

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

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

For the fiscal year ended December 28, 1996

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 (I.R.S. employer identification no.)
incorporation or organization)

9341 COURTLAND DRIVE, ROCKFORD, MICHIGAN
(Address of principal executive offices)

49351
(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 Stock Exchange

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
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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 1, 1997: 27,877,914.

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 1, 1997: \$967,667,343.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement for the registrant's annual stockholders' meeting to be held April 16, 1997, are incorporated by reference into Part III of this report.

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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 comfortable 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 on six continents purchased approximately 33 million pairs of Company branded footwear during fiscal 1996, making the Company a global leader among U.S. shoe companies in the marketing of branded non-athletic footwear. The Company's products generally feature contemporary styling with patented technologies designed to provide maximum comfort. The products are marketed throughout the world under widely recognized brand names, including HUSH PUPPIES[REGISTERED], WOLVERINE[REGISTERED], BATES[REGISTERED], CATERPILLAR[REGISTERED], COLEMAN[REGISTERED], HY-TEST[REGISTERED] and TRU-STITCH[REGISTERED]. The Company believes that its primary competitive strengths are its well recognized brand names, broad range of comfortable footwear, patented comfort technologies, distribution through numerous 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 non-athletic footwear at numerous price points. The Company's footwear products are organized under four operating

divisions: (i) The Hush Puppies Company, focusing on comfortable casual shoes, (ii) the Wolverine Footwear Group, focusing on work, outdoor and lifestyle boots and shoes, (iii) the CATERPILLAR[REGISTERED] Footwear Group, focusing on the CATERPILLAR[REGISTERED] product line of work and lifestyle products and (iv) the Wolverine Slipper Group, focusing on slippers and moccasins under HUSH PUPPIES[REGISTERED] brand and other private labels for third party retailers. The Company's Global Operations Group is responsible for manufacturing and sourcing, including the operation of the Company-owned pigskin tannery. The Company's footwear is distributed domestically to approximately 35,000 department store, footwear chain, catalog specialty retailer and mass merchant accounts, as well as 59 Company-owned retail stores. The Company's products are distributed worldwide through approximately 150 licensees and distributors in over 90 countries. Footwear has accounted for 90% or more of the consolidated revenues of the Company for each of the last three years. For further financial information regarding the Company, see the consolidated financial statements of the Company, which are attached as Appendix A to this Form 10-K.

-1-

On March 22, 1996, the Company completed the acquisition of certain assets of Hy-Test, Inc. ("Hy-Test") from The Florsheim Shoe Company. The acquisition included various assets of the Hy-Test work, safety and occupational footwear business. The Hy-Test business is operated as part of the Wolverine Footwear Group. On August 24, 1996, the Company acquired the rights to and certain assets of the HUSH PUPPIES[REGISTERED] wholesale shoe business in the United Kingdom and Ireland from British Shoe Corporation, a subsidiary of Sears Plc.

The Company, through its Wolverine Leathers Division, 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 other domestic and foreign manufacturers of shoes.

PRODUCTS.

The Company's products include casual, dress, work and uniform shoes, and work, sport and uniform boots as well as constructed slippers and moccasins. Footwear is offered by the Company under many recognizable brand names including HUSH PUPPIES[REGISTERED], WOLVERINE[REGISTERED], BATES[REGISTERED], CATERPILLAR[REGISTERED], COLEMAN[REGISTERED] and HY-TEST[REGISTERED]. The Company also manufactures constructed slippers and moccasins and markets them on a private label basis through its Wolverine Slipper Group. Through its manufacturing facilities and third-party contractors, the Company combines quality materials and skilled workmanship from around the world to produce footwear according to its specifications.

THE HUSH PUPPIES COMPANY. The Company believes that HUSH PUPPIES'[REGISTERED] 39-year heritage 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[REGISTERED] sole and patented BOUNCE[REGISTERED] technology. The product line features the popular HUSH PUPPIES[REGISTERED] Classics line of colorful, fashionable, casual shoes. HUSH PUPPIES[REGISTERED] shoes are sold to men, women and children in over 70 countries and are distributed through a multi-tiered network of department stores, specialty retailers, national chains, catalogs and Company-owned stores.

THE WOLVERINE FOOTWEAR GROUP. The Wolverine Footwear Group is one of the world's largest work and outdoor footwear companies, encompassing multiple brands designed with performance and comfort features to serve a variety of work, outdoor and lifestyle functions. The WOLVERINE[REGISTERED] brand, which has been in existence for 113 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

-2-

includes the BATES[REGISTERED], COLEMAN[REGISTERED] and HY-TEST[REGISTERED] product lines. The product lines feature patented technologies and designs, such as the DURASHOCKS[REGISTERED] and DURASHOCKS SR<Trademark> systems, and the use of quality materials and components.

The Company believes the WOLVERINE[REGISTERED] brand has built its reputation by making quality, durable and comfortable work boots and shoes. The development of DURASHOCKS[REGISTERED] technology allowed the WOLVERINE[REGISTERED] brand to introduce a broad line of work footwear with a focus on comfort. The WOLVERINE[REGISTERED] Work product line features work boots and shoes, including steel toe boots and shoes, targeting male and female industrial and farm workers. This product line is distributed through department stores and specialty and independent retailers.

The WOLVERINE[REGISTERED] rugged outdoor and sport product lines incorporate DURASHOCKS[REGISTERED] and DURASHOCKS SR<Trademark> technology and other comfort features to products designed for rugged outdoor use. This broad product line includes all-terrain sport boots, walking shoes, trail hikers, rugged casuals and outdoor sandals. The line targets active lifestyles and is distributed through department stores and specialty and independent retailers. The Company also produces boots that target hunters, fishermen and other active outdoor users. Warmth, waterproofing and comfort are achieved through the use of GORTEX[REGISTERED], THINSULATE[REGISTERED] and the Company's DURASHOCKS[REGISTERED] brand technologies. This line is sold through specialty retail and catalog distribution channels that serve hunting and fishing enthusiasts.

BATES. The Company's Bates Division is an industry leader in supplying footwear to military and civilian uniform users. The Bates Division utilizes DURASHOCKS[REGISTERED] and DURASHOCKS SR<Trademark> and other proprietary comfort technologies in the design of its military-style boots and oxfords. Civilian uniform uses, including the ENFORCER<Trademark> footwear line, include police, security, postal, restaurant and other industrial occupations. Bates Division products are also distributed through specialty retailers and catalogs.

COLEMAN. The Company has been granted the exclusive rights to manufacture, market, distribute and sell certain outdoor footwear under the COLEMAN[REGISTERED] brand in the United States, Japan and Canada. COLEMAN[REGISTERED] brand footwear products include lightweight hiking boots, rubber footgear and outdoor sandals, which are sold primarily at value-oriented prices through mass merchants.

HY-TEST. The HY-TEST[REGISTERED] product line consists primarily of high quality work boots and shoes. HY-TEST[REGISTERED] brand footwear is sold to male and female industrial workers, primarily through a network of independent SHOEMOBILE<Trademark> distributors.

-3-

THE CATERPILLAR[REGISTERED] FOOTWEAR GROUP. The CATERPILLAR[REGISTERED] Footwear Group began operating as a separate division of the Company in 1997. Previously, the CATERPILLAR[REGISTERED] Footwear Group operated as part of the Wolverine Footwear Group. The Company has been granted the exclusive worldwide rights to manufacture, market and distribute certain footwear and related accessories under the CATERPILLAR[REGISTERED], CAT DESIGN[REGISTERED] and other trademarks. The Company believes the association with CATERPILLAR[REGISTERED] equipment enhances the reputation of its boots for quality, ruggedness and durability. The diversity of the product line and strong recognition of

the CATERPILLAR[REGISTERED] brand name allow the Company to distribute products through a wide variety of channels, including mass merchants, department stores and independent retailers. These products are primarily targeted at work and industrial users.

THE WOLVERINE SLIPPER GROUP. Through the Wolverine Slipper Group, the Company is one of the leading suppliers of constructed slippers in the United States.

The styling of TRU-STITCH[REGISTERED] 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. The Company designs and manufactures constructed slippers 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, J.C. Penney, L.L. Bean, Eddie Bauer and Lands' End. In addition, in late 1996, the Wolverine Slipper Group added branded HUSH PUPPIES[REGISTERED] Slippers to its traditional line of private label slippers.

THE WOLVERINE LEATHERS DIVISION. The Company's Global Operations Group includes the Wolverine Leathers Division, the largest domestic tanner of pigskin, primarily for use in the footwear industry. WOLVERINE LEATHERS[REGISTERED] brand products are manufactured in the Company's pigskin tannery located in Rockford, Michigan. The Company believes these leathers offer superior performance and cost advantages over cowhide leathers. The Company's waterproof, stain resistant and washable leathers are featured in all of the Company's domestic footwear lines and many products offered by the Company's international licensees.

MARKETING.

The Company's overall marketing strategy is to develop brand-specific plans and related promotional materials for the United States market which foster a differentiated and globally consistent image for each of the Company's core brands. Each brand group within the Company has its own marketing personnel who develop the marketing strategy for products within that group. Domestic marketing campaigns target both the Company's retail

-4-

accounts and consumers, and strive to increase overall brand awareness for the Company's products. The Company's advertisements typically emphasize fashion and lifestyle aspects and the comfort and quality of its footwear, in addition to durability, functionality and other performance aspects. Components of the brand-specific plans include print, radio and television advertising, in-store point of purchase displays, Shop-in-Shop design, promotional materials, and sales and technical floor assistance.

The Company's brand groups provide its international licensees and distributors with creative direction and materials to convey consistent messages and brand images. Examples of 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 the strengths of its brand names provide a competitive advantage. In support of this belief, the Company has significantly increased its 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 products. To meet the diverse needs of its broad customer base, the Company uses four 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 and Chernin's), specialty retailers, catalogs 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 and government customers.
- First cost agreements are primarily utilized to furnish brands licensed by the Company to mass merchants (such as Wal-Mart) on a royalty basis.
- A network of independent SHOEMOBILE<Trademark> distributors is primarily used to distribute and sell HY-TEST[REGISTERED] brand products. The Company may also distribute additional products through this independent distributor network.

-5-

In addition to its wholesale activities, the Company operated 59 domestic retail shoe stores as of March 21, 1997, under two formats, consisting of factory outlet stores and mall-based speciality stores. In fiscal 1990, the Company implemented a strategic plan to focus the majority of its resources on its wholesale businesses. As a result, the Company's retail operations were significantly downsized and repositioned from 176 stores operating under seven formats in 1990 to the current store base. The Company expects the scope of its retail operations to remain relatively consistent in the foreseeable future. Most of the Company's 52 factory outlet stores carry a large selection of first quality Company branded footwear at a discount to conventional retail prices. The 7 regional mall-based full service, full price HUSH PUPPIES[REGISTERED] Specialty Stores feature a broad selection of men's and women's HUSH PUPPIES[REGISTERED] brand footwear and are used by the Company to test new styles and merchandizing strategies.

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 1996.

Retail footwear sales are seasonal with significant increases in sales experienced during the Christmas, Easter and back-to-school periods. Due to this seasonal nature of footwear sales, the Company experiences some fluctuation in the 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.

GLOBAL LICENSING.

The Company derives royalty income from licensing the HUSH PUPPIES[REGISTERED], WOLVERINE[REGISTERED] and other trademarks to domestic and foreign licensees for use on footwear and related products. The Company, as a licensee, sells footwear bearing the CATERPILLAR[REGISTERED] and COLEMAN[REGISTERED] trademarks through foreign distributors. Licensing and distributing enables the Company to develop international markets without the capital commitment required to maintain inventories or fund localized marketing programs. In fiscal 1996, the Company's foreign licensees and distributors sold an estimated 16.0 million pairs of footwear, an increase from approximately 14.3 million pairs sold in fiscal 1995.

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 either manufacture their own product or purchase goods from either the Company or third-party manufacturers. Each licensee and distributor is responsible for the marketing and distribution of the Company's products.

-6-

MANUFACTURING AND SOURCING.

Although approximately one half of the Company's product line is purchased or sourced from third parties, the remainder is produced at Company-owned facilities. The Company's footwear is manufactured in several domestic and certain related foreign facilities located in Michigan, Arkansas, Missouri, New York, the Caribbean Basin and Canada. The Company has implemented a "twin plant" concept whereby a majority of the labor intensive cutting and fitting construction of the "upper" is performed at the Company's facilities in the Caribbean Basin, Mexico and Canada and the technology intensive construction, or "bottoming," is performed at the Company's domestic facilities.

The Company has retooled most of its factories since the beginning of fiscal 1993, giving each facility the flexibility to produce a variety of footwear, and has departed from the industry's historic practice of dedicating a given facility for production of specific footwear products. The traditional dedication of facilities at times caused internal conflicts in manufacturing capacity and did not permit the Company to quickly respond to changes in market preference and demand. The Company now produces various products for both men and women in most of its domestic facilities, providing greater flexibility for the Company to respond to both market and customer-specific demand.

The Company sources certain footwear from a variety of foreign manufacturing facilities in the Asia-Pacific region, Central and South America and Europe. The Company maintains technical offices in the Asia-Pacific region and in Europe 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.

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 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

-7-

at prices below those available from other sources. The continued operation of this tannery is important to the Company's competitive position in the footwear industry.

