders' equity	**337,238**		332,105
Total liabilities and stockholders' equity	**$ 494,568**	$	534,395

( ) Denotes deduction.
See accompanying notes to consolidated financial statements.

Wolverine World Wide, Inc.

Consolidated Statements of Stockholders' Equity and Comprehensive Income

	Fiscal Year		
	2000	1999	1998
	(Thousands of Dollars)		
Common Stock			
Balance at beginning of the year	**$ 44,426**	$ 43,832	$ 43,311
Common stock issued under stock incentive plans (2000 -- 358,687 shares; 1999 -- 594,252 shares; 1998 -- 521,352 shares)	**359**	594	521
Balance at end of the year	**44,785**	44,426	43,832
Additional Paid-In Capital			
Balance at beginning of the year	**76,752**	72,825	64,912
Proceeds over par value and income tax benefits associated with common stock issued under stock incentive plans	**2,881**	3,927	7,913

Balance at end of the year	**79,633**	76,752	72,825
Retained Earnings			
Balance at beginning of the year	**255,265**	227,829	190,799
Net earnings	**10,690**	32,380	41,651
Cash dividends (2000 -- $.14 per share; 1999 -- $.12 per share; 1998 -- $.11 per share)	**(5,797)**	(4,944)	(4,621)
Balance at end of the year	**260,158**	255,265	227,829
Accumulated Other Comprehensive Income (Loss)			
Balance at beginning of the year	**(614)**	(1,014)	(68)
Foreign currency translation adjustments	**(1,918)**	400	(946)
Balance at end of the year	**(2,532)**	(614)	(1,014)
Unearned Compensation			
Balance at beginning of the year	**(5,974)**	(5,999)	(4,285)
Awards under stock incentive plans	**(3,027)**	(3,094)	(4,383)
Compensation expense	**3,080**	3,119	2,669
Balance at end of the year	**(5,921)**	(5,974)	(5,999)
Cost of Shares in Treasury			
Balance at beginning of the year	**(37,750)**	(37,153)	(12,239)
Common stock purchased for treasury (2000 -- 106,220 shares; 1999 -- 58,775 shares; 1998 -- 2,309,064 shares)	**(1,135)**	(597)	(24,914)
Balance at end of the year	**(38,885)**	(37,750)	(37,153)
Total stockholders' equity at end of the year	**$ 337,238**	$ 332,105	$ 300,320
Comprehensive Income			
Net earnings	**$ 10,690**	$ 32,380	$ 41,651
Foreign currency translation adjustments	**(1,918)**	400	(946)
Total comprehensive income	**$ 8,772**	$ 32,780	$ 40,705

( ) Denotes deduction.
See accompanying notes to consolidated financial statements.

Wolverine World Wide, Inc.

Consolidated Statements of Operations

	Fiscal Year		
	2000	1999	1998
	(Thousands of Dollars, Except Per Share Data)		
Net sales and other operating income	**$ 701,291**	$ 665,576	$ 669,329
Cost and expenses:			
Cost of products sold	**477,318**	445,232	443,727
Selling and administrative expenses	**198,953**	159,749	156,402
Interest expense	**10,281**	11,074	8,449
Interest income	**(372)**	(728)	(1,170)
Other expenses -- net	**96**	703	113
	686,276	616,030	607,521
Earnings before income taxes	**15,015**	49,546	61,808
Income taxes	**4,325**	17,166	20,157
Net earnings	**$ 10,690**	$ 32,380	$ 41,651
Net earnings per share:			
Basic	**$ .26**	$ .80	$ 1.00
Diluted	**.26**	.78	.97

See accompanying notes to consolidated financial statements.

Wolverine World Wide, Inc.

Consolidated Statements of Cash Flows

	Fiscal Year		
	2000	1999	1998
	(Thousands of Dollars)		
Operating Activities			
Net earnings	**$ 10,690**	$ 32,380	$ 41,651
Adjustments necessary to reconcile net earnings			
to net cash provided by (used in) operating activities:			
Nonrecurring charges	**45,050**	14,000	
Depreciation	**16,495**	13,763	11,606
Amortization	**1,200**	1,118	1,430
Deferred income taxes (credit)	**(4,068)**	9,597	547
Other	**(3,483)**	(292)	(5,025)
Changes in operating assets and liabilities:			
Accounts receivable	**2,175**	(20,822)	(21,322)
Inventories	**11,678**	(7,872)	(17,043)
Other operating assets	**3,632**	3,774	1,657
Accounts payable	**655**	2,388	(9,384)
Other operating liabilities	**(13,055)**	(820)	(8,588)
Net cash provided by (used in) operating activities	**70,969**	47,214	(4,471)
Investing Activities			
Additions to property, plant and equipment	**(11,978)**	(19,447)	(32,376)

Proceeds from the sale of property, plant and equipment	**707**		
Other	**268**	437	(1,348)
Net cash used in investing activities	**(11,003)**	(19,010)	(33,724)
Financing Activities			
Proceeds from short-term borrowings	**3,797**	1,080	12,739
Payments of short-term debt	**(3,049)**	(7,478)	(9,444)
Proceeds from long-term borrowings	**120,812**	72,622	180,089
Payments of long-term debt	**(167,819)**	(95,071)	(116,814)
Deferred financing and interest costs			(2,456)
Cash dividends	**(5,797)**	(4,944)	(4,621)
Purchase of common stock for treasury	**(1,135)**	(597)	(24,914)
Proceeds from shares issued under stock incentive plans	**213**	1,427	4,051
Net cash provided by (used in) financing activities	**(52,978)**	(32,961)	38,630
Increase (decrease) in cash and cash equivalents	**6,988**	(4,757)	435
Cash and cash equivalents at beginning of the year	**1,446**	6,203	5,768
Cash and cash equivalents at end of the year	**$ 8,434**	$ 1,446	$ 6,203
Other Cash Flow Information			
Interest paid	**$ 10,182**	$ 11,619	$ 9,596
Net income taxes paid (refund)	**1,280**	(186)	10,751

( ) Denotes reduction in cash and cash equivalents.
See accompanying notes to consolidated financial statements.

Wolverine World Wide, Inc.
Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Wolverine World Wide, Inc. and its wholly owned subsidiaries (collectively, the Company). Upon consolidation, all intercompany accounts, transactions and profits have been eliminated.

Fiscal Year

The Company's fiscal year is the 52- or 53-week period that ends on the Saturday nearest the end of December. Fiscal years presented herein include the 52-week periods ended December 30, 2000, January 1, 2000 and January 2, 1999.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue Recognition

Revenue is recognized on the sale of products manufactured or sourced by the Company when the related goods have been shipped and legal title has passed to the customer. Revenue generated through programs with licensees and distributors involving products utilizing the Company's trademarks and brand names is recognized based on stated contractual arrangements.

Shipping and Handling Costs

Shipping and handling costs that are charged to and reimbursed by the customer are recognized as revenue, while the related expenses incurred by the Company are recorded as cost of products sold in the consolidated statements of operations.

Cash Equivalents

All short-term investments with a maturity of three months or less when purchased are considered cash equivalents.

Inventories
Inventories are valued at the lower of cost or market. Cost is determined by the last-in, first-out (LIFO) method for all domestic inventories. Foreign and retail inventories are valued using methods approximating cost under the first-in, first-out (FIFO) method.

Property, Plant and Equipment
Property, plant and equipment are stated on the basis of cost and include expenditures for new facilities, major renewals, betterments and software. Normal repairs and maintenance are expensed as incurred.

Depreciation of plant, equipment and software is computed using the straight-line method. The depreciable lives range from five to forty years for buildings and improvements; from three to ten years for machinery and equipment; and from three to ten years for software.

Goodwill and Other Intangibles
Goodwill represents the excess of the purchase price over the fair value of net tangible and identifiable intangible assets of acquired businesses and is amortized using the straight-line method over periods ranging up to fifteen years. Other intangibles consist primarily of trademarks, brand names and patents that are being amortized using the straight-line method over periods ranging from four to fifteen years. The Company reviews the carrying amounts of goodwill and other intangible assets annually to determine if they may be impaired. If the carrying amounts of these assets are not recoverable based upon an undiscounted cash flow analysis, they are reduced by the estimated shortfall of cash flows to fair value.

Advertising Costs
Advertising costs are expensed as incurred and totaled $27,514,000 in 2000, $21,889,000 in 1999 and $29,673,000 in 1998.

Income Taxes
The provision for income taxes is based on the earnings reported in the consolidated financial statements. A deferred income tax asset or liability is determined by applying currently enacted tax laws and rates to the cumulative temporary differences between the carrying values of assets and liabilities for financial statement and income tax purposes. Deferred income tax expense (credit) is measured by the net change in deferred income tax assets and liabilities during the year.

Earnings Per Share
Basic earnings per share is computed based on weighted average shares of common stock outstanding during each year after adjustment for nonvested common stock issued under stock incentive plans. Diluted earnings per share assumes the exercise of dilutive stock options and the vesting of all common stock.

The following table sets forth the reconciliation of weighted average shares used in the computation of basic and diluted earnings per share:

	2000	1999	1998
Weighted average shares outstanding during the year	**41,517,846**	41,146,525	42,218,378
Adjustment for nonvested common stock	**(911,412)**	(843,849)	(697,962)
Denominator for basic earnings per share	**40,606,434**	40,302,676	41,520,416
Effect of dilutive stock options	**277,316**	339,909	733,195
Adjustment for nonvested common stock	**911,412**	843,849	697,962
Denominator for diluted earnings per share	**41,795,162**	41,486,434	42,951,573

Options to purchase 2,313,464 shares of common stock in 2000, 1,651,494 shares in 1999 and 989,662 shares in 1998 have not been included in the denominator for computation of diluted earnings per share because related exercise prices were greater than the average market price for the period and, therefore, were antidilutive.

Financial Instruments and Risk Management
The Company's financial instruments consist of cash and cash equivalents, accounts and notes receivable, accounts and notes payable and long-term debt. The Company's estimate of the fair value of these

financial instruments approximates their carrying amounts at December 30, 2000, January 1, 2000 and January 2, 1999. Fair value was determined using discounted cash flow analyses and current interest rates for similar instruments. The Company does not hold or issue financial instruments for trading purposes.

The Company periodically enters into foreign exchange contracts in anticipation of future changes in foreign exchange rates and to hedge against foreign currency fluctuations on third-party and intercompany transactions. At December 30, 2000, foreign exchange contracts totaling $6,686,000 were outstanding to purchase various currencies (principally U.S. dollars and euros) with maturities ranging up to 180 days.

The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*, which is effective for the Company in 2001. SFAS No. 133 requires companies to record derivative instruments on the balance sheet at fair value and establishes accounting rules for changes in fair value that result from hedging activities. The Company does not currently engage in significant hedging activities that require the use of derivative instruments, and as a result, the adoption of SFAS No. 133 will not have a material effect on its consolidated financial position or future results of operations.

The Company does not require collateral or other security on trade accounts receivable.

Comprehensive Income
Comprehensive income represents net earnings and any revenues, expenses, gains and losses that, under accounting principles generally accepted in the United States, are

excluded from net earnings and recognized directly as a component of stockholders' equity.

Reclassifications
Certain amounts previously reported in 1999 and 1998 have been reclassified to conform with the presentation used in 2000.

2. Inventories

Inventories of $110,986,000 at December 30, 2000 and $131,711,000 at January 1, 2000 have been valued using the LIFO method. If the FIFO method had been used, inventories would have been $11,743,000 and $11,219,000 higher than reported at December 30, 2000 and January 1, 2000, respectively.

3. Debt

Notes payable consist of unsecured short-term line-of-credit borrowings of the Company's Canadian subsidiary. The line-of-credit allows for maximum borrowings of $6,670,000 and bears interest of up to 1% over the foreign bank base rate (7.4% and 7.5% at December 30, 2000 and January 1, 2000, respectively).

The Company also has commercial letter-of-credit facilities that allow for total borrowings up to $66,821,000 at December 30, 2000 ($69,055,000 at January 1, 2000). Amounts committed under these facilities totaled $27,024,000 and $30,446,000 at December 30, 2000 and January 1, 2000, respectively.

Long-term debt consists of the following obligations:

	2000	1999
	(Thousands of Dollars)	
6.5% senior notes payable	**$ 75,000**	$ 75,000
7.81% senior notes payable to insurance companies	**17,143**	21,429
Revolving credit obligations		42,453
Other	**51**	319
	92,194	139,201
Less current maturities	**4,316**	4,370
	$ 87,878	$ 134,831

The 6.5% senior notes payable require payments of interest only through December 2002, at which time annual principal payments of $10,714,000 become due through the maturity date of December 8, 2008. In connection with the issuance of these senior notes, the Company entered into an interest rate lock agreement with a bank that was settled in 1998 and resulted in a prepayment of $2,200,000. This prepayment is being amortized over the term of the notes using the effective interest method.

The 7.81% senior notes payable to insurance companies require equal annual principal payments of $4,285,000 through 2003, with the balance due on August 15, 2004.

The Company has domestic and foreign long-term revolving credit agreements that allow for borrowings up to $175,456,000 ($176,449,000 in 1999), of which $10,456,000 pertains to the Company's United Kingdom subsidiary. The agreements

require that interest be paid at variable rates based on both LIBOR and the domestic prime rate. There were no borrowings outstanding under the revolving credit agreements at December 30, 2000, and the weighted average interest rate of outstanding borrowings at January 1, 2000 was 5.5%. The domestic and foreign revolving credit facilities expire in October 2001.

The long-term loan agreements contain restrictive covenants, which, among other things, require the Company to maintain certain financial ratios and minimum levels of tangible net worth. At December 30, 2000, unrestricted retained earnings were $72,211,000. The agreements also impose restrictions on securing additional debt, sale and merger transactions and the disposition of significant assets.

Principal maturities of long-term debt during the four years subsequent to 2001 are as follows: 2002--$14,999,000; 2003 -- $14,999,000; 2004 -- $15,002,000; 2005 -- $10,714,000.

Interest costs of $286,000 in 2000, $563,000 in 1999 and $1,145,000 in 1998 were capitalized in connection with various capital improvement and computer hardware and software installation projects.

4. Leases

The Company leases machinery, transportation equipment and certain warehouse and retail store space under operating lease agreements, which expire at various dates through 2012. At December 30, 2000, minimum rental payments due under all noncancelable leases are as follows: 2001-- $6,656,000; 2002-- $5,233,000; 2003-- $4,404,000; 2004-- $3,541,000; 2005-- $2,926,000; thereafter -- $11,401,000.

Rental expense under all operating leases consisted primarily of minimum rentals and totaled $10,845,000 in 2000, $10,249,000 in 1999 and $9,085,000 in 1998.

5. Capital Stock

The Company has 2,000,000 authorized shares of $1 par value preferred stock, of which none is issued or outstanding.

The Company has a preferred stock rights plan that is designed to protect stockholder interests in the event the Company is confronted with coercive or unfair takeover tactics. One right is associated with each share of common stock currently outstanding. The rights trade with the common stock and become exercisable only upon the occurrence of certain triggering events. Each right, when exercisable, will entitle the holder to purchase one one-hundredth of a share of Series B junior participating preferred stock for $120. The Company has designated 500,000 shares of preferred stock as Series B junior participating preferred stock for possible future issuance under the Company's preferred stock rights plan. Upon issuance for reasons other than liquidation, each share of Series B junior participating preferred stock will have 100 votes and a preferential quarterly dividend equal to the greater of $21 per share or 100 times the dividend declared on common stock.

In the event the Company is a party to a merger or other business combination, regardless of whether the Company is the surviving corporation, right holders other than the party to the merger will be entitled to receive common stock of the surviving corporation worth twice the exercise price of the rights. The plan also provides for protection against self-dealing transactions by a 15% stockholder or the activities of an adverse person (as defined). The Company may redeem the rights for $.01 each at any time prior to a person being designated as an adverse person or fifteen days after a triggering event. Unless redeemed earlier, all rights expire on May 7, 2007. The Board of Directors can elect to exclude certain transactions from triggering the exercise of preferred stock rights and other actions under the plan.

The Company has stock incentive plans under which options to purchase shares of common stock may be granted to officers, other key employees and nonemployee

directors. Options granted are exercisable over ten years and vest over various periods. All unexercised options are available for future grants upon their cancellation.

A summary of the transactions under the stock option plans is as follows:

	Shares Under Options	Weighted-Average Option Price
Outstanding at January 3, 1998	2,181,441	$13.65
Granted	1,171,967	18.88
Exercised	(328,899)	20.65
Cancelled	(626,058)	25.48
Outstanding at January 2, 1999	2,398,451	14.82
Granted	967,592	9.94
Exercised	(264,334)	10.33
Cancelled	(60,708)	13.62

Outstanding at January 1, 2000	3,041,001	13.95
Granted	**857,709**	**11.05**
Exercised	**(78,394)**	**11.80**
Cancelled	**(69,651)**	**13.32**
Outstanding at December 30, 2000	**3,750,665**	**$13.49**

Shares available for grant under the stock option plans were 825,884 at December 30, 2000 and 1,894,747 at January 1, 2000.

The weighted-average grant-date fair value was $4.84 in 2000, $4.13 in 1999 and $7.37 in 1998 for stock options granted.

The exercise prices of options outstanding at December 30, 2000 range from $1.85 to $30.56. A summary of stock options outstanding at December 30, 2000 by range of option price is as follows:

	Number of Options		Weighted-Average Option Price		Weighted-Average Remaining
	Outstanding	Exercisable	Outstanding	Exercisable	Contractual Life
Less than $10	1,189,394	844,793	$ 8.59	$ 8.15	6.3 years
$10 to $20	1,942,933	1,285,602	12.52	12.92	7.7 years
Greater than $20	618,338	581,463	25.72	25.58	5.9 years
	3,750,665	2,711,858	$ 13.49	$ 14.09	7.0 years

The number of options exercisable at January 1, 2000 and January 2, 1999 totaled 2,066,411 and 1,614,838, respectively.

The Company has elected to follow Accounting Principles Board (APB) Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations in accounting for its stock incentive plans because the alternative fair value accounting provided for under SFAS No. 123, *Accounting for Stock-Based Compensation*, requires the use of option valuation models that were not specifically developed for valuing the types of stock incentive plans maintained by the Company. Under APB Opinion No. 25, compensation

expense is recognized when the market price of the underlying stock award on the date of grant exceeds any related exercise price.

Pro forma information regarding net earnings and earnings per share is required by SFAS No. 123, and has been determined as if the Company had accounted for its stock awards using the fair value method. The fair value of these awards was estimated at the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions: risk-free interest rate of 6.1% (5.3% in 1999 and 5% in 1998); dividend yield of 0.5%; expected market price volatility factor of 0.495 (0.47 in 1999 and 0.46 in 1998); and an expected option life of four years.

The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options which have no vesting provisions and are fully transferable. In addition, the model requires input of highly subjective assumptions. Because the Company's stock options have characteristics significantly different from traded options and the input assumptions can materially affect the estimate of fair value, in management's opinion, the Black-Scholes option model does not necessarily provide a reliable measure of the fair value of the Company's stock options.

For purposes of pro forma disclosures, the estimated fair values of stock options are amortized to expense over the related vesting periods. The Company's pro forma information under SFAS No. 123 is as follows:

	2000	1999	1998
	(*Thousands of Dollars, Except Per Share Data)*		
Pro forma net earnings	**$ 6,459**	$ 28,750	$ 39,130
Pro forma net earnings per share:			
Basic	**$ .16**	$ .71	$ .94
Diluted	**.16**	.70	.91

The Company also has nonvested stock award plans for officers and other key employees. Common stock issued under these plans is subject to certain restrictions, including prohibition against any sale, transfer or other disposition by the officer or employee (except for certain transfers for estate planning purposes for certain officers), and a requirement to forfeit the award upon termination of employment. These restrictions lapse over a three- to five-year period from the date of the award. Shares aggregating 286,890 in 2000, 340,665 in 1999 and 195,625 in 1998 were awarded under these plans. The weighted-average award-date fair value was $10.95 in 2000, $10.02 in 1999 and $27.67 in 1998 for the shares awarded. There were no shares cancelled in 2000 and rights were cancelled to 11,956 shares in 1999 and 4,000 shares in 1998. Any future shares awarded reduce the number of shares identified as available for future grants in the stock option table. The market value of the shares awarded is recognized as unearned compensation in the consolidated statements of stockholders' equity and is amortized to operations over the vesting period.

6. Retirement Plans

The Company has noncontributory, defined benefit pension plans covering a majority of its domestic employees. The Company's principal defined benefit pension plan

provides benefits based on the employees' years of service and final average earnings (as defined), while the other plans provide benefits

at a fixed rate per year of service. The Company intends to annually contribute amounts deemed necessary to maintain the plans on a sound actuarial basis.

The Company has a Supplemental Executive Retirement Plan for certain current and former employees that entitles them to receive payments from the Company following retirement based on the employees' years of service and final average earnings (as defined). Under the plan, the employees are eligible for reduced benefits upon early retirement. The Company also has individual deferred compensation agreements with certain former employees that entitle them to receive payments from the Company for a period of fifteen to eighteen years following retirement. The Company maintains life insurance policies with a cash surrender value of $18,005,000 at December 30, 2000 and $16,100,000 at January 1, 2000 that are intended to fund deferred compensation benefits under the Supplemental Executive Retirement Plan and deferred compensation agreements.

The Company has a defined contribution money accumulation plan covering substantially all employees that provides for Company contributions based on earnings. This plan is combined with the principal defined benefit pension plan for funding purposes. Contributions to the money accumulation plan were $1,570,000 in 2000 and $1,500,000 in 1999 and 1998.

The following summarizes the status of and changes in the Company's pension assets and related obligations for its defined benefit pension plans:

	September 30	
	2000	1999

	(Thousands of Dollars)	
Pension assets at fair value, including underfunded plan amounts of $491 in 2000 and $6,788 in 1999	**$ 134,815**	$ 120,110
Projected benefit obligation on services rendered to date for funded defined benefit plans, including underfunded plan amounts of $853 in 2000 and $7,114 in 1999	**(94,300)**	(85,777)
Net pension assets of funded defined benefit plans	**40,515**	34,333
Projected benefit obligation on services rendered to date for unfunded supplemental employee retirement plans	**(10,530)**	(12,713)
Net pension assets	**29,985**	21,620
Nonqualified trust assets (cash surrender value of life insurance) recorded in other assets and intended to satisfy the projected benefit obligation of supplemental employee retirement plans	**6,584**	5,607
Net pension and nonqualified trust assets	**$ 36,569**	$ 27,227
Components of net pension assets:		
Prepaid pension costs	**$ 19,454**	$ 18,934
Unrecognized amounts, net of amortization:		
Transition assets	**53**	80
Prior service costs	**(5,667)**	(7,384)
Net experience gains	**16,145**	9,990
Net pension assets	**29,985**	21,620
Nonqualified trust assets	**6,584**	5,607
Net pension and nonqualified trust assets	**$ 36,569**	$ 27,227

	September 30	
	2000	1999
	(Thousands of Dollars)	
Change in fair value of pension assets:		
Fair value of pension assets at beginning of the year	**$ 120,110**	$ 107,478
Actual net investment income	**19,255**	17,062
Company contributions	**1,008**	528
Benefits paid to plan participants	**(5,558)**	(4,958)
Fair value of pension assets at end of the year	**$ 134,815**	$ 120,110
Components of prepaid pension costs (liability):		
For overfunded plans	**$ 29,205**	$ 25,728
For underfunded plans	**(9,751)**	(6,794)
Prepaid pension costs	**$ 19,454**	$ 18,934
Change in projected benefit obligations:		
Projected benefit obligations at beginning of the year	**$ 98,490**	$ 100,322
Service cost pertaining to benefits earned during the year	**4,459**	4,571
Interest cost on projected benefit obligations	**7,841**	7,186
Effect of changes in actuarial assumptions	**339**	553
Actuarial gains	**(3,275)**	(9,184)
Curtailment gain	**(667)**	
Special termination benefits	**3,201**	
Benefits paid to plan participants	**(5,558)**	(4,958)
Projected benefit obligations at end of the year	**$ 104,830**	$ 98,490

The following is a summary of net pension income (expense) recognized by the Company:

	2000	1999	1998
	(Thousands of Dollars)		
Service cost pertaining to benefits earned during the year	**$ (4,459)**	$ (4,571)	$ (4,249)
Interest cost on projected benefit obligations	**(7,841)**	(7,186)	(6,221)
Expected return on pension assets	**12,526**	11,944	11,409
Net amortization	**1,544**	3,078	3,926
Curtailment gain	**667**		
Special termination benefits	**(3,201)**		
Net pension income (expense)	**$ (764)**	$ 3,265	$ 4,865

In connection with the realignment of its manufacturing operations described in Note 11, certain of the Company's pension plans were amended to provide early retirement benefits. Special termination benefit costs of $3,201,000 and a curtailment gain of $667,000 were recorded as a result of these changes in scheduled benefits.

The discount rate and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligations were 8.1% and 4.5%, respectively, in 2000 and 8% and 4.5%, respectively, in 1999. The expected long-term return on plan assets was 10% in each year.

Plan assets were invested in listed equity securities (79%), fixed income funds (16%) and short-term and other investments (5%). Equity securities include 788,512 shares of the Company's common stock with a fair value of $7,343,000 at September 30,

2000. Dividends paid on these shares of the Company's common stock were not significant.

7. Income Taxes

The provisions for income taxes consist of the following:

	2000	1999	1998
		(Thousands of Dollars)	
Currently payable:			
Federal	**$ 7,463**	$ 5,645	$ 16,248
State and foreign	**930**	1,924	3,362
Deferred (credit)	**(4,068)**	9,597	547
	$ 4,325	$ 17,166	$ 20,157

A reconciliation of the Company's total income tax expense and the amount computed by applying the statutory federal income tax rate of 35% to earnings before income taxes is as follows:

	2000	1999	1998
		(Thousands of Dollars)	
Income taxes at statutory rate	**$ 5,255**	$ 17,341	$ 21,633
State income taxes, net of federal income tax reduction	**(20)**	667	899
Nontaxable earnings of Puerto Rican subsidiary and foreign affiliates	**(1,916)**	(1,729)	(2,211)
Foreign earnings taxed at rates differing from U.S. statutory rate	**163**	220	77

Other	**843**	667	(241)
	$ 4,325	$ 17,166	$ 20,157

Significant components of the Company's deferred income tax assets and liabilities as of the end of 2000 and 1999 are as follows:

	2000	1999
	(Thousands of Dollars)	
Deferred income tax assets:		
Accounts receivable and inventory valuation allowances	**$ 991**	$ 1,030
Deferred compensation accruals	**2,590**	1,765
Other amounts not deductible until paid	**5,120**	4,845
Total deferred income tax assets	**8,701**	7,640
Deferred income tax liabilities:		
Tax over book depreciation	**(6,867)**	(9,221)
Prepaid pension costs	**(6,170)**	(6,845)
Unremitted earnings of Puerto Rican subsidiary	**(918)**	(839)
Other	**(145)**	(202)
Total deferred income tax liabilities	**(14,100)**	(17,107)
Net deferred income tax liabilities	**$ (5,399)**	$ (9,467)

The Company has provided for all taxes that would be payable if accumulated earnings of its Puerto Rican subsidiary were distributed. Similar taxes on the unremitted earnings of the Company's foreign affiliates have not been provided as such earnings are considered permanently invested. The additional taxes that would be payable if unremitted earnings of its foreign affiliates were distributed approximate $9,909,000 at December 30, 2000 and $9,064,000 at January 1, 2000.

8. 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 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 cost 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, management is currently of the opinion that their outcome will not have a significant effect on the Company's consolidated financial position or future results of operations.

9. Business Segments

The Company has one reportable segment that is engaged in the manufacture and marketing of branded footwear, including casual shoes, slippers, moccasins, dress shoes, boots, uniform shoes, work shoes and performance outdoor footwear, to the retail sector. Revenues of this segment are derived from the sale of branded footwear

products to external customers and the Company's retail division as well as royalty income from the licensing of the Company's trademarks and brand names to licensees and distributors. The business units comprising the branded footwear segment manufacture or source, market and distribute products in a similar manner. Branded footwear is distributed through wholesale channels and under licensing and distributor arrangements.

The other business units in the following tables consist of the Company's retail, apparel and accessory licensing, tannery and pigskin procurement operations. The Company operated 58 domestic retail stores at December 30, 2000 that sell Company-manufactured and sourced products, as well as footwear manufactured by unaffiliated companies. The other business units distribute products through retail and wholesale channels.

The Company measures segment profits as earnings before income taxes. The accounting policies used to determine profitability and total assets of the branded footwear and other business segments are the same as disclosed in Note 1.

Business segment information is as follows:

	2000
	(Thousands of Dollars)

	Branded Footwear	Other Businesses	Corporate	Consolidated
Net sales and other operating income from external customers	**$ 622,829**	**$ 78,462**		**$ 701,291**
Intersegment sales	**17,617**	**5,503**		**23,120**
Interest expense (net)	**13,561**	**1,296**	**$ (4,948)**	**9,909**
Depreciation expense	**7,106**	**2,141**	**7,248**	**16,495**
Nonrecurring charges	**45,050**			**45,050**
Earnings (loss) before income taxes	**9,918**	**7,555**	**(2,458)**	**15,015**
Assets	**346,235**	**37,546**	**110,787**	**494,568**
Additions to property, plant and equipment	**3,156**	**5,062**	**3,760**	**11,978**

	1999			
Net sales and other operating income from external customers	$ 590,906	$ 74,670		$ 665,576
Intersegment sales	16,567	5,563		22,130
Interest expense (net)	13,736	1,539	$ (4,929)	10,346
Depreciation expense	7,524	1,459	4,780	13,763
Nonrecurring charge	14,000			14,000
Earnings (loss) before income taxes	39,423	11,210	(1,087)	49,546
Assets	391,447	34,038	108,910	534,395
Additions to property, plant and equipment	4,967	1,684	12,796	19,447

	1998			
Net sales and other operating income from external customers	$ 596,593	$ 72,736		$ 669,329
Intersegment sales	18,417	8,323		26,740
Interest expense (net)	12,728	1,558	$ (7,007)	7,279
Depreciation expense	6,787	2,083	2,736	11,606
Earnings (loss) before income taxes	53,086	8,991	(269)	61,808
Assets	385,262	33,178	103,038	521,478
Additions to property, plant and equipment	17,160	2,179	13,037	32,376

Wolverine World Wide, Inc.
Notes to Consolidated Financial Statements (cont.)

Geographic information, based on shipping destination, related to net sales and other operating income included in the consolidated statements of operations is as follows:

	2000	1999	1998
		(Thousands of Dollars)	
United States	**$ 598,115**	$ 564,374	$ 568,730
Foreign countries:			
Europe	**54,555**	60,274	60,571
Canada	**30,766**	25,698	19,384
Central and South America	**7,852**	8,347	8,211
Asia	**7,274**	5,029	4,271
Middle East and Russia	**2,729**	1,854	8,162
	103,176	101,202	100,599
	$ 701,291	$ 665,576	$ 669,329

The Company's long-lived assets (primarily intangible assets and property, plant and equipment) summarized between domestic and foreign locations are as follows:

	2000	1999	1998
		(Thousands of Dollars)	
United States	**$ 157,291**	$ 165,203	$ 157,152
Foreign countries	**12,191**	19,891	23,348

The Company does not believe that it is dependent upon any single customer, since none accounts for more than 10% of consolidated net sales and other operating income.

No product groups, other than footwear, account for more than 10% of consolidated net sales and other operating income. Revenues derived from the sale and licensing of footwear account for over 90% of net sales and other operating income in 2000, 1999 and 1998.

Approximately 13.8% of the Company's employees are subject to bargaining unit contracts extending through various dates to 2004.

10. Quarterly Results of Operations (unaudited)

The Company generally reports its quarterly results of operations on the basis of 12-week periods for each of the first three quarters and a 16- or 17-week period for the fourth quarter.

The Company's unaudited quarterly results of operations are as follows:

	2000

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(Thousands of Dollars, Except Per Share Data)			
Net sales and other operating income	**$ 147,370**	**$ 140,558**	**$ 175,529**	**$ 237,834**
Gross margin	**48,893**	**48,198**	**47,033**	**79,849**
Net earnings (loss)	**4,795**	**7,595**	**(15,480)**	**13,780**
Net earnings (loss) per share:				
Basic	**$ .12**	**$ .19**	**$ (.38)**	**$ .33**
Diluted	**.12**	**.18**	**(.37)**	**.33**

Wolverine World Wide, Inc.
Notes to Consolidated Financial Statements (cont.)

	1999			
Net sales and other operating income	$ 136,193	$ 131,444	$ 170,482	$ 227,457
Gross margin	44,849	39,265	54,019	82,211
Net earnings (loss)	3,603	(2,712)	11,521	19,968
Net earnings (loss) per share:				
Basic	$ .09	$ (.07)	$ .29	$ .49
Diluted	.09	(.07)	.28	.48

As discussed in Note 11, the third and fourth quarters of 2000 were adversely affected by realignment and other nonrecurring charges totaling $0.71 per share. In addition, the second quarter of 1999 includes a charge totaling $0.23 per share related to the closing of the Company's Russian wholesale footwear business.

Adjustments in the fourth quarter primarily relating to inventories resulted in a decrease in net earnings of $685,000 ($0.02 per share) in 2000 and an increase in net earnings of $2,188,000 ($0.05 per share) in 1999.

11. Nonrecurring Charges

On July 12, 2000, the Company announced a strategic realignment of its global sourcing and manufacturing operations. In connection with this realignment, the Company decided to close five of its manufacturing facilities in New York, Missouri, Canada, Puerto Rico and Costa Rica, eliminate certain footwear product offerings and related raw material inventories, reduce administrative support services and incur other nonrecurring expenses. Workforce reductions totaling 1,391 employees are expected to occur in the areas of manufacturing (1,272), general management (28) and administrative support (91). The realignment activities were primarily completed in the third and fourth quarters of 2000 with the balance to be completed in the first half of 2001.

The following table summarizes the sourcing realignment, impairment and other nonrecurring pre-tax charges recorded in the consolidated statement of operations for 2000 (thousands of dollars):

Sourcing realignment charges:	
Severance and related costs	$ 11,723
Inventories	12,141
Other exit costs	4,263
	28,127
Impairment charges:	
Property, plant and equipment	8,126
Goodwill	1,077
	9,203
Other nonrecurring charges	7,720

	$ 45,050

Severance and related costs associated with the sourcing realignment include involuntary and voluntary employee termination expenses. Inventory charges represent the write-down to net realizable value of raw

materials that will no longer be used in production and certain finished footwear products that will be discontinued as part of the realignment plan. Other exit costs primarily represent expenses required under contractual arrangements that are expected to be incurred after the manufacturing facilities cease operations through their estimated disposal dates.

Impairment charges consist of write-downs of property, plant and equipment to their fair values less costs to sell, close and reconfigure manufacturing facilities, and the write-off of goodwill previously recorded in connection with the purchase of the manufacturing assets located in the Company's Costa Rican operation.

Other nonrecurring charges pertain to one-time costs that were expensed as incurred and consist primarily of the write-off of amounts for customer chargebacks and other deductions that the Company previously expected to collect, but will no longer pursue.

Within the consolidated statements of operations for 2000, cost of products sold, selling and administrative expenses and other expenses include $15,036,000, $29,589,000 and $425,000, respectively, for the sourcing realignment and other nonrecurring charges. These charges resulted in a $0.71 per share reduction of net earnings. The Company expects no significant additional charges to be incurred to complete the sourcing realignment and other ancillary activities.

The following table summarizes the activity and remaining liabilities associated with the sourcing realignment at December 30, 2000 and for the fiscal year then ended (thousands of dollars):

	Severance and Related Costs	Inventories	Other Exit Costs	Total
Amounts recognized as charges in the consolidated statement of operations	$ 11,723	$ 12,141	$ 4,263	$ 28,127
Disposal of inventories		(11,024)		(11,024)
Payments	(5,720)		(1,871)	(7,591)
Balance at December 30, 2000	$ 6,003	$ 1,117	$ 2,392	$ 9,512

Workforce terminations totaling 1,018 employees occurred in 2000 in the areas of manufacturing (900), general management (28) and administrative support (90).

As a result of the continued significant deterioration in Russian economic and political conditions in early 1999, the Company approved a plan in the second quarter to close its Russian wholesale footwear business. In connection with the closure, the Company recorded a nonrecurring, pre-tax charge to earnings of $14,000,000, of which $6,900,000 is reflected as a write-down in cost of products sold for inventory, $6,600,000 is recognized in selling and administrative expenses for goodwill impairment, bad debt, severance, and other exit costs, and $500,000 is recorded in other expenses. The charge resulted in a reduction of net earnings of $0.23 per share. The closure was complete as of the end of 1999.

Report of Independent Auditors

Board of Directors and Stockholders
Wolverine World Wide, Inc.

We have audited the accompanying consolidated balance sheets of Wolverine World Wide, Inc. and subsidiaries as of December 30, 2000 and January 1, 2000, and the related consolidated statements of stockholders' equity and comprehensive income, operations and cash flows for each of the three fiscal years in the period ended December 30, 2000. Our audits also included the financial statement schedule listed in the Index at Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wolverine World Wide, Inc. and subsidiaries at December 30, 2000 and January 1, 2000, and the consolidated results of their operations and their cash flows for each of the three fiscal years in the period ended December 30, 2000, in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 7, 2001

APPENDIX B

S chedule II -- Valuation and Qualifying Accounts of Continuing Operations

Wolverine World Wide, Inc. and Subsidiaries

Column A	Column B	Column C	Column D	Column E
		Additions		

Description	Balance at Beginning of Period	(1) Charged to Costs and Expenses	(2) Charged to Other Accounts (Describe)	Deductions (Describe)	Balance at End of Period
Fiscal year ended December 30, 2000					
Deducted from asset accounts:					
Allowance for doubtful accounts	$ 6,977,000	$ 10,864,000		$ 12,805,000(A)	$ 5,036,000
Allowance for cash discounts	723,000	6,711,000		6,323,000(B)	1,111,000
Inventory valuation allowances	8,351,000	8,503,000		10,621,000(C)	6,233,000
	$ 16,051,000	$ 26,078,000		$ 29,749,000	$ 12,380,000
Fiscal year ended January 1, 2000					
Deducted from asset accounts:					
Allowance for doubtful accounts	$ 4,729,000	$ 5,750,000		$ 3,502,000(A)	$ 6,977,000
Allowance for cash discounts	1,167,000	6,529,000		6,973,000(B)	723,000
Inventory valuation allowances	9,257,000	8,349,000		9,255,000(C)	8,351,000
	$ 15,153,000	$ 20,628,000		$ 19,730,000	$ 16,051,000
Fiscal year ended January 2, 1999					
Deducted from asset accounts:					
Allowance for doubtful accounts	$ 6,038,000	$ 1,035,000		$ 2,344,000(A)	$ 4,729,000
Allowance for cash discounts	1,254,000	5,394,000		5,481,000(B)	1,167,000
Inventory valuation allowances	8,297,000	1,572,000		612,000(C)	9,257,000
	$ 15,589,000	$ 8,001,000		$ 8,437,000	$ 15,153,000

(A) Accounts charged off, net of recoveries.
(B) Discounts given to customers.
(C) Adjustment upon disposal of related inventories.

Commission File No. 1-6024

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

EXHIBITS
TO
FORM 10-K

For the Fiscal Year Ended
December 30, 2000

Wolverine World Wide, Inc.
9341 Courtland Drive
Rockford, Michigan 49351

EXHIBIT INDEX

Exhibit Number	Document
3.1	Certificate of Incorporation, as amended. Previously filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 14, 1997. Here incorporated by reference.
3.2	Amended and Restated By-laws. Previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
4.1	Certificate of Incorporation, as amended. See Exhibit 3.1 above.
4.2	Rights Agreement dated as of April 17, 1997. Previously filed with the Company's Form 8-A filed April 12, 1997. Here incorporated by reference.
4.3	Amendment No. 1 dated as of June 30, 2000, to the Rights Agreement dated as of April 17, 1997.
4.4	Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.3 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1996. Here incorporated by reference.
4.5	Note Purchase Agreement dated as of August 1, 1994, relating to 7.81% Senior Notes.
4.6	Note Purchase Agreement dated as of December 8, 1998, relating to 6.50% Senior Notes due on December 8, 2008. Previously filed as Exhibit 4.5 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
4.7	Amendment No. 1 dated as of January 8, 1998, to the Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
4.8	Amendment No. 2 dated as of March 5, 1999, to the Credit Agreement dated as of October 11, 1996, with NBD Bank as Agent. Previously filed as Exhibit 4.7 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 2000. Here incorporated by reference.
4.9	The Registrant has several classes of long-term debt instruments outstanding in addition to that described in Exhibits 4.4, 4.5 and 4.6 above. The amount of none of these classes of debt outstanding on March 24, 2001, exceeds 10% of the Company's total consolidated assets. The Company agrees to furnish copies of any agreement defining the rights of

holders of any such long-term indebtedness to the Securities and Exchange Commission upon request.

10.1 1993 Stock Incentive Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed June 22, 1993, Registration No. 33-64854. Here incorporated by reference.

10.2 1988 Stock Option Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed July 21, 1988, Registration No. 33-23196. Here incorporated by reference.

10.3 Amended and Restated Directors Stock Option Plan.*

10.4 Employees Pension Plan.* Previously filed as Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1998. Here incorporated by reference.

10.5 Employment Agreement dated April 27, 1998, between the Company and Geoffrey B. Bloom.* Previously filed as Exhibit 10.6 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.

10.6 1994 Directors' Stock Option Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed on August 24, 1994, Registration No. 33-55213. Here incorporated by reference.

10.7 Amended and Restated Stock Option Loan Program.*

10.8 Executive Severance Agreement.* Previously filed as Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1998. Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.8.

10.9 Amended and Restated Supplemental Executive Retirement Plan.* A participant schedule is attached to the Plan.

10.10 1995 Stock Incentive Plan.* Previously filed as an exhibit to the Company's registration statement on Form S-8, filed October 26, 1995, Registration No. 33-63689. Here incorporated by reference.

10.11 Form of Indemnification Agreement.* The Company has entered into an Indemnification Agreement with each director and executive officer.

10.12 Benefit Trust Agreement dated May 19, 1987, and Amendments Number 1, 2, 3 and 4 thereto.*

10.13 Outside Directors' Deferred Compensation Plan.* Previously filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended June 15, 1996. Here incorporated by reference.

10.14 1984 Executive Incentive Stock Purchase Plan, and amendment.* Previously filed as an

exhibit to the Company's registration statement on Form S-8, filed August 6, 1984, Registration No. 2-92600. Here incorporated by reference.

10.15 1997 Stock Incentive Plan.* Previously filed as Appendix A to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.16 Executive Short-Term Incentive Plan (Annual Bonus Plan).* Previously filed as Appendix B to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.17 Executive Long-Term Incentive Plan (3-Year Bonus Plan).* Previously filed as Appendix C to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 16, 1997. Here incorporated by reference.

10.18 Stock Incentive Plan of 1999.* Previously filed as Appendix A to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 23, 1999. Here incorporated by reference.

10.19 Stock Incentive Plan of 2001.* Previously filed as Appendix B to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 26, 2001. Here incorporated by reference.

21 Subsidiaries of Registrant.

23 Consent of Independent Auditors.

24 Powers of Attorney.

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*Management contract or compensatory plan or arrangement.

EXHIBIT 4.3

FIRST AMENDMENT TO RIGHTS AGREEMENT
BETWEEN
WOLVERINE WORLD WIDE, INC.
AND
HARRIS TRUST AND SAVINGS BANK

This First Amendment to Rights Agreement (the "Amendment") amends the Rights Agreement between WOLVERINE WORLD WIDE, INC. ("Wolverine") and HARRIS TRUST AND SAVINGS BANK ("Harris Bank") dated April 17, 1997 (the "Rights Agreement"). COMPUTERSHARE INVESTOR SERVICES, L.L.C. ("Computershare") joins in this amendment as successor in interest to Harris Bank. Capitalized terms not otherwise defined in this Amendment shall have the meanings set forth in the Rights Agreement.

WHEREAS, under the Rights Agreement, Harris Bank is appointed as the "Rights Agent" as defined therein; and

WHEREAS, Harris Bank has transferred certain of its operations to Computershare; and

WHEREAS, as successor in interest to Harris Bank under the Rights Agreement, the parties now desire that Computershare be appointed Rights Agent under the Rights Agreement.

In consideration of the terms set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

1. **Appointment of Substitute Rights Agent**. Wolverine hereby appoints Computershare to act as agent for the Company and the holders of the Rights (who, in accordance with Section 3 of the Rights Agreement, shall, prior to the Distribution Date, also be the holders of the Common Stock) in accordance with the terms and conditions hereof, and Computershare hereby accepts such appointment to serve as Rights Agent. The appointment of Computershare as Rights Agent is deemed effective as of June 30, 2000 (the "Effective Date"). As of the Effective Date, all references in the Rights Agreement to "Rights Agent" shall be deemed to refer to Computershare, Harris Bank shall no longer be the Rights Agent and Computershare shall be fully responsible for all responsibilities and obligations of Rights Agent under the Rights Agreement.

2. **Section 21**. Section 21 of the Rights Agreement is amended in its entirety and replaced with the following provision:

> "Section 21. Change of Rights Agent. The Rights Agent or any successor Rights Agent may resign and be discharged from its duties under this Agreement upon thirty (30) days' notice in writing mailed to the Company, and to each transfer agent of the Common Stock and Preferred Stock, by registered or

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> certified mail, and to the holders of the Rights Certificates by first-class mail. The Company may remove the Rights Agent or any successor Rights Agent upon thirty (30) days' notice in writing, mailed to the Rights Agent or successor Rights Agent, as the case may be, and to each

transfer agent of the Common Stock and Preferred Stock, by registered or certified mail, and to the holders of the Rights Certificates by first-class mail. If the Rights Agent shall resign or be removed or shall otherwise become incapable of acting, the Company shall appoint a successor to the Rights Agent. If the Company shall fail to make such appointment within a period of thirty (30) days after giving notice of such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of a Rights Certificate (who shall, with such notice, submit his Rights Certificate for inspection by the Company), then any registered holder of any Rights Certificate may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Company or by such a court, shall be a corporation or trust company (or similar form of entity under the laws of any state of the United States or a foreign jurisdiction) authorized to conduct business under the laws of the United States or any state of the United States, in good standing, having a principal office in any state of the United States, which is authorized under such laws to exercise corporate trust, fiduciary or stockholder services powers and is subject to supervision or examination by federal or state authority and which has at the time of its appointment as Rights Agent a combined capital and surplus of at least $10,000,000. After appointment, the successor Rights Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Company shall file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Common Stock and the Preferred Stock, and mail a notice thereof in writing to the registered holders of the Rights Certificates. Failure to give any notice provided for in this Section 21, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be."

3. **Section 24**. The address stated for the Rights Agent under Section 24 of the Rights Agreement is amended and replaced with the following:

Computershare Investor Services, L.L.C.
2 North LaSalle

Chicago, Illinois 60602
Attention: Charles Zade

4. Except as specifically set forth in this Amendment, all terms and conditions as set forth in the Rights Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and attested as of the dates set forth below.

Attest:

By /s/ James D. Zwiers

James D. Zwiers
Associate General Counsel and
Assistant Secretary

WOLVERINE WORLD WIDE, INC.

By /s/ Blake W. Krueger

Blake W. Krueger
Executive Vice President,
General Counsel and Secretary

Attest:

By /s/ Blanche O. Hurt

Blanche O. Hurt
Vice President and Senior Counsel

HARRIS TRUST AND SAVINGS BANK

By /s/ Martin J. McHale

Martin J. McHale
Vice President

Attest:

By /s/ Tod C. Shafer

COMPUTERSHARE INVESTOR SERVICES, L.L.C.

By /s/ Keith A. Bradley

Tod C. Shafer
Manager, Client Services

Keith A. Bradley
Manager, Client Services

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Exhibit 4.5

WOLVERINE WORLD WIDE, INC.

COMPOSITE CONFORMED COPY OF THE NOTE AGREEMENT

Re: $30,000,000 7.81% Senior Notes
Due August 15, 2004

PPN 978097 A#0

Closing Date: August 15, 1994

Separate and several Note Agreements each dated as of August 1, 1994, in the form attached hereto, were entered into by Wolverine World Wide, Inc., a

Delaware corporation, and each of the institutions named below, respectively.
Each of said Note Agreements was executed on behalf of Wolverine World Wide,
Inc. by Thomas P. Mundt, Vice President of Strategic Planning and Treasurer.
The separate Note Agreements were addressed to each of the institutions as
shown on Schedule I attached thereto and were accepted by the officers of the
respective institutions as shown below.

TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA

By: /s/ Roderic L. Eaton
Managing Director - Private Placements

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY
By: MIMLIC Asset Management Company

By: /s/ Greg deLambert
Vice President

FARM BUREAU LIFE INSURANCE COMPANY OF MICHIGAN
By: MIMLIC Asset Management Company

By: /s/ Greg deLambert
Vice President

FB ANNUITY COMPANY
By: MIMLIC Asset Management Company

By: /s/ Loren A. Haugland
Vice President

FEDERATED LIFE
INSURANCE COMPANY
By: MIMLIC Asset Management Company

By: /s/ Loren A. Haugland
Vice President

FEDERATED MUTUAL INSURANCE COMPANY

By: MIMLIC Asset Management Company

By: /s/ Loren A. Haugland
Vice President

Wolverine World Wide, Inc.

Note Agreement

Dated as of August 1, 1994

Re: $30,000,000 7.81% Senior Notes
Due August 15, 2004

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Table of Contents

(Not a part of the Agreement)

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Attachments to Note Agreement:

Schedule I - Names and Addresses of Purchasers and Amounts of Commitments

Schedule II - Funded Debt; Liens Securing Funded Debt (including Capitalized Leases); and Subsidiaries as of August 1, 1994

Exhibit A - Form of 7.81% Senior Note due August 15, 2004

Exhibit B - Representations and Warranties of the Company

Exhibit C - Description of Special Counsel's Closing Opinion

Exhibit D - Description of Closing Opinion of Counsel to the Company

Wolverine World Wide, Inc.
9341 Courtland Drive
Rockford, Michigan 49351

Note Agreement
Re:$30,000,000 7.81% Senior Notes
Due August 15, 2004

Dated as of

August 1, 1994
To the Purchaser named in Schedule I
hereto which is a signatory of this
Agreement

Ladies and Gentlemen:

The undersigned, Wolverine World Wide, Inc., a Delaware corporation (the "Company"), agrees with you as follows:

Section 1. Description of Notes and Commitment.

Section 1.1. Description of Notes. The Company will authorize the issue and sale of $30,000,000 aggregate principal amount of its 7.81% Senior Notes (the "Notes") to be dated the date of issue, to bear interest from such date at the rate of 7.81% per annum, payable semi-annually on the fifteenth day of February and August in each year (commencing February 15, 1995) and at maturity and to bear interest on overdue principal (including any overdue required or optional prepayment of principal) and Make-Whole Amount and (to the extent legally enforceable) on any overdue installment of interest at the Overdue Rate after the date due, whether by acceleration or otherwise, until paid, to be expressed to mature on August 15, 2004, and to be substantially in the form attached hereto as Exhibit A. Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months. The Notes are not subject to prepayment or redemption at the

option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the Make-Whole Amount set forth in Section 2 of this Agreement. The term "Notes" as used herein shall include each Note delivered pursuant to this Agreement and the separate agreements with the other purchasers named in Schedule I. You and the other purchasers named in Schedule I are hereinafter sometimes referred to as the "Purchasers". The terms which are capitalized herein shall have the meanings set forth in Section 8.1 unless the context shall otherwise require.

Section 1.2. Commitment, Closing Date. Subject to the terms and conditions hereof and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue and sell to you, and you agree to purchase from the Company, Notes in the principal amount set forth opposite your name on Schedule I hereto at a price of 100% of the principal amount thereof on the Closing Date hereafter mentioned.

Delivery of the Notes will be made at the offices of Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603, against payment therefor in Federal Reserve or other funds current and immediately available at the principal office of NBD Bank N.A., Detroit, Michigan, ABA #072-000-326, Account #04-045-53, Attn: Cheryl Lopez (313/225-1686) in the amount of the purchase price at 10:00 A.M., Chicago, Illinois time, on August 15, 1994 (the "Closing Date"). The Notes delivered to you on the

Closing Date will be delivered to you in the form of a single registered Note in the form attached hereto as Exhibit A for the full amount of your purchase (unless different denominations are specified by you), registered in your name or in the name of such nominee, as may be specified in Schedule I attached hereto.

Section 1.3. Other Agreements. Simultaneously with the execution and delivery of this Agreement, the Company is entering into similar agreements with the other Purchasers under which such other Purchasers agree to purchase from the Company the principal amount of Notes set opposite such Purchasers' names in Schedule I, and your obligation and the obligations of the Company hereunder are subject to the execution and delivery of the similar agreements by the other Purchasers. This Agreement and said similar agreements with the other Purchasers are herein collectively referred to as the "Agreements". The obligations of each Purchaser shall be several and not joint and no Purchaser shall be liable or responsible for the acts of any other Purchaser.

Section 2. Prepayment of Notes.

Section 2.1. Required Prepayments. In addition to paying the entire outstanding principal amount and the interest due on the Notes on the maturity date thereof, the Company agrees that on August 15 in each year, commencing August 15, 1998 and ending August 15, 2003, both inclusive, it will prepay and apply and there shall become due and payable on the principal indebtedness evidenced by the Notes an amount equal to the lesser of (a) $4,285,715 or (b) the principal amount of the Notes then

outstanding. The entire remaining principal amount of the Notes shall become due and payable on August 15, 2004. No premium shall be payable in connection with any required prepayment made pursuant to this Section 2.1. In the event that the Company shall prepay less than all of the Notes pursuant to Section 2.2 hereof, the amounts of the prepayments required by this Section 2.1 shall be reduced by an amount which is the same percentage of such required prepayment as the percentage that the principal amount of Notes prepaid pursuant to Section 2.2 is of the aggregate principal amount of outstanding Notes immediately prior to such prepayment.

Section 2.2. Optional Prepayment with Premium. In addition to the payments required by Section 2.1, upon compliance with Section 2.4, the Company shall have the privilege, at any time and from time to time, of prepaying the outstanding Notes, either in whole or in part (but if in part

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then in a minimum principal amount of $1,000,000), by payment of the principal amount of the Notes, or portion thereof to be prepaid, and accrued interest thereon to the date of such prepayment, together with a premium equal to the Make-Whole Amount, determined as of two Business Days prior to the date of such prepayment pursuant to this Section 2.2.

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Section 2.3. Prepayment of Notes upon Change of Control.

(a) In the event that any Change of Control (as hereinafter defined) shall occur or the Company shall have actual knowledge

of any proposed Change of Control, the Company will give written notice (the "Company Notice") of such fact in the manner provided in Section 9.6 hereof to the holders of the Notes. The Company Notice shall be delivered promptly upon receipt of such knowledge by the Company and in any event no later than three Business Days following the occurrence of any Change of Control. The Company Notice shall (1) describe the facts and circumstances of such Change of Control in reasonable detail, (2) make reference to this Section 2.3 and the right of the holders of the Notes to require prepayment of the Notes on the terms and conditions provided for in this Section 2.3, (3) offer in writing to prepay the outstanding Notes, together with accrued interest to the date of prepayment, upon the actual occurrence of a Change of Control; and (4) specify a date for such prepayment (the "Change of Control Prepayment Date"), which Change of Control Prepayment Date shall be not more than 90 days nor less than 30 days following the date of such Company Notice. Each holder of the then outstanding Notes shall have the right to accept such offer and require prepayment of the Notes held by such holder in full by written notice to the Company (a "Noteholder Notice") given not later than 20 days after receipt of the Company Notice. In the event the Change of Control described in any Company Notice does, in fact, occur, the Company shall on the Change of Control Prepayment Date prepay in full all of the Notes held by holders which have so accepted such offer of prepayment. The prepayment

price of the Notes payable upon the occurrence of any Change of Control shall be an amount equal to 100% of the outstanding principal amount of the Notes so to be prepaid together with accrued interest thereon to the date of such prepayment, but without premium; provided, however, that if a Default or an Event of Default shall have occurred and be continuing at the time of such prepayment, the prepayment price shall include an amount equal to the Make-Whole Amount, determined as of two Business Days prior to the date of such prepayment pursuant to this Section 2.3.

As used herein, the term "Change of Control" shall mean and include each and every issue, transfer or other disposition of shares of the stock of the Company (including, without limitation, pursuant to a merger or consolidation otherwise permitted hereunder) which results in a Person or a Group (other than the Current Management Group) beneficially owning or controlling, directly or indirectly, greater than 50% of the Voting Stock of the Company.

As used herein, the term "Current Management Group" shall mean: (i) Geoffrey B. Bloom, Steven M. Duffy, Stephen L. Gulis, Jr., Thomas P. Mundt and Timothy J. O'Donovan, or (ii) any Group which includes and is under the general direction of any of the above-named persons.

As used herein, the term "Group" shall mean any Group of related persons constituting a "group" for the purposes of

Section 13(d) of the Securities Exchange Act of 1934, as amended, or any successor provision.

(b) Without limiting the foregoing, notwithstanding any failure on the part of the Company to give the Company Notice herein required as a result of the occurrence of a Change of Control, each holder of the Notes shall have the right by delivery of written notice to the Company to require the Company to prepay, and the Company will prepay, such holder's Notes in full, together with accrued interest thereon to the date of prepayment, provided that such holder of the Notes shall so notify the Company of its election to require the Company to prepay its Notes in accordance with this Section 2.3(b) within 90 days after such holder has actual knowledge of any such Change of Control. Notice of any required prepayment pursuant to this Section 2.3(b) shall be delivered by any holder of the Notes which was entitled to, but did not receive, such Company Notice to the Company after such holder has actual knowledge of such Change of Control. On the date (the "Change of Control Delayed Prepayment Date") designated in such holder's notice (which shall be not more than 90 days nor less than 30 days following the date of such holder's notice), the Company shall prepay in full all of the Notes held by such holder, together with accrued interest thereon to the date of prepayment, but without premium. If the holder of any Note gives any notice pursuant to this Section 2.3(b), the Company shall give a Company Notice within three

Business Days of receipt of such notice and identify the Change of Control Delayed Prepayment Date to all other holders of the Notes which had not previously received a Company Notice and each of such other holders shall then and thereupon have the right to accept the Company's offer to prepay the Notes held by such holder in full and require prepayment of such Notes by delivery of a Noteholder Notice within 20 days following receipt of such Company Notice; provided only that any date for prepayment of such holder's Notes shall be the Change of Control Delayed Prepayment Date. The Company shall only be required to give one Company Notice to each holder of the Notes with respect to the occurrence of each Change of Control. On the Change of Control Delayed Prepayment Date, the Company shall prepay in full the

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Notes of each holder thereof which has accepted such offer of prepayment at a prepayment price equal to 100% of the outstanding principal amount of the Notes so to be prepaid together with

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accrued interest thereon to the date of such prepayment, but without premium.

Section 2.4. Notice of Optional Prepayments. The Company will give notice of any prepayment of the Notes pursuant to Section 2.2 to each holder thereof not less than 30 days nor more than 60 days before the date

fixed for such optional prepayment specifying (a) such date, (b) the principal amount of the holder's Notes to be prepaid on such date, (c) that a premium may be payable, (d) the date when such premium will be calculated, (e) the estimated premium, and (f) the accrued interest applicable to the prepayment. Such notice of prepayment shall also certify all facts, if any, which are conditions precedent to any such prepayment. Notice of prepayment having been so given, the aggregate principal amount of the Notes specified in such notice, together with accrued interest thereon and the Make-Whole Amount payable with respect thereto shall become due and payable on the prepayment date specified in said notice. Not later than two Business Days prior to the prepayment date specified in such notice, the Company shall provide each holder of a Note written notice of the Make-Whole Amount payable in connection with such prepayment and, whether or not any premium is payable, a reasonably detailed computation of the Make-Whole Amount.

Section 2.5. Application of Prepayments. All partial prepayments shall be applied on all outstanding Notes ratably in accordance with the unpaid principal amounts thereof.