The Company's principal required raw material is quality leather, which it purchases primarily from a select group of domestic suppliers,

including the Company's tannery. The global availability of shearling and cowhide leather eliminates any reliance by the Company upon a sole supplier. However, the Company currently purchases the vast majority of the raw pigskins used in a significant portion of its tannery operations from a single domestic source, which has been a reliable and consistent supplier for over 30 years. 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, and loss of most favored nations 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 number of registered and common law trademarks that identify its products. The trademarks that are most widely used by the Company include HUSH PUPPIES[REGISTERED], WOLVERINE[REGISTERED], BATES[REGISTERED], DURASHOCKS[REGISTERED], BOUNCE AND DESIGN[REGISTERED], COMFORT CURVE[REGISTERED], TRU-STITCH[REGISTERED], SIOUX MOX[REGISTERED] and HY-TEST[REGISTERED]. The Company is licensed to market certain footwear under the COLEMAN[REGISTERED] trademark in the United States and Canada and in Japan pursuant to agreements extending through December 31, 2000, and June 30, 1999, respectively. The Company is also licensed to market certain footwear throughout the world under the CATERPILLAR[REGISTERED] and CAT DESIGN[REGISTERED] trademarks pursuant to an agreement that extends through December 31, 1999. Pigskin leather produced by the Company is sold under the trademarks WOLVERINE LEATHERS[REGISTERED], ALL SEASON WEATHER LEATHERS<Trademark> and SATIN Suede<Trademark>.

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

-8-

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 is also the holder of several patents, copyrights and various other proprietary rights. The Company protects all of its proprietary rights to the greatest extent practicable under applicable law.

ORDER BACKLOG.

At March 21, 1997, the Company had a backlog of orders of approximately \$141 million compared with a backlog of approximately \$102 million at March 21, 1996. 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 1997. The backlog at a particular time is affected by a number of factors, including seasonality and the scheduling of 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 manufacturers (domestic and foreign) 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 meet competition and 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 preference.

Because of the lack of reliable published statistics, the Company is unable to state with certainty its position in the footwear industry. The market share in the footwear industry is highly fragmented and no one company has a dominant market position; however, the Company believes it is one of the three largest domestic manufacturers of footwear.

-9-

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 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 has led to specific biomechanical design concepts, such as BOUNCE[REGISTERED], DURASHOCKS[REGISTERED] and HIDDEN TRACKS[REGISTERED] comfort technologies, that have been incorporated in the Company's footwear. The Company also maintains a footwear design center in Italy to develop contemporary styling for the Company and its international licensees. 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 has not had, nor is it 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 28, 1996, the Company had approximately 6,775 domestic and foreign production, office and sales employees. Approximately 1,750 employees were covered by nine union contracts expiring at various dates through 1998. The Company has experienced no work stoppages since 1990. The Company presently considers its employee relations to be good.

ITEM 2. PROPERTIES.

The Company owned or leased the following offices and manufacturing facilities as of December 28, 1996:

-10-

LOCATION	TYPE OF FACILITY	OWNED		SQUARE FOOTAGE
		OWNED	LEASED	
Rockford, MI	Administration/Sales	Owned		123,300
Rockford, MI	Admin/Sales Under Construction	Owned		70,000
Jonesboro, AR	Administration/Sales	Leased		5,680
Malone, NY	Administration/Sales	Leased		11,718
New York, NY	Administration/Sales	Leased		3,811
Montecatine Terme, Italy	Administration/Sales	Leased		2,800
St. Laurent, Quebec, Canada	Administration/Sales	Leased		2,800
Taipei, Taiwan	Administration/Sales	Leased		2,800
Chungil, Taiwan	Administration/Sales	Leased		2,800
Leicechire, England, United Kingdom	Administration/Sales	Leased		13,250
TOTAL ADMINISTRATION/SALES				225,709
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
Walnut Ridge, AR	Manufacturing	Leased		41,174
Monette, AR	Manufacturing	Owned		18,030
Russellville, AR	Manufacturing	Leased		41,808
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	Owned		58,980
Monterrey, MX	Manufacturing	Leased		60,000
Aquadilla, PR	Manufacturing	Leased		62,100
Sand Pedro, DR	Manufacturing	Leased		65,111
Santo Domingo, DR	Manufacturing	Leased		54,332
Alexandria, Ontario, Canada	Manufacturing	Owned		28,000
TOTAL MANUFACTURING				903,870

-11-

Rockford, MI	Warehouse	Owned		304,278
Rockford, MI	Warehouse	Owned		93,140
Rockford, MI	Warehouse	Owned		75,000
Grand Rapids, MI	Warehouse	Leased		20,000
Cedar Springs, MI	Warehouse	Leased		32,900
Cedar Springs, MI	Warehouse	Leased		230,000
Big Rapids, MI	Warehouse	Owned		39,800
Sparks, NV	Warehouse	Leased		15,060
Malone, NY	Warehouse	Owned		115,211
Bombay, NY	Warehouse	Owned		26,000
Jonesboro, AR	Warehouse	Leased		13,600

St. Laurent, Quebec, Canada	Warehouse	Leased	33,000
TOTAL WAREHOUSE			999,879

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 results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

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

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.

-12-

NAME	AGE	POSITIONS HELD WITH THE COMPANY
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Geoffrey B. Bloom	55	Chief Executive Officer and Chairman of the Board
Steven M. Duffy	44	Executive Vice President
V. Dean Estes	47	Vice President and President of the Wolverine Footwear Group
Stephen L. Gulis, Jr.	39	Executive Vice President, Chief Financial Officer and Treasurer
Blake W. Krueger	43	Executive Vice President, General Counsel and Secretary
Thomas P. Mundt	47	Vice President of Strategic Planning and Corporate Communications
Timothy J. O'Donovan	51	President and Chief Operating Officer
Robert J. Sedrowski	47	Vice President of Human Resources

Geoffrey B. Bloom has served the Company as Chief Executive Officer and Chairman of the Board since April 1996. From 1993 to 1996 he served the Company as President and Chief Executive Officer. From 1987 to 1993 he served the Company as President and Chief Operating Officer.

Steven M. Duffy has served the Company as an 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 a Vice President. From 1989 to April 1993 he served the Company in various senior manufacturing positions.

V. Dean Estes has served the Company as a 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. From 1993 to 1994 he served the Company as Vice President of Finance and Corporate Controller, and from 1986 to 1993 he was the Vice President of Administration and Control for The Hush Puppies Company.

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 of the law firm of Warner Norcross & Judd LLP.

-13-

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. From 1988 to 1993 he served in various financial and planning positions at Sears Roebuck & Co., including Vice President Planning, Coldwell Banker's Real Estate Group and Director of Corporate Planning for Sears Roebuck & Co.

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

Robert J. Sedrowski has served the Company as Vice President of Human Resources since October 1993. From 1990 to 1993 he served as Director of Human Resources for the Company.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

Wolverine World Wide, Inc. common stock is traded on the New York and Pacific Stock Exchanges under the symbol "WWW." The following table shows the high and low sales prices by calendar quarter for 1996 and 1995 as reported on the New York Stock Exchange. The prices shown below have been retroactively adjusted to reflect the three-for-two stock splits announced in July 1996 and April 1995. The number of stockholders of record of common stock on March 1, 1997 was 1,949.

	1996		1995	
	HIGH	LOW	HIGH	LOW
	----	---	----	---
1st quarter	\$20 1/8	\$16 3/4	\$12 3/4	\$10 1/4
2nd quarter	22 5/8	19 5/8	16 1/8	2 1/2
3rd quarter	26 1/8	22 3/8	18 3/4	13 1/8
4th quarter	29	25 5/8	22 3/4	17

CASH DIVIDENDS DECLARED PER SHARE:

	1996 ----	1995 ----
1st quarter	\$.0233	\$.022
2nd quarter	\$.0267	\$.023
3rd quarter	\$.0267	\$.023
4th quarter	\$.0267	\$.023

Cash dividends declared per share for 1996 and 1995 have been retroactively adjusted to reflect the three-for-two stock splits announced in July 1996 and April 1995. Dividends of \$.0267 and \$.0325 per share were declared for the first quarter and second quarter, respectively, of fiscal 1997.

ITEM 6. SELECTED FINANCIAL DATA.

FIVE-YEAR OPERATING AND FINANCIAL SUMMARY <F1>
(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)

	1996 ----	1995 ----	1994 ----	1993 ----	1992 ----
SUMMARY OF OPERATIONS<F2>					
Net sales and other operating income	\$511,029	\$413,957	\$387,534	\$333,143	\$293,136
Earnings from continuing operations	32,856	24,067	16,598	11,492	4,620
Per share of common stock:					
Primary earnings from continuing operations<F3><F4>	\$ 1.15	\$.94	\$.67	\$.49	\$.21
Cash dividends<F4><F5>	.10	.09	.07	.05	.05

	1996 ----	1995 ----	1994 ----	1993 ----	1992 ----
FINANCIAL POSITION AT YEAR END					
Total assets	\$361,598	\$283,554	\$231,582	\$205,112	\$204,081
Long-term debt, less current maturities	41,233	30,594	43,482	44,913	42,656

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.
2. The 1992 results from operations exclude discontinued operations and are before the cumulative effect of accounting changes.
3. Primary earnings from continuing operations per share are based on the weighted average number of shares of common stock outstanding during the year and the assumed exercise of dilutive stock options.
4. On March 10, 1994, April 19, 1995 and July 11, 1996, the Company announced three-for-two stock splits on shares of common stock outstanding on March 21, 1994, May 1, 1995 and July 26, 1996,

respectively. All share and per share data has been retroactively adjusted for the increased shares resulting from these stock splits.

5. Cash dividends per share represent the rates paid by the Company on the shares outstanding at the dates of declaration.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

OPERATIONS.

RESULTS OF OPERATIONS 1996--COMPARED TO 1995

Net sales and other operating income increased 23.4% to \$511.0 million during 1996 from \$414.0 million in 1995. The Wolverine Footwear Group continued its strong performance, accounting for \$37.9 million (9.2%) of the increase in consolidated net sales as sales for its products increased by 21.3% over 1995. The Hush Puppies Wholesale Division reported a \$19.2 million increase in net sales over 1995, reflecting the popularity of the HUSH PUPPIES[REGISTERED] Classics product line. The Wolverine Leathers Division experienced sales increases showing a \$3.5 million improvement over 1995 due in large part to the sale of leather to the Hush Puppies Wholesale Division and Wolverine Footwear Group. Sales to the United States Department of Defense increased by \$13.5 million in 1996. Sales of the Wolverine Slipper Group declined \$4.6 million in 1996 when compared to 1995. Sales for the Hush Puppies Retail Division remained flat for 1996.

The Wolverine Footwear Group reported a \$37.9 million (21.3%) net sales improvement over 1995, its fifth consecutive year of over 20% increases. CATERPILLAR[REGISTERED] brand was successful with a spring product launch into casuals boasting a 64.2% revenue increase in the

-16-

domestic and international markets. HY-TEST[REGISTERED] Boots and Shoes proved to be a strong addition to the group adding \$24.6 million to net sales in 1996 since the date of acquisition. BATES[REGISTERED] footwear sales improved 11.0% as the civilian market continued to grow and military shipments increased. WOLVERINE[REGISTERED] brand shipments slipped 4.7% due to reduced demand during the first half of 1996 as the work boot market was oversaturated with product.

The Hush Puppies Wholesale Division increased sales 18.9% over the 1995 levels. Strong second half shipments of the HUSH PUPPIES[REGISTERED] Classics product line helped contribute to the increase. Net sales and other operating income for the Hush Puppies International Division increased \$.4 million (4.0%) in 1996 over 1995 levels, reflecting the growth of established programs throughout the world. Additionally, Hush Puppies Retail Division same-store sales were up \$.4 million (2.1%). Hush Puppies (U.K.) Ltd. reported \$27.3 million in net sales since its acquisition in the third quarter of 1996.

Net sales for the Wolverine Slipper Group were \$4.6 million (10.0%) below the levels posted in 1995, reflecting strong competitive pressures and decreases in catalogue house orders. Reduced orders for traditional private label products were offset by the new HUSH PUPPIES[REGISTERED] branded slipper business which resulted in shipments of approximately \$4.0 million in its first year.

The Wolverine Leathers Division recorded a significant revenue improvement of \$3.5 million (15.6%) in 1996. This performance represented the third consecutive year of revenue increases for the division and its most successful year in nearly a decade. This growth was due in part to increased demand for premium satin sueded products which was partially offset by a reduction in procurement revenues totaling \$1.3 million.

Gross margin increased \$32.2 million in 1996 to \$155.8 million as compared to \$123.5 million in 1995 and as a percentage of net sales and other operating income increased to 30.5% in 1996 from 29.8% in 1995. Improved margins were recorded in both the Hush Puppies Wholesale Division (\$8.7 million) and the Wolverine Footwear Group (\$21.6 million) through improved initial pricing margins, increased licensing revenues and manufacturing and sourcing efficiencies. The Wolverine Leathers Division continued its strong performance reporting a \$2.3 million gross margin increase achieved by a more favorable product mix to higher margin products. The Hush Puppies Retail Division also contributed to the improved margins with a \$1.8 million increase as inventory management programs improved initial turnover which reduced reliance on promotional programs and markdown allowances.

Selling and administrative expenses of \$107.5 million in 1996 increased \$21.5 million (26.2%) from \$86.0 million in 1995, and as a

-17-

percentage of net sales increased to 21.0% in 1996 from 20.8% in 1995. The 1996 acquisitions of Hy-Test and Hush Puppies (U.K.) Ltd. accounted for \$6.4 million of the increase. Selling, administrative and distribution costs associated with the higher sales volume, combined with a \$3.5 million increase in advertising and promotional investments in the Wolverine Footwear Group and The Hush Puppies Company, increased costs by \$11.1 million in 1996 over the prior year. Other drivers of general and administrative costs were increases in profit sharing provisions, information systems investments and costs associated with senior executive stock incentive and retirement programs.

Interest expense of \$3.1 million was \$1.6 million (33.7%) less than the 1995 level of \$4.7 million as a result of lower average borrowings throughout the year. The lower borrowing levels were primarily attributable to a reduction in the balance of the Company's revolving credit facility with funds generated by the November 1995 equity offering.

Interest income of \$1.5 million increased \$0.5 million in 1996 over 1995. The increase was generated by short-term investing of the available funds from the equity offering during the first quarter of 1996.

The 1996 effective tax rate of 31.1% increased from 29.5% in 1995. The effective tax rate increased due to the non-taxable net earnings of foreign subsidiaries becoming a smaller percentage of total consolidated earnings in 1996 as compared to 1995.

Net earnings of \$32.9 million for 1996 reflect a 36.5% increase over net earnings of \$24.1 million reported for 1995. Primary earnings per share for 1996 were \$1.15 compared to \$0.94 per share in 1995. Fully diluted earnings per share of \$1.15 and \$0.93 were reported for 1996 and 1995, respectively. Increased net earnings are primarily a result of the items noted above.

RESULTS OF OPERATIONS--1995 COMPARED TO 1994

Net sales and other operating income increased 6.8% to \$414.0 million during 1995 from \$387.5 million in 1994. This growth was created by volume increases in the Company's work and sport boot product lines which increased 32.7% domestically and in the Company's Hush Puppies and Wolverine International Divisions, which combined posted a 29.3% increase in revenues. Additionally, sales increases of \$8.7 million were generated by United States Department of Defense contracts, which helped offset a \$9.6 million decrease in the Hush Puppies Retail Division resulting from a 1994 decision to downsize the retail operations. Sales in the Hush Puppies Wholesale Division remained flat due to the generally difficult retail environment for apparel and footwear in the United States.

The Wolverine Footwear Group continued to grow at a record pace in 1995. Net sales for the group improved \$36.7 million (25.9%) on the strength of core work products offered in both the WOLVERINE[REGISTERED] and CATERPILLAR[REGISTERED] brands. These increases were partially offset by a slight volume shortfall in the Bates Division, which continued to be affected by military downsizing and reduced emphasis on export markets. During 1995, the Bates Division strategy was focused on building a strong civilian uniform business to complement its military business.

The Hush Puppies Wholesale Division fell short of 1994 net sales levels by \$1.8 million (2.4%). During 1995, the loss of certain Company controlled distribution channels negatively affected wholesale revenues. Net sales and other operating income for the Hush Puppies International Division increased \$1.6 million (17.0%) in 1995 over 1994 levels, reflecting new international opportunities and the growth of established programs. Additionally, Hush Puppies Retail Division sales were down \$9.6 million, resulting primarily from the store closings noted above.

The Wolverine Slipper Group's net sales were \$3.4 million (6.8%) below the record levels posted in 1994 primarily due to a softening of sales in the catalog sector at the end of 1995. Despite this reduction, Company products were placed in several new distribution channels.

The Wolverine Leathers Division recorded a modest revenue improvement of \$0.4 million (1.1%) in 1995. This performance represented the second consecutive year of revenue increases for the division. This growth was due in part to favorable pricing opportunities in the pigskin procurement markets and increased volume in proprietary sueded products. The division's recent restructuring placed additional focus on proprietary sueded product.

Gross margin as a percentage of net sales and other operating income declined to 29.8% in 1995 from 31.8% in 1994. Aggressive promotional pricing programs designed to generate business in the fourth quarter resulted in margin erosion for the wholesale businesses. One-time transition costs to upgrade manufacturing processes and increase manufacturing flexibility in the Company's Arkansas facilities and costs associated with increasing upper capacities in the Company's Caribbean operations also resulted in lower gross margin levels.

Selling and administrative expenses of \$86.0 million in 1995 declined \$8.0 million from \$94.0 million in 1994, and as a percentage of net sales dropped to 20.8% in 1995 from 24.3% in 1994. Selling, administrative and distribution costs associated with the increased sales volume combined with advertising and promotional investments for the Wolverine Footwear Group increased costs by \$4.2 million in 1995 over the prior year. Improved cost controls throughout the remainder of the organization offset the above noted increases. In addition, the Company lowered its employee benefit

expenses and reduced selling, general and administrative costs of the Hush Puppies Retail Division operations by closing certain unprofitable stores.

Interest expense of \$4.7 million is \$0.4 million greater than the 1994 level of \$4.3 million as a result of higher average borrowings throughout the year to fund working capital requirements associated with sales growth. The effect of higher average borrowings was partially offset by lower average borrowing rates.

Interest income of \$1.0 million increased \$0.4 million. The Company invested a portion of the funds from an equity offering in the fourth quarter which accounted for approximately one-half of the increase.

The 1995 effective tax rate on earnings of 29.5% increased from 28.5% in 1994. The reduction from the federal statutory rate of 35% was principally a result of non-taxable earnings of the Company's Caribbean operations.

Net earnings of \$24.1 million (\$0.94 per share) for 1995 reflect a 45.0% increase over earnings of \$16.6 million (\$0.67 per share) reported for 1994. Increased net earnings are primarily a result of the items noted above.

Primary earnings per share for 1995 were \$0.94 compared to \$0.67 per share in 1994. Fully diluted earnings per share of \$0.93 and \$0.67 were reported for 1995 and 1994, respectively.

LIQUIDITY AND CAPITAL RESOURCES.

Net cash provided by operating activities was \$14.9 million in 1996 compared to \$1.4 million in 1995. Cash of \$22.0 million in 1996 and \$28.1 million in 1995 was used to fund working capital requirements. Accounts receivable of \$126.0 million at December 28, 1996 reflect a \$42.6 million (51.1%) increase over the \$83.4 million balance at December 30, 1995. Inventories of \$117.4 million at December 28, 1996 reflect a \$29.0 million (32.9%) increase over the \$88.4 million balance at December 30, 1995. A portion of the increase in accounts receivable and inventories was due to the 1996 acquisitions of the assets of Hy-Test, Inc. from The Florsheim Shoe Company and Hush Puppies (U.K.) Ltd., which on a combined basis contributed 11.8% and 10.8% of the respective increases. In addition, accounts receivable increased due to a 40.9% increase in fourth quarter shipments. Order backlog was approximately 40% higher at December 28, 1996, as compared to the previous year, supporting the need for increased inventories to meet anticipated future demand in both wholesaling and manufacturing operations. Accounts payable of \$41.3 million at December 28, 1996 reflect a \$26.1 million (71.7%) increase over the \$15.2 million balance at December 30, 1995. Of this increase, \$17.7 million (16.8%) is attributable to the 1996 acquisitions mentioned above.

-20-

Other current assets of \$2.5 million at December 28, 1996 decreased \$3.3 million over the 1995 balance of \$5.8 million, reflecting primarily the collection of the final \$4.0 million payment due on notes receivable related to the 1992 disposition of the Brooks athletic footwear business.

Additions to property, plant and equipment of \$20.6 million in 1996 compare to the \$18.6 million reported in 1995. The majority of these expenditures were related to the construction of a new corporate business center, modernization of existing corporate buildings, expansion of warehouse facilities and purchases of manufacturing equipment necessary to continue to upgrade the Company's footwear and leather manufacturing facilities. Depreciation and amortization of \$7.1 million in 1996 compares to \$5.8 million in 1995. This increase was a result of the capital investments noted above and the amortization of goodwill related to the two 1996 acquisitions.

The Company maintains short-term borrowing and commercial letter-of-credit facilities of \$68.5 million, of which \$29.5 million and \$25.5 million were outstanding at the end of 1996 and 1995, respectively. Long-term debt, excluding current maturities, of \$41.2 million at the end of 1996 increased 34.8% from the \$30.6 million balance at the end of 1995 as a result of borrowings under the Company's revolving credit facility to support working capital requirements associated with sales growth.

It is expected that continued growth of the Company will require increases in capital funding over the next several years. In the fourth quarter of 1996, the Company renegotiated its long-term revolving debt agreement and increased the amount available under its credit facilities

from \$50 million to \$100 million. In addition, the Company's subsidiary in the United Kingdom entered into a \$17.0 million, three-year variable rate revolving credit agreement in January 1997 to support working capital requirements. The combination of credit facilities and cash flows from operations are expected to be sufficient to meet long- and short-term capital needs.

The Company paid dividends of \$3.0 million in 1996, or \$.10 per share, which reflects a 26.7% increase over the \$2.3 million of dividends paid in 1995, which represented \$0.09 per share. Additionally, shares issued under stock incentive plans provided cash of \$6.2 million in 1996 compared to \$4.3 million during 1995.

During 1996, the Company completed two acquisitions, the work, safety and occupational footwear business of Hy-Test, Inc. from The Florsheim Shoe Company and the rights to and certain assets of the Hush Puppies wholesale shoe business in the United Kingdom and Ireland from British Shoe Corporation, a subsidiary of Sears Plc. The combined purchase price of these acquisitions was \$31.5 million of which \$29.2 million was paid in cash in 1996. The Company has an active program to evaluate strategic

-21-

business acquisitions on a global basis and may, from time to time, make additional acquisitions.

The current ratio at year end was 3.8 to 1.0 in 1996 compared with 5.7 to 1.0 in 1995. The Company's total debt to total capital ratio increased to .15 to 1.0 in 1996 from .14 to 1.0 in 1995.

INFLATION.

Inflation has not had a significant impact on the Company over the past three years nor is it expected to have a significant impact in the foreseeable future. The Company continuously attempts to minimize the effect of inflation through cost reductions and improved productivity.

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 captions "Board of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the definitive Proxy Statement of the Company dated March 17, 1997, 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 captions "Compensation of Directors," "Executive Compensation," "Employment Agreements and Termination of Employment and Change in Control Arrangements," and

"Compensation Committee Report on Executive Compensation" in the definitive Proxy Statement of the Company dated March 17, 1997, is incorporated herein by reference.

-22-

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information contained under the captions "Ownership of Common Stock" and "Securities Ownership of Management" contained in the definitive Proxy Statement of the Company dated March 17, 1997, 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 captions "Compensation of Directors" and "Certain Relationships and Related Transactions" contained in the definitive Proxy Statement of the Company dated March 17, 1997, are incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, 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 28, 1996 and December 30, 1995.
- Consolidated Statements of Stockholders' Equity for the Fiscal Years Ended December 28, 1996, December 30, 1995, and December 31, 1994.
- Consolidated Statements of Operations for the Fiscal Years Ended December 28, 1996, December 30, 1995 and December 31, 1994.
- Consolidated Statements of Cash Flows for the Fiscal Years Ended December 28, 1996, December 30, 1995 and December 31, 1994.
- Notes to Consolidated Financial Statements as of December 28, 1996.
- Report of Independent Auditors.

-23-

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 15, 1996. Here incorporated by reference.
3.2	Amended and Restated Bylaws. Previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.
4.1	Certificate of Incorporation, as amended. See Exhibit 3.1 above.
4.2	Rights Agreement dated as of May 7, 1987, as amended and restated as of October 24, 1990. Previously filed with Amendment No. 1 to the Company's Form 8-A filed November 13, 1990. Here incorporated by reference. This agreement has been amended by the Second Amendment to Rights Agreement included as Exhibit 4.6 below.
4.3	Credit Agreement dated as of October 11, 1996 with NBD Bank as Agent.
4.4	Note Purchase Agreement dated as of August 1, 1994 relating to 7.81% Senior Notes. Previously filed as Exhibit 4(d) to the Company's Quarterly Report on Form 10-Q for the period ended September 10, 1994. Here incorporated by reference.

-24-

4.5	The Registrant has several classes of long-term debt instruments outstanding in addition to that described in Exhibit 4.4 above. The amount of none of these classes of debt outstanding on March 1, 1997 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.
4.6	Second Amendment to Rights Agreement made as of October 28, 1994 (amending the Rights Agreement included as Exhibit 4.2 above). Previously filed as Exhibit 4(f) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994. Here incorporated by reference.
10.1	Stock Option Plan of 1979, and amendment.* Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1988. Here incorporated by reference.
10.2	1993 Stock Incentive Plan.* Previously filed as Exhibit 10(b) to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
10.3	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.

- 10.4 Amended and Restated Directors Stock Option Plan.* Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
- 10.5 Amended and Restated Agreement executed on May 26, 1994 and dated as of July 24, 1992, between the Company and Thomas D. Gleason.* Previously filed as Exhibit 10(e) to the Company's Quarterly Report on Form 10-Q for the period ended June 18, 1994. Here incorporated by reference.
- 10.6 Employment Agreement dated April 27, 1993, between the Company and Geoffrey B. Bloom.* Previously filed as Exhibit 10(f) to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
- 10.7 Executive Long-Term Incentive (Three Year) Plan 1996-1998 Period.*

-25-

- 10.8 1994 Directors' Stock Option Plan.* Previously filed as Exhibit 10(aa) to the Company's Quarterly Report on Form 10-Q for the period ended June 18, 1994. Here incorporated by reference.
- 10.9 Stock Option Loan Program.* Previously filed as Exhibit 10(h) to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1991. Here incorporated by reference.
- 10.10 Deferred Compensation Agreement dated as of August 24, 1989 between the Company and Thomas D. Gleason.* Previously filed as part of Exhibit 10(i) of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference.
- 10.11 Supplemental Executive Retirement Plan, as amended.* Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 15, 1996. Here incorporated by reference. Each of the Company's executive officers participate at the 2.4% level.
- 10.12 1995 Stock Incentive Plan.* Previously filed as an Appendix to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 19, 1995. Here incorporated by reference.
- 10.13 Executive Long-Term Incentive (Three Year) Plan for the three year period 1994-1996.* Previously filed as Exhibit 10.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.
- 10.14 Executive Long-Term Incentive (Three Year) Plan for the three year period 1995-1997.* Previously filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.
- 10.15 Termination of Employment and Change of Control Agreements.* The form of agreement was previously filed as Exhibit 10(m) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.15.