Section 2.6. Direct Payment. Notwithstanding anything to the contrary contained in this Agreement or the Notes, in the case of any Note owned by you or your nominee or owned by any subsequent Institutional Holder which has given written notice to the Company requesting that the provisions of this Section 2.6 shall apply, the Company will punctually pay when due the principal thereof, interest thereon and Make-Whole Amount due

with respect to said principal, without any presentment thereof, directly to you, to your nominee or to such subsequent Institutional Holder at your address or your nominee's address set forth in Schedule I hereto or such other address as you, your nominee or such subsequent Institutional Holder may from time to time designate in writing to the Company or, if a bank account with a United States bank is designated for you or your nominee on Schedule I hereto or in any written notice to the Company from you, from your nominee or from any such subsequent Institutional Holder, the Company will make such payments in immediately available funds to such bank account, no later than 11:00 a.m. New York, New York time on the date due, marked for attention as indicated, or in such other manner or to such other account in any United States bank as you, your nominee or any such subsequent Institutional Holder may from time to time direct in writing. If for any reason whatsoever the Company does not make any such payment by such 11:00 a.m. transmittal time, such payment shall be deemed to have been

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made on the next following Business Day and such payment shall bear interest at the Overdue Rate. The holder of any Note to which this Section applies agrees that if it shall sell or transfer any Note it will, before

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the delivery of the Note (unless it has already done so), make a notation
on it of all principal, if any, prepaid on the Note and will also note on

it the date to which interest has been paid on the Note. With respect to each Note to which this Section applies, the Company shall be entitled to presume conclusively that the original or such subsequent Institutional Holder that shall have requested the provisions of this Section to apply to the Note remains the holder of the Note until (y) the Company shall have received written notice of the transfer of the Note, and of the name and address of the transferee, or (z) the Note shall have been presented to the Company as evidence of the transfer. At such time as the Note shall have been paid in full, the holder of it shall, upon the written request of the Company, return the Note to the Company with proper notation as to payment in full.

Section 3. Representations.

Section 3.1. Representations of the Company. The Company represents and warrants that all representations and warranties set forth in Exhibit B are true and correct as of the date hereof and are incorporated herein by reference with the same force and effect as though herein set forth in full.

Section 3.2. Representations of the Purchaser.

(a) You represent, and in entering into this Agreement the Company understands, that you are acquiring the Notes for the purpose of investment and not with a view to the distribution thereof, and that you have no present intention of selling, negotiating or otherwise disposing of the Notes, it being understood, however, that the disposition of your property shall

at all times be and remain within your control. Without limiting the foregoing, you agree that you will not offer to reoffer or resell the Notes purchased by you under this Agreement to any Person unless such Person is an Institutional Holder and, to your knowledge, such Person is not a Competitor.

(b) You further represent that either: (1) you are acquiring the Notes with your general account assets and in reliance upon the validity of Department of Labor Interpretive Bulletin 75-2, 29 C.F.R. 2509.75-2 (November 13, 1986), that no part of such assets constitutes assets of an "employee benefit plan" within the meaning of Section 3(3) of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code; (2) no part of the funds to be used by you to purchase the Notes constitutes assets allocated to any separate account maintained by you such that the application of such funds constitutes a prohibited transaction under Section 406 of ERISA; or (3) all or a part of

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such funds constitute assets of one or more separate accounts, trusts or a commingled pension trust maintained by you, and you have disclosed to the Company in writing the names of such

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employee benefit plans whose assets in such separate account or
accounts or pension trusts exceed 10% of the total assets or are
expected to exceed 10% of the total assets of such account or

accounts or trusts as of the date of such purchase and the Company has advised you in writing (and in making the representations set forth in this clause (3) you are relying on such advice) that the Company is not a party-in-interest nor are the Notes employer securities with respect to the particular employee benefit plan disclosed to the Company by you as aforesaid (for the purpose of this clause (3), all employee benefit plans maintained by the same employer or employee organization are deemed to be a single plan). As used in this Section 3.2(b), the terms "separate account", "party-in-interest", "employer securities" and "employee benefit plan" shall have the respective meanings assigned to them in ERISA.

Section 4. Closing Conditions.

Section 4.1. Conditions. Your obligation to purchase the Notes on the Closing Date shall be subject to the performance by the Company of its agreements hereunder which by the terms hereof are to be performed at or prior to the time of delivery of the Notes and to the following further conditions precedent:

(a) Closing Certificate. You shall have received a certificate dated the Closing Date, signed by the President or a Vice President of the Company, the truth and accuracy of which shall be a condition to your obligation to purchase the Notes proposed to be sold to you and to the effect that (1) the representations and warranties of the Company set forth in Exhibit B hereto are true and correct on and with respect to the Closing Date, (2) the Company has performed all of its obligations hereunder which are to be performed on or prior to the Closing Date, and (3) no Default or Event of Default has

occurred and is continuing.

(b) Legal Opinions. You shall have received from Chapman and Cutler, who are acting as your special counsel in this transaction, and from Warner, Norcross & Judd, counsel for the Company, their respective opinions dated the Closing Date, in form and substance satisfactory to you, and covering the matters set forth in Exhibits C and D, respectively, hereto.

(c) Company's Existence and Authority. On or prior to the Closing Date, you shall have received, in form and substance reasonably satisfactory to you and your special counsel, such documents and evidence with respect to the Company as you may

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reasonably request in order to establish the existence and good standing of the Company and the authorization of the transactions contemplated by this Agreement.

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(d) Related Transactions. The Company shall have consummated the sale of the entire principal amount of the Notes scheduled to be sold on the Closing Date pursuant to this Agreement and the other agreements referred to in Section 1.3.

(e) Private Placement Number. On or prior to the Closing Date, special counsel to the Purchasers shall have obtained from Standard & Poor's CUSIP Service Bureau, as agent for the National Association of Insurance Commissioners, a private placement

number for the Notes.

(f) Funding Instructions. At least three Business Days prior to the Closing Date, you shall have received written instructions executed by a Responsible Officer of the Company directing the manner of the payment of funds and setting forth (1) the name and address of the transferee bank, (2) such transferee bank's ABA number, (3) the account name and number into which the purchase price for the Notes is to be deposited, and (4) the name and telephone number of the account representative responsible for verifying receipt of such funds.

(g) Special Counsel Fees. Concurrently with the delivery of the Notes to you on the Closing Date, the charges and disbursements of Chapman and Cutler, your special counsel, incurred through the Closing Date shall have been paid by the Company.

(h) Legality of Investment. The Notes to be purchased by you shall be a legal investment for you under the laws of each jurisdiction to which you may be subject (without resort to any so-called "basket provisions" to such laws).

(i) Satisfactory Proceedings. All proceedings taken in connection with the transactions contemplated by this Agreement, and all documents necessary to the consummation thereof, shall be satisfactory in form and substance to you and your special counsel, and you shall have received a copy (executed or certified as may be appropriate) of all legal documents or proceedings taken in connection with the consummation of said transactions.

Section 4.2. Waiver of Conditions. If on the Closing Date the Company fails to tender to you the Notes to be issued to you on such date or if the conditions specified in Section 4.1 have not been fulfilled, you may thereupon elect to be relieved of all further obligations under this Agreement. Without limiting the foregoing, if the conditions specified in Section 4.1 have not been fulfilled, you may waive compliance by the Company with any such condition to such extent as you may in your sole discretion determine. Nothing in this Section 4.2 shall operate to relieve

the Company of any of its obligations hereunder or to waive any of your rights against the Company.

Section 5. Company Covenants.

From and after the Closing Date and continuing so long as any amount remains unpaid on any Note:

Section 5.1. Corporate Existence, Etc.. The Company will preserve and keep in full force and effect, and will cause each Subsidiary to preserve and keep in full force and effect, its corporate existence and all licenses and permits necessary to the proper conduct of its business where the failure to do so could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, provided that the foregoing shall not prevent any transaction permitted by Section 5.10.

Section 5.2. Insurance. The Company will maintain, and will cause each Subsidiary to maintain, insurance coverage by financially sound and reputable insurers and in such forms and amounts and against such risks as are customary for corporations of established reputation engaged in the same or a similar business and owning and operating similar properties.

Section 5.3. Taxes, Claims for Labor and Materials; Compliance with Laws.

(a) The Company will promptly pay and discharge, and will cause each Subsidiary promptly to pay and discharge, all lawful taxes, assessments and governmental charges or levies imposed upon the Company or such Subsidiary, respectively, or upon or in respect of all or any part of the property or business of the Company or such Subsidiary, all trade accounts payable in accordance with usual and customary business terms, and all claims for work, labor or materials, which if unpaid could reasonably be expected to become a Lien upon any property of the Company or such Subsidiary; provided the Company or such Subsidiary shall not be required to pay any such tax, assessment, charge, levy, account payable or claim if (1) the validity, applicability or amount thereof is being contested in good faith by appropriate actions or proceedings which will prevent the forfeiture or sale of any property of the Company or such Subsidiary or any material interference with the use thereof by the Company or such Subsidiary, and (2) the Company or such Subsidiary shall set aside on its books, reserves deemed by it to be adequate with respect thereto.

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(b) The Company will promptly comply and will cause each Subsidiary to promptly comply with all laws, ordinances or governmental rules and regulations to which it is subject,

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including, without limitation, the Occupational Safety and Health Act of 1970, as amended, ERISA and all Environmental Laws, the violation of any of which could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, or could reasonably be expected to result in any Lien not permitted under Section 5.9.

Section 5.4. Maintenance, Etc. The Company will maintain, preserve and keep, and will cause each Subsidiary to maintain, preserve and keep, its properties which are used or useful in the conduct of its business (whether owned in fee or a leasehold interest) in good repair and working order and from time to time will make all necessary repairs, replacements, renewals and additions so that at all times the efficiency of those properties, taken as a whole, shall be maintained.

Section 5.5. Nature of Business. Neither the Company nor any Subsidiary will engage in any business if, as a result, the general nature of the business, taken on a consolidated basis, which would then be engaged in by the Company and its Subsidiaries would be substantially changed from the general nature of the business engaged in by the Company and its

Subsidiaries on the date of this Agreement.

Section 5.6. Consolidated Adjusted Net Worth. The Company will at all times keep and maintain Consolidated Adjusted Net Worth at an amount not less than the sum of (i) $86,000,000 plus (ii) the aggregate of 40% of positive Consolidated Net Earnings computed on a cumulative basis for each fiscal year of the Company commencing with the fiscal year ending December 31, 1994; provided that for purposes of the foregoing calculation, Consolidated Net Earnings shall be deemed to be zero for any period for which Consolidated Net Earnings are less than or equal to zero.

Section 5.7. Fixed Charges Coverage Ratio. The Company will keep and maintain the ratio of Net Earnings Available for Fixed Charges to Fixed Charges for each period of 12 consecutive calendar months immediately preceding the date of any computation hereunder at not less than 1.50 to 1.00.

Section 5.8. Limitations on Funded Debt.

(a) The Company will not, and will not permit any Subsidiary to, create, assume or incur or in any manner be or become liable in respect of any Funded Debt, except:

(1) Funded Debt evidenced by the Notes;

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(2) Funded Debt of the Company and its Subsidiaries outstanding as of the Closing Date and reflected on Schedule

II hereto, or any extension, renewal or refunding of any

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such Funded Debt without increase in the principal amount thereof at the time of such extension, renewal or refunding; and

(3) Additional Funded Debt of the Company and its Subsidiaries incurred after the Closing Date; provided that at the time of creation, issuance, assumption, guarantee or incurrence thereof and after giving effect thereto and to the application of the proceeds thereof:

(i) Consolidated Funded Debt shall not exceed an amount equal to 55% of Total Capitalization; and

(ii) Priority Debt shall not exceed an amount equal to 20% of Consolidated Adjusted Net Worth.

(b) Any corporation which becomes a Subsidiary after the date hereof shall for all purposes of this Section 5.8 be deemed to have created, assumed or incurred at the time it becomes a Subsidiary all Funded Debt of such corporation existing immediately after it becomes a Subsidiary.

Section 5.9. Limitation on Liens.

(a) The Company will not, and will not permit any Subsidiary to, create or incur, or suffer to be incurred or to exist, any Lien on its or their property or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, or

transfer any property for the purpose of subjecting the same to the payment of obligations in priority to the payment of its or their general creditors, or acquire or agree to acquire, or permit any Subsidiary to acquire, any property or assets upon Conditional sales agreements or other title retention devices, except:

(1) Liens for taxes and assessments or governmental charges or levies and Liens securing claims or demands of mechanics and materialmen, provided that payment thereof is not at the time required by Section 5.3;

(2) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which the Company or a Subsidiary shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which a stay of execution pending such appeal or proceeding for review shall have been secured; provided

that, in the case of any Lien resulting from a judgment or award in excess of $1,000,000, the Company or the affected Subsidiary shall have obtained and shall maintain during the

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pendency of such appeal or proceeding for review an appeal

bond or Qualified Letter of Credit securing the Company's or such Subsidiary's full performance in connection with such judgment or award;

(3) Liens incidental to the conduct of business or the ownership of properties and assets (including Liens in connection with worker's compensation, unemployment insurance and other like laws, warehousemen's and attorneys' liens and statutory landlords' liens) and Liens to secure the performance of bids, tenders or trade contracts, or to secure statutory obligations, surety or appeal bonds or other Liens of like general nature, in any such case incurred in the ordinary course of business and not in connection with the borrowing of money; provided such Liens do not in the aggregate materially impair the use or value of properties and assets which, individually or in the aggregate are material to the operation of the business of the Company, or the business and operations of the Company and its Subsidiaries taken as a whole; provided further, in each case, the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate actions or proceedings;

(4) minor survey exceptions or minor encumbrances, easements or reservations, or rights of others for rights-of-way, utilities and other similar purposes, or zoning or other restrictions as to the use of real properties, which are necessary for the conduct of the activities of the

Company and its Subsidiaries or which customarily exist on properties of corporations engaged in similar activities and similarly situated and which do not in any event materially impair their use in the operation of the business of the Company and its Subsidiaries;

(5) Liens securing Debt of a Subsidiary to the Company or to another Wholly-owned Subsidiary;

(6) Liens relating to Funded Debt and existing as of the Closing Date and described on Schedule II hereto and any extensions, renewals or replacements, in whole or in part of any such Lien, provided that, with respect to any such extension, renewal or replacement, (i) the principal amount of Debt so secured at the time of such extension, renewal or replacement shall not be increased in aggregate principal amount and such Debt would be otherwise permitted pursuant to the terms of the Agreement including without limitation

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Section 5.8, (ii) such extension, renewal or replacement shall be limited to all or any part of the same property that secured the Lien extended, renewed or replaced;

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(7) Liens (including Capitalized Leases) created or

incurred after the Closing Date given to secure the payment of the purchase price, cost of improvement or cost of construction of property or assets useful and intended to be used in carrying on the business of the Company or a Subsidiary, including Liens existing on such property or assets at the time of acquisition thereof or at the time of acquisition or purchase by the Company or a Subsidiary of any business entity then owning such property or assets, whether or not such existing Liens were given to secure the payment of the purchase price of the property or assets to which they attach, provided that (1) the Lien shall attach solely to the property or assets acquired, purchased, improved or constructed, (2) such Lien shall have been created or incurred within 120 days of the date of acquisition or purchase or of completion of such improvement or construction, as the case may be, (3) at the time of acquisition or purchase or the date of completion of such improvement or construction, as the case may be, the aggregate amount remaining unpaid on all Indebtedness secured by Liens on such property or assets, whether or not assumed by the Company or a Subsidiary, shall not exceed the lesser of (i) the total purchase price, cost of improvement or cost of construction, as the case may be, or (ii) the fair market value at the time of acquisition or purchase or the date of completion of the improvement or construction of such property or assets (as determined in good faith by the Board of Directors of the Company) and (4) all Funded Debt

secured by any such Lien shall have been incurred within the limitations provided in Section 5.8(a)(3); and

(8) Liens on inventory and receivables of Hush Puppies Canada securing obligations of Hush Puppies Canada not to exceed Can. $1,500,000 owing under the Hush Puppies Canada Credit Facilities.

(9) Liens created or incurred after the Closing Date given to secure Funded Debt of the Company or any Subsidiary in addition to the Liens permitted by the preceding clauses (1) through (8) hereof, provided that all Funded Debt secured by such Liens shall have been incurred within the applicable limitations provided in Section 5.8(a)(3).

(b) In case any property, asset or income or profits therefrom is subjected to a Lien in violation of this Section 5.9, the Company will make or cause to be made provisions whereby the Notes will be secured equally and ratably with all other

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obligations secured thereby, and in any case the Notes shall have the benefit, to the full extent that and with such priority as, the holders may be entitled thereto under applicable law, of an

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equitable and ratable Lien on such property, asset, income or profits securing the Notes. Such violation of Section 5.9 shall

constitute an Event of Default hereunder whether or not any such provision is made pursuant to this Section 5.9(b), unless such Event of Default is waived by the holders of 66-2/3% of the Notes.

Section 5.10. Mergers, Consolidations and Sales of Assets.

(a) The Company will not, and will not permit any Subsidiary to, consolidate with or be a party to a merger with any other corporation, or sell, lease or otherwise dispose of all or substantially all of its assets (except as provided in Section 5.10(b)); provided that:

(1) any Subsidiary may merge or consolidate with or into the Company or any Wholly-owned Subsidiary so long as in any merger or consolidation involving the Company, the Company shall be the surviving or continuing corporation;

(2) the Company may consolidate or merge with or into any other corporation if (i) the corporation which results from such consolidation or merger (the "surviving corporation") is organized under the laws of any state of the United States or the District of Columbia, (ii) the due and punctual payment of the principal, Make-Whole Amount and interest on all of the Notes, according to their tenor, and the due and punctual performance and observation of all of the covenants in the Notes and this Agreement to be performed or observed by the Company are expressly assumed in writing by the surviving corporation and the surviving

corporation shall furnish to the holders of the Notes an opinion of counsel satisfactory to such holders to the effect that the instrument of assumption has been duly authorized, executed and delivered and constitutes the legal, valid and binding contract and agreement of the surviving corporation enforceable in accordance with its terms, except as enforcement of such terms may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and by general equitable principles, and (iii) at the time of such consolidation or merger and immediately after giving effect thereto, (A) no Default or Event of Default would exist and (B) the surviving corporation would be permitted by the provisions of Section 5.8(a)(3) to incur at least $1.00 of additional Funded Debt;

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(3) the Company may sell or otherwise dispose of all or substantially all of its assets (other than stock and Debt of a Subsidiary, which may only be sold or otherwise

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disposed of pursuant to Section 5.10(c)) to any Person for consideration which represents the fair market value of such assets (as determined in good faith by the Board of Directors of the Company, a copy of which determination, certified by the Secretary or an Assistant Secretary of the

Company, shall have been furnished to the holders of the Notes) at the time of such sale or other disposition if (i) the acquiring Person is a corporation organized under the laws of any state of the United States or the District of Columbia, (ii) the due and punctual payment of the principal, Make-Whole Amount and interest on all the Notes, according to their tenor, and the due and punctual performance and observance of all of the covenants in the Notes and in this Agreement to be performed or observed by the Company are expressly assumed in writing by the acquiring corporation and the acquiring corporation shall furnish the holders of the Notes an opinion of counsel satisfactory to such holders to the effect that the instrument of assumption has been duly authorized, executed and delivered and constitutes the legal, valid and binding contract and agreement of such acquiring corporation enforceable in accordance with its terms, except as enforcement of such terms may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and by general equitable principles, and (iii) at the time of such sale or disposition and immediately after giving effect thereto, (A) no Default or Event of Default would exist and (B) the acquiring corporation would be permitted by the provisions of Section 5.8(a)(3) to incur at least $1.00 of additional Funded Debt.

(b) The Company will not, and will not permit any Subsidiary to, sell, lease, transfer, abandon or otherwise

dispose of assets (except assets sold in the ordinary course of business for fair market value and except as provided in Section 5.10(a)(3)); provided that the foregoing restrictions do not apply to:

(1) the sale, lease, transfer or other disposition of assets of a Subsidiary to the Company or a Wholly-owned Subsidiary; or

(2) the sale of such assets for cash or other property to a Person or Persons other than an Affiliate if all of the following conditions are met:

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(i) such assets (valued at net book value) do not, together with all other assets of the Company and its Subsidiaries previously disposed of pursuant to

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this Section 5.10(b)(2) and Section 5.10(c)(3) during the same fiscal year (other than in the ordinary course of business), exceed 10% of Consolidated Total Assets, determined as of the end of the immediately preceding fiscal year;

(ii) in the opinion of (A) the chief financial officer of the Company in the case of any sale of any

asset having a fair market value of $5,000,000 or less, or (B) the Company's Board of Directors in the case of any sale of any asset having a fair market value of greater than $5,000,000, the sale is for fair market value and is in the best interests of the Company; and

(iii) immediately after the consummation of the transaction and after giving effect thereto, (A) no Default or Event of Default would exist, and (B) the Company would be permitted by the provisions of Section 5.8(a)(3) to incur at least $1.00 of additional Funded Debt;

provided, however, that for purposes of the foregoing calculation, there shall not be included any assets the proceeds of which were or are applied within 12 months of the date of sale of such assets to either (A) the acquisition of, or Binding Commitment to acquire, fixed assets useful and intended to be used in the operation of the Company and its Subsidiaries and having a fair market value (as determined in good faith by the Board of Directors of the Company) at least equal to that of the assets so disposed of or (B) the prepayment at any applicable prepayment premium, on a pro rata basis, of Senior Debt of the Company. It is understood and agreed by the Company that any such

proceeds paid and applied to the prepayment of the Notes as hereinabove provided shall be prepaid as and to the extent provided in Section 2.2.

Computations pursuant to Section 5.10(b)(2)(i) shall include dispositions made pursuant to Section 5.10(c)(3)(i) and computations pursuant to Section 5.10(c)(3)(i) shall include dispositions made pursuant to Section 5.10(b)(2)(i).

(c) The Company will not, and will not permit any Subsidiary to, sell, pledge or otherwise dispose of any shares of the stock (including as "stock" for the purposes of this Section any options or warrants to purchase stock or other Securities

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exchangeable for or convertible into stock) of a Subsidiary (said stock, options, warrants and other Securities herein called "Subsidiary Stock") or any Debt of any Subsidiary, nor will any

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Subsidiary issue, sell, pledge or otherwise dispose of any shares of its own Subsidiary Stock, provided that the foregoing restrictions do not apply to:

(1) the issue of directors' qualifying shares; or

(2) the issue of Subsidiary Stock to the Company or to any Wholly-owned Subsidiary; or

(3) the sale or other disposition at any one time to a

Person (other than directly or indirectly to an Affiliate) of the entire Investment of the Company and its other Subsidiaries in any Subsidiary if all of the following conditions are met:

(i) the assets (valued at net book value) of such Subsidiary do not, together with all other assets of the Company and its Subsidiaries previously disposed of pursuant to Section 5.10(b)(2) and this Section 5.10(c)(3) during the same fiscal year (other than in the ordinary course of business), and other than dispositions of assets permitted by Section 5.10(b)(1), exceed 10% of Consolidated Total Assets, determined as of the end of the immediately preceding fiscal year;

(ii) in the opinion of (A) the chief financial officer of the Company in the case of any sale of any asset having a fair market value of $5,000,000 or less, or (B) the Company's Board of Directors in the case of any sale of any asset having a fair market value of greater than $5,000,000, the sale is for fair market value and is in the best interests of the Company;

(iii) immediately after the consummation of the transaction and after giving effect thereto, such Subsidiary shall have no Debt of or continuing Investment in the capital stock of the Company or of any Subsidiary and any such Debt or Investment shall

have been discharged or acquired, as the case may be, by the Company or a Subsidiary; and

(iv) immediately after the consummation of the transaction and after giving effect thereto, (A) no Default or Event of Default would exist, and (B) the Company would be permitted by the provisions of Section 5.8(a)(3) to incur at least $1.00 of additional Funded Debt;

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provided, however, that for purposes of the foregoing calculation, there shall not be included any

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assets the proceeds of which were or are applied within 12 months of the date of sale of such assets to either (A) the acquisition of, or Binding Commitment to acquire, fixed assets useful and intended to be used in the operation of the Company and its Subsidiaries and having a fair market value (as determined in good faith by the Board of Directors of the Company) at least equal to that of the assets so disposed of or (B) the prepayment at any applicable prepayment premium, on a pro rata basis, of Senior Debt of the Company. It is understood and agreed by the Company that any such

proceeds paid and applied to the prepayment of the Notes as hereinabove provided shall be prepaid as and to the extent provided in Section 2.2.

Computations pursuant to Section 5.10(c)(3)(i) shall include dispositions made pursuant to Section 5.10(b)(2)(i) and computations pursuant to Section 5.10(b)(2)(i) shall include dispositions made pursuant to Section 5.10(c)(3)(i).

Section 5.11. Guaranties. The Company will not, and will not permit any Subsidiary to, become or be liable in respect of any Guaranty except (i) Guaranties by the Company or a Subsidiary which are limited in amount to a stated maximum dollar exposure, (ii) Guaranties by the Company of Funded Debt of Subsidiaries incurred in compliance with Section 5.8, (iii) Guaranties by the Company of short-term obligations (such as trade payables and short-term bank borrowings) and lease rental obligations incurred in the ordinary course of business of any Subsidiary and (iv) reimbursement obligations of the Company or a Subsidiary relating to letters of credit issued by a bank or other financial institution for the account of the Company or any Subsidiary which letters of credit are issued in the ordinary course of business of the Company or any such Subsidiary.

Section 5.12. Notes to Rank Pari Passu. The Company will keep and maintain the Notes and all other obligations outstanding at any time under this Agreement as direct obligations of the Company ranking pari passu as against the assets of the Company with all other present and future unsecured Senior Debt of the Company.

Section 5.13. Repurchase of Notes. Neither the Company nor any Subsidiary or Affiliate over which the Company exercises control, directly or indirectly, may repurchase, or make any offer to repurchase, any Notes or prepay, or offer to prepay, any Notes other than pursuant to the terms of this Agreement as in effect on the Closing Date.

Section 5.14. Transactions with Affiliates. The Company will not, and will not permit any Subsidiary to, enter into or be a party to any

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transaction or arrangement with any Affiliate (including, without limitation, the purchase from, sale to or exchange of property with, or the rendering of any service by or for, any Affiliate), except in the ordinary

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course of and pursuant to the reasonable requirements of the Company's or such Subsidiary's business and upon fair and reasonable terms no less favorable to the Company or such Subsidiary than would obtain in a comparable arm's-length transaction with a Person other than an Affiliate.

Section 5.15. Termination of Pension Plans. The Company will not and will not permit any Subsidiary to withdraw from any Multiemployer Plan or permit any employee benefit plan maintained by it to be terminated if such withdrawal or termination could result in withdrawal liability (as

described in Part 1 of Subtitle E of Title IV of ERISA) in excess of $500,000 or the imposition of a Lien on any property of the Company or any Subsidiary pursuant to Section 4068 of ERISA.

Section 5.16. Reports and Rights of Inspection. The Company will keep, and will cause each Subsidiary to keep, proper books of record and account in which full and correct entries will be made of all dealings or transactions of, or in relation to, the business and affairs of the Company or such Subsidiary, in accordance with GAAP consistently applied (except for changes disclosed in the financial statements furnished to you pursuant to this Section 5.16 and concurred in by the independent public accountants referred to in Section 5.16(b)), and will furnish to you so long as you are the holder of any Note and to each other Institutional Holder of the then outstanding Notes (in duplicate if so specified below or otherwise requested):

(a) Quarterly Statements. As soon as available and in any event within 45 days after the end of each quarterly fiscal period (except the last) of each fiscal year, copies of:

(1) a consolidated balance sheet of the Company and its Subsidiaries as of the close of such quarterly fiscal period, setting forth in comparative form the consolidated figures for the fiscal year then most recently ended,

(2) a consolidated statement of income of the Company and its Subsidiaries for such quarterly fiscal period and for the portion of the fiscal year ending with such

quarterly fiscal period, setting forth in comparative form the consolidated figures for the corresponding periods of the preceding fiscal year, and

(3) a consolidated statement of cash flows of the Company and its Subsidiaries for the portion of the fiscal year ending with such quarterly fiscal period, setting forth in comparative form the consolidated figures for the corresponding period of the preceding fiscal year, all in reasonable detail and certified as complete and correct by an authorized financial officer of the Company, subject to changes resulting from year-end adjustments;

(b) Annual Statements. As soon as available and in any event within 90 days after the close of each fiscal year of the Company, copies of:

(1) a consolidated balance sheet of the Company and its Subsidiaries as of the close of such fiscal year, and

(2) consolidated statements of income, retained earnings and cash flows of the Company and its Subsidiaries for such fiscal year, in each case setting forth in comparative form the consolidated figures for the preceding fiscal year, all in reasonable detail and accompanied by a report thereon of a firm of independent public accountants of recognized national standing selected by the Company to the effect that the consolidated financial statements

present fairly, in all material respects, the consolidated financial position of the Company and its Subsidiaries as of the end of the fiscal year being reported on and the consolidated results of the operations and cash flows for said year in conformity with GAAP (except for changes disclosed in such financial statements and concurred in by such independent public accountants) and that the examination of such accountants in connection with such financial statements has been conducted in accordance with generally accepted auditing standards and included such tests of the accounting records and such other auditing procedures as said accountants deemed necessary in the circumstances;

(c) Audit Reports. Promptly upon receipt thereof, one copy of each interim or special audit made by independent accountants of the financial accounts of the Company or any Subsidiary;

(d) SEC and Other Reports. Promptly upon their becoming available, one copy of each financial statement, report, notice or proxy statement sent by the Company to its creditors and stockholders generally and of each regular or periodic report, and any registration statement or prospectus filed by the Company or any Subsidiary with any securities exchange or the Securities and Exchange Commission or any successor agency, and copies of any orders in any proceedings to which the Company or any of its Subsidiaries is a party, issued by any governmental agency, Federal or state, having jurisdiction over the Company or any of its Subsidiaries;

(e) ERISA Reports. Promptly upon the occurrence thereof, written notice of (1) a Reportable Event with respect to any

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Plan; (2) the institution of any steps by the Company, any ERISA Affiliate, the PBGC or any other Person to terminate any Plan if such termination is reasonably likely to result in liability of

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the Company or any Subsidiary to PBGC or any Plan in excess of $100,000; (3) the institution of any steps by the Company or any ERISA Affiliate to withdraw from any Plan which could result in withdrawal liability (under Part 1 of Subtitle E of Title IV of ERISA) in excess of $100,000; (4) a non-exempt "prohibited transaction" within the meaning of Section 406 of ERISA in connection with any Plan which could result in a liability aggregating in excess of $100,000; (5) any material increase in the contingent liability of the Company or any Subsidiary with respect to any post-retirement welfare liability; or (6) the taking of any action by, or the threatening of the taking of any action by, the Internal Revenue Service, the Department of Labor or the PBGC with respect to any of the foregoing;

(f) Officer's Certificates. Within the periods provided in paragraphs (a) and (b) above, a certificate of the chief financial officer or treasurer of the Company stating that such

officer has reviewed the provisions of this Agreement and setting forth: (1) the information and computations (in sufficient detail) required in order to establish whether the Company was in compliance with the requirements of Section 5.6 through 5.10 at the end of the period covered by the financial statements then being furnished, and (2) whether there existed as of the date of such financial statements and whether, to the best of such officer's knowledge, there exists on the date of the certificate or existed at any time during the period covered by such financial statements any Default or Event of Default and, if any such condition or event exists on the date of the certificate, specifying the nature and period of existence thereof and the action the Company is taking and proposes to take with respect thereto;

(g) Accountant's Certificates. Within the period provided in paragraph (b) above, a certificate of the accountants who render an opinion with respect to such financial statements, stating that they have reviewed this Agreement and stating further whether, in making their audit, such accountants have become aware of any Default or Event of Default under any of the terms or provisions of this Agreement insofar as any such terms or provisions pertain to or involve accounting matters or determinations, and if any such condition or event then exists, specifying the nature and period of existence thereof;

(h) Rule 144A. Except at such times as the Company is a reporting company under Section 13 or 15(d) of the Securities and

Exchange Act of 1934, as amended, or has complied with the requirements for the exemption from registration under the

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Securities and Exchange Act of 1934, as amended, set forth in Rule 12g3-2(b) under such Act, such financial or other information as may be required under Rule 144A promulgated under

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the Act in order to establish an exemption from the registration of the Notes in connection with the transfer or resale by it of the Notes, in any such case promptly after the same is requested; and

(i) Requested Information. With reasonable promptness, such other data and information as you or any such Institutional Holder may reasonably request if the request is limited to matters reasonably deemed by you or such Institutional Holder to be relevant to your or such Institutional Holder's investment in the Notes.