- 10.16 Indemnification Agreements.* The form of agreement was previously filed as Exhibit 10(n) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.16.
- 26-
- 10.17 Supplemental Retirement Benefits.* Previously filed as Exhibit 10(l) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988. Here incorporated by reference.
- 10.18 Benefit Trust Agreement dated May 19, 1987, and Amendments Number 1, 2 and 3 thereto.* Previously filed as Exhibit 10(p) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference.
- 10.19 1996 Executive Short-Term Incentive Plan (Annual Bonus Plan).* Previously filed as Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.
- 10.20 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.
- 10.21 1984 Executive Incentive Stock Purchase Plan, and amendment.* Previously filed as Exhibit 10(b) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1988. Here incorporated by reference.
- 10.22 Supplemental Director's Fee Agreement dated as of March 27, 1995, between the Company and Phillip D. Matthews.* Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 25, 1995. Here incorporated by reference.
- 10.23 Restricted Stock Agreement dated as of March 27, 1995, between the Company and Phillip D. Matthews.* Previously filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended March 25, 1995. Here incorporated by reference.
- 11 Computation of Per Share Earnings.
- 21 Subsidiaries of Registrant.
- 23 Consent of Independent Auditors.
- 24 Powers of Attorney.
- 27 Financial Data Schedule.

*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.

No reports on Form 8-K were filed in the fourth quarter of the fiscal year ended December 28, 1996.

-28-

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 28, 1997

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	Chief Executive Officer and Chairman of the Board of Directors	March 28, 1997
*S/TIMOTHY J. O'DONOVAN Timothy J. O'Donovan	President and Director	March 28, 1997
/S/STEPHEN L. GULIS, JR. Stephen L. Gulis, Jr.	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)	March 28, 1997
*S/DANIEL T. CARROLL Daniel T. Carroll	Director	March 28, 1997
*S/ALBERTO L. GRIMOLDI Alberto L. Grimoldi	Director	March 28, 1997
-29-		
*S/DAVID T. KOLLAT David T. Kollat	Director	March 28, 1997
*S/PHILLIP D. MATTHEWS Phillip D. Matthews	Director	March 28, 1997
*S/DAVID P. MEHNEY David P. Mehney	Director	March 28, 1997
*S/JOSEPH A. PARINI Joseph A. Parini	Director	March 28, 1997
*S/JOAN PARKER Joan Parker	Director	March 28, 1997
*S/ELIZABETH A. SANDERS Elizabeth A. Sanders	Director	March 28, 1997
*BY/S/STEPHEN L. GULIS, JR. Stephen L. Gulis, Jr. Attorney-in-Fact		

APPENDIX A

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(THOUSANDS OF DOLLARS)	AS OF FISCAL YEAR END	
	1996	1995
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 8,534	\$ 27,088
Accounts receivable, less allowances (1996--\$5,634;1995--\$3,407)	125,999	83,392
Inventories:		
Finished products	71,346	45,814
Raw materials and work-in-process	46,081	42,536
	117,427	88,350
Refundable income taxes	2,062	2,935
Deferred income taxes	8,149	7,321
Other current assets	2,457	5,789
TOTAL CURRENT ASSETS	264,628	214,875
PROPERTY, PLANT AND EQUIPMENT:		
Land	1,178	1,071
Buildings and improvements	40,284	30,930
Machinery and equipment	89,317	77,730
	130,779	109,731
Less accumulated depreciation	67,776	62,846
	63,003	46,885
OTHER ASSETS		
Goodwill	8,362	
Other intangibles	3,092	
Cash value of life insurance	11,812	10,570
Prepaid pension costs	6,981	6,929
Other	3,720	4,295
	33,967	21,794
TOTAL ASSETS	\$361,598	\$283,554
 LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable to bank	\$ 1,026	\$ 2,339
Accounts payable	41,273	15,188
Salaries, wages and other compensation	9,010	7,825
Taxes, other than income taxes	4,174	2,673
Other accrued expenses	14,251	9,538
Current maturities of long-term debt	76	84
TOTAL CURRENT LIABILITIES	69,810	37,647
LONG-TERM DEBT, LESS CURRENT MATURITIES	41,233	30,594
SUPPLEMENTAL EMPLOYEE RETIREMENT BENEFITS	7,353	8,883
DEFERRED INCOME TAXES	2,830	2,216
OTHER NONCURRENT LIABILITIES	1,080	
STOCKHOLDERS' EQUITY:		
Common stock, \$1 par value:		
Authorized: 40,000,000 shares		
Issued, including treasury shares:		
1996--28,356,538 shares; 1995--27,894,914 shares	28,357	27,895
Additional paid-in capital	67,303	61,604
Retained earnings	153,475	123,593
Accumulated translation adjustments	79	(324)
Unearned compensation	(2,908)	(1,827)
Cost of shares in treasury:		
1996--557,323 shares; 1995--547,913 shares	(7,014)	(6,727)
	-----	-----

TOTAL STOCKHOLDERS' EQUITY	239,292	204,214
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$361,598	\$283,554
	=====	=====

() Denotes deduction.

See accompanying notes to consolidated financial statements.

-2-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(THOUSANDS OF DOLLARS)	FISCAL YEAR		
	1996	1995	1994
	-----	-----	-----
COMMON STOCK			
Balance at beginning of the year	\$ 27,895	\$ 24,759	\$ 24,257
Proceeds from issuance of common stock		2,607	
Common stock issued under stock incentive plans (1996--462,018 shares; 1995 528,504 shares; 1994 501,675 shares)	462	529	502
	-----	-----	-----
Balance at end of the year	28,357	27,895	24,759
ADDITIONAL PAID-IN CAPITAL			
Balance at beginning of the year	61,604	11,560	9,834
Proceeds from issuance of common stock		46,262	
Excess of proceeds from awards under stock incentive plans over par value of shares issued	5,699	3,782	2,028
Excess of cost of treasury shares over face value of subordinated notes converted			(302)
	-----	-----	-----
Balance at end of the year	67,303	61,604	11,560
RETAINED EARNINGS			
Balance at beginning of the year	123,593	101,873	86,986
Net earnings	32,856	24,067	16,598
Cash dividends--(1996--\$.10 per share; 1995--\$.09 per share; 1994--\$.07 per share)	(2,974)	(2,347)	(1,711)
	-----	-----	-----
Balance at end of the year	153,475	123,593	101,873
ACCUMULATED TRANSLATION ADJUSTMENTS			
Balance at beginning of the year	(324)	332	398
Equity adjustments from foreign currency translation	403	(656)	(66)
	-----	-----	-----
Balance at end of the year	79	(324)	332
UNEARNED COMPENSATION			
Balance at beginning of the year	(1,827)	(1,181)	(604)
Awards under stock incentive plans	(2,469)	(1,490)	(1,016)
Compensation expense	1,388	844	439
	-----	-----	-----
Balance at end of the year	(2,908)	(1,827)	(1,181)

-3-

COST OF SHARES IN TREASURY

Balance at beginning of the year	(6,727)	(6,000)	(8,725)
Issuance of common stock from treasury (1995--10,000 shares; 1994--250,000 shares upon conversion of subordinated notes)		125	2,802
Common stock purchased for treasury (1996--9,410 shares; 1995--23,921 shares; 1994--2,214 shares)	(287)	(852)	(77)
	-----	-----	-----
Balance at end of the year	(7,014)	(6,727)	(6,000)
	-----	-----	-----
TOTAL STOCKHOLDERS' EQUITY AT END OF THE YEAR	\$239,292	\$204,214	\$131,343
	=====	=====	=====

() Denotes deduction.

See accompanying notes to consolidated financial statements.

-4-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)	FISCAL YEAR		
	1996	1995	1994
	-----	-----	-----
Net sales and other operating income	\$511,029	\$413,957	\$387,534
Cost and expenses:			
Cost of products sold	355,224	290,469	264,384
Selling and administrative expenses	107,492	85,993	93,982
Interest expense	3,127	4,717	4,283
Interest income	(1,532)	(1,039)	(644)
Loss on disposal of business			1,700
Other expenses (income) -- net	(949)	(297)	606
	-----	-----	-----
	463,362	379,843	364,311
	-----	-----	-----
Earnings before income taxes	47,667	34,114	23,223
Income taxes	14,811	10,047	6,625
	-----	-----	-----
Net earnings	\$ 32,856	\$ 24,067	\$ 16,598

	=====	=====	=====
Net earnings per share:			
Primary	\$ 1.15	\$.94	\$.67
Fully diluted	1.15	.93	.67

See accompanying notes to consolidated financial statements.

-5-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(THOUSANDS OF DOLLARS)	FISCAL YEAR		
	1996	1995	1994
OPERATING ACTIVITIES			
Net earnings	\$ 32,856	\$ 24,067	\$ 16,598
Adjustments necessary to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	7,147	5,765	5,664
Deferred income taxes (credit)	(214)	1,878	217
Loss on disposal of business			1,700
Other	(2,867)	(2,271)	124
Changes in operating assets and liabilities:			
Accounts receivable	(32,752)	(12,723)	(8,307)
Inventories	(19,526)	(9,325)	(11,081)
Other operating assets	154	(1,000)	(398)
Accounts payable	26,085	(3,069)	5,682
Other operating liabilities	4,056	(1,950)	2,941
Net cash provided by operating activities	14,939	1,372	13,140
INVESTING ACTIVITIES			
Business acquisitions	(29,158)		
Additions to property, plant and equipment	(20,639)	(18,645)	(9,858)
Other	4,086	3,632	(930)
Net cash used in investing activities	(45,711)	(15,013)	(10,788)
FINANCING ACTIVITIES			
Proceeds from short-term borrowings		2,907	4,000
Payments of short-term debt	(1,313)	(2,000)	(4,516)
Proceeds from long-term borrowings	58,000	58,181	75,886
Payments of long-term debt	(47,369)	(71,289)	(79,245)
Proceeds from issuance of common stock		48,869	
Cash dividends	(2,974)	(2,347)	(1,711)
Purchase of common stock for treasury	(287)	(852)	(77)
Shares issued under stock incentive plans	6,161	4,311	2,530
Net cash provided by (used in) financing activities	12,218	37,780	(3,133)
Increase (decrease) in cash and cash equivalents	(18,554)	24,139	(781)

-6-

Cash and cash equivalents at beginning of year	27,088	2,949	3,730
	-----	-----	-----
Cash and cash equivalents at end of year	\$ 8,534	\$ 27,088	\$ 2,949
	=====	=====	=====
OTHER CASH FLOW INFORMATION			
Interest paid	\$ 3,595	\$ 5,187	\$ 4,361
Income taxes paid	8,426	5,683	4,219

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

-7-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of Wolverine World Wide, Inc. and its majority 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. All fiscal years presented herein are 52-week periods.

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 when the related goods have been shipped and legal title has passed to the customer.

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 substantially all manufacturing inventories (see Note D). Inventories of the Company's retail operations are valued using the retail method.

PROPERTY, PLANT AND EQUIPMENT

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

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

ADVERTISING COSTS

Advertising costs are expensed as incurred and totaled \$21,186,000 in 1996, \$17,592,000 in 1995 and \$17,942,000 in 1994.

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 value 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

Primary earnings per share are computed based on the weighted average shares of common stock outstanding during each period and the assumed exercise of dilutive stock options. Fully diluted earnings per share for 1994 also include the effect of converting subordinated notes into common

stock.

Weighted average shares outstanding for purposes of calculating earnings per share are as follows:

	1996	1995	1994
	-----	-----	-----
Primary	28,526,045	25,671,702	24,537,084
Fully diluted	28,677,852	25,855,769	24,922,253

-2-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and cash equivalents, accounts and notes receivable, accounts payable and long-term debt. The Company's estimate of the fair value of these financial instruments approximates their carrying amounts at December 28, 1996 and December 30, 1995. Fair value was determined using discounted cash flow analysis and current interest rates for similar instruments. The Company does not hold or issue financial instruments for trading purposes.

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

RECLASSIFICATIONS

Certain amounts previously reported in 1995 and 1994 have been reclassified to conform with the presentation used in 1996.

NOTE B - BUSINESS ACQUISITIONS

On March 22, 1996, the Company acquired the assets and assumed certain liabilities of the work, safety and occupational footwear business of Hy-Test, Inc. from The Florsheim Shoe Company for a cash purchase price of \$24,468,000, including related transaction expenses.

On August 24, 1996, the Company acquired the rights to and certain assets of the Hush Puppies wholesale shoe business in the United Kingdom and Ireland from British Shoe Corporation, a subsidiary of Sears Plc, for a purchase price of \$7,045,000 of which \$2,355,000 is payable over a three-year period beginning in 1997.

The acquisitions were accounted for using the purchase method and accordingly, the operating results of these acquired businesses are included in the consolidated statements of operations since the dates of acquisition. The purchase prices were allocated to the net assets acquired based on fair market value at the dates of acquisition. Goodwill and other intangibles recognized in connection with these transactions totaled \$11,480,000 and are being amortized over periods ranging from five to seventeen years.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE B - BUSINESS ACQUISITIONS (continued)

Consolidated net sales would have approximated \$575,000,000 in 1996, \$518,000,000 in 1995 and \$452,000,000 in 1994 on a pro forma basis if the acquisitions had occurred at the beginning of 1994. Pro forma consolidated earnings from continuing operations for all three years would not have been materially different from reported amounts.

NOTE C - DISPOSAL OF BUSINESS

During the fourth quarter of 1994, the Company adopted a formal plan to withdraw from its Lamonts leased shoe department business. In connection with this exit plan, an estimated pre-tax loss of \$1,700,000 was recognized. The loss represents the anticipated incremental costs associated with completing the exit plan. The exit plan was completed in 1995.

The Lamonts business had net sales of \$9,061,000 and a pre-tax loss from operations of \$500,000 in 1994. This business was previously reported as a discontinued operation in the accompanying 1994 consolidated statement of operations and has been reclassified as part of continuing operations.

NOTE D - INVENTORIES

Inventories of \$99,483,000 at December 28, 1996 and \$70,162,000 at December 30, 1995 have been valued using the LIFO method. If the first-in, first-out (FIFO) method had been used, inventories would have been \$19,695,000 and \$22,171,000 higher than reported at December 28, 1996 and December 30, 1995, respectively.

NOTE E - NOTES PAYABLE TO BANK

Notes payable to bank consist of unsecured short-term debt of the Company's Canadian subsidiary. The notes bear interest at the Canadian prime rate (4.75% at December 28, 1996).

The Company has short-term debt and commercial letter-of-credit facilities that allow for total borrowings up to \$68,543,000. In addition to the notes payable to bank discussed above, amounts outstanding under these facilities consist of letters-of-credit that totaled approximately \$28,500,000 and \$23,200,000 at December 28, 1996 and December 30, 1995, respectively.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE F - LONG-TERM DEBT

Long-term debt consists of the following obligations:

(THOUSANDS OF DOLLARS)	1996	1995
	-----	-----
7.8% senior notes to insurance companies	\$ 30,000	\$ 30,000
Revolving credit obligations	11,000	
Other	309	678
	-----	-----
	41,309	30,678
Less current maturities	76	84
	-----	-----
	\$ 41,233	\$ 30,594
	=====	=====

The 7.8% senior notes to insurance companies require equal annual principal payments of \$4,285,000 in 1998 through 2003 with the balance due on August 15, 2004.

In 1996, the Company amended its revolving credit agreement to increase its borrowing limit to \$100,000,000 (\$50,000,000 in 1995). The agreement requires that interest be paid at variable rates based on both LIBOR and the prime rate (8.25% at December 28, 1996) and expires on October 11, 2001. Maximum borrowings under the agreement were \$39,000,000 in 1996 and \$50,000,000 in 1995.

The revolving credit and insurance company 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 28, 1996, unrestricted retained earnings are \$30,815,000. 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 1997 are as follows: 1998--\$4,298,000; 1999--\$4,505,000; 2000--\$4,285,000; 2001--\$15,285,000.

In January 1997, the Company's subsidiary in the United Kingdom entered into a \$17,000,000 three-year variable-rate revolving credit agreement to support its working capital requirements.

-5-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE G - LEASES

The Company leases machinery, transportation equipment and certain warehouse and retail store space under operating lease agreements which expire at various dates through 2007. At December 28, 1996, minimum rental payments due under all noncancelable leases are as follows (THOUSANDS OF DOLLARS):

1997	\$ 5,609
1998	4,542
1999	3,600
2000	2,757
2001	1,376
Thereafter	3,954

Total minimum lease payments	\$ 21,838
	=====

Rental expense under all operating leases consisted primarily of minimum rentals and totaled \$7,468,000 in 1996, \$6,275,000 in 1995 and \$6,145,000 in 1994.

NOTE H - CAPITAL STOCK

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

On March 10, 1994, April 19, 1995, and July 11, 1996, the Company announced three-for-two stock splits on shares of common stock outstanding at March 21, 1994, May 1, 1995, and July 26, 1996, respectively. All share and per share data included in the consolidated financial statements has been retroactively adjusted for the increased shares resulting from these stock splits.

The Company has a stock rights plan that is designed to protect stockholder interests in the event the Company is confronted with coercive or unfair takeover tactics. Under its terms, each stockholder received one right for each share of common stock owned. The rights trade separately from common stock and become exercisable only upon the occurrence of certain triggering

-6-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE H - CAPITAL STOCK (continued)

events. Each right, when exercisable, will entitle the holder to purchase one one-hundredth of a share of Series A junior participating preferred stock for \$40. The Company has designated 880,000 shares of preferred stock as Series A junior participating preferred stock for possible future issuance under the Company's stock rights plan. Upon issuance, each share of Series A junior preferred stock will have 100 votes and a preferential quarterly dividend equal to the greater of \$6 per share or 100 times the dividend declared on the Company's 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, rights 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. The Company may redeem the rights for \$.01 each at any time prior to fifteen days after a triggering event. Unless redeemed earlier, all rights expire on May 8, 1997.

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 have ten-year terms and are exercisable over three years. All unexercised options are available for future grants upon their cancellation.

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

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE H - CAPITAL STOCK (continued)

	SHARES UNDER OPTIONS	WEIGHTED-AVERAGE OPTION PRICE
	-----	-----
Outstanding at January 1, 1994	1,466,349	\$ 3.51
Granted in 1994	442,407	6.59
Exercised	(404,532)	10.13
Cancelled	(10,206)	7.26
	-----	-----
Outstanding at December 31, 1994	1,494,018	5.71
Granted in 1995	439,368	12.40
Exercised	(432,916)	14.69
Cancelled	(1,512)	10.24
	-----	-----
Outstanding at December 30, 1995	1,498,958	8.15
Granted in 1996	416,444	19.57
Exercised	(343,485)	20.77
Cancelled	(10,732)	16.53
	-----	-----
Outstanding at December 28, 1996	1,561,185	\$ 11.56
	=====	=====
Available for grant:		
At December 28, 1996	857,392	
	=====	
At December 30, 1995	1,382,902	
	=====	

The weighted-average grant-date fair value was \$6.40 for stock options granted in 1996.

The exercise price of options outstanding at December 28, 1996 range from \$2.59 to \$28.38. A summary of stock options outstanding at December 28, 1996 by range of option price is as follows:

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE H - CAPITAL STOCK (continued)

	NUMBER OF OPTIONS		WEIGHTED-AVERAGE		
	OUTSTANDING	EXERCISABLE	OUTSTANDING	EXERCISABLE	REMAINING CONTRACTUAL LIFE
Less than \$10	500,053	483,222	\$ 4.92	\$ 4.75	5.5 years
\$10 to \$20	970,193	463,096	14.00	12.81	8.2 years
Greater than \$20	90,939	39,012	22.04	20.87	9.4 years
	-----	-----	-----	-----	-----
	1,561,185	985,330	\$11.56	\$ 9.18	7.4 years
	=====	=====	=====	=====	=====

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 Statement of Financial Accounting Standards (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 since January 1, 1995 using the fair value method. The fair value of these awards was estimated at the date of grant using a Black-Sholes option pricing model with the following weighted-average assumptions in 1996 and 1995: risk free interest rate of 6%; dividend yield of 0.5%; expected market price volatility factor of 0.32; and an expected option life of four years.

The Black-Sholes 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

-9-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE H - CAPITAL STOCK (continued)

management's opinion, the Black-Sholes option model does not necessarily provide a reliable measure of the fair value of its stock options.

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

(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)	1996	1995
	-----	-----
Pro forma net earnings	\$ 31,613	\$ 23,589
Pro forma net earnings per share:		
Primary	\$ 1.11	\$.93
Fully diluted	1.11	.92

Because SFAS No. 123 is applicable only to options granted subsequent to 1994, its pro forma effect will not be fully reflected until 1997.

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, 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 133,612 in 1996, 95,587 in 1995 and 97,143 in 1994 were awarded under these plans. The weighted-average award-date fair value was \$19.64 for the shares awarded in 1996. Rights to 14,579 shares were cancelled in 1996 and there were no cancellations in 1995 or 1994. 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 as restrictions lapse.

NOTE I - 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 employee's years of service and

-10-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE I - RETIREMENT PLANS (CONTINUED)

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 also has individual deferred compensation agreements with certain current and former employees that entitle them to receive payments from the Company for a period of fifteen to eighteen years following retirement. Under the terms of the individual contracts, the employees are eligible for reduced benefits upon early retirement. The Company maintains life insurance policies which are intended to fund these deferred benefits.

In addition, the Company sponsors a noncontributory, defined benefit plan that provides postretirement life insurance benefits to full-time employees who have worked ten or more consecutive years and attained age 60 while employed by the Company. The Company does not provide postretirement medical benefits.

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 \$1,200,000 in 1996, \$1,050,000 in 1995 and \$935,000 in 1994.

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

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE I - RETIREMENT PLANS (CONTINUED)

	SEPTEMBER 30	
(THOUSANDS OF DOLLARS)	1996	1995
	-----	-----
Pension assets at fair value	\$104,673	\$ 99,484
Actuarial present value of accumulated plan benefits:		
Vested	60,315	52,628
Nonvested	1,048	497
	-----	-----
Effect of estimated future increases in compensation	61,363	53,125
	11,914	9,145
	-----	-----
Projected benefit obligation for service rendered to date	73,277	62,270
	-----	-----
Excess pension assets	\$ 31,396	\$ 37,214
	=====	=====
Components of excess pension assets:		
Prepaid pension costs recognized in other assets	\$ 6,981	\$ 6,929
Unrecognized amounts, net of amortization:		
Transition assets	2,834	3,768
Prior service costs	(4,601)	(3,048)
Experience gains	26,182	29,565
	-----	-----
	\$ 31,396	\$ 37,214
	=====	=====

The discount rate and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation were 7.5% and 5%, respectively, in 1996 and 1995. Additional plan participants in connection with the acquisition of Hy-Test, Inc. and certain new supplemental retirement benefits increased the projected benefit obligation by \$5,162,000 at September 30, 1996.

Plan assets were invested in listed equity securities (83%), fixed income funds (11%) and short-term and other investments (6%). Equity securities include 225,675 shares of the Company's common stock with a fair value of \$6,262,000 at September 30, 1996.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE I - RETIREMENT PLANS (CONTINUED)

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

(THOUSANDS OF DOLLARS)	1996	1995	1994
	-----	-----	-----
Service cost pertaining to benefits earned during the year	\$ (4,704)	\$ (2,540)	\$ (2,410)
Interest cost on projected benefit obligation	(2,426)	(3,771)	(3,292)
Actual net investment income	8,066	28,495	3,317
Net amortization and deferrals	665	(20,865)	3,116
	-----	-----	-----
Net pension income	\$ 1,601	\$ 1,319	\$ 731
	=====	=====	=====

The expected long-term return on plan assets was 10% in both 1996 and 1995 and 9% in 1994.

The Company's accumulated postretirement life insurance benefit obligation is as follows:

(THOUSANDS OF DOLLARS)	1996	1995
	-----	-----
Retirees	\$ 812	\$ 775
Active plan participants	255	215
	-----	-----
Accumulated postretirement benefit obligation	1,067	990
Unrecognized experience losses	(126)	(153)
Obligation recognized as a noncurrent liability	\$ 941	\$ 837

The discount rate used in determining the accumulated postretirement life insurance benefit obligation was 7.5% in 1996 and 1995. The expense associated with postretirement life insurance benefits was not significant.

-13-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE J - INCOME TAXES

The provisions for income taxes consist of the following:

(THOUSANDS OF DOLLARS)	1996	1995	1994
	-----	-----	-----
Currently payable:			
Federal	\$ 9,652	\$ 4,610	\$ 3,658
State and foreign	5,373	3,559	2,750
Deferred (credit)	(214)	1,878	217
	-----	-----	-----
	\$ 14,811	\$ 10,047	\$ 6,625
	=====	=====	=====

A reconciliation of the Company's total income tax expense and the amount computed by applying the statutory federal tax rate of 35% to earnings

before income taxes is as follows:

(THOUSANDS OF DOLLARS)	1996	1995	1994
	-----	-----	-----
Income taxes at statutory rate	\$ 16,683	\$ 11,940	\$ 8,128
State income and foreign taxes, net of federal income tax reduction	1,572	731	757
Nontaxable earnings of Puerto Rican subsidiary and foreign affiliates	(2,881)	(1,898)	(1,712)
Reduction of deferred income tax asset valuation allowance			(1,000)
Other	(563)	(726)	452
	-----	-----	-----
	\$ 14,811	\$ 10,047	\$ 6,625
	=====	=====	=====

Significant components of the Company's deferred income tax assets and liabilities as of the end of 1996 and 1995 are as follows:

-14-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE J - INCOME TAXES (continued)

(THOUSANDS OF DOLLARS)	1996	1995
	-----	-----
Deferred income tax assets:		
Accounts receivable and inventory valuation allowances	\$ 5,175	\$ 4,308
Deferred compensation accruals	1,959	2,466
Other amounts not deductible until paid	5,107	4,233
	-----	-----
Total deferred income tax assets	12,241	11,007
Deferred income tax liabilities:		
Tax over book depreciation	(2,699)	(2,190)
Prepaid pension costs	(2,632)	(2,340)
Unremitted earnings of Puerto Rican subsidiary	(1,343)	(1,154)
Other	(248)	(218)
	-----	-----
Total deferred income tax liabilities	(6,922)	(5,902)
	-----	-----
Net deferred income tax assets	\$ 5,319	\$ 5,105
	=====	=====

The Company has provided for substantially 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 because such earnings are considered permanently invested. The additional taxes that would be payable if unremitted earnings of its foreign affiliates were distributed are not significant.

NOTE K - LITIGATION

The Company is involved in various environmental claims and other legal actions arising in the normal course of business. After taking into consideration legal counsel's evaluation of such actions, management is of

the opinion that their outcome will not have a significant effect on the Company's consolidated financial position or results of operations.

-15-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE L - INDUSTRY INFORMATION

The Company is principally engaged in the manufacture and sale of footwear, including casual shoes, slippers, moccasins, dress shoes, boots, uniform shoes and work shoes. The Company is also the largest domestic tanner of pigskin, which is used in a significant portion of shoes manufactured and sold by the Company and is sold to other domestic and foreign manufacturers of shoes and other products. Royalty income is derived from licensing the Company's trademarks to domestic and foreign licensees. As part of its footwear business, the Company operates a number of domestic retail shoe stores that sell Company-manufactured products as well as footwear manufactured by unaffiliated companies. Foreign operations consist of a 75%-owned Canadian subsidiary and factories located in the Dominican Republic and Mexico which produce shoe uppers for domestic operations. Export sales, foreign operations and related assets are not significant.

The Company markets its products primarily to customers in the retail sector. Although the Company closely monitors the credit worthiness of its customers and adjusts its credit policies and limits as needed, a substantial portion of its debtors' ability to discharge amounts owed is dependent upon the retail economic environment. The Company does not believe that it is dependent upon any single customer, since none account for more than 10% of consolidated net sales.