Without limiting the foregoing, the Company will permit you, so long as you are the holder of any Note, and each Institutional Holder of the then outstanding Notes (or such Persons as either you or such Institutional Holder may designate), to visit and inspect, after giving the Company reasonable notice of and the opportunity to accompany you on such visitation or inspection, any of the properties of the Company or any Subsidiary, to examine all of their books of account, records, reports and

other papers, to make copies and extracts therefrom and to discuss their respective affairs, finances and accounts with their respective officers, employees, and independent public accountants (and by this provision the Company authorizes said accountants to discuss with you the finances and affairs of the Company and its Subsidiaries), all at such reasonable times and as often as may be reasonably requested, if the request is limited to matters reasonably deemed by you or such Institutional Holder to be relevant to your or such Institutional Holder's investment in the Notes. Any visitation shall be at the sole expense of you or such Institutional Holder, unless a Default or Event of Default shall have occurred and be continuing or the holder of any Note or of any other evidence of Debt of the Company or any Subsidiary gives any written notice or takes any other action with respect to a claimed default, in which case, any such visitation or inspection shall be at the sole expense of the Company.

Section 6. Events of Default and Remedies Therefor.

Section 6.1. Events of Default. Any one or more of the following shall constitute an "Event of Default" as such term is used herein:

(a) Default shall occur in the payment of interest on any Note when the same shall have become due and such default shall continue for more than 5 days; or

(b) Default shall occur in the making of any required prepayment on any of the Notes as provided in Section 2.1; or

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(c) Default shall occur in the making of any other payment of the principal of any Note or Make-Whole Amount thereon at the expressed or any accelerated maturity date or at any date fixed for prepayment; or

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(d) Default shall occur in the observance or performance of any covenant or agreement contained in Section 5.6 through Section 5.8 and Section 5.10; or

(e) Default shall occur in the observance or performance of any other provision of this Agreement which is not remedied within 30 days after the earlier of (1) the day on which a Responsible Officer of the Company first obtains knowledge of such default, or (2) the day on which written notice thereof is given to the Company by the holder of any Note; or

(f) Default or defaults shall be made in the payment when due (whether by lapse of time, by declaration, by call for redemption or otherwise) of the principal of or interest on any Debt for borrowed money (other than the Notes) of the Company or any Subsidiary aggregating at least $5,000,000 in principal amount outstanding, and such default shall continue beyond the period of grace, if any, allowed with respect thereto and shall not have been cured or waived; or

(g) Default or defaults or the happening of any events (other than defaults of the type described in clause (f) of this

Section 6.1) shall occur under any indentures, agreements or other instruments under which any Debt for borrowed money (other than the Notes) of the Company or any Subsidiary aggregating at least $5,000,000 in principal amount outstanding, and such default or defaults or events shall result in the acceleration of the maturity of the Debt for borrowed money of the Company or any Subsidiary outstanding thereunder; or

(h) Any representation or warranty made by the Company herein, or made by the Company in any statement or certificate furnished by the Company in connection with the consummation of the issuance and delivery of the Notes or furnished by the Company pursuant hereto, is untrue in any material respect as of the date of the issuance or making thereof; or

(i) Final judgment or judgments for the payment of money aggregating in excess of $1,000,000 is or are outstanding against the Company or any Subsidiary or against any property or assets of either and such judgments remain unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of 45 days from the date of entry; or

(j) A custodian, liquidator, trustee or receiver is appointed for the Company or any Material Subsidiary or for the major part of the property of either and is not discharged within 60 days after such appointment; or

(k) The Company or any Material Subsidiary becomes

insolvent or bankrupt, is generally not paying its debts as they become due or makes an assignment for the benefit of creditors, or the Company or any Material Subsidiary applies for or consents to the appointment of a custodian, liquidator, trustee or receiver for the Company or such Material Subsidiary or for the major part of the property of either; or

(l) Bankruptcy, reorganization, arrangement or insolvency proceedings, or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors, are instituted by or against the Company or any Material Subsidiary and, if instituted against the Company or any Material Subsidiary, are consented to or are not dismissed within 60 days after such institution.

Section 6.2. Notice to Holders. When any Event of Default described in the foregoing Section 6.1 has occurred, or if the holder of any Note or of any other evidence of Debt for borrowed money of the Company gives any notice or takes any other action with respect to a claimed default, the Company agrees to give notice within three Business Days of such event to all holders of the Notes then outstanding.

Section 6.3. Acceleration of Maturities. When any Event of Default described in paragraph (a), (b) or (c) of Section 6.1 has happened and is continuing, any holder of any Note may, by notice in writing sent to the Company in the manner provided in Section 9.6, declare the entire principal and all interest accrued on such Note to be, and such Note shall thereupon

become forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. When any Event of Default described in paragraphs (a) through (i), inclusive, of said Section 6.1 has happened and is continuing, the holder or holders of 51% or more of the principal amount of the Notes at the time outstanding may, by notice in writing to the Company in the manner provided in Section 9.6, declare the entire principal and all interest accrued on all Notes to be, and all Notes shall thereupon become, forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. When any Event of Default described in paragraph (j), (k) or (l) of Section 6.1 has occurred, then all outstanding Notes shall immediately become due and payable without presentment, demand or notice of any kind. Upon the Notes becoming due and payable as a result of any Event of Default as aforesaid, the Company will forthwith pay to the holders of the Notes the entire principal and interest accrued on the Notes and, to the extent not prohibited by applicable law, an amount as liquidated damages for the loss of the bargain evidenced hereby (and not as a penalty) equal to the Make-Whole Amount, determined as of the date on which the Notes shall so become due and payable. No course

of dealing on the part of the holder or holders of any Notes nor any delay or failure on the part of any holder of Notes to exercise any right shall

operate as a waiver of such right or otherwise prejudice such holder's

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rights, powers and remedies. The Company further agrees, to the extent permitted by law, to pay to the holder or holders of the Notes all costs and expenses incurred by them in the collection of any Notes upon any default hereunder or thereon, including reasonable compensation to such holder's or holders' attorneys for all services rendered in connection therewith.

Section 6.4. Rescission of Acceleration. The provisions of Section 6.3 are subject to the condition that if the principal of and accrued interest on all or any outstanding Notes have been declared immediately due and payable by reason of the occurrence of any Event of Default described in paragraphs (a) through (i), inclusive, of Section 6.1, the holders of 66-2/3% in aggregate principal amount of the Notes then outstanding may, by written instrument filed with the Company, rescind and annul such declaration and the consequences thereof, provided that at the time such declaration is annulled and rescinded:

(a) no judgment or decree has been entered for the payment of any monies due pursuant to the Notes or this Agreement;

(b) all arrears of interest upon all the Notes and all other sums payable under the Notes and under this Agreement (except any principal, interest or Make-Whole Amount on the Notes which has become due and payable solely by reason of such declaration under Section 6.3) shall have been duly paid; and

(c) each and every other Default and Event of Default shall have been made good, cured or waived pursuant to Section 7.1;

and provided further, that no such rescission and annulment shall extend to or affect any subsequent Default or Event of Default or impair any right consequent thereto.

Section 7. Amendments, Waivers and Consents.

Section 7.1. Consent Required. Any term, covenant, agreement or condition of this Agreement may, with the consent of the Company, be amended or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Company shall have obtained the consent in writing of the holders of at least 66-2/3% in aggregate principal amount of outstanding Notes; provided that without the written consent of the holders of all of the Notes then outstanding, no such amendment or waiver shall be effective (a) which will change the time of payment (including any prepayment required by Section 2.1) of the principal of or the interest on any Note or change the principal amount thereof or change the rate of interest thereon, or (b) which will change any of the provisions with respect to optional prepayments, or (c) which will change the percentage of holders of the Notes required to consent to any such amendment or waiver of any of the

provisions of Section 5.13, this Section 7 or Section 6, or (d) which will change the definition of any of the terms listed in Section 8.1.

Section 7.2. Solicitation of Holders. So long as there are any Notes outstanding, the Company will not solicit, request or negotiate for or with respect to any proposed waiver or amendment of any of the provisions of this Agreement or the Notes unless each holder of Notes (irrespective of the amount of Notes then owned by it) shall be informed thereof by the Company and shall be afforded the opportunity of considering the same and shall be supplied by the Company with sufficient information to enable it to make an informed decision with respect thereto. The Company will not, directly or indirectly, pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, to any holder of Notes as consideration for or as an inducement to entering into by any holder of Notes of any waiver or amendment of any of the terms and provisions of this Agreement or the Notes, unless such remuneration is concurrently offered and paid, on the same terms, ratably to the holders of all Notes then outstanding, regardless of whether each such holder has consented to such waiver or amendment. Promptly and in any event within 30 days of the date of execution and delivery of any such waiver or amendment, the Company shall provide a true, correct and complete copy thereof to each of the holders of the Notes.

Section 7.3. Effect of Amendment or Waiver. Any such amendment or waiver shall apply equally to all of the holders of the Notes and shall be binding upon them, upon each future holder of any Note and upon the Company, whether or not such Note shall have been marked to indicate such

amendment or waiver. No such amendment or waiver shall extend to or affect any obligation not expressly amended or waived or impair any right consequent thereon.

Section 8. Interpretation of Agreement; Definitions.

Section 8.1. Definitions. Unless the context otherwise requires, the terms hereinafter set forth when used herein shall have the following meanings and the following definitions shall be equally applicable to both the singular and plural forms of any of the terms herein defined:

"Affiliate" shall mean any Person (other than a Wholly-owned Subsidiary):

(a) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Company,

(b) which beneficially owns or holds 5% or more of any class of the Voting Stock of the Company, or

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(c) 5% or more of the Voting Stock (or in the case of a Person which is not a corporation, 5% or more of the equity

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interest) of which is beneficially owned or held by the Company
or a Subsidiary. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether

through the ownership of Voting Stock, by contract or otherwise;

provided, that the term "Affiliate" shall not include the Kaufman Fund Inc. or the Dimensional Fund Advisors, Inc. so long as each such entity holds less than 10% of the Voting Stock of the Company or a Subsidiary.

"Binding Commitment" shall mean, with respect to the acquisition of any assets, a binding agreement, in writing, between the Company and the seller of the subject assets pursuant to which the Company agrees to purchase certain assets owned by the seller for a specified price and on a specified date, which date shall not be more than 60 days following the date such agreement is entered into.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banks in New York, New York or Detroit, Michigan are required by law to close or are customarily closed.

"Capitalized Lease" shall mean any lease the obligation for Rentals with respect to which is either:

(a) required to be capitalized on a consolidated balance sheet of the lessee and its subsidiaries in accordance with GAAP or

(b) required to be disclosed as a capitalized lease in any notes accompanying any financial statements in accordance with GAAP both as to the amount of the related asset and the related liability.

"Capitalized Rentals" of any Person shall mean as of the date of any

determination thereof the amount at which the aggregate Rentals due and to become due under all Capitalized Leases under which such Person is a lessee would be reflected as a liability on a consolidated balance sheet of such Person.

"Change of Control" shall have the meaning set forth in Section 2.3(a).

"Change of Control Delayed Prepayment Date" shall have the meaning set forth in Section 2.3(b).

"Change of Control Prepayment Date" shall have the meaning set forth in Section 2.3(a).

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"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations from time to time promulgated thereunder.

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"Company" shall mean Wolverine World Wide, Inc., a Delaware corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Wolverine World Wide, Inc.

"Company Notice" shall have the meaning set forth in Section 2.3(a).

"Competitor" shall mean any Person which is substantially engaged in the business of the manufacture or marketing of footwear, provided that:

(a) the provision of investment advisory services by a Person to a Plan which is owned or controlled by a Person which

would otherwise be a Competitor shall not of itself cause the Person providing such services to be deemed to be a Competitor;

(b) in no event shall an Institutional Holder be deemed a Competitor unless such Institutional Holder controls, or is controlled by, or is under common control with, a Person that is substantially engaged in the business of the manufacture or marketing of footwear; and

(c) an Institutional Holder that would otherwise be deemed a Competitor pursuant to the foregoing provisions of this definition by virtue of its ownership or control as a portfolio investment of the equity securities of any Person engaged in the business of the manufacture or marketing of footwear shall not be deemed a Competitor if such Institutional Holder has established procedures which will prevent confidential information supplied to such Institutional Holder by the Company from being transmitted or otherwise made available to such Person.

"Consolidated Adjusted Net Worth" shall mean, as of the date of any determination thereof, the aggregate amount of stockholders' equity, preferred stock and Minority Interests of the Company and its Subsidiaries set forth in the most recent quarterly or annual consolidated financial statements of the Company and its Subsidiaries reduced by the positive amount, if any, by which the aggregate amount of all Intangible Assets acquired by the Company and its Subsidiaries after the Closing Date and carried in accordance with GAAP on the most recent audited financial accounts of the Company and its Subsidiaries on a consolidated basis

exceeds 5% of Consolidated Total Assets set forth in such financial statements.

"Consolidated Funded Debt" shall mean all Funded Debt of the Company and its Subsidiaries, determined on a consolidated basis eliminating intercompany items.

"Consolidated Net Earnings" for any period shall mean the gross revenues of the Company and its Subsidiaries for such period less all expenses and other proper charges (including taxes on income), determined

on a consolidated basis after eliminating earnings or losses attributable to outstanding Minority Interests, but excluding in any event:

(a) any gains or losses on the sale or other disposition of Investments or fixed or capital assets, and any taxes on such excluded gains and any tax deductions or credits on account of any such excluded losses;

(b) the proceeds of any life insurance policy;

(c) net earnings and losses of any Subsidiary accrued prior to the date it became a Subsidiary;

(d) net earnings and losses of any corporation (other than a Subsidiary), substantially all the assets of which have been acquired in any manner by the Company or any Subsidiary, realized by such corporation prior to the date of such acquisition;

(e) net earnings and losses of any corporation (other than

a Subsidiary) with which the Company or a Subsidiary shall have consolidated or which shall have merged into or with the Company or a Subsidiary prior to the date of such consolidation or merger;

(f) net earnings of any business entity (other than a Subsidiary) in which the Company or any Subsidiary has an ownership interest unless such net earnings shall have actually been received by the Company or such Subsidiary in the form of cash distributions;

(g) any portion of the net earnings of any Subsidiary which for any reason is unavailable for payment of dividends to the Company or any other Subsidiary;

(h) earnings resulting from any reappraisal, revaluation or write-up of assets;

(i) any deferred or other credit representing any excess of the equity in any Subsidiary at the date of acquisition thereof over the amount invested in such Subsidiary;

(j) any gain arising from the acquisition of any Securities of the Company or any Subsidiary;

(k) any reversal of any contingency reserve, except to the extent that provision for such contingency reserve shall have been made from income arising during such period; and

(l) any other extraordinary gain.

"Consolidated Total Assets" shall mean as of the date of any

determination thereof, total assets of the Company and its Subsidiaries
determined on a consolidated basis in accordance with GAAP.
"Consolidated Total Capitalization" shall mean as of the date of any
determination thereof, the sum of (a) Consolidated Funded Debt plus
(b) Consolidated Adjusted Net Worth.

"Current Management Group" shall have the meaning set forth in Section
2.3(a).

"Debt" of any Person shall mean and include all obligations of such
Person which in accordance with GAAP shall be classified upon a balance
sheet of such Person as liabilities of such Person, and in any event shall
include all:

(a) obligations of such Person for borrowed money or which
have been incurred in connection with the acquisition of property
or assets,

(b) obligations secured by any Lien upon property or assets
owned by such Person, even though such Person has not assumed or
become liable for the payment of such obligations,

(c) obligations created or arising under any conditional
sale or other title retention agreement with respect to property
acquired by such Person, notwithstanding the fact that the rights
and remedies of the seller, lender or lessor under such agreement
in the event of default are limited to repossession or sale of
property,

(d) Capitalized Rentals and

(e) Guaranties of obligations of others of the character referred to in this definition.

Debt of the Company and its Subsidiaries shall be determined on a consolidated basis after eliminating intercompany items. In no event shall Debt include Unfunded Pension Liability of the Plans of the Company and its Subsidiaries which amount, as of December 31, 1993, is reflected on Schedule II hereto.

"Default" shall mean any event or condition the occurrence of which would, with the lapse of time or the giving of notice, or both, constitute an Event of Default.

"Environmental Law" shall mean any international, federal, state or local statute, law, regulation, order, consent decree, judgment, permit,

license, code, legally binding covenant or deed restriction, common law, treaty, convention, ordinance or other requirement relating to public health, safety or the environment, including, without limitation, those

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relating to releases, discharges or emissions to air, water, land or
groundwater, to the withdrawal or use of groundwater, to the use and
handling of polychlorinated biphenyls or asbestos, to the disposal,
treatment, storage or management of hazardous or solid waste, or
Hazardous

Substances or crude oil, or any fraction thereof, or to exposure to toxic or hazardous materials, to the handling, transportation, discharge or release of gaseous or liquid Hazardous Substances and any regulation, order, notice or demand validly issued pursuant to such law, statute or ordinance, in each case applicable to the property of the Company and its Subsidiaries or the operation, construction or modification of any thereof, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and the Hazardous and Solid Waste Amendments of 1984, the Hazardous Materials Transportation Act, as amended, the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1976, the Safe Drinking Water Control Act, the Clean Air Act of 1966, as amended, the Toxic Substances Control Act of 1976, the Occupational Safety and Health Act of 1977, as amended, the Emergency Planning and Community Right-to-Know Act of 1986, the National Environmental Policy Act of 1975, the Oil Pollution Act of 1990 and any similar or implementing state law, and any state statute and any further amendments to these laws providing for financial responsibility for cleanup or other actions with respect to the release or threatened release of Hazardous Substances or crude oil, or any fraction thereof, and all rules, regulations, guidance documents and publications promulgated thereunder.

"ERISA" shall mean the Employee Retirement Income Security Act of

1974, as amended, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to sections of ERISA shall be construed to also refer to any successor sections.

"ERISA Affiliate" shall mean any corporation, trade or business that is, along with the Company, a member of a controlled group of corporations or a controlled group of trades or businesses, as described in section 414(b) and 414(c), respectively, of the Code or Section 4001 of ERISA.

"Event of Default" shall have the meaning set forth in Section 6.1.

"Fixed Charges" for any period shall mean on a consolidated basis the sum of (a) all Rentals (other than Rentals on Capitalized Leases) payable during such period by the Company and its Subsidiaries, and (b) all Interest Expense on all Debt (including the interest component of Rentals on Capitalized Leases) of the Company and its Subsidiaries.

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"Funded Debt" of any Person shall mean (a) all Debt of such Person for borrowed money or which has been incurred in connection with the

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acquisition of assets in each case having a final maturity of more than one
year from the date of origin thereof (or which is renewable or extendible
at the option of the obligor for a period or periods more than one year

from the date of origin), including all payments in respect thereof that are required to be made within one year from the date of any determination of Funded Debt, whether or not the obligation to make such payments shall constitute a current liability of the obligor under GAAP, (b) all Capitalized Rentals of such Person, (c) all Guaranties by such Person of Funded Debt of others, and (d) Unfunded Pension Liability of the Plans of the Company and its Subsidiaries to the extent such liabilities exceed 10% of Consolidated Adjusted Net Worth as of the date of any determination of Funded Debt hereunder. "Funded Debt" shall not include Debt of such Person outstanding under any credit line, revolving credit or similar agreement which Debt is fully paid (and not refinanced) for a period of not less than 30 consecutive days in the immediately preceding twelve calendar month period pursuant to the terms of such agreement; provided, that at the time of or as a result of the making of any such payment, no Default or Event of Default shall have occurred and be continuing at any time during such 30 consecutive day period.

"GAAP" shall mean generally accepted accounting principles at the time.

"Group" shall have the meaning set forth in Section 2.3(a).

"Guaranties" by any Person shall mean all obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing, or in effect guaranteeing, any Debt, dividend or other obligation of any other Person

(the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, all obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such Debt or obligation or any property or assets constituting security therefor,

(b) to advance or supply funds (1) for the purchase or payment of such Debt or obligation, or (2) to maintain working capital or any balance sheet or income statement condition or otherwise to advance or make available funds for the purchase or payment of such Debt or obligation,

(c) to lease property or to purchase Securities or other property or services primarily for the purpose of assuring the owner of such Debt or obligation of the ability of the primary obligor to make payment of the Debt or obligation, or

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(d) otherwise to assure the owner of the Debt or obligation of the primary obligor against loss in respect thereof. For the purposes of all computations made under this Agreement, a

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Guaranty in respect of any Debt for borrowed money shall be deemed to be Debt equal to the principal amount of such Debt for borrowed money which has been guaranteed, and a Guaranty in respect of any other obligation or liability or any dividend shall be deemed to be Debt equal to the maximum aggregate amount

of such obligation, liability or dividend.

"Hazardous Substance" shall mean any hazardous or toxic material, substance or waste, pollutant or contaminant which is regulated under any statute, law, ordinance, rule or regulation of any local, state, regional or federal authority having jurisdiction over the property of the Company and its Subsidiaries or its use, including but not limited to any material, substance or waste which is:

(a) defined as a hazardous substance under Section 311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317), as amended;

(b) regulated as a hazardous waste under Section 1004 or Section 3001 of the Federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), as amended;

(c) defined as a hazardous substance under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.), as amended; or

(d) defined or regulated as a hazardous substance or hazardous waste under any rules or regulations promulgated under any of the foregoing statutes.

"Hush Puppies Canada" shall mean Hush Puppies Canada Footwear, Ltd., a Canadian corporation and Subsidiary of the Company.

"Hush Puppies Canada Credit Facilities" shall mean the short-term credit facilities established by that certain letter agreement dated

August 2, 1993 between Hush Puppies Canada and the Bank of Montreal, and
any renewal, extension or replacement thereof.

"Institutional Holder" shall mean any of the following Persons:

(a) any bank, savings and loan association, savings institution, trust company or national banking association, acting for its own account or in a fiduciary capacity,

(b) any insurance company,

(c) any fraternal benefit society,

(d) any pension, retirement or profit-sharing trust or fund within the meaning of Title I of ERISA or for which any bank, trust company, national banking association or investment adviser registered under the Investment Advisers Act of 1940, as amended, is acting as trustee or agent,

(e) any investment company or business development company, as defined in the Investment Company Act of 1940, as amended,

(f) any broker or dealer registered under the Securities Exchange Act of 1934, as amended, or any investment adviser registered under the Investment Adviser Act of 1940, as amended,

(g) any government, any public employees' pension or retirement system, or any other government agency supervising the investment of public funds,

(h) any other entity all of the equity owners of which are Institutional Holders,

(i) any other Person which may be within the definition of "qualified institutional buyer" as such term is used in Rule 144A, as from time to time in effect, promulgated under the Securities Act of 1933, as amended or

(j) any other Person (other than a natural person) which may be within the definition of "accredited investor" as such term is used in section 2 of the Securities Act of 1933, as amended, and in Rule 215 promulgated under the Securities Act of 1933, as amended.

"Intangible Assets" of any Person shall mean, as of the date of any determination thereof, the total amount of all assets of such Person consisting of goodwill, patents, trademarks, trade names, copyrights, franchises, experimental expense, and such other assets as are properly classified as "intangible assets" in accordance with GAAP.

"Interest Expense" for any period shall mean all interest and all amortization of debt discount and expense on any particular Debt (including, without limitation, payment-in-kind, zero coupon and other like Securities) for which such calculations are being made. Computations of Interest Expense on a pro forma basis for Debt having a variable interest rate shall be calculated at the rate in effect on the date of any determination.

"Investments" shall mean all investments, in cash or by delivery of property, made directly or indirectly in any Person, whether by acquisition of shares of capital stock, Debt or other obligations or Securities or by

loan, advance, capital contribution or otherwise; provided that

"Investments" shall not mean or include routine investments in property to be used or consumed in the ordinary course of business.

"Lien" shall mean any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether such interest is based on the common law, statute or contract, and including but not limited to the security interest lien arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" shall include reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other title exceptions and encumbrances (including, with respect to stock, stockholder agreements, voting trust agreements, buy-back agreements and all similar arrangements) affecting property. For the purposes of this Agreement, the Company or a Subsidiary shall be deemed to be the owner of any property which it has acquired or holds subject to a conditional sale agreement, Capitalized Lease or other arrangement pursuant to which title to the property has been retained by or vested in some other Person for security purposes and such retention or vesting shall constitute a Lien.

"Make-Whole Amount" shall mean in connection with any prepayment or acceleration of the Notes the excess, if any, of (a) the aggregate present value as of the date of such prepayment or payment of each dollar of

principal being prepaid or paid (taking into account the application of such prepayment or payment required by Section 2.1) and the amount of interest (exclusive of interest accrued to the date of prepayment or payment) that would have been payable in respect of such dollar if such prepayment or payment had not been made, determined by discounting such amounts at the Reinvestment Rate from the respective dates on which they would have been payable, over (b) 100% of the principal amount of the outstanding Notes being prepaid or paid. If the Reinvestment Rate is equal to or higher than 7.81%, the Make-Whole Amount shall be zero. For purposes of any determination of the Make-Whole Amount:

"Reinvestment Rate" shall mean (1) the sum of 0.50%, plus the yield reported on page "USD" of the Bloomberg Financial Markets Services Screen (or, if not available, any other nationally recognized trading screen reporting on-line intraday trading in the United States government Securities) at 11:00 A.M. (New York, New York time) for the United States government Securities having a maturity (rounded to the nearest month) corresponding to the remaining Weighted Average Life to Maturity of the principal being prepaid or paid (taking into account the application of such prepayment or payment required by Section 2.1) or (2) in the event that no nationally recognized trading screen reporting on-line intraday trading in the United States government Securities is available, Reinvestment Rate shall mean

the sum of 0.50%, plus the arithmetic mean of the yields for the two columns under the heading "Week Ending" published in the Statistical Release under the caption "Treasury Constant

<PAGE>
Maturities" for the maturity (rounded to the nearest month) corresponding to the Weighted Average Life to Maturity of the principal being prepaid or paid (taking into account the application of such prepayment or payment required by Section 2.1). If no maturity exactly corresponds to such Weighted Average Life to Maturity, yields for the two published maturities most closely corresponding to such Weighted Average Life to Maturity shall be calculated pursuant to the immediately preceding sentence and the Reinvestment Rate shall be interpolated or extrapolated by reference to the above-mentioned trading screen from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month.

For the purposes of calculating the "Reinvestment Rate", the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used.

"Statistical Release" shall mean the then most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded U.S. Government Securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination hereunder, then such other reasonably comparable index which shall be designated by the holders of 66-2/3% in aggregate principal amount of the outstanding Notes.

"Weighted Average Life to Maturity" of the principal amount of the Notes being prepaid or paid shall mean, as of the time of any determination thereof, the number of years obtained by dividing the then Remaining Dollar-Years of such principal by the aggregate amount of such principal. The term "Remaining Dollar-Years" of such principal shall mean the amount obtained by (1) multiplying (i) the remainder of (A) the amount of principal that would have become due on each scheduled payment date if such prepayment or payment had not been made, less (B) the amount of principal on the Notes scheduled to become due on such date after giving effect to such prepayment or payment and the application thereof in accordance with the provisions of Section 2.1, by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between the date of determination and such scheduled payment date, and (2) totalling the products obtained in (1).

"Material Subsidiary" shall mean any Subsidiary if:

(1) The assets of such Subsidiary (valued at the greater of book or fair market) as at the end of the immediately preceding fiscal year exceed 5% of Consolidated Total Assets;

(2) The aggregate sum of all assets (valued at the greater of book or fair market) of such Subsidiary, when combined with the assets of all other Subsidiaries to which subclauses (j), (k)

or (l) of Section 6.1 hereof would have applied if not for the limitations set forth herein during the three-year period immediately preceding the date of such determination, exceeds 5% of Consolidated Total Assets; or

(3) The sum of the portions of Consolidated Net Earnings of the Company and its Subsidiaries which were contributed by such Subsidiary during the immediately preceding fiscal year exceeds 5% of Consolidated Net Earnings.

"Minority Interests" shall mean any shares of stock of any class of a Subsidiary (other than directors' qualifying shares as required by law) that are not owned by the Company and/or one or more of its Subsidiaries. Minority Interests shall be valued by valuing Minority Interests constituting preferred stock at the voluntary or involuntary liquidating value of such preferred stock, whichever is greater, and by valuing Minority Interests constituting common stock at the book value of capital and surplus applicable thereto adjusted, if necessary, to reflect any changes from the book value of such common stock required by the foregoing method of valuing Minority Interests in preferred stock.

"Multiemployer Plan" shall have the same meaning as in ERISA.

"Net Earnings Available for Fixed Charges" for any period shall mean the sum of (a) Consolidated Net Earnings during such period plus (to the extent deducted in determining Consolidated Net Earnings), (b) all provisions for any Federal, state or other income taxes made by the Company and its Subsidiaries during such period and (c) Fixed Charges of the

Company and its Subsidiaries during such period.

"Noteholder Notice" shall have the meaning set forth in Section 2.3(a).

"Overdue Rate" shall mean the lesser of (a) the maximum interest rate permitted by law and (b) the greater of (1) 9.81% per annum and (2) the rate which Morgan Guaranty Trust Company of New York announces from time to time as its prime lending rate as in effect from time to time, plus 2%.

"PBGC" shall mean the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof.

<PAGE>

"Plan" shall mean a "pension plan," as such term is defined in ERISA, established or maintained by the Company or any ERISA Affiliate or as to

<PAGE>
which the Company or any ERISA Affiliate contributed or is a member or otherwise may have any liability, other than a Multiemployer Plan.

"Priority Debt" shall mean and include, as of the date of any determination, the sum of (a) Funded Debt of Subsidiaries plus (but without duplication) (b) Funded Debt of the Company or any Subsidiary secured by a

Lien permitted under Section 5.9(a)(9) incurred after the Closing Date and
(c) Debt of Hush Puppies Canada outstanding under the Hush Puppies Canada
Credit Facilities and secured by Liens permitted under Section 5.9(a)(8).

"Purchasers" shall have the meaning set forth in Section 1.1.

"Qualified Letter of Credit" shall mean a letter of credit issued by a
bank or trust company organized under the laws of the United States or any
state thereof having capital, surplus and undivided profits aggregating at
least $100,000,000 and whose long-term certificates of deposit are, at the
time any such letter of credit is issued, rated "A" or better by Standard &
Poor's Corporation or Moody's Investors Service, Inc.

"Rentals" shall mean and include as of the date of any determination
thereof all fixed payments (including as such all payments which the lessee
is obligated to make to the lessor on termination of the lease or surrender
of the property) payable by the Company or a Subsidiary, as lessee or
sublessee under a lease of real or personal property, but shall be
exclusive of any amounts required to be paid by the Company or a Subsidiary
(whether or not designated as rents or additional rents) on account of
maintenance, repairs, insurance, taxes and similar charges.

"Reportable Event" shall mean a "reportable event" as described in
Section 4043 of ERISA for which the notice requirement to the PBGC has not
been waived (provided that the loss of qualification of a Plan and the
failure to meet the minimum funding standard of Section 412 of the Code or

Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any waiver of the reporting requirement by the PBGC).

"Responsible Officer" shall mean the President, the Chief Executive Officer, the Chief Financial Officer or the Treasurer of the Company.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act of 1933, as amended.

"Senior Debt" shall mean and include the Notes and all other outstanding Debt of the Company which is not expressed to be junior or subordinate to any other Debt of the Company.

The term "subsidiary" shall mean as to any particular parent corporation any corporation of which more than 50% (by number of votes) of the Voting Stock shall be beneficially owned, directly or indirectly, by such parent corporation. The term "Subsidiary" shall mean a subsidiary of the Company.

"Unfunded Pension Liability" of any Plan means the amount, if any, by which the actuarial present value of the accumulated plan benefits under the Plan as of the close of its most recent plan year, determined in accordance with statement of Financial Accounting Standards No. 35, based upon the actuarial assumptions used by the Plan's actuary in the most recent annual valuation of the Plan, exceeds the fair market value of the assets allocable thereto, determined in accordance with Section 412 of the Code.

"Voting Stock" shall mean Securities of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

"Wholly-owned" when used in connection with any Subsidiary shall mean a Subsidiary of which all of the issued and outstanding shares of stock (except shares required as directors' qualifying shares) and all Debt for borrowed money shall be owned by the Company and/or one or more of its Wholly-owned Subsidiaries.

Section 8.2. Accounting Principles. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

Section 8.3. Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether the action in question is taken directly or indirectly by such Person.

Section 9. Miscellaneous.

Section 9.1. Registered Notes. The Company shall cause to be kept at its principal office a register for the registration and transfer of the

Notes, and the Company will register or transfer or cause to be registered or transferred, as hereinafter provided, any Note issued pursuant to this Agreement.

At any time and from time to time the holder of any Note which has been duly registered as hereinabove provided may transfer such Note upon surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the holder of such Note or its attorney duly authorized in writing.

The Person in whose name any Note shall be registered shall be deemed and treated as the owner and holder thereof for all purposes of this Agreement. Payment of or on account of the principal, Make-Whole Amount

and interest on any Note shall be made to or upon the written order of such holder.

Section 9.2. Exchange of Notes. At any time and from time to time, upon surrender of any Note initially delivered, or of any Note substituted therefore pursuant to Section 9.1, this Section 9.2 or Section 9.3, at its office, the Company will deliver in exchange therefor, without expense to such holder, except as set forth below, a Note for the same aggregate principal amount as the then unpaid principal amount of the Note so surrendered, or Notes in the denomination of $1,000,000 (or such lesser amount as shall constitute 100% of the Notes of such holder) or any amount in excess thereof as such holder shall specify, dated as of the date to

which interest has been paid on the Note so surrendered or, if such surrender is prior to the payment of any interest thereon, then dated as of the date of issue, registered in the name of such Person or Persons as may be designated by such holder, and otherwise of the same form and tenor as the Notes so surrendered for exchange. The Company may require the payment of a sum sufficient to cover any stamp tax or governmental charge imposed upon such exchange or transfer.

Section 9.3. Loss, Theft, Etc. of Notes. Upon receipt of evidence satisfactory to the Company of the loss, theft, mutilation or destruction of any Note, and in the case of any such loss, theft or destruction upon delivery of a bond of indemnity in such form and amount as shall be reasonably satisfactory to the Company, or in the event of such mutilation upon surrender and cancellation of the Note, the Company will make and deliver without expense to the holder thereof, a new Note, of like tenor, in lieu of such lost, stolen, destroyed or mutilated Note. If the Purchaser or any subsequent Institutional Holder having a net worth of $50,000,000 or more is the owner of any such lost, stolen or destroyed Note, then the affidavit of an authorized officer of such owner, setting forth the fact of loss, theft or destruction and of its ownership of such Note at the time of such loss, theft or destruction shall be accepted as satisfactory evidence thereof and no further indemnity shall be required as a condition to the execution and delivery of a new Note other than the written agreement of such owner to indemnify the Company.

Section 9.4. Expenses, Stamp Tax Indemnity. Whether or not the transactions herein contemplated shall be consummated, the Company agrees to pay directly all of your out-of-pocket expenses in connection with the preparation, execution and delivery of this Agreement and the transactions contemplated hereby, including but not limited to the charges and disbursements of Chapman and Cutler, your special counsel, duplicating and printing costs and charges for shipping the Notes, adequately insured to you at your home office or at such other place as you may designate, and all such expenses relating to any amendments, waivers or consents pursuant to the provisions hereof (whether or not the same are actually executed and

delivered), including, without limitation, any amendments, waivers, or consents resulting from any work-out, renegotiation, restructuring or insolvency proceeding relating to the performance by the Company of its

<PAGE>
obligations under this Agreement and the Notes. The Company agrees that it will pay any supplemental charges and disbursements of Chapman and Cutler no later than five Business Days from the date of presentation of an invoice therefor subsequent to the Closing Date. Without limiting the foregoing, the Company also agrees to pay, within five Business Days of receipt thereof, supplemental statements of Chapman and Cutler for disbursements unposted or not incurred as of the Closing Date. The Company

further agrees that it will pay and save you harmless against any and all liability with respect to stamp and other taxes, if any, which may be payable or which may be determined to be payable in connection with the execution and delivery of this Agreement or the Notes, whether or not any Notes are then outstanding. The Company agrees to protect and indemnify you against any liability for any and all brokerage fees and commissions payable or claimed to be payable to any Person in connection with the transactions contemplated by this Agreement. Without limiting the foregoing, the Company agrees to pay the cost of obtaining the private placement number for the Notes and authorizes the submission of such information as may be required by Standard & Poor's CUSIP Service Bureau for the purpose of obtaining such number.

Section 9.5. Powers and Rights Not Waived; Remedies Cumulative. No delay or failure on the part of the holder of any Note in the exercise of any power or right shall operate as a waiver thereof; nor shall any single or partial exercise of the same preclude any other or further exercise thereof, or the exercise of any other power or right, and the rights and remedies of the holder of any Note are cumulative to, and are not exclusive of, any rights or remedies any such holder would otherwise have.

Section 9.6. Notices. All communications provided for hereunder shall be in writing and, if to you, delivered or mailed prepaid by first class mail or overnight air courier, or by facsimile communication, in each case addressed to you at your address appearing on Schedule I to this

Agreement or such other address as you or the subsequent holder of any Note initially issued to you may designate to the Company in writing, and if to the Company, delivered or mailed by registered or certified mail or overnight air courier, or by facsimile communication, to the Company at 9341 Courtland Drive, Rockford, Michigan 49351, Attention: Vice President of Finance, or to such other address as the Company may in writing designate to you or to a subsequent holder of the Note initially issued to you; provided, however, that a notice to you by overnight air courier shall only be effective if delivered to you at a street address designated for such purpose in Schedule I, and a notice to you by facsimile communication shall only be effective if a copy of such notice is delivered by overnight air courier on the following day, or, in either case, as you or a subsequent holder of any Note initially issued to you may designate to the Company in writing; and provided, further, that so long as MIMLIC Asset Management Company ("MIMLIC") shall serve as investment advisor for Farm

<PAGE>
Bureau Life Insurance Company of Michigan, FB Annuity Company, Federated Life Insurance Company and Federated Mutual Insurance Company, and until the Company is notified that MIMLIC no longer serves as investment advisor

<PAGE>
to any of the foregoing Purchasers or that any such Purchaser no longer
holds any Notes, the Company shall have satisfied the notice requirements

of this Section 9.6 with respect to such institutions by providing one copy of any communications called for hereunder (including any solicitations of holders provided for in Section 7.2) to MIMLIC at the address set forth in Schedule I.

Section 9.7. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to your benefit and to the benefit of your successors and assigns, including each successive holder or holders of any Notes.

Section 9.8. Survival of Covenants and Representations. All covenants, representations and warranties made by the Company herein and in any certificates delivered pursuant hereto, whether or not in connection with the Closing Date, shall survive the closing and the delivery of this Agreement and the Notes.

Section 9.9. Severability. Should any part of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any remaining portion, which remaining portion shall remain in force and effect as if this Agreement had been executed with the invalid or unenforceable portion thereof eliminated and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such part, parts or portion which may, for any reason, be hereafter declared invalid or unenforceable.

Section 9.10. Governing Law. This Agreement and the Notes issued and

sold hereunder shall be governed by and construed in accordance with New York law, without regard to principles of conflicts of laws.

Section 9.11. Jurisdiction and Service of Process. Any legal action or proceeding with respect to any of the Agreements or the Notes or any document related thereto may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York, and, by execution and delivery of this Agreement, the Company hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. The Company hereby irrevocably and unconditionally waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such respective jurisdictions. The Company hereby irrevocably and unconditionally waives trial by jury.

<PAGE>

The Company further consents that all service of process may be made by delivery to it at the address for the Company set forth in Section 9.6 hereof and that service so made shall be deemed to be completed upon actual receipt. Nothing contained in this Section 9.11 shall affect the right of

<PAGE>
any holder of a Note to serve legal process in any other manner permitted
by law or to bring any action or proceeding in the courts of any

jurisdiction against the Company, or to enforce a judgment obtained in the courts of any other jurisdiction.

Section 9.12. Captions. The descriptive headings of the various Sections or parts of this Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

<PAGE>
The execution hereof by you shall constitute a contract between us for the uses and purposes hereinabove set forth, and this Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one agreement.

Wolverine World Wide, Inc.

By _____

Its _____

Accepted as of August 1, 1994.

[VARIATION]

By _____

Its _____

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased
<S>	<C>
Teachers Insurance and Annuity Association of America 730 Third Avenue New York, New York 10017-3263 Attention: Mr. Les Gutierrez, Securities Division, Private Placement Telephone Number: (212) 916-6578 or (212) 490-9000 (general number) Telecopier Number: (212) 697-1946	$15,000,000

</TABLE>

Payments

All payments on account of the Notes shall be made in immediately available funds at the opening of business on the due date by electronic funds transfer through the Automated Clearing House system (identifying each

payment as "Wolverine World Wide, Inc. 7.81% Senior Notes due August 15,
2004, PPN 978097 A# 0, principal, Make-Whole Amount or interest") to:

Morgan Guaranty Trust Company of
New York (ABA #021000238)
23 Wall Street
New York, New York 10015

For credit to: Teachers Insurance and
Annuity Association
Account Number 121-85-001
On order of: Wolverine World Wide, Inc.

Notices

Contemporaneous with payment, written confirmation of each such payment to
be addressed as set forth below including the following information:
(1) the full name, private placement number, interest rate and maturity
date of the Notes; (2) allocation of payment between principal, interest,
Make-Whole Amount and any special payment; and (3) name and address of Bank
from which such transfer was sent to:

Teachers Insurance and Annuity Association of America
730 Third Avenue
New York, NY 10017
Attention: Securities Accounting Division
Telephone Number: (212) 916-4188
Facsimile Number: (212) 916-6199

<PAGE>
All other notices and communications to be addressed as first provided
above.

<PAGE>
Name of Nominee in which Notes are to be issued: None
Taxpayer I.D. Number: 13-1624203

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased
<S>	<C>
The Minnesota Mutual Life Insurance Company 400 North Robert Street St. Paul, Minnesota 55101 Attention: Investment Department	$9,500,000

</TABLE>

Payments

All payments on or in respect of the Notes to be by bank wire transfer of
Federal or other immediately available funds (identifying each payment as
Wolverine World Wide, Inc. 7.81% Senior Notes due August 15, 2004, PPN
978097 A# 0, principal, Make-Whole Amount or interest) to:

The First Bank National Association (ABA #091000022)
Minneapolis, Minnesota

BNF The Minnesota Mutual Life Insurance Company
Account Number 1-801-10-00600-4

Notices

All notices and communications, including notices with respect to payments
and written confirmation of each such payment, to be addressed as first
provided above.

Name of Nominee in which Notes are to be issued: None
Taxpayer I.D. Number: 41-0417830

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased
<S>	<C>
Farm Bureau Life Insurance Company of Michigan c/o MIMLIC Asset Management Company 400 North Robert Street St. Paul, Minnesota 55101 Attention: Client Administrator	$1,250,000

</TABLE>

Payments

All payments on or in respect of the Notes to be by bank wire transfer of
Federal or other immediately available funds (identifying each payment as
"Wolverine World Wide, Inc., 7.81% Senior Notes due August 15, 2004,
PPN 978097 A# 0, principal or interest") to:

Comerica Bank (ABA #072-000-096)
Detroit, Michigan
credit to Account Number 21585-98530
Trust Operations Fixed Income Unit Cost Center 98530

For further credit to: Farm Bureau Life Insurance Company of Michigan

Account Number 84-550

Notices

All notices and communications, including notices with respect to payments
and written confirmation of each such payment, to be addressed as first
provided above.

Name of Nominee in which Notes are to be issued: None
Taxpayer I.D. Number: 38-6053670

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased
<S>	<C>
FB Annuity Company c/o MIMLIC Asset Management Company 400 North Robert Street St. Paul, Minnesota 55101 Attention: Client Administrator	$1,250,000

</TABLE>

Payments

All payments on or in respect of the Notes to be by bank wire transfer of

Federal or other immediately available funds (identifying each payment as
"Wolverine World Wide, Inc., 7.81% Senior Notes due August 15, 2004,
PPN 978097 A# 0, principal or interest") to:

Comerica Bank (ABA #072-000-096)
Detroit, Michigan
credit to Account Number 21585-98530
Trust Operations Fixed Income Unit Cost Center 98530

For further credit to: FB Annuity Company
Account Number 84-553

Notices

All notices and communications, including notices with respect to payments
and written confirmation of each such payment, to be addressed as first
provided above.

Name of Nominee in which Notes are to be issued: None
Taxpayer I.D. Number: 38-2315027

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased

<S>	<C>
Federated Life Insurance Company c/o MIMLIC Asset Management Company 400 North Robert Street St. Paul, Minnesota 55101 Attention: Client Administrator	$1,000,000

</TABLE>

Payments

All payments on or in respect of the Notes to be by bank wire transfer of
Federal or other immediately available funds (identifying each payment as
"Wolverine World Wide, Inc., 7.81% Senior Notes due August 15, 2004,
PPN 978097 A# 0, principal or interest") to:

Norwest Bank (ABA #091000019)
Trust Department
Account Number 0840-245
Attention: Eric Storhaug

For credit to: Federated Life Insurance Company
Account Number 12364500

Notices

All notices and communications, including notices with respect to payments
and written confirmation of each such payment, to be addressed as first
provided above.

Name of Nominee in which Notes are to be issued: Tour & Co
Taxpayer I.D. Number: 41-6022443

<PAGE>

<TABLE>
<CAPTION>

Names and Addresses of Purchasers	Principal Amount of Notes to be Purchased
<S>	<C>
Federated Mutual Insurance Company c/o MIMLIC Asset Management Company 400 North Robert Street St. Paul, Minnesota 55101 Attention: Client Administrator	$2,000,000

</TABLE>

Payments

All payments on or in respect of the Notes to be by bank wire transfer of
Federal or other immediately available funds (identifying each payment as
"Wolverine World Wide, Inc., 7.81% Senior Notes due August 15, 2004,
PPN 978097 A# 0, principal or interest") to:

Norwest Bank (ABA #091000019)
Trust Department
Account Number 0840-245
Attention: Eric Storhaug

For credit to: Federated Mutual Insurance Company
Account Number 12364600

Notices

All notices and communications, including notices with respect to payments
and written confirmation of each such payment, to be addressed as first
provided above.

Name of Nominee in which Notes are to be issued: Tour & Co

Taxpayer I.D. Number: 41-0417460

<PAGE>

Description of Funded Debt, Liens and Unfunded Pension Liability

1. Funded Debt (including Capitalized Leases) and Liens relating thereto of the Company and its Subsidiaries outstanding on August 1, 1994 are as follows:

<TABLE>
<CAPTION>

Obligation	Principal Amount	Final Maturity	Collateral
(a) 10.4% Senior Notes	11,785,653.21	08-15-94	None
(b) 10.4% Senior Notes	10,825,935.50	08-15-94	None
(c) 6.5% Convertible Subordinated Note	1,250,000.00	03-01-96	None
(d) Guaranty of Montgomery County Industrial Development Agency	200,000.00	12-30-97	Land, building equipment and related property

	Industrial Development Revenue Bond and Agreement under which the Company is purchasing the facility financed by that Bond			located in Village of St. Johnsonville, Montgomery County, New York
(e) NBD Revolving Line of Credit	31,000,000.00	06-30-95		None
(f) Rosita Shares-10%	262,536.00	06-01-94		None
(g) Guaranty of County of Franklin Industrial Development Agency	240,000.00	12-01-95		Land, building equipment and related property
	Industrial Development Revenue Bonds and Capital Lease under which the Company is financing the facility financed by those Bonds.			located in Town-ship of Bombay, Franklin County New York
(h) Miscellaneous Funded Debt	Not exceeding $500,000 in the aggregate	Various	real and person-al property of the Company and its Subsidiaries	Various items of

</TABLE>

<PAGE>

SCHEDULE II
(to Note Agreement)

2. Unfunded Pension Liability of Plans of the Company and its Subsidiaries as of December 31, 1993 are as follows:

Frolic Footwear Pension Plan had an Unfunded Pension Liability of $18,000 on that date.

<PAGE>

<TABLE>
Subsidiaries of the Company
<CAPTION>

Name of Subsidiary	Jurisdiction of Incorporation	Percentage of Voting Stock Owned by Company and Each Other Subsidiary
<S>	<C>	<C>
Aquadilla Shoe Corporation	Michigan	100%
BSI Shoes, Inc.(1)	Michigan	100%
Brooks France, S.A.(1)	France	100%
Dominican Wolverine Shoe Company Limited	Cayman Islands	100%
Frolic de Mexico S.A. de C.V.	Monterrey, Mexico	100%
Spartan Shoe Company Limited	Cayman Islands	100%
Hush Puppies Retail, Inc.	Michigan	100%
WWW Europe, Ltd.(1)	United Kingdom	100%

Wolverine Design Center, Inc.	Michigan	100%
Wolverine Procurement, Inc.	Michigan	100%
Wolverine Sourcing, Inc.	Michigan	100%
Hush Puppies Canada Footwear, Ltd.	Quebec, Canada	75%

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(1) BSI Shoes, Inc., Brooks France, S.A., and WWW Europe, Ltd. are in the process of being dissolved and liquidated. All of these entities relate to the former Brooks athletic footwear business, the assets of which were sold in January of 1993. WWW Europe, Ltd. is not and will not be in technical good standing under applicable United Kingdom laws and regulations.
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Wolverine World Wide, Inc.

7.81% Senior Note
Due August 15, 2004

PPN 978097 A# 0
No.

_____, ____
$

Wolverine World Wide, Inc., a Delaware corporation (the "Company"), for value received, hereby promises to pay to

or registered assigns
on the fifteenth day of August, 2004
the principal amount of

DOLLARS
($)

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 7.81% per annum from the date hereof until maturity, payable semi-annually on the fifteenth of February and August in each year (commencing on the first of such dates after the date hereof) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue required or optional prepayment of principal) and Make-Whole Amount and (to the extent legally enforceable) on any overdue installment of interest, at the Overdue Rate after the due date, whether by acceleration or otherwise, until paid. "Overdue Rate" shall mean the lesser of (a) the maximum interest rate permitted by law and (b) the greater of (1) 9.81% per annum and (2) the rate which Morgan Guaranty Trust Company of New York announces from time to time as its prime lending rate as in effect from time to time, plus 2%.

Both the principal hereof and interest hereon are payable at the principal office of the Company in Rockford, Michigan in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If any amount of principal, Make-Whole Amount or interest on or in respect of this Note becomes due and payable on any date which is not a Business Day, such amount shall be payable on the immediately preceding Business Day and shall include interest payable to and including the scheduled date due. "Business Day" means any day other than a Saturday, Sunday or other day on which banks in New York, New York or Detroit, Michigan are required by law to close or are customarily closed.

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EXHIBIT A
(to Note Agreement)

This Note is one of the 7.81% Senior Notes due August 15, 2004 (the "Notes") of the Company in the aggregate principal amount of $30,000,000 issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of August 1, 1994 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and this Note and the holder hereof are entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to

therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements. The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the Make-Whole Amount set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, Make-Whole Amount and interest on this Note shall be made only to or upon the order in writing of the registered holder.

This Note and said Note Agreements are governed by and construed in accordance with the laws of New York, without regard to principles of conflicts of laws.

Wolverine World Wide, Inc.

By_____

Its_____

Representations and Warranties

The Company represents and warrants to you as follows:

1. Subsidiaries. Schedule II attached to the Agreements states the name of each of the Company's Subsidiaries, its jurisdiction of incorporation and the percentage of its Voting Stock owned by the Company and/or its Subsidiaries. The Company and each Subsidiary has good and marketable title to all of the shares it purports to own of the stock of each Subsidiary, free and clear in each case of any Lien. All such shares have been duly issued and are fully paid and non-assessable.

2. Corporate Organization and Authority. The Company, and each Subsidiary,

(a) is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, except that WWW Europe, Ltd., which is in the process of being dissolved and liquidated, is not in good standing in the United Kingdom;

(b) has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to

carry on its business as now conducted and as presently proposed to be conducted, except for licenses and permits the failure of which to have or obtain do not materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole; and

(c) is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction in which (i) the nature of the business transacted by it or the nature of the property owned or leased by it makes such licensing or qualification necessary and (ii) the failure to be so licensed and qualified does not materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

3. Business and Property. You have heretofore been furnished with a copy of the Private Placement Memorandum dated March, 1994 (the "Memorandum") prepared by NBD Bank, N.A., Capital Markets Division, and SPP Hambro & Co. which generally sets forth the business conducted and proposed to be conducted by the Company and its Subsidiaries and the principal properties of the Company and its Subsidiaries.

4. Financial Statements.

(a) The consolidated balance sheets of the Company and its consolidated Subsidiaries as of December 29, 1990, December 28, 1991, January 2, 1993 and January 1, 1994 and the statements of income and retained earnings and changes in financial position or cash flows for the fiscal years ended on said dates, each accompanied by a report thereon containing an opinion unqualified as to scope limitations imposed by the Company and otherwise without qualification except as therein noted, by Ernst & Young, have been prepared in accordance with GAAP consistently applied except as therein noted, are correct and complete and present fairly the financial position of the Company and its consolidated Subsidiaries as of such dates and the results of their operations and changes in their financial position or cash flows for such periods. The unaudited consolidated balance sheets of the Company and its consolidated Subsidiaries as of March 26, 1994, and the unaudited statements of income and retained earnings and cash flows for the three-month period ended on said date prepared by the Company have been prepared in accordance with GAAP consistently applied, are correct and complete and present fairly the financial position of the Company and its consolidated Subsidiaries as of said date and the results of their operations and changes in their financial position or cash flows for such period.

(b) Since January 1, 1994, there has been no change in the condition, financial or otherwise, of the Company and its consolidated Subsidiaries as shown on the consolidated balance

sheet as of such date except changes in the ordinary course of business, none of which individually or in the aggregate has been materially adverse.

5. Debt. Schedule II attached to the Agreements correctly describes all Funded Debt and Capitalized Leases of the Company and its Subsidiaries outstanding on August 1, 1994.

6. Full Disclosure. Neither the financial statements referred to in paragraph 4 hereof nor the Agreements, the Memorandum or any other written statement furnished by the Company to you in connection with the negotiation of the sale of the Notes, contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein or herein not misleading. There is no fact peculiar to the Company or its Subsidiaries which the Company has not disclosed to you in writing which materially affects adversely nor, so far as the Company

can now reasonably foresee, will materially affect adversely the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

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7. Pending Litigation. The Company has furnished to the Purchasers a letter dated July 28, 1994 (the "Company Letter") describing certain litigation proceedings and claims involving the Company and its Subsidiaries. There are no proceedings pending or, to the knowledge of the

Company, threatened against or affecting the Company or any Subsidiary in any court or before any governmental authority or arbitration board or tribunal (including, without limitation, the matters identified in the Company Letter) which can reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

8. Title to Properties. The Company and each Subsidiary has good and marketable title in fee simple (or its equivalent under applicable law) to all material parcels of real property it purports to own and has good title to all the other material items of property it purports to own, including that reflected in the most recent balance sheet referred to in paragraph 4 hereof, except as sold or otherwise disposed of in the ordinary course of business and except for Liens permitted by the Agreements.

9. Patents and Trademarks. The Company and each Subsidiary owns or possesses all the patents, trademarks, trade names, service marks, copyrights, licenses and rights with respect to the foregoing necessary for the present and planned future conduct of its business, without any known conflict with the rights of others except to the extent the failure to own such properties and right does not materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

10. Sale is Legal and Authorized. The sale of the Notes and

compliance by the Company with all of the provisions of the Agreements and the Notes:

(a) are within the corporate powers of the Company;

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

(c) have been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Certificate of

Incorporation or By-laws of the Company or otherwise), executed and delivered by the Company and the Agreements and the Notes constitute the legal, valid and binding obligations, contracts and agreements of the Company enforceable in accordance with their respective terms.

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11. No Defaults. No Default or Event of Default has occurred and is continuing. The Company is not in default in the payment of principal or interest on any Debt for borrowed money and is not in default under any instrument or instruments or agreements under and subject to which any Debt

for borrowed money has been issued and no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

12. Governmental Consent. No approval, consent or withholding of objection on the part of any regulatory body, state, Federal or local, is necessary in connection with the execution and delivery by the Company of the Agreements or the issuance, sale or delivery of the Notes or compliance by the Company with any of the provisions of the Agreements or the Notes.

13. Taxes. All tax returns required to be filed by the Company or any Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Company or any Subsidiary or upon any of their respective properties, income or franchises, which are shown to be due and payable in such returns have been paid. For all taxable years ending on or before December 31, 1988, the Federal income tax liability of the Company and its Subsidiaries has been satisfied and either the period of limitations on assessment of additional Federal income tax has expired or the Company and its Subsidiaries have entered into an agreement with the Internal Revenue Service closing conclusively the total tax liability for the taxable year. The Company does not know of any proposed additional tax assessment against it for which adequate provision has not been made on its accounts, and no material controversy in respect of additional Federal or state income taxes due

since said date is pending or to the knowledge of the Company threatened.
The provisions for taxes on the books of the Company and each Subsidiary
are adequate for all open years, and for its current fiscal period.

14. Use of Proceeds. The net proceeds from the sale of the Notes
will be used to retire outstanding Debt of the Company and for other
corporate purposes. Assuming that none of the Purchasers is a "Creditor"
as that term is defined in Regulation T referred to below, none of the
transactions contemplated in the Agreements (including, without limitation
thereof, the use of proceeds from the issuance of the Notes) will violate
or result in a violation of Section 7 of the Securities Exchange Act of
1934, as amended, or any regulation issued pursuant thereto, including,
without limitation, Regulations G, T, U and X of the Board of Governors of
the Federal Reserve System, 12 C.F.R., Chapter II. Neither the Company nor
any Subsidiary owns or intends to carry or purchase any "margin stock"
within the meaning of said Regulation G. None of the proceeds from the
sale of the Notes will be used to purchase, or refinance any borrowing the
proceeds of which were used to purchase, any "security" within the meaning
of the Securities Exchange Act of 1934, as amended.

15. Private Offering. Neither the Company, directly or indirectly,
nor any agent on its behalf has offered or will offer the Notes or any
similar Security or has solicited or will solicit an offer to acquire the

Notes or any similar Security from or has otherwise approached or negotiated or will approach or negotiate in respect of the Notes or any similar Security with any Person other than the Purchasers and not more than 40 other institutional investors, each of whom was offered a portion of the Notes at private sale for investment. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from any Person so as to bring the issuance and sale of the Notes within the provisions of Section 5 of the Securities Act of 1933, as amended.