NOTE M - QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

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

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

-16-

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE M - QUARTERLY RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)	1996			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net sales and other operating income	\$ 83,842	\$ 94,153	\$120,466	\$212,568
Gross margin	25,323	31,317	36,013	63,152
Net earnings	3,393	5,433	7,350	16,680
Net earnings per share:				
Primary	\$.12	\$.19	\$.26	\$.58
Fully diluted	.12	.19	.26	.58

(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)	1995			
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net sales and other operating income	\$ 76,331	\$ 86,289	\$100,460	\$150,877
Gross margin	22,788	27,490	28,753	44,457
Net earnings	2,497	3,897	5,207	12,466
Net earnings per share:				
Primary	\$.10	\$.15	\$.21	\$.48
Fully diluted	.10	.15	.21	.47

-17-

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 28, 1996 and December 30, 1995, and the related consolidated statements of stockholders' equity, operations and cash flows for each of the three fiscal years in the period ended December 28, 1996. 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 generally accepted auditing standards. 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wolverine World Wide, Inc. and subsidiaries at December 28, 1996 and December 30, 1995, and the consolidated results of their operations and

their cash flows for each of the three fiscal years in the period ended December 28, 1996, in conformity with generally accepted accounting principles. 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, 1997

APPENDIX B

Schedule II - Valuation and Qualifying Accounts of Continuing Operations
Wolverine World Wide, Inc. and Subsidiaries

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E
DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	ADDITIONS		DEDUCTIONS (DESCRIBE)	BALANCE AT END OF PERIOD
		(1) CHARGED TO COSTS AND EXPENSES	(2) CHARGED TO OTHER ACCOUNTS (DESCRIBE)		
FISCAL YEAR ENDED DECEMBER 28, 1996					
DEDUCTED FROM ASSET ACCOUNTS:					
ALLOWANCE FOR DOUBTFUL ACCOUNTS	\$2,657,000	\$ 2,005,000		\$ 434,000<FA>	\$4,228,000
ALLOWANCE FOR CASH DISCOUNTS	750,000	4,896,000		4,240,000<FB>	1,406,000
INVENTORY VALUATION ALLOWANCES	1,317,000	5,535,000		3,898,000<FC>	2,954,000
	-----	-----		-----	-----
	\$4,724,000	\$12,436,000		\$8,572,000	\$8,588,000
	-----	-----		-----	-----
Fiscal Year Ended December 30, 1995					
Deducted from asset accounts:					
Allowance for doubtful accounts	\$3,510,000	\$ (746,000)		\$ 107,000<FA>	\$2,657,000
Allowance for cash discounts	449,000	2,851,000		2,550,000<FB>	750,000
Inventory valuation allowances	1,753,000	4,261,000		4,697,000<FC>	1,317,000
	-----	-----		-----	-----
	\$5,712,000	\$ 6,366,000		\$7,354,000	\$4,724,000
	-----	-----		-----	-----
Fiscal Year Ended December 31, 1994					
Deducted from asset accounts:					
Allowance for doubtful accounts	\$3,141,000	\$ 1,722,000		\$1,353,000<FA>	\$3,510,000
Allowance for cash discounts	270,000	1,236,000		1,057,000<FB>	449,000
Inventory valuation allowances	1,703,000	3,760,000		3,710,000<FC>	1,753,000
	-----	-----		-----	-----
	\$5,114,000	\$ 6,718,000		\$6,120,000	\$5,712,000
	-----	-----		-----	-----

<FA> ACCOUNTS CHARGED OFF, NET OF RECOVERIES.
<FB> DISCOUNTS GIVEN TO CUSTOMERS.
<FC> 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 28, 1996

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

EXHIBIT INDEX

EXHIBIT
NUMBER

- 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 15, 1996. Here incorporated by reference.
- 3.2 Amended and Restated Bylaws. Previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.
- 4.1 Certificate of Incorporation, as amended. See Exhibit 3.1 above.
- 4.2 Rights Agreement dated as of May 7, 1987, as amended and restated as of October 24, 1990. Previously filed with Amendment No. 1 to the Company's Form 8-A filed November 13, 1990. Here incorporated by reference. This agreement has been amended by the Second Amendment to Rights Agreement included as Exhibit 4.6 below.
- 4.3 Credit Agreement dated as of October 11, 1996 with NBD Bank as Agent.
- 4.4 Note Purchase Agreement dated as of August 1, 1994 relating to 7.81% Senior Notes. Previously filed as Exhibit 4(d) to the Company's Quarterly Report on Form 10-Q for the period ended September 10, 1994. Here incorporated by reference.
- 4.5 The Registrant has several classes of long-term debt instruments outstanding in addition to that described in Exhibit 4.4 above. The amount of none of these classes of debt outstanding on March 1, 1997 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.
- 4.6 Second Amendment to Rights Agreement made as of October 28, 1994 (amending the Rights Agreement

included as Exhibit 4.2 above). Previously filed as Exhibit 4(f) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994. Here incorporated by reference.

- 10.1 Stock Option Plan of 1979, and amendment.* Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1988. Here incorporated by reference.
 - 10.2 1993 Stock Incentive Plan.* Previously filed as Exhibit 10(b) to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
 - 10.3 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.
 - 10.4 Amended and Restated Directors Stock Option Plan.* Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
 - 10.5 Amended and Restated Agreement executed on May 26, 1994 and dated as of July 24, 1992, between the Company and Thomas D. Gleason.* Previously filed as Exhibit 10(e) to the Company's Quarterly Report on Form 10-Q for the period ended June 18, 1994. Here incorporated by reference.
 - 10.6 Employment Agreement dated April 27, 1993, between the Company and Geoffrey B. Bloom.* Previously filed as Exhibit 10(f) to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1994. Here incorporated by reference.
 - 10.7 Executive Long-Term Incentive (Three Year) Plan 1996-1998 Period.*
 - 10.8 1994 Directors' Stock Option Plan.* Previously filed as Exhibit 10(aa) to the Company's Quarterly Report on Form 10-Q for the period ended June 18, 1994. Here incorporated by reference.
 - 10.9 Stock Option Loan Program.* Previously filed as Exhibit 10(h) to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1991. Here incorporated by reference.
- 2-
- 10.10 Deferred Compensation Agreement dated as of August 24, 1989 between the Company and Thomas D. Gleason.* Previously filed as part of Exhibit 10(i) of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference.
 - 10.11 Supplemental Executive Retirement Plan, as amended.* Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended

June 15, 1996. Here incorporated by reference. Each of the Company's executive officers participate at the 2.4% level.

10.12 1995 Stock Incentive Plan.* Previously filed as an Appendix to the Company's Definitive Proxy Statement with respect to the Company's Annual Meeting of Stockholders held on April 19, 1995. Here incorporated by reference.

10.13 Executive Long-Term Incentive (Three Year) Plan for the three year period 1994-1996.* Previously filed as Exhibit 10.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.

10.14 Executive Long-Term Incentive (Three Year) Plan for the three year period 1995-1997.* Previously filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.

10.15 Termination of Employment and Change of Control Agreements.* The form of agreement was previously filed as Exhibit 10(m) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.15.

10.16 Indemnification Agreements.* The form of agreement was previously filed as Exhibit 10(n) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference. An updated participant schedule is attached as Exhibit 10.16.

-3-

10.17 Supplemental Retirement Benefits.* Previously filed as Exhibit 10(l) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988. Here incorporated by reference.

10.18 Benefit Trust Agreement dated May 19, 1987, and Amendments Number 1, 2 and 3 thereto.* Previously filed as Exhibit 10(p) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993. Here incorporated by reference.

10.19 1996 Executive Short-Term Incentive Plan (Annual Bonus Plan).* Previously filed as Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Here incorporated by reference.

10.20 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.

10.21 1984 Executive Incentive Stock Purchase Plan, and amendment.* Previously filed as Exhibit 10(b) to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1988. Here incorporated by

reference.

- 10.22 Supplemental Director's Fee Agreement dated as of March 27, 1995, between the Company and Phillip D. Matthews.* Previously filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended March 25, 1995. Here incorporated by reference.
- 10.23 Restricted Stock Agreement dated as of March 27, 1995, between the Company and Phillip D. Matthews.* Previously filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the period ended March 25, 1995. Here incorporated by reference.
- 11 Computation of Per Share Earnings.
- 21 Subsidiaries of Registrant.

-4-

- 23 Consent of Independent Auditors.
- 24 Powers of Attorney.
- 27 Financial Data Schedule.

*Management contract or compensatory plan or arrangement.

EXHIBIT 4.3

CREDIT AGREEMENT

DATED AS OF OCTOBER 11, 1996

BY AND AMONG

WOLVERINE WORLD WIDE, INC.,

THE BANKS PARTY HERETO

AND

NBD BANK, AS AGENT

TABLE OF CONTENTS

ARTICLE I. DEFINITIONS	2
ARTICLE II. THE COMMITMENTS . . . . .	.10
2.1 Commitments of the Banks.. . . .	.10
2.2 Termination and Reduction of Commitments.. . . .	.10
2.3 Facility Fees. . . . .	.10
2.4 Agent's Fee. . . . .	.11
ARTICLE III. THE LOANS. . . . .	.11
3.1 Disbursement of Loans. . . . .	.11

3.2	Conditions for Disbursement of Initial Loan. . . . .	.12
3.3	Conditions for Disbursement of Each Loan.. . . .	.13
3.4	Minimum Amounts. . . . .	.13
3.5	Subsequent Elections as to Loans.. . . .	.13
3.6	Discretion of the Banks as to Manner of Funding. . . . .	.14
ARTICLE IV. PAYMENTS AND PREPAYMENTS OF LOANS . . . . .		.14
4.1	Principal Payments.. . . .	.14
4.2	Interest Payments. . . . .	.14
4.3	Optional Prepayment. . . . .	.15
4.4	Mandatory Prepayment.. . . .	.15
4.5	Payment Method.. . . .	.15
4.6	No Setoff or Deduction.. . . .	.15
4.7	Payment on Non-Business Day; Payment Computations. . . . .	.16
ARTICLE V. YIELD PROTECTION AND CONTINGENCIES. . . . .		.16
5.1	Additional Costs.. . . .	.16
5.2	Limitation of Requests and Elections.. . . .	.17
5.3	Illegality and Impossibility.. . . .	.17
5.4	Additional Contingencies.. . . .	.17
5.5	Indemnification. . . . .	.18
5.6	Capital Adequacy.. . . .	.18
ARTICLE VI. REPRESENTATIONS AND WARRANTIES . . . . .		.19
6.1	Corporate Existence and Power. . . . .	.19
6.2	Corporate Authority. . . . .	.20
6.3	Binding Effect.. . . .	.20
6.4	Subsidiaries.. . . .	.20
6.5	Litigation.. . . .	.20
6.6	Financial Condition. . . . .	.20
6.7	Use of Loans.. . . .	.21
6.8	Consents, Etc. . . . .	.21
6.9	Taxes. . . . .	.21
6.10	Title to Properties. . . . .	.21
6.11	Existing Note Agreements.. . . .	.21
6.12	Environmental and Safety Matters.. . . .	.22
6.13	Indebtedness.. . . .	.22
ARTICLE VII. COVENANTS. . . . .		.22
7.1	Affirmative Covenants. . . . .	.22
	(a) Preservation of Corporate Existence, Etc.. . . .	.23
	(b) Compliance with Laws, Etc. . . . .	.23
	(c) Maintenance of Insurance.. . . .	.23
	(d) Reporting Requirements.. . . .	.23
	(e) Access to Records, Books, Etc. . . . .	.25
7.2	Negative Covenants.. . . .	.25
	(a) Tangible Net Worth.. . . .	.25
	(b) Total Liabilities to Tangible Net Worth. . . . .	.25
	(c) Fixed Charge Coverage Ratio. . . . .	.25
	(d) Indebtedness.. . . .	.25
	(e) Liens.. . . .	.26
	(f) Merger; Sale of Assets; Etc. . . . .	.26
	(g) Nature of Business.. . . .	.27
	(h) Debt to Tangible Net Worth for Subsidiaries. . . . .	.27
ARTICLE VIII. DEFAULT . . . . .		.27
8.1	Events of Default. . . . .	.27
8.2	Remedies.. . . .	.30

ARTICLE IX. THE AGENT AND THE BANKS. . . . .	.30
9.1 Appointment of Agent.. . . .	.30
9.2 Scope of Agency. . . . .	.31
9.3 Duties of Agent. . . . .	.31
9.4 Resignation of Agent.. . . .	.32
9.5 Pro Rata Sharing by Banks. . . . .	.32
ARTICLE X. MISCELLANEOUS. . . . .	.33
10.1 Amendments; Etc. . . . .	.33
10.2 Notices. . . . .	.33
10.3 Conduct No Waiver; Remedies Cumulative. . . . .	.34
10.4 Reliance on and Survival of Various Provisions.. . . .	.34
10.5 Expenses.. . . .	.34

10.6 Successors and Assigns.. . . .	.35
10.7 Counterparts.. . . .	.36
10.8 Governing Law. . . . .	.36
10.9 Headings.. . . .	.36
10.10 Construction of Certain Provisions. . . . .	.36
10.11 Integration and Severability. . . . .	.36
10.12 Interest Rate Limitation. . . . .	.37
10.13 Independence of Covenants.. . . .	.37
10.14 Waiver of Jury Trial. . . . .	.37

SCHEDULE 6.4	Subsidiaries
SCHEDULE 6.5	Litigation
SCHEDULE 6.12	Environmental and Safety Matters
SCHEDULE 6.13	Indebtedness Greater than \$100,000
EXHIBIT A	REVOLVING CREDIT NOTE
EXHIBIT B	REQUEST FOR LOAN
EXHIBIT C	REQUEST FOR CONTINUATION OR CONVERSION OF LOAN
EXHIBIT D	ASSIGNMENT AND ACCEPTANCE

THIS CREDIT AGREEMENT, dated October 11, 1996 (this "Agreement"), is among WOLVERINE WORLD WIDE, INC., a Delaware corporation (the "Company"), the banks party hereto from time to time (collectively, the "Banks" and, individually, a "Bank"), and NBD BANK, a Michigan banking corporation, as agent for the Banks (in such capacity, the "Agent").