16. ERISA. Based on the representations of the Purchasers in Section 3.2 of the Agreements, the consummation of the transactions provided for in the Agreements and compliance by the Company with the provisions thereof and the Notes issued thereunder will not involve any prohibited transaction within the meaning of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended. Each Plan complies in all material respects with all applicable statutes and governmental rules and regulations, and no Reportable Event has occurred and is continuing with respect to any Plan. The aggregate existing and reasonably likely liability of the Company and its Subsidiaries resulting from any or all of the following events does not exceed $500,000: (a) the Company's or any ERISA Affiliate's withdrawal, or institution of steps to withdraw, from one or more Multiemployer Plans; and (b) the institution by the Company or any Subsidiary of steps to terminate

any Plan or Plans. No condition exists or event or transaction has occurred in connection with any Plan which could result in the incurrence by the Company or any ERISA Affiliate of any material liability, fine or penalty. No Plan maintained by the Company or any ERISA Affiliate, nor any trust created thereunder, has incurred any "accumulated funding deficiency" as defined in Section 302 of ERISA nor does the Unfunded Pension Liability under all Plans exceed, as of December 31, 1993 $50,000 in the aggregate. Neither the Company nor any ERISA Affiliate has any contingent liability with respect to any post-retirement "welfare benefit plan" (as such term is defined in ERISA) except as has been disclosed to the Purchasers or as may be required by ERISA Sections 601-608.

17. Compliance with Law. Neither the Company nor any Subsidiary (a) is in violation of any law, ordinance, franchise, governmental rule or regulation to which it is subject; or (b) has failed to obtain any license, permit, franchise or other governmental authorization necessary to the ownership of its property or to the conduct of its business, which violation or failure to obtain would materially affect adversely the business, prospects, profits, properties or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, or impair

the ability of the Company to perform its obligations contained in the Agreements or the Notes. Neither the Company nor any Subsidiary is in

default with respect to any order of any court or governmental authority or
arbitration board or tribunal, except for defaults which in the aggregate

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do not materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

18. Compliance with Environmental Laws. Neither the Company nor any Subsidiary is in violation of any applicable Environmental Law which violation could reasonably be expected to have a material adverse effect on the business, prospects, profits, properties or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole. The Company does not know of any liability or class of liability of the Company or any Subsidiary, or any situation, event, condition or any potential violation of an Environmental Law which could reasonably be expected to give rise to any liability, under any Environmental Law which liability (whether existing or potential) could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole.

19. Investment Company Act. The Company is not, and is not directly or indirectly controlled by or acting on behalf of any Person which is, required to register as an "investment company" under the Investment Company Act of 1940, as amended.

20. Foreign Assets Control Regulations, etc. Neither the Company nor

any Affiliate of the Company is, by reason of being a "national" of
"designated foreign country" or a "specially designated national" within
the meaning of the Regulations of the Office of Foreign Assets Control,
United States Treasury Department (31 C.F.R., Subtitle B, Chapter V), or
for any other reason, subject to any restriction or prohibition under, or
is in violation of, any Federal Statute or Presidential Executive Order, or
any rules or regulations of any department, agency or administrative body
promulgated under any such statute or order, concerning trade or other
relations with any foreign country or any citizen or national thereof or
the ownership or operation of any property except to the extent such
restrictions, prohibitions and violations, taken in the aggregate, do not
materially and adversely affect the properties, business, prospects,
profits or condition (financial or otherwise) of the Company and its
Subsidiaries, taken as a whole.

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Description of Special Counsel's Closing Opinion

The closing opinion of Chapman and Cutler, special counsel to the
Purchasers, called for by Section 4.1 of the Note Agreements, shall be

dated the Closing Date and addressed to the Purchasers, shall be satisfactory in form and substance to the Purchasers and shall be to the effect that:

1. The Company is a corporation, validly existing and in good standing under the laws of the State of State of Delaware and has the corporate power and the corporate authority to execute and deliver the Note Agreements and to issue the Notes.

2. The Note Agreements have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding contracts of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

3. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

4. The issuance, sale and delivery of the Notes under the

circumstances contemplated by the Note Agreements does not, under existing law, require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

The opinion of Chapman and Cutler shall also state that the opinion of Warner, Norcross & Judd is satisfactory in scope and form to Chapman and Cutler and that, in their opinion, the Purchasers are justified in relying thereon.

In rendering the opinion set forth in paragraph 1 above, Chapman and Cutler shall rely solely upon an examination of the Certificate of Incorporation certified by, and a certificate of good standing of the Company from, the Secretary of State of the State of State of Delaware, the By-laws of the Company and the general business corporation law of the State of State of Delaware. The opinion of Chapman and Cutler is limited

to the laws of the State of New York, the general business corporation law of the State of Delaware and the Federal laws of the United States.

With respect to matters of fact upon which such opinion is based, Chapman and Cutler may rely on appropriate certificates of public officials and officers of the Company.

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Description of Closing Opinion of Counsel to the Company

The closing opinion of Warner, Norcross & Judd, counsel for the

Company, which is called for by Section 4.1 of the Note Agreements, shall be dated the Closing Date and addressed to the Purchasers, shall be satisfactory in scope and form to the Purchasers and shall be to the effect that:

1. The Company is a corporation, duly incorporated, validly existing and in good standing under the laws of the State of State of Delaware, has the corporate power and the corporate authority to execute and perform the Note Agreements and to issue the Notes and has the full corporate power and the corporate authority to conduct the activities in which it is now engaged and is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction in which (i) the character of the properties owned or leased by it or the nature of the business transacted by it makes such licensing or qualification necessary and (ii) the failure to be so licensed or qualified would have a material adverse effect upon the business of the Company and its Subsidiaries taken as a whole.

2. Each Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and is duly licensed or qualified and is in good standing in each jurisdiction in the United States and Canada in which (i) the character of the properties owned or leased by it or the nature of the business transacted by it makes such licensing or qualification necessary and (ii) the failure to be so licensed or qualified would have a material adverse effect upon the business of the Company and its Subsidiaries taken

as a whole, except that WWW Europe, Ltd., which is in the process of being dissolved and liquidated, is not in good standing in the United Kingdom, which is the jurisdiction in which it was organized.

3. Each Note Agreement has been duly authorized by all necessary corporate action on the part of the Company, has been duly executed and delivered by the Company and constitutes the legal, valid and binding contract of the Company enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

4. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

5. No approval, consent or withholding of objection on the part of, or filing, registration or qualification with, any governmental body,

Federal, state or local, is necessary in connection with the execution and delivery of the Note Agreements or the Notes.

6. The issuance and sale of the Notes and the execution, delivery and performance by the Company of the Note Agreements do not conflict with or result in any breach of any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any of the property of the Company pursuant to (i) the provisions of the Certificate of Incorporation or By-laws of the Company, (ii) any statute, law, rule or regulation, (iii) any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority, of which we have knowledge after due inquiry, which is applicable to the Company or by which the Company may be bound, or (iv) any agreement or other instrument, of which we have knowledge after due inquiry, to which the Company is a party or by which the Company may be bound.

7. Based upon the representations and warranties of the Purchasers contained in Section 3.2 of the Note Agreements and assuming that each Purchaser is an Institutional Holder, the issuance, sale and delivery of the Notes under the circumstances contemplated by the Note Agreements does not, under existing law, require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

8. In reliance upon the Company's representation set forth in paragraph 14 of Exhibit B to the Note Agreements and assuming that no

Purchaser is a "Creditor", as defined in Regulation T of the Federal Reserve System, the issuance of the Notes and the use of the proceeds of the sale of the Notes in accordance with the provisions of and contemplated by the Note Agreements do not violate or conflict with Regulation G, T, U or X of the Board of Governors of the Federal Reserve System.

9. We do not know of any pending or threatened litigation against the Company or any Subsidiary that in our opinion could reasonably be expected to have a materially adverse effect on the business or assets of the Company and its Subsidiaries, taken as a whole, or that would impair the ability of the Company to issue and deliver the Notes or to comply with the provisions of the Note Agreements or that would challenge the validity of the transactions contemplated by the Note Agreements.

The opinion of Warner, Norcross & Judd shall cover such other matters relating to the sale of the Notes as the Purchasers may reasonably request. With respect to matters of fact on which such opinion is based, such counsel shall be entitled to rely on appropriate certificates of public officials and officers of the Company.

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EXHIBIT 10.3

WOLVERINE WORLD WIDE, INC.

Amended and Restated Directors Stock Option Plan

1. Establishment of Plan. Wolverine World Wide, Inc., a Delaware

corporation ("Wolverine"), proposes to grant to its directors who are not also employees of Wolverine ("Non-Employee Directors"), options to purchase shares of Wolverine's Common Stock, $1 par value ("Common Stock"). The options will be granted pursuant to the plan set forth herein which shall be known as the WOLVERINE WORLD WIDE, INC. AMENDED AND RESTATED DIRECTORS STOCK OPTION PLAN (the "Plan").

2. Purpose of Plan. The purpose of the Plan is to advance the interests of Wolverine and its stockholders by attracting and retaining the services of experienced and knowledgeable Non-Employee Directors and to provide additional incentive for such Non-Employee Directors to continue to promote and work for the best interests of Wolverine and its stockholders through continuing ownership of Wolverine Common Stock.

3. Shares Subject to Plan. A maximum of 50,000 shares of Common Stock (subject to adjustment in accordance with Paragraph 13 below) may be subject to the exercise of options granted under the Plan. Such shares shall be authorized shares and may be unissued or treasury shares. If an option is canceled, surrendered, modified, exchanged for a substitute option, or expires or terminates during the term of the Plan but prior to the exercise of the option in full, the shares subject to but not delivered under such option shall be available for options subsequently granted.

4. Administration of the Plan. The Plan shall be administered by

the Stock Option Committee (the "Committee") consisting of three members appointed by the Board of Directors. The Committee shall have full power and authority to interpret the provisions of the Plan and to supervise the administration of the Plan. All determinations made by the Committee regarding the Plan shall be final and conclusive. The Committee shall hold its meetings at such times and places as it shall deem advisable. Action may be taken by a written instrument signed by all the members of the Committee, and any action so taken shall be fully as effective as if it had been taken at a meeting duly called and held. The Committee may designate one of its members to sign options on behalf of the Committee and may appoint a secretary to keep minutes of its meetings. The Committee shall make such rules and regulations for the conduct of its business as it shall deem advisable. The members of the Committee shall be paid reasonable fees for their services.

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5. Indemnification of Committee Members. Each person who is or shall have been a member of the Committee shall be indemnified and held harmless by Wolverine from and against any cost, liability, or expense imposed or incurred in connection with such person's or the Committee's taking or failing to take any action under the Plan. Each such person shall be justified in relying on information furnished in connection with the Plan's administration by any appropriate person or persons.

6. Participation. All directors who are directors on the date of

grant, who are not employees of Wolverine or any of its affiliates or subsidiaries, and who are not eligible to participate under any other Wolverine stock-related plan (unless in the opinion of counsel to Wolverine such participation would not impair the status of such a Non-Employee Director as a "disinterested person" within the meaning of Rule 16b-3 issued under the Securities Exchange Act of 1934) shall participate in the Plan. Each Non-Employee Director shall at the time of his or her initial election or appointment be granted a non-qualified option to purchase 3,000 shares of Common Stock. Subject to adjustment as provided in Paragraph 13, a non-qualified option to purchase 500 shares of Common Stock shall be granted automatically on the date of each annual meeting of stockholders following the initial grant of 3,000 shares of Common Stock to each director of Wolverine who is, at the close of each such annual meeting, a Non-Employee Director.

7. Option Price. The per share option price for an option granted under the Plan shall be the market value of the shares covered by the option at the time the option is granted. The date of grant of the initial options granted under the Plan shall be May 4, 1988, and the date of grant of each option granted under the Plan from such date through April 20, 1994, shall be May 20 of the applicable year. The date of all options granted under the Plan on or after April 21, 1994, shall be the date of the annual meeting of stockholders of the applicable year for annual grants and the date of the initial election or appointment of a new Non-Employee

Director for the initial 3,000 share grant to a new Non-Employee Director.
For purposes of this Plan, "market value" shall equal the mean of the highest and lowest prices of sales of shares of Common Stock on the New York Stock Exchange on the last date preceding the date of grant on which the New York Stock Exchange was open for trading and on which shares of Common Stock were traded.

8. Termination of Directorship. If a Non-Employee Director is no longer a director of Wolverine or its subsidiaries for any reason other than his or her death, disability, the reaching of mandatory retirement age for a director, or termination for cause, he or she may exercise any outstanding options for a period of three months after such termination of director status, but only to the extent he or she was entitled to exercise

the options on the date of termination, unless the terms of such option provide otherwise.

If a Non-Employee Director ceases to be a director of Wolverine or one of its subsidiaries due to his or her disability or the attainment of mandatory retirement age, he or she may exercise an option during the remaining term of the option, but only to the extent that he or she was entitled to exercise the option on the date of such event, unless the terms of such option provide otherwise.

If a Non-Employee Director dies either while a director of

Wolverine or after the termination of his or her directorship other than for cause during the time when the participant could have exercised an option under the Plan, the option issued to such Non-Employee Director shall be exercisable by the personal representative of such Non-Employee Director or other successor to the interest of the Non-Employee Director for one year after his or her death, to the extent that the Non-Employee Director was entitled to exercise the option on the date of death or termination of director status, whichever first occurred, unless the terms of such option provide otherwise.

Nothing in the Plan or in any option agreement shall confer upon any Non-Employee Director the right to continue as a director of Wolverine.

9. Transferability of Options. Options granted under this Plan may not be transferred except by will or the laws of descent and distribution. During the lifetime of the Non-Employee Director, options may be exercised only by that Non-Employee Director, or by his or her guardian or legal representative.

10. Terms of Options. Options shall expire ten (10) years from the date of the granting thereof, but shall be subject to earlier termination as provided in Paragraph 8. Options shall be evidenced by written agreements containing such terms and conditions, consistent with the provisions of this Plan, as the Committee shall from time to time determine. Each agreement shall comply with and shall be subject to the

terms and conditions of the Plan and shall conclusively evidence, by the Non-Employee Director's signature thereon, that it is the intent of the Non-Employee Director to continue to serve as a director of Wolverine for the remainder of his or her term during which the option was granted. At the time of the exercise of an option, the option holder, if requested by the Committee, must represent to Wolverine that the shares are being acquired for investment and not with a view to the distribution thereof.

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11. Time and Manner of Exercise. Options are exercisable immediately after their grant and may be exercised in full at one time or in part from time to time. Any option may be exercised by giving written notice, signed

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by the person exercising the option, to Wolverine stating the number of shares with respect to which the option is being exercised, accompanied by payment in full for such shares.

12. Medium and Time of Payment. The exercise price of each share purchased pursuant to an option granted under the Plan shall be payable in cash or, if the Committee consents, in shares of Common Stock (including Common Stock to be received upon a simultaneous exercise) or other consideration equivalent to cash. The time and terms of payment may be

amended with the consent of the Non-Employee Director before or after exercise of the option, but such amendment shall not reduce the option price. When appropriate arrangements are made with a broker or other institution, payment may be made by a properly executed exercise notice directing delivery of shares to a broker together with irrevocable instructions to the broker to promptly deliver to Wolverine the amount of sale or loan proceeds to pay the exercise price. The Committee may from time to time authorize payment of all or a portion of the option price in the form of a promissory note or installments, with or without interest or security, according to such terms as the Committee may approve. The Board of Directors may restrict or suspend the power of the Committee to permit such loans and may require that adequate security be provided.

13. Adjustments. If the number of shares of Common Stock outstanding changes by reason of a stock dividend, stock split, recapitalization, merger, reorganization, consolidation, combination or exchange of shares, the aggregate number and class of shares available under the Plan and subject to each option, together with the option prices, shall be appropriately adjusted. No fractional shares shall be issued pursuant to the Plan, and any fractional shares resulting from adjustments shall be eliminated from the respective options.

14. Tax Withholding. Wolverine or a subsidiary shall make such provisions as it shall deem appropriate for the withholding of any taxes

determined to be required to be withheld in connection with the grant or exercise of options under the Plan.

15. Listing and Registration of Shares. Each option shall be subject to the requirement that if at any time the Committee shall determine, in its discretion, that the listing, registration or qualification of the shares covered thereby upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such option or the issue or purchase of shares thereunder, such option may not be exercised in whole or in part unless and until such listing, registration, qualification, consent or approval shall have been

effected or obtained free of any conditions not acceptable to the Committee.

16. Effective Date of Plan. The Plan shall take effect May 4, 1988, subject to approval by the stockholders at the 1988 Annual Meeting of Stockholders or any adjournment thereof or at a Special Meeting of Stockholders. Options granted hereunder shall not be exercisable prior to such stockholder approval and shall expire should the stockholders fail to approve the Plan by May 4, 1989. Unless earlier terminated by the Board of Directors, the Plan shall terminate on May 4, 1998. No option shall be granted under this Plan after such date.

17. Termination and Amendment of Plan. The Board of Directors may terminate the Plan at any time or may from time to time amend the Plan as it deems proper and in the best interests of Wolverine; provided, however, that the Plan may not be amended more than once every six months, other than to comport with changes in the Internal Revenue Code of 1986, as amended, the Employee Retirement Income Security Act, or the rules thereunder; and provided further, that, except as provided in Paragraph 13, the Board may not, without the approval of the stockholders of Wolverine obtained in the manner stated in Paragraph 16, do any of the following: (i) materially increase the benefits accruing to participants under the Plan; (ii) materially increase the number of securities which may be issued under the Plan; (iii) materially modify the requirements as to eligibility for participation in the Plan; or (iv) materially increase the number of shares for which an option may be granted to any Non-Employee Director. No such amendment or termination may impair any outstanding option without the consent of the Non-Employee Director.

EXHIBIT 10.7

WOLVERINE WORLD WIDE, INC.

STOCK OPTION LOAN PROGRAM
(Effective July 11, 2000)

A loan program has been established by the Company to permit current employees, directors and/or officers to assist with the exercise of stock options. This program enables these individuals to borrow up to 95% of the market value of the stock on the date of the loan (but not more than 95% of the option price). The loan is collateralized by 100% of the related shares of optioned stock. The following rules have been established.

1. Only those employees, directors or officers whose cumulative options are 500 shares or more are eligible. Also, you will become eligible under the loan program if you receive a later option grant which, when added to any prior options received, puts you up to the 500 share minimum.

2. Interest Rate -- The interest rate, fixed at the commencement of the loan, will be the greater of 6 1/2% per annum or the rate specified by the Internal Revenue Service which would trigger the imputed interest rules. Interest will be billed and payable quarterly (March, June, September and December).

3. Each loan is repayable over a twelve (12) year period (or until termination of employment, if earlier). During the first five (5) years, payments of interest only are required. After five (5) years, quarterly principal payments of 3 3/4% (15% per year) are required, plus accrued interest, until the loan is repaid. In the event of termination of employment (excluding retirement, death or permanent disability), the unpaid principal and interest is due, in full, within thirty (30) days. Loans may be prepaid without penalty. In the event of retirement, death, or permanent disability, the full-unpaid principal and interest is due within twenty-four (24) months of the date of termination of employment.

4. The principle of any loan and/or accrued interest may be paid at anytime by surrendering shares of Company stock to the Company. The surrendered shares may be shares held as collateral for the loan being repaid or other fully vested shares held by the employee, subject to the requirements in Paragraph 6(c). The surrendered shares will be applied to principal and/or interest at the market value of the shares on the day of such surrender

(calculated as the average of the highest and lowest sale prices on the date of surrender or the last preceeding trading day if the date of surrender is not a trading day).

5. Subject to the requirements of Paragraph 6(c), the proceeds of any sale of stock acquired pursuant to a loan must be applied first to the payment of the loan and accrued interest. If any part of the stock is to be sold, a pro-rata portion (shares sold to total pledged) of the loan must be repaid first from the proceeds of the sale.

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6. (a) Collateral of 100% of the stock exercised is required to be pledged for each loan. The original stock pledged may relate only to the loan made against that stock purchase and cannot be used as further security for future loans until the original loan is paid off.

   (b) If the collateral value of the stock pledged falls below the loan balances for more than three (3) consecutive months, the employee, director or officer must either: (i) repay the loan at a rate equal to 2 1/2% of the difference per quarter until no shortfall exists, or (ii) pledge other stock to secure the loan shortfall. This is in addition to other required payments. Participants may utilize Company stock to pay off all or any portion of an outstanding loan (principal and/or accrued interest) under this program.

   (c) The employee is not permitted to sell, withdraw, pledge or otherwise dispose of all or any part of the collateral for a loan until deficiency payments in (b) above have been repaid or until, as a result of the repayments and/or an increase in the market value of the underlying stock, the current loan is equal to or less than the current market value of the stock.

7. Existing stock option loans will, as necessary, convert to the new loan program under the following guidelines.

   (a) If required principal payments have not yet commenced under the original loan, repayment (principal and interest) will be governed by the new loan program.
   (b) A new note, if such is deemed necessary by the Company, must be executed.

8. Employees will have the right to receive dividends on the stock and to vote the stock.

9. A promissory note, stock pledge agreement, and assignment of stock certificate to sell stock, in the form supplied by the Company, must be executed at the time of the loan.

The persons listed below have entered into Executive Severance Agreements with the Company. The form Executive Severance Agreement previously filed contains certain blanks to be completed for each person. The information listed below is inserted into the blanks for the respective person's Executive Severance Agreement.

	Salary Multiplier Rate (Section 4(a)(4))	**Termination Period (Section 1(n))**	**Change of Control Continuation Period (Section 2)**
Geoffrey B. Bloom	3	3 years	36 months
Timothy J. O'Donovan	3	3 years	36 months
Steven M. Duffy	3	3 years	36 months
Stephen L. Gulis, Jr.	3	3 years	36 months
Blake W. Krueger	3	3 years	36 months
Owen S. Baxter	2	2 years	24 months
William J. B. Brown	2	2 years	24 months
Arthur G. Croci	2	2 years	24 months
Richard C. DeBlasio	2	2 years	24 months
John Deem	2	2 years	24 months
V. Dean Estes	2	2 years	24 months
Thomas P. Mundt	2	2 years	24 months
Nicholas P. Ottenwess	2	2 years	24 months
Robert J. Sedrowski	2	2 years	24 months
James D. Zwiers	2	2 years	24 months

EXHIBIT 10.9

WOLVERINE WORLD WIDE, INC.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

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WOLVERINE WORLD WIDE, INC.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Wolverine World Wide, Inc. ("Wolverine") hereby adopts the Wolverine World Wide, Inc. Supplemental Executive Retirement Plan, a supplemental nonqualified plan for a select group of management personnel employed by Wolverine and any subsidiary of Wolverine.

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. 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"). 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").

1.2 Employer; Company.

"Employer" and "Company" mean Wolverine World Wide, Inc. and any affiliate of Wolverine World Wide, Inc. which has adopted this Plan with the consent of Wolverine World Wide, Inc.

1.3 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.

1.4 Effective Date.

The "Effective Date" of this Plan is March 6, 2001. 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 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).

2.3 Plan Year.

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

2.4 Present Value.

"Present Value" means the present value as computed under the Pension Plan as of the end of the most recently completed Plan Year, but using the GATT 30-year Treasury interest rate.

2.5 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.

2.6 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.

ARTICLE 3

Participant

3.1 Designation as Participant.

Only management and highly compensated Employees shall be eligible to participate in this Plan.

Wolverine shall designate eligible Employees who shall become participants ("Participant"). The designation shall be made in writing, and shall become effective when both the Employer and the Employee have signed a Participation Agreement in the form attached as Exhibit "A." A designated eligible Employee shall become a Participant on the date specified in the Participation Agreement.

3.2 Inactive Participant Status.

The Administrator may 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, unless the Participant is subsequently designated 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. The Employer may make contributions sufficient to prevent an unfunded liability from adversely affecting financial disclosures required under generally accepted accounting principles and to provide reasonable anticipated benefits under this Plan. Employees shall not make any contributions under this Agreement.

4.2 No Relationship to Benefits.

The benefits provided by this Agreement shall be separate from and unrelated to any contributions made by Employer (including but not limited to assets held in a trust created under Article IX 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 earlier of execution of a Participation Agreement under this Plan or 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, the terms "Retiring" or "Retire" shall include any termination of the Participant's status as an Employee of the Employer.

(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. The Annual Benefit shall be reduced by the Participant's Annual Pension Benefit (as defined in 5.1(c) below). Further, if the Participant elects pre-age 65 payment, the Annual Benefit shall be reduced as provided in 5.1(b) below.

(i) Earnings. "Earnings" means Earnings as computed under the Pension Plan, 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 long-term bonus Plan, and

(B) Severance Payments. Any payments to the Participant under any severance agreement or policy.

(ii) 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 to a Participant who Retires before reaching age 65 will be the benefit computed under (a) above, beginning on the first day of the month following the Participants 65th birthday.

(i) Earlier Payment. A Participant may elect to begin receiving a reduced benefit beginning on the first day of any month after the Participant attains age 55. If the Participant begins receiving a benefit between age 60 and 65, the reduction 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, there shall be an additional reduction of .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 elects payment prior to the Participant's attainment of age 65 shall be deemed (for purposes 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 will be paid a lump sum death benefit without regard to the 5-year service or minimum age requirements of Section 5.1. The death benefit shall be equal to the Present Value of the benefit computed under Section 5.1 as if the Participant had Retired on the date of death, had begun receiving benefits at age 65, and had continued to receive benefits for the remainder of the Participant's life expectancy. If the Participant has received a Disability benefit under Section 5.3, the lump sum death benefit under this subsection will be reduced by the actuarial 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 50% Joint and Survivor Annuity, or in any of the forms set forth in subsections 7.2(b).

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 has a physical or mental condition that entitles the Participant to a disability benefit under the Pension Plan.

(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 (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 Participants who are 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 computed using the Pension Plan benefit formula in effect on December 31, 1994;

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 his employment after a Change in Control, the terms "Change in Control," "Cause," "Disability," "total disability/totally disabled," "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 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. 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 Agreement 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; or

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.

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 fund 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 following termination of Participant's employment at the time and in the manner specified in this Article. Subject to Article 10, a transfer of employment among the Company and its subsidiaries is not a termination of employment, nor (subject to Article 10) shall a Participant's employment be deemed terminated if Participant is offered employment by a successor which purchases all or substantially all of the assets of the Company and who adopts this Plan.

7.2 Form of Payment.

(a) Presumed Method. A Disability Benefit shall be paid in the form of a life annuity. Unless a Participant elects otherwise, a Retirement Benefit shall be paid in the form of a Joint and 50% Survivor Annuity to a married Participant, or in the form of a Life Annuity to any other Participant in lieu of the normal form of payment.

(b) Optional Methods. A Participant may elect any of the following actuarially equivalent optional forms for a Retirement Benefit with the consent of the Company by notifying the Administrator in writing before the end of the calendar year preceding that in which the Participant begins receiving a benefit.

(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 100% Spouse Annuity. A monthly amount to the Participant for the Participant's lifetime and in an equal monthly amount to the Participant's Surviving Spouse, if any, for life.

(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 an actuarially equivalent Present Value which does not exceed $3,500; a Participant who is entitled to a Change in Control

Benefit; or a Beneficiary who is entitled to a death benefit under Section 5.2(a) (death before commencement of benefits) may elect a lump-sum payment.

(ii) Amount. Except as modified by the provisions of Section 10.1 for a Change of Control Benefit, the amount of the lump sum shall be the actuarially equivalent present value of the Participant's benefit payable under the Plan at the Participant's Normal Retirement Date (as defined in the Pension Plan).

7.3 Calculation.

All benefit calculations shall be made as of the date the Participant's employment terminates or, if later, upon occurrence of the event which triggers payment of the benefit. Each form of benefit payment shall be actuarially equivalent to a life annuity and shall be based upon the actuarial assumptions and factors applicable in the Pension Plan in effect on the date the Participant's employment terminates.

7.4 Time of Payment - Retirement.

(a) At or After Age 65. Retirement benefits under this Plan shall begin on the first day of the later of the month following that in which the Participant attains age 65, or that in which the Participant Retires.

(b) Age 55 to 65. A Participant who wishes to receive a benefit provided by Section 5.1(b) may elect to do so, with the consent of the Company, by notifying the Administrator in writing. Such notice must be given, if at all, prior to the beginning of the calendar year in which Participant begins receiving a benefit. The benefit will begin on the first day of the month designated in such election.

(c) Lump Sum. Any lump-sum benefit payable under Section 7.2(c) shall be paid on March 1 following the end of the calendar year in which the Participant's employment terminates or the Participant dies.

(d) Delayed Payment. If the payment of benefits begins after the time specified for payment above, the benefit shall be adjusted for late payment in the same manner as under the Pension Plan (as in effect on the date the Participant's employment terminates).

7.5 Time of Payment - Death.

Benefits shall cease upon a Participant's death unless continued under this section.

(a) Spouse. If a benefit is payable as a Joint and 50/100% 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 Survivor 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.

(e) Withholding Taxes. 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.

(f) Generation-Skipping Transfer Tax. The Employer may withhold any benefits payable to a Beneficiary as a result of the death of a Participant or any other Beneficiary until it can be determined whether a generation-skipping transfer tax, as defined in Chapter 13 of the Code, or any substitute provision therefor, is payable and the amount of generation-skipping transfer tax, including interest, that is due. If a tax is payable, the benefits otherwise payable shall be reduced in an actuarially equivalent amount to reflect the payment of the generation-skipping transfer tax and interest. Any benefits withheld shall begin or resume as soon as there is a final determination of the applicable generation-skipping transfer tax and interest.

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

(ii) 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 Agreement 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) Administrative Information. Obtain to the extent reasonably possible all information necessary for the proper administration of this Plan;

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

(g) Reporting and Disclosure. Prepare and file annual and periodic reports or disclosure documents required under ERISA and Regulations;

(h) Advisers. Employ attorneys, actuaries, accountants, clerical employees, agents, or other Persons who are necessary for operation, administration, and management of this Plan ;

(i) 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.

The Administrator shall determine all issues arising from the administration of this Plan.

(a) Initial Determination. Upon application by a Participant or Beneficiary, the Administrator shall make an initial determination and communicate the determination to the participant or Beneficiary within 90 days after the application. If the initial determination requires a longer period, the Administrator shall notify the Participant or Beneficiary that the 90-day period is extended to 180 days.

(b) Method. The decision of the Administrator shall be in writing. The decision shall set forth (i) the decision and the specific reason for the decision; (ii)

specific reference to the Plan provisions on which the decision is based; (iii) a description of additional material, information, or acts that may change or modify the decision; and (iv) an explanation of the procedure for further review of the decision.

(c) Further Review. Within 60 days of receipt of the initial written decision, the Participant or Beneficiary filing the original application, or the applicant's authorized representative, may make a request for redetermination by the Administrator. The applicant (or the authorized representative) may review all pertinent documents and submit issues, comments, and arguments.

(d) Redetermination. Within 60 days of receipt of an application for redetermination, unless special circumstances require a longer period of time (but not longer than 120 days after receipt of the application), the Administrator shall provide the applicant with its final decision, setting forth specific reasons for the decision with specific reference to plan provisions on which the decision is based.

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 Agreement may be held in a Rabbi Trust. The Trust will conform to the terms of the model Trust set forth in Revenue Procedure 92-65 (or a successor pronouncement by the Internal Revenue Service).

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 Agreement 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

Special 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 paid, within 30 days following such termination and 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, the Change in Control Benefit. The Change in Control Benefit shall be the greater of:

(a) Standard Benefit. A lump sum equal to 125% of the Present Value of the payments for which Participant would have been eligible beginning at age 55 (or at Participant's age on the date the employment terminates, if greater than 55), without reduction for the early retirement factor set forth in Section 5.1(b), based on Participant's Years of Service as of the date Participant's employment terminates; or

(b) Minimum Benefit. The Minimum Benefit provided in Section 5.4.

10.2 Definitions.

As used in this Article 10, the following terms shall have the respective meanings set forth below:

(a) "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" 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 Agreement 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 Agreement, the date of a Change of Control shall mean the date immediately prior to the date of such termination of Participant's employment.

(c) "Common Stock" means the common stock of the Company, $1 par value per share.

(d) "Date of Termination" means (1) the effective date on which Participant's employment by the Company and/or its subsidiaries terminates as specified in a Notice of Termination by the Company or Participant, as the case may be, or (2) if Participant's employment by the Company and/or its subsidiaries terminates by reason of death, the date of death of Participant. Notwithstanding the

previous sentence, (i) if the Participant's employment is terminated for Disability (as defined in (f)), then such Date of Termination shall be no earlier than thirty (30) days following the date on which a Notice of Termination is received, and (ii) if the Participant's employment is terminated by the Company and/or its subsidiaries other than for Cause, then such Date of Termination shall be no earlier than thirty (30) days following the date on which a Notice of Termination is received.

(e) "Designated Period" means the designated period set forth in the Participant's Participation Agreement.

(f) "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.

(g) "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 as expressly permitted by this Agreement (including any purported termination of employment which is not effected by a Notice of Termination); 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 Agreement, 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 Agreement notwithstanding that it occurred prior to the Change in Control.

(h) "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" means written notice of Participant's Date of Termination by the Company or Participant, as the case may be, to the other, which (1) indicates the specific termination provision in this Agreement 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 Agreement 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) 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) 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 Executive.

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. 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.

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 Agreement.

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, 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), even if directed under a qualified domestic relations order or other divorce order. 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 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 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.
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. 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 _____, 19__. 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. 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

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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.

7. 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.

8. 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.

9. 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.

10. 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.

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.
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. 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 _____, 19__. 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. 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.

7. 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.

8. 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.

9. 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.

10. 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.

IN WITNESS WHEREOF, the parties have signed this Agreement.

WOLVERINE WORLD WIDE, INC.

Date: _____ By: _____

Its: _____

"Employer"

Date: _____

_____

"Employee"

The following persons have a percentage benefit multiplier under the Supplemental Executive Retirement Plan (the "Plan") of 2.4% or 2.0%, as indicated below, in lieu of the 1.6% of final average monthly remuneration benefit multiplier described in the Plan:

2.4%	2.0%
Geoffrey B. Bloom	Owen S. Baxter
William J.B. Brown	Arthur G. Croci
Louis A. Dubrow	Richard C. DeBlasio
Steven M. Duffy	John Deem
V. Dean Estes	Gary G. Fountain
Stephen L. Gulis, Jr.	Ted Gedra
Blake W. Krueger	Blaine C. Jungers
Timothy J. O'Donovan	Jacques Lavertue
Robert J. Sedrowski	Thomas P. Mundt
	Dan L. West
	Nicholas P. Ottenwess

EXHIBIT 10.11

INDEMNIFICATION AGREEMENT

This Indemnification Agreement is made as of the ____day of _____, ___, by and between Wolverine World Wide, Inc., a Delaware Corporation (the "Corporation"), and _____ ("Indemnitee"), a director and/or officer of the Corporation.

R E C I T A L

It is essential that the Corporation retain and attract the most capable persons available as directors and officers. There has been a substantial increase in corporate litigation that subjects directors and officers to great personal financial risks. Directors' and officers' liability insurance, if available at all, is becoming increasingly expensive and contains many limitations, deductibles, and exclusions. It is now and has always been the express policy of the Corporation to indemnify its directors and officers so as to provide them with the maximum possible protection permitted by law. In order to provide directors and officers with the maximum lawful indemnification, the Corporation has determined and agreed to enter into this Indemnification Agreement with Indemnitee.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

Section 1. Definitions. As used in this Agreement:

(a) "Expenses" shall mean all costs, expenses and obligations paid or incurred in connection with investigating, litigating, being a witness in, defending or participating in, or preparing to litigate, defend, be a witness in or participate in any matter that is the subject of a Proceeding (as defined below), including attorneys' and accountants' fees and court costs.

(b) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding, or any inquiry or investigation, whether brought by or in the right of the Corporation or otherwise and whether of a civil, criminal, administrative or investigative nature, in which Indemnitee may be or may have been involved as a party or otherwise by reason of the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Corporation, or by reason of any action taken by Indemnitee or any inaction on Indemnitee's part while acting as a director, officer, employee, agent or fiduciary of the Corporation, or by reason of the fact that Indemnitee is or was serving at the request of the Corporation as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise.

(c) "Resolution Costs" shall include any amount paid in connection with a Proceeding and in satisfaction of a judgment, fine, penalty or any amount paid in settlement.

Section 2. Agreement to Serve. Indemnitee agrees to serve as a director and/or officer of the Corporation for so long as Indemnitee is duly elected or appointed or until the tender of Indemnitee's written resignation.

Section 3. Indemnification. The indemnification provided under this Agreement shall be as follows:

(a) The Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with any Proceeding. Additionally, in any Proceeding other than a Proceeding by or in the right of the Corporation, the Corporation shall indemnify Indemnitee against all Resolution Costs actually and reasonably incurred by Indemnitee in connection with such Proceeding. No indemnification shall be made under this subsection:

(i) With respect to remuneration paid to Indemnitee if it shall be determined by a final judgment or other final adjudication that such remuneration was in violation of law;

(ii) On account of any suit in which judgment is rendered against Indemnitee for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Corporation pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state, or local law;

(iii) On account of Indemnitee's conduct which is determined by a final judgment or other final adjudication to have been knowingly fraudulent, deliberately dishonest or willful misconduct;

(iv) On account of Indemnitee's conduct which by a final judgment or other final adjudication is determined to have been in bad faith, in opposition to best interests of the Corporation or produced an unlawful personal benefit;

(v) With respect to a criminal proceeding if the Indemnitee knew or reasonably should have known that Indemnitee's conduct was unlawful; or

(vi) If a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful.

(b) In addition to any indemnification provided under Subsection 3(a) above, the Corporation shall indemnify Indemnitee against any Expenses or Resolution Costs incurred by Indemnitee, regardless of the nature of the Proceeding in which Expenses and/or Resolution Costs were incurred, if such

Expenses or Resolution Costs would have been covered under the directors' and officers' liability insurance policies in effect on the effective date of this Agreement or any such insurance policies which become effective on any subsequent date.

(c) In addition to any indemnification provided under Subsections 3(a) and 3(b) above, the Corporation hereby provides Indemnitee, to the fullest extent allowed by law as presently or hereafter enacted or interpreted, with indemnification against any Expenses and/or Resolution Costs incurred by Indemnitee in connection with any Proceeding. To the extent a change in the Delaware General Corporation Law (whether by statute or judicial decision) permits greater indemnification, either by agreement or otherwise, than presently provided by law or this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

(d) Without limiting Indemnitee's right to indemnification under any other provision of this Agreement, the Corporation shall indemnify Indemnitee in accordance with the provisions of this subsection if Indemnitee is a party to or threatened to be made a party to or otherwise involved in any Proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that Indemnitee was or is a director and/or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all Expenses

actually and reasonably incurred by Indemnitee and any amounts paid by Indemnitee in settlement of such Proceeding, but only if Indemnitee acted in good faith in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made under this subsection in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged to be liable to the Corporation in the performance of his duty to the Corporation, unless and only to the extent that any court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such amounts as such court shall deem proper.

(e) Notwithstanding anything in this Agreement to the contrary, prior to a Change in Control (as hereafter defined), Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Proceeding initiated by Indemnitee against the Corporation or any director, officer, employee, agent or fiduciary of the Corporation (in such capacity) unless the Corporation has joined in or consented to the initiation of such Proceeding.

Section 4. Payment of Indemnification.

(a) Expenses incurred by the Indemnitee and subject to indemnification under Section 3 above shall be paid directly by the Corporation or reimbursed to the Indemnitee within two (2) days after the receipt of a written request of the Indemnitee providing that Indemnitee undertakes to repay any amount paid or advanced under this section to the extent that it is ultimately determined that Indemnitee is not entitled to such indemnification.

(b) Except as otherwise provided in Section 4(a) above, any indemnification under Section 3 above shall be made no later than thirty (30) days after receipt by the Corporation of the written request of Indemnitee, unless within said 30-day period the board of directors, by a majority vote of a quorum consisting of directors who are not parties to such Proceeding, determines that the Indemnitee is not entitled to the indemnification set forth in Section 3 or unless the board of directors

refers the Indemnitee's indemnification request to independent legal counsel. In cases where there are no directors who are not parties to the Proceeding, the indemnification request shall be referred to independent legal counsel. If the indemnification request is referred to independent legal counsel, then Indemnitee shall be paid no later than forty-five (45) days after Indemnitee's initial notice to the Corporation unless within that time independent legal counsel presents to the board of directors a written opinion stating in unconditional terms that indemnification is not allowed under Section 3 of this Agreement. If a Change in Control (as defined in Section 5) occurs and results in individuals who were directors prior to the circumstances giving rise to the Change in Control ceasing for any reason to constitute a majority of the board of directors, the above determination, if any, shall be made by independent legal counsel and not the board of directors. The Corporation agrees to pay the reasonable fees of the independent legal counsel and to fully indemnify such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant thereto. If there has not been a Change in Control as defined in Section 5, independent legal counsel shall be selected by the board of directors or the executive committee of the board, and if there has been a Change in Control, the independent legal counsel shall be selected by Indemnitee.

(c) The right to indemnification payments as provided by this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction. The burden of proving that indemnification is not permitted by this Agreement shall be on the Corporation or on the person challenging the indemnification. Neither the failure of the Corporation, including its board of directors, to have made a determination prior to the commencement of any Proceeding that indemnification is proper, nor an actual determination by the Corporation, including its board of directors or independent legal counsel, that indemnification is not proper, shall bar the action or create a presumption that

Indemnitee is not entitled to indemnification under this Agreement. If the board of directors or independent legal counsel determines in accordance with Section 4(b) above that Indemnitee would not be permitted to be indemnified in whole or in part, Indemnitee shall have the right to commence litigation in any court in the states of Michigan or Delaware having subject matter jurisdiction thereof and in which venue

is proper seeking an initial determination by the court or challenging any such determination by the board of directors or independent legal counsel, and the Corporation hereby consents to service of process and to appear in any such proceeding. Expenses incurred by Indemnitee in connection with successfully establishing Indemnitee's right to indemnification, in whole or in part, shall also be reimbursed by the Corporation.

Section 5. Establishment of Trust. In the event of a Potential Change in Control of the Corporation, as hereafter defined, the Corporation shall, upon written request by Indemnitee, create a trust for the benefit of the Indemnitee and from time to time upon written request of Indemnitee shall fund such trust in an amount sufficient to satisfy any and all Expenses or Resolution Costs that may properly be subject to indemnification under Section 3 above anticipated at the time of each such request. The amount or amounts to be deposited in the trust pursuant to this funding obligation shall be determined by a majority vote of a quorum consisting of directors who are not parties to such Proceeding, the executive committee of the board of directors or the President of the Corporation. If all such individuals are parties to the Proceeding, the amount or amounts to be deposited in the trust shall be determined by independent legal counsel. The terms of the trust shall provide that upon a Change in Control (i) the trust shall not be revoked or the principal thereof invaded, without the written consent of the Indemnitee, (ii) the trustee shall advance, within two (2) business days of a request by the Indemnitee, any amount properly payable to Indemnitee under Subsection 4(a) of this Agreement, (iii) the trust shall continue to be funded by the Corporation in accordance with the funding obligation set forth above, (iv) the trustee shall promptly pay to the Indemnitee all amounts for which the Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (v) all unexpended funds in such trust shall revert to the Corporation upon a final determination by a court of competent jurisdiction that the Indemnitee has been fully indemnified under the terms of this Agreement. The trustee shall be chosen by the Indemnitee and shall be a national or state bank having a combined capital and surplus of not less than $50,000,000. Nothing in this section shall relieve the Corporation of any of its obligations under this Agreement. At the time of each draw from the trust fund, the Indemnitee shall provide the trustee with a written request providing that Indemnitee undertakes to repay such amount to the extent that it is ultimately determined that Indemnitee is not entitled to such indemnification. Any funds, including interest or investment earnings thereon, remaining in the trust fund shall revert and be paid to the Corporation if (i) a Change in Control has not occurred, and (ii) if the executive committee of the board of directors or the Chairman or Chief Executive Officer of the Corporation determines that the circumstances giving rise to that particular funding of the trust no longer exists.

For purposes of this section, a "Change in Control" shall be deemed to have occurred if (i) any "person" (as such term is used in Section 13(d) and 14(d) of the Securities

Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or a corporation owned directly or indirectly by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Corporation representing 20% or more of the total voting power represented by the Corporation's then outstanding voting securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Corporation and any new director whose election by the board of directors or nomination for election by the Corporation's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Corporation approve a merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which would result in the voting securities of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 80% of the total voting power represented by the voting securities of the Corporation or such surviving entity outstanding immediately after such merger or consolidation, or (iv) the stockholders of the Corporation approve a plan of complete liquidation of the Corporation or an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation's assets.

For purpose of this section, a "Potential Change in Control" shall be deemed to have occurred if (i) the Corporation enters into an agreement, the consummation of which would result in the occurrence of a Change in Control, or (ii) any person (including the Corporation) publicly announces an intention to take or to consider taking actions which once consummated would constitute a Change in Control, or (iii) any person, other than a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation, who is or becomes the

beneficial owner, directly or indirectly, of securities of the Corporation representing 9.5% or more of the combined voting power of the Corporation's then outstanding voting securities, increases such person's beneficial ownership of such securities by 5% or more over the percentage so owned by such person on the date hereof, or (iv) the board of directors adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

Section 6. Partial Indemnification; Successful Defense. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Corporation for some or a portion of the Expenses or Resolution Costs actually and reasonably incurred by Indemnitee but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnitee for the portion of such Expenses or Resolution Costs to which Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all claims relating in whole or in part to a Proceeding or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

Section 7. Consent. Unless and until a Change in Control (as defined in Section 5) has occurred, the Corporation shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without the Corporation's written consent. The Corporation shall not settle any Proceeding in any manner which would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Neither the Corporation nor the Indemnitee will unreasonably withhold their consent to any proposed settlement.

Section 8. Severability. If this Agreement or any portion thereof (including any provision within a single section, subsection or sentence) shall be held to be invalid, void or otherwise unenforceable on any ground by any court of competent jurisdiction, the Corporation shall nevertheless indemnify Indemnitee as to any Expenses or Resolution Costs with respect to any Proceeding to the full extent

permitted by law or any applicable portion of this Agreement that shall not have been invalidated, declared void or otherwise held to be unenforceable.

Section 9. Indemnification Hereunder Not Exclusive. The indemnification provided by this Agreement shall be in addition to any other rights to which Indemnitee may be entitled under the Certificate of Incorporation, the Bylaws, any agreement, any vote of stockholders or disinterested directors, the General Corporation Law of the State of Delaware, or otherwise, both as to actions in Indemnitee's official capacity and as to actions in another capacity while holding such office.

Section 10. No Presumption. For purposes of this Agreement, the termination of any claim, action, suit or proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

Section 11. Subrogation. In the event of payment under this Agreement, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation to effectively bring suit to enforce such rights.

Section 12. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment to the extent Indemnitee has otherwise actually received payment (under any insurance policy, Bylaw or otherwise) of the amounts otherwise indemnifiable hereunder.

Section 13. Notice. Indemnitee shall, as a condition precedent to his right to be indemnified under this Agreement, give to the Corporation notice in writing as soon as practicable of any claim for which indemnity will or could be sought under this Agreement. Notice to the Corporation shall be directed to Wolverine World Wide, Inc., 9341 Courtland

Drive, Rockford, Michigan 49351, Attention: General Counsel. Notice shall be

deemed received three (3) days after the date postmarked if sent by prepaid mail properly addressed. In addition, Indemnitee shall give the Corporation such information and cooperation as it may reasonably require and shall be within Indemnitee's power to give.

Section 14. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute the original.

Section 15. Continuation of Indemnification. The indemnification rights provided to Indemnitee under this Agreement, including the right provided under Subsection 4(a) above, shall continue after Indemnitee has ceased to be a director, officer, employee, agent or fiduciary of the Corporation or any other corporation, partnership, joint venture, trust or other enterprise in which Indemnitee served in any such capacity at the request of the Corporation.

Section 16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Corporation, spouses, heirs, and personal and legal representatives.

Section 17. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such state without giving effects to the principles of conflicts of laws.

Section 18. Liability Insurance. To the extent the Corporation maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any officer, employee, agent or fiduciary of the Corporation.

Section 19. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or on behalf of the Corporation or any affiliate of the Corporation against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two (2) years from the date of accrual of such cause of action, and any claim or cause of action of the Corporation or its affiliate shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

Section 20. Amendments, Etc. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

WOLVERINE WORLD WIDE

By

_____

Its

_____

INDEMNITEE

_____

EXHIBIT 10.12

WOLVERINE WORLD WIDE, INC.
BENEFIT TRUST AGREEMENT

This Agreement made as of this 19th day of May, 1987, by and between WOLVERINE WORLD WIDE, INC., a corporation organized under the laws of the State of Delaware or any successor (hereinafter collectively referred to as the "Company") and Michigan National Bank (the "Trustee").

WITNESSETH:

WHEREAS, the Company is obligated to certain of the Company's executives (the "Executives" listed on Exhibit A hereto) under the employment agreements, severance agreements and deferred compensation agreements listed on Exhibit B hereto (such agreements being hereinafter called the "Plans"); and

WHEREAS, the aforesaid obligations of the Company are not funded or otherwise secured and the Company has agreed to assure that the payment of certain amounts becoming due under the Plans to the Executives will not be improperly withheld in the event that a Change in Control (as defined herein) should occur; and

WHEREAS, for purposes of assuring that such payments will not be improperly withheld, the Company desires to deposit with the Trustee, subject only to the claims of the Company's existing or future general creditors, amounts of cash or marketable securities and/or certain insurance policies sufficient to fund such payments as they may become due and payable;

NOW, THEREFORE, in consideration of the mutual agreements contained herein and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.01 "Actuary" means: (a) an individual who is an enrolled actuary under the provisions of ERISA § 3042, or (b) a firm of actuaries, at least one of whose members is (or will be) an enrolled actuary under the provisions of ERISA § 3042; provided, however, that with respect to such individual or firm, such individual or firm is independent of the Company and is selected pursuant to the provisions of this Agreement.

1.02 "Additional Transfer" has the meaning set forth in Section 3.01(b) hereof.

1.03 "Agreement" means this trust agreement, as it may be amended.

1.04 "Benefits" means all payments required to be made to, or with respect to, an Executive under the Plans.

1.05 "Board" means the board of directors of the Company.

1.06 "Change in Control" means a change in control of the Company as set forth in Section 4.01 hereof.

1.07 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

1.08 "Company" means Wolverine World Wide, Inc., or any successor.

1.09 "ERISA" means the Employee Retirement Income Security Act of 1974, as it may be amended from time to time, and any regulation issued pursuant thereto.

1.10 "Exchange Act" means the Securities Exchange Act of 1934, as amended.

1.11 "Executive" means each individual listed on Exhibit A hereto.

1.12 "Insurance Transfer" has the meaning set forth in Section 3.01(b) hereof.

1.13 "Life Insurance" has the meaning set forth in Section 3.01(b) hereof.

1.14 "Minimum Premiums" has the meaning set forth in Section 3.01(b) hereof.

1.15 "Plans" means the agreements listed on Exhibit B hereto.

1.16 "Potential Change in Control" means a potential change in control of the Company as set forth in Section 4.02 hereof.

1.17 "Trust Corpus" has the meaning set forth in Section 3.02(a) hereof.

1.18 "Trustee" means the entity designated as trustee in the first paragraph of this Trust and any other entity appointed to succeed as Trustee pursuant to Section 6.02 hereof.

ARTICLE II

BENEFITS SUBJECT TO THIS TRUST

2.01 Plans. The benefits subject to this Trust consist of the payments becoming due to, or with respect to, the Executives under the Plans. The Company shall continue to be liable to the Executives to make all payments required under the terms of the Plans to the extent such payments have not been made pursuant to this Agreement.

ARTICLE III

TRUST AND THE TRUST CORPUS

3.01 Trust.

(a) Concurrently with the execution of this Agreement, the Company is delivering to the Trustee the sum of One Thousand Dollars to be held in trust hereunder.

(b) Upon the occurrence of a Potential Change in Control, the Company shall deliver to the Trustee to be held in trust hereunder an additional amount of cash (or marketable securities having a fair market value equal to such amount, or some combination thereof) (the "Additional Transfer") which shall have been determined by the Company to have a fair market value (together with existing Trust Corpus, at fair market value) equal to the value of the Benefits due to the Executives under the Plans, assuming the following:

(i) the immediate occurrence of Change in Control, and

(ii) the immediately following termination of the employment of the Executives with the Company in such a manner as to produce the maximum Benefits under the Plans; provided, however, that the Company, in its discretion, may concurrently transfer to the Trustee, to be held in trust, the ownership of certain "Life Insurance" (the policies described in Exhibit C hereto, their successor policies or additional policies on the lives of the Executives), plus cash (together called the "Insurance Transfer") sufficient to pay at least four of the first seven annual premiums on each transferred policy, to the extent then unpaid (the "Minimum Premiums"), and the amount of the Company's Additional Transfer shall be reduced by the estimated

amounts becoming available from the transferred insurance policies (whether as loans or net policy proceeds).

(c) At six-month intervals commencing six (6) months after the initial transfer pursuant to Section 3.01(b) hereof, unless the Trust Corpus shall theretofore have been

released pursuant to Article V hereof, the Company shall redetermine the value of Benefits under the assumptions of Section 3.01(b), as of the end of the month immediately preceding such six-month interval date. If the value of Benefits so determined exceeds the current fair market value of the then Trust Corpus, the Company shall promptly (and in no event later than fourteen (14) days from the date of such six-month interval date) transfer to the Trustee an amount (i) in cash, (ii) in marketable securities which meet the requirements of Section 3.02(a)(i) or (ii) and are valued at current fair market value, (iii) if the transfer occurs prior to the occurrence of a Change in Control, in Life Insurance and Minimum Premiums valued at the estimated amounts becoming available from the Life Insurance being transferred, or (iv) in any combination thereof, which amount shall be equal to such excess.

(d) Each transfer by the Company pursuant to Sections 3.01(b) and 3.01(c) hereof shall be accompanied by a Payment Schedule (as described in Section 5.02(a) hereof) which sets forth, among other things, the amounts transferred in respect of each Executive in respect of the Plans.

(e) For the purposes of determining the amount of the Company's contributions under Sections 3.01(b) and 3.01(c) hereof, the present value of Benefits under the Plans must be determined by applying assumptions and formulas which are at least as favorable to each Executive as the actuarial assumptions (or formulas for determining such actuarial assumptions) that were applied by the Company under such Plans in determining Benefits under the Plans for the Company's initial transfer pursuant to Section 3.01(b) hereof.

(f) As of each six (6) month interval date described in Section 3.01(c), the Company shall employ an Actuary in determining the amount to be contributed and the Company must, not later than the time prescribed by Section 3.01(c) for the payment

of contributions, furnish to the Trustee the written certification of the Actuary employed by the Company setting forth the amount required to be contributed by the Company as of such date and stating that the contribution amount set forth and any information furnished pursuant to Section 3.01(d) has been computed in accordance with the requirements of this Trust and the provisions of the Plans, to the extent the Plans are consistent with the requirements of this Section 3.01. The Company shall furnish with such Actuary's certification a certification of the Chief Executive Officer of the Company naming the Actuary designated by the Company pursuant to this Section and stating that the information furnished to the Actuary in connection with the preparation of the Actuary's certification was true and correct to the best of his or her knowledge.

(g) Except for transfers prior to a Change in Control, contributions to the Trust Corpus must be in cash or other marketable securities acceptable to the Trustee and meeting the requirements of Section 3.02(a)(i) or (ii).

(h) Notwithstanding the foregoing, the Trustee shall not be required or obligated to inquire into or enforce the obligations of the Company under this Section 3.01 (including but not limited to the Company's obligations to contribute to this Trust), but shall be accountable only for amounts or information actually received by the Trustee.

3.02 Trust Corpus and Income.

(a) As used herein, the term "Trust Corpus" shall mean the amount delivered to the Trustee as described in Section 3.01(a) hereof plus all amounts delivered thereafter pursuant to Section 3.01(b) or (c) hereof, in whatever form held or invested as provided herein. Except as provided in Section 3.02(b) hereof, the Trust Corpus shall be invested and reinvested by the Trustee in cash or marketable securities only in accordance with

this Section 3.02(a). The Trustee shall use its good faith efforts to invest or reinvest from time to time all or such part of the Trust Corpus as it believes prudent under the circumstances (taking into account, among other things, anticipated cash requirements

for the payment of Benefits) in either one or a combination of the following investments:

(i) investments in direct obligations of the United States of America or obligations unconditionally and fully guaranteed as to principal and interest by the United States of America, in each case maturing within one year or less from the date of acquisition; or

(ii) investments in negotiable certificates of deposit (in each case maturing within one (1) year or less from the date of acquisition) issued by a commercial bank organized and existing under the laws of the United States of America or any state thereof having a combined capital and surplus of at least One Billion Dollars ($1,000,000,000.00), including the Trustee if the Trustee meets such requirements); and

(iii) in order to facilitate the making of payments required or authorized by this Agreement, investment of a reasonable portion of the Trust Corpus in a short-term investment fund managed by the bank which is then serving as Trustee or in any money market fund which such bank selects;

provided, however, that the Trustee shall not be liable for any failure to maximize the income earned on that portion of the Trust Corpus as is from time to time invested or reinvested as set forth above, nor for any loss of income due to liquidation of any investment which the Trustee, in its sole discretion, believes necessary to make payments or to reimburse expenses under the terms of this Trust.

(b) Notwithstanding Section 3.02(a) hereof, the Trustee, in its discretion, may continue to hold as a trust investment the life insurance policies (or successor or additional policies) on the lives of certain Executives transferred to the Trustee pursuant to Section 3.01(b) hereof ("Life Insurance"). The Trustee may, at any time or times, borrow from the issuer of any Life Insurance to the extent the Trustee determines such borrowing is necessary (i) to pay the interest expense on any

outstanding borrowings, (ii) to maintain any such Life Insurance in effect, or (iii) to make any payment pursuant to the Payment Schedule.

(c) Except as hereinafter provided, all interest and other income earned on the investment of the Trust Corpus shall be the property of the Company and shall not constitute a part of the Trust Corpus. The interest and other income earned in any calendar year shall be paid over to the Company by the Trustee as promptly as practicable after the end of each calendar year. The amount of such interest or other income so payable to the Company shall be reduced by the amount of any interest accruing under the Plans (as set forth in the Payment Schedules referred to in Section 5.02(a) hereof, as revised from time to time), which accruing amounts, if not immediately payable, shall be added to the Trust Corpus, and further reduced by any amounts required to be delivered by the Company to the Trustee pursuant to Sections 3.01(b) or (c), 6.01(f) or 6.01(g) hereof which have not been so delivered, and only the excess, if any, shall be paid to the Company.

ARTICLE IV

CHANGE IN CONTROL

4.01 Definition of Change in Control. For purposes of this Agreement, a "Change in Control" shall mean a Change in Control of the Company of a nature that would

be required to be reported in response to Item 5(f) of Schedule 14A of Regulation 14A promulgated under the Exchange Act; provided that, without limitation, such a Change in Control shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) is or becomes the beneficial owner (as defined in Rule 13(d)-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities; or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board cease for any reason to constitute at least a majority thereof unless the election, or the nomination for election by the Company's shareholders, of each new

director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period.

4.02 Definition of a Potential Change in Control. For purposes of this Agreement, a "Potential Change in Control" shall be deemed to have occurred if (i) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control, (ii) any Person (including the Company) publicly announced an intention to take or to consider taking actions which, if consummated, would constitute a Change in Control, (iii) any Person, other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a Company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, increases such Person's beneficial ownership of the combined voting power of the Company's then outstanding securities by 5% or more over the percentage so owned by such Person on the date hereof and after such increase, is the Beneficial Owner, directly or indirectly, of securities of the Company representing 9.5% or more of such

securities; or (iv) the Board adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

ARTICLE V

RELEASE OF THE TRUST PROPERTY

5.01 Delivery to the Company. All of the remaining property then held by the Trustee shall be returned to the Company upon written request made prior to a Change in Control. Furthermore, if no Change of Control has occurred within the [six-month] period immediately following the first transfer pursuant to Section 3.01(b) hereof, the remaining trust property shall be automatically returned to the Company, unless the Company shall have made a written request during such [six-month] period to the Trustee to retain the Trust Corpus for an additional [six month] period. The requirements of the foregoing sentence with respect to a return of the remaining trust property shall also apply to any additional [six-month] period. If a Change in Control has occurred, the Trust Corpus shall not be returned to the Company until the Trust is terminated pursuant to Section 7.01 and then only as

provided in Section 7.01. The Company shall notify the Trustee of the occurrence of a Change in Control, and the Trustee may rely on such notice or on any other actual notice, satisfactory to the Trustee, of such a Change in Control which the Trustee may receive.