RECITAL

The Company desires to amend and restate in its entirety the Amended and Restated Credit Agreement among the Company, the banks party thereto and NBD Bank, as agent, dated as of October 13, 1994 (as amended, the "Prior Credit Agreement"), in order to obtain a revolving bank credit in principal sum not to exceed \$100,000,000 to provide funds for its general corporate and working capital purposes, and the Banks are willing to so amend and restate the Prior Credit Agreement on the terms and conditions herein set forth.

AGREEMENT

In consideration of the premises and of the mutual agreements herein contained, the parties hereto agree that the Prior Credit Agreement shall be amended and restated in its entirety as follows:

ARTICLE I. DEFINITIONS

1.1 As used herein the following terms shall have the following respective meanings:

"Affiliate", when used with respect to any Person, means any Person which, directly or indirectly, controls or is controlled by or is under common control with such Person. For purposes of this definition, control (including the correlative meanings of the terms "controlled by" and "under common control with"), with respect to any Person, means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"Applicable Margin" means the following margins for purposes of determining the Eurodollar Rate and the facility fee under Section 2.3, as indicated in the following table:

FIXED CHARGE COVERAGE RATIO - - - - -	Applicable Margin FOR EURODOLLAR RATE - - - - -	Applicable Margin FOR FACILITY FEE - - - - -
---	---	--

Equal to or greater than 1.7 but less than or equal to 2.0	.45%	.25%
Greater than 2.0 but less than or equal to 2.5	.35%	.20%
Greater than 2.5 but less than or equal to 3.5	.30%	.15%
Greater than 3.5 but less than or equal to 4.5	.265%	.135%
Greater than 4.5	.23%	.12%

The Applicable Margin shall be adjusted as of the first day of each fiscal quarter of the Company based on the Fixed Charge Coverage Ratio at the end of the fiscal quarter immediately preceding the fiscal quarter most recently ended.

"Assignment and Acceptance" is defined in Section 10.6.

"Business Day" means a day other than a Saturday, Sunday or other day on which the Agent or any Bank is not open for the transaction of substantially all of its banking functions.

"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 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 in this definition, "Current Management Group" shall mean (i) Geoffrey B. Bloom, Steven M. Duffy, Stephen L. Gulis, Jr., Blake Krueger and Timothy J. O'Donovan or (ii) any Group which includes and is under the general direction of any of the above-named persons; "Group" shall mean any Group or related persons constituting a "group" for the purposes of

-3-

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

"Commitments" means the commitments of the Banks to lend hereunder pursuant to Section 2.1, in the respective amounts set forth next to the name of such Bank on the signature page hereof or as subsequently set forth in any Assignment and Acceptance, as such amounts may be reduced from time to time pursuant to Section 2.2 or modified pursuant to Section 10.6.

"Contingent Liabilities" of any Person means, as of any date, all obligations of such Person or of others for which such Person is contingently liable, as obligor, guarantor, surety or in any other capacity, or in respect of which obligations such Person assures a creditor against loss or agrees to take any action to prevent any such loss (other than endorsements of negotiable instruments for collection in the ordinary course of business), including without limitation all reimbursement obligations of such Person in respect of any letters of credit or similar obligations and all obligations of such Person to advance funds to, or to purchase assets, property or services from, any

other Person in order to maintain the financial condition of such other Person.

"Dollars" and "\$" means the lawful money of the United States of America.

"Effective Date" means the effective date specified in the final paragraph of this Agreement.

"Environmental Laws" at any date means all provisions of law, statute, ordinances, rules, regulations, judgments, writs, injunctions, decrees, orders, awards and standards (but only to the extent such standards could be determined to be legally binding or the violation of such standards could give rise to liability of the Company or any of its Subsidiaries) promulgated by the government of the United States of America or any foreign government or by any state, province, municipality or other political subdivision thereof or therein or by any court, agency, instrumentality, regulatory authority or commission of any of the foregoing concerning the protection of, or regulating the discharge of substances into, the environment.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurodollar Business Day" means, with respect to any Eurodollar Rate Loan, a day which is both a Business Day and a day on which dealings in Dollar deposits are carried out in the interbank market selected by the Agent with respect to such Eurodollar Rate Loan.

-4-

"Eurodollar Interest Period" means, with respect to any Eurodollar Rate Loan, the period commencing on the day such Eurodollar Rate Loan is made or converted to a Eurodollar Rate Loan and ending on the date 1, 2, 3, or 6 months thereafter, as the Company may elect under Section 3.1 or 3.5, and each subsequent period commencing on the expiry of the immediately preceding Eurodollar Interest Period and ending on the date 1, 2, 3, or 6 months thereafter, as the Company may elect under Section 3.1 or 3.5, provided, however, that (a) any Eurodollar Interest Period which commences on the last Eurodollar Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Eurodollar Business Day of the appropriate subsequent calendar month, (b) each Eurodollar Interest Period which would otherwise end on a day which is not a Eurodollar Business Day shall end on the next succeeding Eurodollar Business Day or, if such next succeeding Eurodollar Business Day falls in the next succeeding calendar month, on the next preceding Eurodollar Business Day, and (c) no Eurodollar Interest Period shall be permitted which would end after the Termination Date.

"Eurodollar Rate" means, with respect to any Eurodollar Rate Loan and the related Eurodollar Interest Period, the per annum rate that is equal to the sum of:

(a) the Applicable Margin, plus

(b) the per annum rate of interest determined by dividing (i) the per annum rate of interest at which deposits in Dollars for such Eurodollar Interest Period in an aggregate amount comparable to the amount of the Agent's portion of such Eurodollar Rate Loan are offered to NBD Bank by other prime banks in the London interbank market, selected in the Agent's discretion, at approximately 11:00 a.m. Detroit time, as the case may be, on the second Eurodollar Business Day prior to the first day of such Eurodollar Interest Period; by (ii) a percentage equal to 100% minus that percentage (expressed as a decimal) that is specified on the first day of such Eurodollar Interest Period by the Board of Governors of the Federal Reserve System (or any successor agency thereto) for determining the maximum reserve requirement (including, without limitation, any marginal, emergency or special reserves)

with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D of such Board) maintained by a member bank of such System;

all as conclusively determined by the Agent, such sum to be rounded up, if necessary, to the nearest whole multiple of 1/100 of 1%, and such Eurodollar Rate to be adjusted as and when any change occurs in the reserve requirements referred to in subparagraph (b) above.

-5-

"Eurodollar Rate Loan" means any Loan which bears interest at the Eurodollar Rate.

"Event of Default" means any of the events or conditions described in Section 8.1.

"Existing Note Agreements" means the Note Agreements, each dated as of August 1, 1994, Re: \$30,000,000 7.81% Senior Notes Due August 15, 2004, together with any document or instrument executed pursuant thereto, between the Company and each of Teachers Insurance and Annuity Association of America, The Minnesota Mutual Life Insurance Company, Farm Bureau Life Insurance Company of Michigan, FB Annuity Company, Federated Life Insurance Company and Federated Mutual Insurance Company, as each of the foregoing is amended by a First Amendment to Note Agreement and Consent in the form delivered to the Banks.

"Fixed Charge Coverage Ratio" shall have the meaning ascribed thereto in Section 7.2(c).

"Fixed Charges" means, for any period, the sum of (i) the excess of (x) all interest expense on all Indebtedness (including imputed interest charges with respect to any lease, which in accordance with generally accepted accounting principles, is or should be capitalized on the books of the lessee) of the Company and its Subsidiaries payable with respect to such period over (y) all interest earnings received during such period and (ii) all Rentals (excluding Rentals payable with respect to leases which are or should be capitalized on the books of the lessee) payable during such period by the Company and its Subsidiaries.

"Floating Rate Loan" means any Loan which bears interest at the Prime Rate.

"Generally Accepted Accounting Principles" means generally accepted accounting principles in effect from time to time applied on a basis consistent with that reflected in the financial statements referred to in Section 6.6.

"Indebtedness" of any Person means, as of any date, (a) all obligations of such Person for borrowed money, (b) all obligations as lessee under any lease which, in accordance with generally accepted accounting principles, is or should be capitalized on the books of the lessee, and (c) all obligations of others similar in character to those described in clauses (a) and (b) of this definition for which such Person is liable, contingently or otherwise, as obligor, guarantor or in any other capacity, or in respect of which obligations such Person assures a creditor against loss or agrees to take any action to prevent any such loss (other than endorsements of negotiable instruments for the collection in the ordinary course of business), including without limitation all reimbursement obligations of such Person in respect of letters of credit or similar obligations and all obligations of such Person to

-6-

advance funds to, or to purchase assets, property or services from, any other Person in order to maintain the financial condition of such Person; except that 'Indebtedness' shall not include obligations now or in the future owing to the Company by any of its Subsidiaries.

"Interest" means, for any period, all interest and all amortization of debt discount and expense on any particular Indebtedness for which such calculations are being made.

"Interest Payment Date" means (a) with respect to any Floating Rate Loan, the first Business Day of each month, commencing with the first such day occurring after the Effective Date, and (b) with respect to any Eurodollar Rate Loan, the last day of the Interest Period with respect to such Eurodollar Rate Loan and, if such Interest Period exceeds three months, the day in the third month following the month the Loan proceeds were disbursed (or, in the case of the continuation of a Loan as, or conversion of a Loan to, a Eurodollar Rate Loan, the day in the third month following the month in which such continuation or conversion occurred) that numerically corresponds to the date on which the Loan proceeds were disbursed (or to the date on which such continuation or conversion occurred) or, if there is no numerically corresponding day, the last Eurodollar Business Day of that third month.

"Interest Period" means any Eurodollar Interest Period.

"Loan" means any borrowing under Section 3.1 and "Loans" means all of the borrowings under Section 3.1.

"Majority Banks" means Banks holding not less than 66-2/3% of the aggregate principal amount of the Notes then outstanding (or 66-2/3% of the Commitments if no principal amount is outstanding under the Notes).

"Material Subsidiary" shall mean any Subsidiary of the Company 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 (as defined in the Existing Note Agreements) of the Company and its Subsidiaries; or

(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 Section 8.1(i) would have applied if not for the limitations set forth herein at any time during the three-year period immediately preceding the date of such determination, exceeds 5% of Consolidated Total Assets of the Company and its Subsidiaries; or

(3) The percentage of Consolidated Net Earnings (as defined in the Existing Note Agreements) of the Company and its Subsidiaries contributed by such Subsidiary during the immediately preceding fiscal year exceeds 5%; or

-7-

(4) 5% is less than the sum of (i) the percentage of Consolidated Net Earnings of the Company and its Subsidiaries contributed by such Subsidiary during its Applicable Year and (ii) the percentage of Consolidated Net Earnings of the Company and its Subsidiaries contributed during its Applicable Year by each other Subsidiary of the Company to which Section 8.1(i) would have applied at any time during the three-year period immediately preceding the date of such determination if not for the limitations set forth herein. The "Applicable Year" for each such Subsidiary shall be the last complete fiscal year of the Company and its Subsidiaries immediately preceding the date of the occurrence of the relevant event or circumstance described in Section 8.1(i).

"Net Income" of any Person means, for any period, the net income (after deduction for income and other taxes of such Person determined by reference to

income or profits of such Person) for such period, all as determined in accordance with generally accepted accounting principles.

"Net Income Available for Fixed Charges" means, for any period, the sum of (i) consolidated Net Income of the Company and its Subsidiaries during such period plus (ii) to the extent deducted in determining Net Income, all provisions for all federal, state or other income taxes made by the Company and its Subsidiaries during such period plus (iii) consolidated Fixed Charges of the Company and its Subsidiaries during such period.

"Notes" means the promissory notes of the Company issued to the Banks evidencing the Loans, in substantially the form annexed hereto as Exhibit A, as amended or modified from time to time and together with any promissory note or notes issued in exchange or replacement therefor.

"Overdue Rate" means (a) in respect of principal on Floating Rate Loans, a rate per annum that is equal to the sum of three percent (3%) plus the Prime Rate, (b) in respect of Eurodollar Rate Loans, a rate per annum that is equal to the sum of three percent (3%) plus the per annum rate in effect thereon until the end of the then-current Eurodollar Interest Period for such Loan and thereafter a rate per annum that is equal to the sum of three percent (3%) plus the Prime Rate, and (c) in respect of other amounts payable by the Company hereunder (other than interest) a per annum rate that is equal to the sum of three percent (3%) plus the Prime Rate.

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

-8-

"Person" shall include an individual, a corporation, an association, a partnership, a trust or estate, a joint stock company, an unincorporated organization, a joint venture, a government (foreign or domestic), and any agency or political subdivision thereof, and any other entity.

"Plan" means, with respect to any Person, any employee benefit or other plan maintained by such Person for its employees and covered by Title IV of ERISA or to which Sec. 412 of the Internal Revenue Code of 1986, as amended from time to time, applies.

"Prime Rate" means the greater of (a) the per annum rate announced by the Agent from time to time as its "prime rate", which "prime rate" may not be the lowest rate charged by the Agent to any of its customers, such Prime Rate to change simultaneously with any change in such "prime rate", and (b) the per annum rate equal to the sum of one-half of one percent (1/2%) per annum plus the per annum rate established and announced by the Agent from time to time as the opening federal funds rate paid or payable by the Agent in its regional federal funds market for overnight borrowings from other banks.