5.02 Deliveries to Participants. The Trustee shall hold the Trust Corpus in its possession under the provisions of this Agreement until authorized to deliver the Trust Corpus or any specified portion thereof as follows:

(a) The Company shall deliver to the Trustee, contemporaneously with the initial transfer pursuant to Section 3.01(b) hereof, a schedule (the "Payment

Schedule") indicating the amounts being transferred in respect of each Executive (if any), the amounts payable in respect of each Executive, or providing a formula or instructions (which may incorporate the Plans by reference) acceptable to the Trustee for determining the amounts so payable, and the time of commencement for payment of such amounts. The Payment Schedule shall include instructions as to the amount of interest accruing (and other actuarial assumptions) with respect to Benefits under the Plans and such instructions may be revised from time to time to the extent so provided under the Plans and this Agreement. The Payment Schedule also shall be delivered by the Company to each Executive. A modified Payment Schedule shall be delivered by the Company to the Trustee and to each Executive at each time specified by Section 3.01(c) for the determination of whether additional amounts must be contributed to the Trust and upon the occurrence of any event, such as termination of an Executive, requiring a modification of the Payment Schedule. Except as otherwise provided herein, the Trustee shall make payments to the Executives in accordance with such Payment Schedule, including, if applicable, transfers of Life Insurance, valued at cash surrender value, in partial or full satisfaction of obligations under a deferred compensation agreement.

(b) In the event that an Executive reasonably and in good faith believes that the Payment Schedule, as modified, does not properly reflect the amount payable to such Executive or the time or form of payment from the Trust Corpus in respect of the Plans, such Executive shall be entitled to deliver to the Trustee written notice (the "Executive's Notice") setting forth payment instructions for the amount the Executive believes in good faith to be due under the relevant terms of the Plans. The Executive shall also deliver a copy of the Executive's Notice to the

Company within three (3) business days following the date the Executive's Notice was delivered to the Trustee. The Trustee shall make the payment in

accordance with the payment instructions set forth in the Executive's Notice. If it shall subsequently be determined pursuant to Section 8.03 hereof that the amount paid in accordance with an Executive's Notice exceeded the amount properly payable pursuant to the Plans, the excess paid shall constitute a loan to such Executive from the Trustee payable on the thirtieth day after such determination, together with interest at the prime rate of the bank then serving as Trustee plus two percent (2%).

(c) The Trustee shall be permitted to withhold from any payment due to an Executive hereunder the amount required by law to be so withheld under federal, state and local wage withholding requirements or otherwise, and shall pay over to the appropriate government authority the amounts so withheld. The Trustee may rely on instructions from the Company as to any required withholding and shall be fully protected under Section 6.01(g) hereof in relying on such instructions and in making payments to Executives pursuant to this Section 5.02.

(d) Except as otherwise provided herein, in the event of any final determination by the Internal Revenue Service or a court of competent jurisdiction which determination is not appealable or the time for appeal or protest of which has expired, or the receipt by the Trustee of a substantially unqualified opinion of tax counsel selected by the Trustee, which determination determines, or which opinion opines, that either Executive is subject to federal income taxation on amounts held in Trust hereunder prior to the distribution to the Executive of such amounts, the Trustee shall, on receipt by the Trustee of such opinion or notice of such determination, pay to such Executive the portion of the Trust Corpus includible in such Executive's federal gross income.

5.03 Deliveries to Creditors of the Company. It is the intent of the parties hereto that the Trust Corpus is and shall remain at all times subject to the claims of the general creditors of the Company. Accordingly, the Company shall not create a security interest in the Trust Corpus in favor of the Executives or any creditor. If the Trustee receives the notice provided for in Section 5.04 hereof, or otherwise receives actual notice that the Company is insolvent or bankrupt as defined in Section 5.04 hereof, the Trustee will make no further distributions of the Trust Corpus to any of the Executives but will deliver the entire amount of the Trust Corpus only as a court of competent jurisdiction, or duly appointed receiver or other person authorized to act by such a court, may direct, to make the Trust Corpus available to satisfy the claims of the Company's general creditors. The Trustee shall resume distribution of Trust Corpus to the Executives under the terms hereof, upon no less than thirty (30) days advance notice to the Company, if it determines that the Company was not, or is no longer, bankrupt or insolvent.

5.04 Notification of Bankruptcy or Insolvency. The Company, through its Board and Chief Executive Officer, shall advise the Trustee promptly in writing of the Company's bankruptcy or insolvency. The Company shall be deemed to be bankrupt or insolvent upon the occurrence of any of the following:

(a) The Company shall make an assignment for the benefit of creditors, file a petition in bankruptcy, petition or apply to any tribunal for the appointment of a custodian, receiver, liquidator, sequestrator, or any trustee for it or a substantial part of its assets, or shall commence any case under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction (federal or state), whether now or hereafter in effect; or if there shall have been filed any such petition or

application, or any such case shall have been commenced against it, in which an order for relief is entered or which remains undismissed; or the Company by any act or omission shall indicate its consent to, approval of or acquiescence in any such petition, application or case or order for relief or to the appointment of a custodian, receiver or any trustee for it or any substantial part of any of its property, or shall suffer any such custodianship, receivership, or trusteeship to continue undischarged; or

(b) The Company shall generally not pay its debts as such debts become due or shall cease to pay its debts in the ordinary course of business; or

(c) The sum of the Company's debts is greater than all its property at a fair valuation; or

(d) The present saleable value of the Company's assets is less than the amount that would be required to pay the probable liability on its existing debts as they become absolute and matured.

ARTICLE VI

TRUSTEE

6.01 Trustee.

(a) The duties and responsibilities of the Trustee shall be limited to those expressly set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

(b) If, pursuant to Section 5.04 hereof or otherwise, all or any part of the Trust Corpus is at any time attached, garnished, or levied upon by any court order, or in case the payment, assignment, transfer, conveyance or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made

or entered by a court affecting such property or any part thereof, then and in any of such events the Trustee is authorized, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree, and it shall not be liable to the Company (or any of its subsidiaries) or any Executive by reason of such compliance even though such order, writ, judgment or decree subsequently may be reversed, modified, annulled, set aside or vacated.

(c) The Trustee shall maintain such books, records and accounts as may be necessary for the proper administration of the Trust Corpus, and shall render to the Company, on or prior to each February 15 following the date of this Agreement until the termination of the trust established hereunder (and on the date of such termination), an accounting with respect to the Trust Corpus as of the end of the

then most recent calendar year (and as of the date of such termination). The Trustee will at all times maintain a separate bookkeeping account for each Executive in which it will record each amount delivered by the Company to the Trustee with respect to such Executive and each amount paid by the Trustee to such Executive in accordance with a Payment Schedule. Upon the written request of an Executive or the Company, the Trustee shall deliver to such Executive, or the Company, as the case may be, a current written report setting forth (a) the aggregate present value of each such Executive's unpaid Benefits; (b) the aggregate present value of all unpaid Benefits; (c) the aggregate fair market value of the Trust Corpus; (d) the amount deemed allocable to such Executive's account for bookkeeping purposes, computed by multiplying item (c) by the quotient of item (a) divided by item (b); (e) a record of the contributions made by the Company with respect to such Executive; and (f) a record of any amounts paid by the Trustee to such Executive in accordance with a Payment Schedule.

(d) The Trustee shall not be liable for any act taken or omitted to be taken hereunder if taken or omitted to be taken by it in good faith. The Trustee shall also be fully protected in relying upon any notice given hereunder which it in good faith believes to be genuine and executed and delivered in accordance with this Trust.

(e) The Trustee may consult with legal counsel to be selected by it, and the Trustee shall not be liable for any action taken or suffered by it in accordance with the advice of such counsel.

(f) The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by the Company and the Trustee; provided that, after the occurrence of a Change in Control, the Company shall not withhold its consent and agreement to any reasonable fee arrangement requested by the Trustee. The Trustee shall also be entitled to receive its reasonable expenses incurred with respect to the administration of the trust, including fees of counsel, any actuary and other firm or person engaged by the Trustee to aid it in the performance of its duties and obligations hereunder. Such compensation and expenses shall be paid by the Company within thirty (30) days after such compensation and expenses are presented to the Company. However, in the event such compensation

and expenses are not paid by the Company within the above described period, the Trustee may apply the income of the Trust Corpus, and, if insufficient, the Trust Corpus, to pay such compensation and expenses.

(g) Except for any damages, losses, claims or expenses resulting from the Trustee's gross negligence or willful misconduct, the Company agrees to indemnify and hold harmless the Trustee from and against any and all damages, losses, claims or expenses as incurred (including expenses of investigation and fees and disbursements of

counsel to the Trustee and any taxes imposed on the Trust Corpus or income of the trust) arising out of or in connection with the performance by the Trustee of its duties hereunder. Any amount payable to the Trustee under paragraph (f) of this Section 6.01 or this paragraph (g) shall be paid by the Company promptly upon demand therefor by the Trustee or, if the Trustee so chooses in its sole discretion, from the Trust Corpus. In the event that payment is made hereunder to the Trustee from the Trust Corpus, the Trustee shall promptly notify the Company in writing of the amount of such payment. The Company agrees that, upon receipt of such notice, it will deliver to the Trustee to be held in the trust an amount in cash (or in marketable securities meeting the requirements of Section 3.02(a)(i) or (ii) hereof and valued at fair market value, or in some combination thereof) equal to any payments made from the Trust Corpus to the Trustee pursuant to paragraph (f) of this Section 6.01 or this paragraph (g). The failure of the Company to transfer any such amount shall not in any way impair the Trustee's right to indemnification, reimbursement and payment pursuant to paragraph (f) of this Section 6.01 or this paragraph (g).

6.02 Successor Trustee. The Trustee may resign and be discharged from its duties hereunder at any time by giving notice in writing of such resignation to the Company and each Executive specifying a date (not less than thirty (30) days after the giving of such notice) when such resignation shall take effect. Promptly after such notice, the Company (or, if a Change in Control shall have occurred prior to the effective appointment of a successor trustee, the Company and all Executives then having unpaid Benefits equal to at least sixty-five percent (65%) of all amounts then held in the Trust hereunder) shall appoint a successor trustee, such trustee to become Trustee hereunder upon the resignation date specified in such notice. If the Company and such Executive(s) are unable to so agree upon a successor trustee

within thirty (30) days after such notice, the Trustee shall be entitled, at the expense of the Company, to petition a United States District Court, or any of the courts of the State of Michigan having jurisdiction, to appoint its successor. The Trustee shall continue to serve until its successor accepts the trust and receives delivery of the Trust Corpus. The Company (or, if a Change in Control shall previously have occurred, the Company and all Executives then having an amount held in the Trust hereunder) may at any time substitute a new trustee by giving fifteen (15) days notice thereof to the Trustee then acting. The Trustee and any successor thereto appointed hereunder shall be a commercial bank which is not an affiliate of the Company, but which is a national banking association or established under the laws of one of the states of the United States, and which has equity in excess of One Hundred Million Dollars ($100,000,000.00).

ARTICLE VII

TERMINATION, AMENDMENT AND WAIVER

7.01 Termination. The trust established hereunder shall be terminated upon the final payment of all Benefits to, or with respect to, all Executives. Promptly upon termination of the trust, any remaining trust property then held by the Trustee shall then be paid to the Company.

7.02 Amendment and Waiver. Prior to a Change in Control, this Agreement may be amended without the consent of the Executives by written instrument executed and duly authorized by the Company and approved in writing by the Trustee. On and after the occurrence of a Change in Control, this Agreement may not be amended except by an instrument in writing signed on behalf of the parties hereto together with the written consent of

Executives then having unpaid Benefits equal to at least sixty-five percent (65%) of all amounts then held by the Trustee hereunder. The parties hereto, together with the consent of all Executives then having unpaid Benefits equal to at least sixty-five percent (65%) of all amounts then held by the Trustee hereunder, may at any time

waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto or an Executive to any such waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party or Executive. Notwithstanding the foregoing, any such amendment or waiver may be made by written agreement of the parties hereto without obtaining the consent of the Executives, if such amendment or waiver does not adversely affect the rights of the Executives hereunder. After the occurrence of a Change in Control, no such amendment or waiver relating to this Trust may be made with respect to a particular Executive unless such Executive has agreed in writing to such amendment or waiver.

ARTICLE VIII

GENERAL PROVISIONS

8.01 Further Assurances. The Company shall, at any time and from time to time, upon the reasonable request of the Trustee, execute and deliver such further instruments and do such further acts as may be necessary or proper to effectuate the purposes of this Agreement.

8.02 Certain Provisions Relating to this Trust.

(a) This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and supersedes any and all prior agreements,

arrangements and understandings relating thereto. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and legal representatives.

(b) This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan other than and without reference to any provisions of such laws regarding choice of laws or conflict of laws.

(c) In the event that any provision of this Agreement or the application thereof to any person or circumstances shall be determined by a court of proper jurisdiction to be invalid or unenforceable to any extent, the remainder of this

Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and such provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

8.03 Arbitration. Any dispute between the Executives and the Company or the Trustee as to the interpretation or application of the provisions of this Agreement and amounts payable hereunder shall be determined exclusively by binding arbitration in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court of competent jurisdiction. All fees and expenses of such arbitration shall be paid by the Trustee and considered an expense of the trust under Section 6.01(g).

8.04 Notices. Any notice or communication which the Company, Trustee, or Executive may be required or may desire to give to another party under any provision of this Agreement shall be: (a) given in writing and personally delivered to, or mailed or delivered by overnight courier service to the address given below for, the party to whom such notice or communication is directed, or (b) with respect to notices or communications to the Trustee or

the Company made by telex or telecopy, delivered or transmitted to the address given below for the party to whom such notice or communication is directed:

To Company:
Wolverine World Wide, Inc.
9341 Courtland Drive, N.E.
Rockford, Michigan 49351
Attention: Karen S. Holcomb,
Secretary
Telephone: (616) 874-8448
Telecopy: (616) 866-0257

To Trustee:
Michigan National Bank
77 Monroe Center
Grand Rapids, Michigan 49503
Telephone: (616) 451-7686
Attention: Tom DeFer,
Vice President

To any Executive: At the respective address set forth on Exhibit A.

Any notice which is personally delivered shall be deemed to have been given on the date it is personally delivered. Any notice which is mailed shall be deemed to have been given on the third business day after deposit in the mail, registered or certified mail, postage prepaid and return receipt requested. Any notice which is delivered by overnight courier service shall be deemed to have been given on the business day after deposit with such courier service. Any notice which is transmitted by telex or telecopy shall be deemed to have been given on the day that such notice is transmitted.

The Company, Trustee, or Executive may change the address to which notices, requests and other communications are to be sent to it or him by giving written notice of such address change to the other parties in conformity with this Section 8.04, but such change shall not be effective until notice of such change has been received by the other parties.

8.05 Employment Contract. Nothing contained in this Agreement shall be deemed to give any Executive the right to be retained in the service of the Company or any affiliate or to interfere with the right of the Company or any affiliate to discharge any Executive at any time regardless of the effect which such discharge shall have upon him as a participant of the trust established hereunder.

8.06 Gender and Number. Wherever any words are used herein in the masculine gender, they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever any words are used herein in the singular form, they shall be construed as though they were also used in the plural form in all cases where they would so apply. Likewise, wherever any words are used herein in the plural form, they shall be construed as though they were also used in the singular form in all cases where they would so apply.

8.07 Headings. The headings and subheadings of this Agreement have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

8.08 Trust Beneficiaries. Each Executive is an intended beneficiary under the trust established hereunder, and shall be entitled to enforce all terms and provisions hereof with the same force and effect as if such person had been a party hereto.

8.09 Successors and Assigns. This Agreement shall bind and inure to the successors and assigns of the Company and the Trustee, respectively.

8.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together constitute but one (1) instrument, which may be sufficiently evidenced by any counterpart.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names by their duly authorized officers the day and year first above written.

WOLVERINE WORLD WIDE, INC.

By: _____

TRUSTEE

By: _____

EXHIBIT A

Names and Addresses of Executives

George A. Andrews
8644 Wolven
Rockford, Michigan 49341
SS#: XXX-XX-XXXX

Owen S. Baxter, Jr.
604 S. Waiola
Lagrange, Illinois 60525
SS#: XXX-XX-XXXX

Geoffrey B. Bloom
440 Cambridge S.E.
Grand Rapids, Michigan 49506
SS#: XXX-XX-XXXX

Michael Bohnsack
7200 Camino Del Rey
Rockford, Michigan 49341
SS#: XXX-XX-XXXX

John D. Bunbury
2408 Belcher Drive
Montgomery, Alabama 36111
SS#: XXX-XX-XXXX

Frank J. Flood
18195 N. Shore Estates
Spring Lake, Michigan 49456
SS#: XXX-XX-XXXX

Thomas D. Gleason
656 Manhattan Road S.E.
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

Lester E. Hyde
3410 Chamberlain S.E.
Grand Rapids, Michigan 49508
SS#: XXX-XX-XXXX

Paul Kaschura
Drei-Eichen-Weg-10
3414 Hardegsen, West Germany
SS#:

Charles Lauer
7765 Kenrob Drive SE
Grand Rapids, MI 49546
SS#: XXX-XX-XXXX

Robert S. Burch
9630 Summit Drive
Rockford, Michigan 49341
SS#: XXX-XX-XXXX

Thomas Carmody
2707 Elmwood
Grand Rapids, Michigan 49506
SS#: XXX-XX-XXXX

Karen S. Cloherty
3619 Reeds Lake Blvd.
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

Steven M. Duffy
1839 Lake Drive S.E.
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

William Legate
2183 Timberview Drive
Grand Rapids, Michigan 49505
SS#: XXX-XX-XXXX

L. James Lovejoy
7466 Buccaneer S.E.
Grand Rapids, Michigan 49546
SS#: XXX-XX-XXXX

Gordon MacKenzie
3493 Knollwood Drive
Rockford, Michigan 49341
SS#: XXX-XX-XXXX

Charles F. Morgo
3039 Manhattan Lane
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

Dean Estes
1658 Hillsboro S.E.
Grand Rapids, Michigan 49506
SS#: XXX-XX-XXXX

Timothy J. O'Donovan
4725 Forest Hills Court
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

Peter D. Panter
617 Plymouth S.E.
E. Grand Rapids, MI 49506
SS#: XXX-XX-XXXX

Laurence (Max) D. Schmitt
1401 Kerry Circle
Tridley, MN 55432
SS#: XXX-XX-XXXX

Martin P. Neslusan
P.O. Box 1238
Webster, Massachusetts 01570
SS#: XXX-XX-XXXX

Ernest F. Tonsmeire
5043 Cedar Ridge N.E.
Grand Rapids, Michigan 49505
SS#: XXX-XX-XXXX

Nunzio J. Vaccaro
4215 Weymouth Drive N.E.
Grand Rapids, Michigan 49508
SS#: XXX-XX-XXXX

David W. Warne
1460 Hawthorne Hill
Ada, Michigan 49301
SS#: XXX-XX-XXXX

Raymond V. Sessa
5123 South Quail Crest
Grand Rapids, Michigan 49506
SS#: XXX-XX-XXXX

Dan West
2551 Cascade Spring
Grand Rapids, Michigan 49506
SS#: XXX-XX-XXXX

Lyle J. Sipple
11630 Meyers Lake Road
Cedar Springs, MI 49319
SS#: XXX-XX-XXXX

William J. Widdis
18867 Fruitport Road
Spring Lake, Michigan 49456
SS#: XXX-XX-XXXX

Jim L. Smith
520 Stroud
Jonesboro, Arkansas 72401
SS#: XXX-XX-XXXX

*Bold items show changes from previous listing

Revised March 31, 1992

EXHIBIT B

THE PLANS

1. **EMPLOYMENT AGREEMENTS**:

	Dated	As Amended
Thomas D. Gleason	8/24/89	
Geoffrey B. Bloom	7/12/91	

2. **SEVERANCE AGREEMENTS** - (Change in Control Agreements):

	Dated	As Amended	
George A. Andrews	12/15/87	6/29/89	
Michael B. Bohnsack	3/10/87	3/10/89	9/12/89
Thomas D. Gleason	6/29/89		
Karen S. Holcomb	12/15/87	6/29/89	
L. James Lovejoy	**3/6/92**		
Charles Morgo	12/15/87	6/29/89	
Timothy J. O'Donovan	12/15/87	6/29/89	
Peter D. Panter	12/15/87	6/29/89	
Lyle J. Sipple	8/1/90		
David W. Warne	8/l/90		
William J. Widdis	12/15/87	6/29/89	

3. **DEFERRED COMPENSATION AGREEMENTS**:

	Dated	As Amended	
George A. Andrews	9/27/89	10/2/90	
Owen S. Baxter, Jr.	12/26/89		
Geoffrey B. Bloom	9/27/89		
Michael Bohnsack	9/27/89	1/29/92	
John D. Bunbury	9/12/84	9/2/87 8/l/87	9/2/87
Robert S. Burch	12/26/84	6/3/87	
Thomas Carmody	**3/16/92**		
Karen S. Cloherty	9/28/89	10/2/90	
Dean Estes	9/27/89	1/29/92	
Steve M. Duffy	9/1/90	2/1/92	
Frank J. Flood	9/10/84	4/28/87	6/17/87
Thomas D. Gleason	8/24/89		

Lester E. Hyde	9/7/84	6/l/87
Paul Kaschura	9/12/84	6/5/87
Charles Lauer	10/20/90	

William Legate	9/27/89	10/2/90	
L. James Lovejoy	10/1/91		
Gordon MacKenzie	9/27/89	10/10/90	
Charles F. Morgo	10/11/89		
Kenneth R. Morris	9/27/89		
Martin P. Neslusan	9/27/89		
Timothy J. O'Donovan	9/28/89		
Peter D. Panter	9/27/89		
L. Max Schmitt	4/6/87	9/10/84	
Raymond V. Sessa	9/27/89		
Lyle Sipple	9/27/89		
Jim Smith	9/27/89	10/10/90	1/30/92
Earnest F. Tonsmeire	9/10/84	5/29/87	
Nunzio J. Vaccaro	9/12/84	5/6/87	5/28/87
David W. Warne	9/27/89		
Dan West	1/1/89		
William J. Widdis	9/27/89		
Robert S. Wolff	9/29/89		

4. **SUPPLEMENTAL PENSION PLAN**, as approved by the Board of Directors of the Company on May 4, 1988:

*Bold items show changes from previous listing.

Revised March 31, 1992

AMENDMENT NO. 1
TO
WOLVERINE WORLD WIDE, INC.
BENEFIT TRUST AGREEMENT

Wolverine World Wide, Inc., a corporation organized under the laws of the State of Delaware (the "Company") and Michigan National Bank ("the Trustee") having entered into the above Agreement as of May 19, 1987, do hereby amend the Agreement, as of April 12, 1989, as follows:

Section 3.01 (b) shall be amended by adding the following to the end thereof:

> "Notwithstanding the foregoing, the Company, in its discretion, may make the Insurance Transfer prior to the occurrence of any Potential Change in Control, and such an Insurance Transfer, in and of itself, shall not be treated as an initial transfer under Section 3.01 (c) hereof."

WOLVERINE WORLD WIDE, INC.

By:

_____
Chief Executive Officer

MICHIGAN NATIONAL BANK,
As TRUSTEE

By:

_____
Second Vice President

AMENDMENT NO. 2
TO
WOLVERINE WORLD WIDE, INC.
BENEFIT TRUST AGREEMENT

Wolverine World Wide, Inc., a corporation organized under the laws of the State of Delaware (the "Company") and Michigan National Bank ("the Trustee") having entered into the above Agreement as of May 19, 1987, and amended the Agreement on April 12, 1989, do hereby further amend the Agreement, as of May 5, 1989, as follows:

1. The first paragraph after "witnesseth" on page 1 of the above Agreement is revised to read:

> WHEREAS, the Company is obligated to certain of the Company's executives (the "Executives" listed on Exhibit A hereto) under the employment agreements, severance agreements, deferred compensation agreements, and the supplemental pension plan listed on Exhibit B hereto (such agreements being hereinafter called the "Plans"); and

2. Exhibit B shall be amended by adding the following plan:

> 4. Supplemental Pension Plan, as approved by the Board of Directors of the Company on May 4, 1988.

WOLVERINE WORLD WIDE, INC.

By:

Chief Executive Officer

MICHIGAN NATIONAL BANK,
As TRUSTEE

By:

Second Vice President

AMENDMENT NO. 3
TO
WOLVERINE WORLD WIDE, INC.
BENEFIT TRUST AGREEMENT

Wolverine World Wide, Inc., a corporation organized under the laws of the State of Delaware (the "Company"), and Michigan National Bank (the "Trustee") having entered into the above Benefit Trust Agreement as of May 19, 1987, and amended the Agreement on April 12, 1989 and May 5, 1989, do hereby further amend the Agreement, as of August 24, 1989, as follows:

1. Notwithstanding any other term or provision of the Wolverine World Wide, Inc. Benefit Trust Agreement, as amended, the acquisition by FMR Corp. and Fidelity International, Ltd., both affiliates of the Fidelity Fund group of companies managed by Fidelity Management & Research Company, of 693,600 shares of common stock, $1 par value, of the Company, shall not be considered a "Potential Change in Control" as defined by the Benefit Trust Agreement until such time as the Board of Directors of the Company elects, in its sole discretion, to revoke this Amendment No. 3 and thereby determine and reinstate such acquisition of common stock as a "Potential Change in Control".

WOLVERINE WORLD WIDE, INC.

By: _____

Thomas D. Gleason
Chief Executive Officer

MICHIGAN NATIONAL BANK,
As TRUSTEE

By: _____

Second Vice President

AMENDMENT NO. 4
TO
WOLVERINE WORLD WIDE, INC.
BENEFIT TRUST AGREEMENT

Wolverine World Wide, Inc., a corporation organized under the laws of the State of Delaware (the "Company") and Michigan National Bank ("the Trustee") having entered into the above Agreement as of May 19, 1987, and amended the Agreement on April 12, 1989, May 5, 1989 and August 24, 1989, do hereby further amend the Agreement, as of July 29, 1999, as follows:

1. Section 1.11 shall be amended by substituting the following:

1.11 "Executive" means each individual officer and director listed on Exhibit A hereto, which Exhibit may be updated from time to time by the Company to reflect current officers and directors.

2. Section 5.01 shall be amended by omitting all brackets around the terms "six-month."

3. Section 8.04 shall be amended by omitting the reference to Karen S. Holcomb and substituting Blake W. Krueger, Executive Vice President, General Counsel and Secretary.

4. Exhibit B shall be amended by adding the following plan:

6. Outside Directors' Deferred Compensation Plan.

WOLVERINE WORLD WIDE, INC.

By:

_____

Blake W. Krueger, Executive Vice President, General Counsel and Secretary

MICHIGAN NATIONAL BANK,
as Trustee

By:

_____

Its:

EXHIBIT 21 -- SUBSIDIARIES OF THE REGISTRANT

Name	State or Country of Incorporation or Organization
Aquadilla Shoe Corporation	Michigan
Brooks France, S.A.	France
BSI Shoes, Inc.	Michigan
Dominican Wolverine Shoe Company Limited	Cayman Islands
Wolverine de Mexico S.A. de C.V.	Mexico
Hush Puppies Canada Footwear, Ltd.	Canada
Hush Puppies Retail, Inc.	Michigan
d/b/a Little Red Shoe House	
Hush Puppies Factory Direct	
UP Footgear	
Hush Puppies & Family	
Hush Puppies (UK) Ltd.	England
Hy-Test, Inc.	Michigan
Merrell (Europe) Limited	England
Spartan Shoe Company Limited	Cayman Islands
Wolverine CIS Ltd.	Russia
Wolverine de Costa Rica, S.A.	Costa Rica
Wolverine Design Center, Inc.	Michigan
Wolverine Outdoors, Inc.	Michigan
Wolverine Procurement, Inc.	Michigan
Wolverine Russia, Inc.	Michigan
Wolverine Slipper Group, Inc.	Michigan
Wolverine Sourcing, Inc.	Michigan

All of the subsidiaries of the Registrant are wholly owned.

EXHIBIT 23--CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 333-93563, 333-49523, 33-63689, 33-55213, 33-64854, 33-23195, 33-23196 and 2-92600) pertaining to various stock option and incentive plans of Wolverine World Wide, Inc. of our report dated February 7, 2001, with respect to the consolidated financial statements and schedule of Wolverine World Wide, Inc. and subsidiaries included in the Annual Report on Form 10-K for the fiscal year ended December 30, 2000.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
March 26, 2001

EXHIBIT 24

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and

Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 23, 2001	/s/ Daniel T. Carroll
	Daniel T. Carroll

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 24, 2001	/s/ Donald V. Fites
	Donald V. Fites

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 31, 2001	/s/ Alberto L. Grimoldi
	Alberto L. Grimoldi

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 24, 2001	/s/ David T. Kollat
	David T. Kollat

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 23, 2001	/s/ Phillip D. Matthews
	Phillip D. Matthews

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 24, 2001	/s/ David P. Mehney
	David P. Mehney

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every

act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 23, 2001	/s/ Timothy J. O' Donovan
	Timothy J. O' Donovan

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D.

ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 25, 2001	/s/ Joseph A. Parini
	Joseph A. Parini

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
February 24, 2001	/s/ Joan Parker
	Joan Parker

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 29, 2001	/s/ Elizabeth A. Sanders
	Elizabeth A. Sanders

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 23, 2001	/s/ Paul D. Schrage
	Paul D. Schrage

POWER OF ATTORNEY

The undersigned, in his or her capacity as a director or officer, or both, as the case may be, of Wolverine World Wide, Inc., does hereby appoint TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; JAMES D. ZWIERS; and JEFFREY A. OTT, or any of them, his or her attorneys or attorney, with full power of substitution, to execute in his or her name an Annual Report of Wolverine World Wide, Inc. on Form 10-K for its fiscal year ended December 30, 2000, and any amendments to that report, and to file it or them with the Securities and Exchange Commission. Each attorney shall have power and authority to do and perform in the name and on behalf of the undersigned, in any and all capacities, every act to be done in the premises as fully and to all intents and purposes as the undersigned could do in person, and the undersigned hereby ratifies and approves the acts of such attorneys.

Date	Signature
January 24, 2001	/s/ Geoffrey Bloom
	Geoffrey Bloom