"Rentals" means, with respect to any period, the excess of (x) all fixed rents (including all payments which the lessee is obligated to make to the lessor on termination of the lease or surrender of the property) payable with respect to such period by the Company or its Subsidiaries as lessee or sublessee under a lease of real or Personal property (exclusive of any amounts required to be paid by the Company or its Subsidiaries, whether designated as rents or additional rents, on account of maintenance, repairs, insurance, taxes and similar charges) over (y) all such amounts received by the Company

and its Subsidiaries as lessor under a lease of real or Personal property during such period.

"Subsidiary" of any Person means any corporation (whether now existing or hereafter organized or acquired) in which at least a majority of the securities of each class having ordinary voting power for the election of directors (other than securities which have such power only by reason of the happening of a contingency), at the time as of which any determination is being made, is owned, beneficially and of record, by such Person or by one or more of the other Subsidiaries of such Person or by any combination thereof.

"Tangible Net Worth" of any Person means, as of any date (a) the amount of any capital stock or similar ownership liability plus (or minus in the case of a deficit) the capital surplus and retained earnings of such Person and the amount of any foreign currency translation adjustment account shown as a capital account of such Person, less (b) the net book value of all items of the following character which are included in the assets of such Person: (i) goodwill, including without limitation the excess of cost over book value of any asset, (ii) organization or experimental expenses, (iii) unamortized debt

-9-

discount and expense, (iv) stock discount and expense, (v) patents, trademarks, trade names and copyrights, (vi) treasury stock, (vii) deferred taxes and deferred charges, (viii) franchises, licenses and permits, and (ix) other assets which are deemed intangible assets under generally accepted accounting principles.

"Termination Date" means the earlier to occur of (a) October 11, 2001, and (b) the date on which the Commitments shall be terminated pursuant to Section 2.2 or 8.2.

"Total Liabilities" of any Person means, as of any date, all obligations which, in accordance with generally accepted accounting principles, are or should be classified as liabilities on a balance sheet of such Person.

"Total Liabilities to Tangible Net Worth Ratio" means, as of any date, the ratio of consolidated Total Liabilities of the Company and its Subsidiaries to consolidated Tangible Net Worth of the Company and its Subsidiaries.

1.2 As used herein, the terms "Agent", "Bank", "Banks", "Company" and "this Agreement" shall have the respective meanings ascribed thereto in the introductory paragraph of this Agreement. Such terms, together with the other terms defined in Section 1.1, shall include both the singular and the plural forms thereof and shall be construed accordingly. All computations required hereunder and all financial terms used herein shall be made or construed in accordance with generally accepted accounting principles unless such principles are inconsistent with the express requirements of this Agreement. Use of the terms "herein", "hereof", and "hereunder" shall be deemed references to this Agreement in its entirety and not to the Section or clause in which such term appears.

ARTICLE II. THE COMMITMENTS

2.1 COMMITMENTS OF THE BANKS. Each Bank agrees, for itself only, subject to the terms and conditions of this Agreement, to lend to the Company from time to time from the Effective Date until the Termination Date, sums not to exceed in aggregate principal amount at any time outstanding the amount of its Commitment. Each borrowing under this Section 2.1 shall be made from the Banks pro rata in accordance with their Commitments.

2.2 TERMINATION AND REDUCTION OF COMMITMENTS. The Company shall have the right to terminate or reduce the aggregate Commitments at any time and

from time to time, provided that (a) the Company shall give five days' prior written notice of such termination or reduction to the Agent (with sufficient executed copies for each Bank) specifying the amount and effective date

-10-

thereof, (b) each partial reduction of the aggregate Commitments shall be in a minimum amount of \$5,000,000 and in an integral multiple of \$1,000,000, and shall reduce all Commitments proportionately, (c) no such termination or reduction shall be permitted with respect to any portion of the Commitments as to which a request for a Loan pursuant to Section 3.1 is then pending, and (d) the Commitments may not be terminated if any Loans are then outstanding and may not be reduced below the principal amount of Loans then outstanding. The Commitments or any portion hereof so terminated or reduced may not be reinstated.

2.3 FACILITY FEES. The Company agrees to pay to the Agent for the pro rata benefit of the Banks a facility fee on the daily average amount of the Commitments, whether used or unused, for the period from the Effective Date to but excluding the Termination Date, in arrears, at a rate equal to the Applicable Margin. Accrued facility fees shall be payable quarterly, in arrears, on the first Business Day of each January, April, July and October, commencing on such Business Day in the month of January, 1997, and on the Termination Date.

2.4 AGENT'S FEE. The Company agrees to pay to the Agent an agency fee for its services as Agent under this Agreement in such amounts and at such times as may be agreed upon by the Company and the Agent.

ARTICLE III. THE LOANS

3.1 DISBURSEMENT OF LOANS. (a) The Company shall give the Agent notice of each requested Loan in substantially the form of Exhibit B hereto (with sufficient executed copies for each Bank) not later than 11:00 a.m. Detroit time (i) three Eurodollar Business Days prior to the date of such requested Loan in the case of any Eurodollar Rate Loan, and (ii) on the date of such requested Loan in the case of a Floating Rate Loan, which notice shall specify whether a Eurodollar Rate Loan or Floating Rate Loan is requested and, in the case of each requested Eurodollar Rate Loan, the Interest Period to be initially applicable to such Loan. The Agent shall provide notice of such requested Loan to each Bank by 2:00 p.m. Detroit time on the date such notice is received by the Agent.

(b) Subject to the terms and conditions of this Agreement, the proceeds of any such requested Loan shall be made available to the Company by depositing the proceeds thereof, in immediately available funds, in an account maintained and designated by the Company at the principal office of the Agent, provided, that the proceeds of the initial Loan shall be used to pay all amounts owing to the Banks pursuant to the Prior Credit Agreement and the promissory notes issued by the Company thereunder, at which time the commitments of the Banks under the Prior Credit Agreement shall be terminated. Each Bank, on the date of any such requested Loan, shall make its pro rata share of such Loan available in immediately available funds at the principal office of the Agent for disbursement to the Company. Unless the Agent shall

-11-

have received notice from any Bank prior to the date of any requested borrowing under this Section 3.1 that such Bank will not make available to the Agent such Bank's pro rata portion of such borrowing, the Agent may assume that such Bank has made such portion available to the Agent on the date of such borrowing in accordance with this Section 3.1(b). If and to

the extent such Bank shall not have so made such pro rata portion available to the Agent, the Agent may (but shall not be obligated to) make such amount available to the Company, and such Bank and the Company severally agree to pay to the Agent forthwith on demand such amount together with interest thereon, for each day from the date such amount is made available to the Company by the Agent until the date such amount is paid to the Agent, at a rate per annum equal to the rate at which overnight borrowings are available to the Agent from other banks in its regional federal funds market. If such Bank shall pay to the Agent such amount, the amount so paid shall constitute a Loan by such Bank as a part of such borrowing for purposes of this Agreement. The failure of any Bank to make its pro rata portion of any such borrowing available to the Agent shall not relieve any other Bank of its obligations to make available its pro rata portion of such borrowing on the date of such borrowing, but no Bank shall be responsible for failure of any other Bank to make such pro rata portion available to the Agent on the date of any such borrowing. Acceptance by the Company of any Loan in an amount less than the amount requested by the Company as a result of any Bank's failure to make its pro rata portion of such borrowing available shall not constitute a waiver of the Company's right against such Bank for any damages resulting therefrom.

(c) All borrowings hereunder shall be evidenced by the Notes, and all such borrowings shall be due and payable and bear interest as provided in Article IV hereof. Each Bank is hereby authorized by the Company to note on the schedule attached to its Note or on its books and records, the date, the amount of its pro rata share of and the type of each Loan and the duration of the related Interest Period (if applicable), the amount of each payment or prepayment of principal thereon, and the other information provided for on such schedule, which schedule shall constitute prima facie evidence of the information so noted, provided that failure of any Bank to make any such notation shall not relieve the Company of its obligation to repay the outstanding principal amount of the Loans, all accrued interest thereon and other amounts payable with respect thereto in accordance with the terms of the Notes and this Agreement. Subject to the terms and conditions of this Agreement, the Company may borrow, prepay pursuant to Section 4.1 and reborrow Loans under this Section 3.1.

3.2 CONDITIONS FOR DISBURSEMENT OF INITIAL LOAN. The obligation of the Banks to make the initial Loan hereunder is subject to receipt by each Bank of the following documents and satisfaction of the following conditions, each in form and substance satisfactory to each Bank:

-12-

(a) Certificates of recent date of the appropriate authority or official of the Company's state of incorporation listing all charter documents of the Company on file in that office and certifying as to the good standing and corporate existence of the Company, together with copies of such charter documents of the Company certified as of a recent date by such authority or official and certified as true and correct as of the Effective Date by a duly authorized officer of the Company;

(b) Copies of the by-laws of the Company, together with all authorizing resolutions and evidence of other corporate action taken by the Company to authorize the execution, delivery and performance by the Company of this Agreement and the Notes and the consummation of the transactions contemplated hereby, each certified as true and correct as of the Effective Date by a duly authorized officer of the Company;

(c) Certificates of incumbency of the Company containing, and attesting to the genuineness of, the signatures of those officers authorized to act on behalf of the Company in connection with this Agreement and the Notes and the consummation of the transactions contemplated hereby, certified as true and correct as of the Effective Date by a duly authorized officer of

the Company;

(d) The Notes duly executed on behalf of the Company, appropriately completed for each Bank and dated on or before the date of such Loan;

(e) The favorable written opinion of Warner, Norcross & Judd LLP, counsel for the Company, with respect to each of the matters as any of the Banks may reasonably request; and

(f) Simultaneously with disbursement of the initial Loan hereunder, payment in full of all principal of all promissory notes issued pursuant to the Prior Credit Agreement and all accrued interest thereon through the Effective Date, together with payment in full of all other indebtedness under the Prior Credit Agreement, including without limitation the payment of all commitment and facility fees accrued through the Effective Date under the Prior Credit Agreement, and on the Effective Date all commitments to lend under the Prior Credit Agreement shall terminate.

3.3 CONDITIONS FOR DISBURSEMENT OF EACH LOAN. The obligation of the Banks to make any Loan (including the initial Loan) is subject to the satisfaction of the following conditions precedent:

(a) The representations and warranties contained in Article VI shall be true and correct on and as of the date such Loan is made as if such representations and warranties were made on and as of such date; and

-13-

(b) No Event of Default, and no event or condition which would become such an Event of Default with notice or lapse of time, or both, shall exist or shall have occurred and be continuing on the date such Loan is made.

The Company shall be deemed to have made a certification to the Banks at the time of the making of each Loan to the effects set forth in clauses (a) and (b) of this Section 3.3.

3.4 MINIMUM AMOUNTS. Except for conversions and prepayments of all Loans of a particular type and conversions or payments required pursuant to Section 4.4 or Article V, each Eurodollar Rate Loan and each conversion and prepayment thereof shall be in a minimum amount of \$5,000,000 and in an integral multiple of \$1,000,000, and each Floating Rate Loan and each conversion and prepayment thereof shall be in a minimum amount of \$1,000,000 and in an integral multiple of \$100,000.

3.5 SUBSEQUENT ELECTIONS AS TO LOANS. The Company may elect to continue a Eurodollar Rate Loan of one type as a Eurodollar Rate Loan of the then-existing type or may elect to convert a Eurodollar Rate Loan of one type to a Loan of another type by giving notice thereof to the Agent (with sufficient executed copies for each Bank) in substantially the form of Exhibit C hereto not later than 11:00 a.m. Detroit time (a) three Eurodollar Business Days prior to the date any such continuation of or conversion to a Eurodollar Rate Loan is to be effective, and (b) on the date such continuation or conversion is to be effective in all other cases, provided that an outstanding Eurodollar Rate Loan may only be converted on the last day of the then-current Interest Period with respect to such Loan and, provided further, if a continuation of a Loan as, or a conversion of a Loan to, a Eurodollar Rate Loan is requested, such notice shall also specify the Interest Period to be applicable thereto upon such continuation or conversion. The Agent shall provide notice of such election to each Bank by 2:00 p.m. Detroit time on the date such notice is received by the Agent. If the Company shall fail to timely deliver such a notice with respect to any outstanding Eurodollar Rate Loan, the Company shall be deemed to have elected to convert such Loan to a Floating Rate Loan on the last day of the then-current Interest Period with

respect to such Loan.

3.6 DISCRETION OF THE BANKS AS TO MANNER OF FUNDING. Notwithstanding any provision of this Agreement to the contrary, each Bank shall be entitled to fund and maintain its funding of all or any part of its portion of the Loans in any manner it sees fit, it being understood, however that for the purposes of this Agreement all determinations hereunder shall be made as if each Bank had actually funded and maintained each Eurodollar Rate Loan during each related Interest Period through the purchase of deposits in the relevant interbank market having a maturity corresponding to such related Interest Period and bearing an interest rate equal to the Eurodollar Rate for such Interest Period.

-14-

ARTICLE IV. PAYMENTS AND PREPAYMENTS OF LOANS

4.1 PRINCIPAL PAYMENTS. Unless earlier payment is required under this Agreement, the Company shall pay to the Banks on the Termination Date the outstanding principal amount of the Loans.

4.2 INTEREST PAYMENTS. The Company shall pay interest to the Banks on the unpaid principal amount of each Loan, for the period commencing on the date such Loan is made until such Loan is paid in full, on each Interest Payment Date and at maturity (whether at stated maturity, by acceleration or otherwise), and thereafter on demand, at the following rates per annum:

(a) During such periods that such Loan is a Floating Rate Loan, the Prime Rate.

(b) During such periods that such Loan is an Eurodollar Rate Loan, the Eurodollar Rate applicable to such Loan for each related Eurodollar Interest Period.

(c) Notwithstanding any of the foregoing paragraphs, the Company hereby agrees to pay interest on demand at the Overdue Rate on the outstanding principal amount of any Loan and any other amount payable by the Company hereunder (other than interest) commencing upon the occurrence and continuing thereafter during the continuance of any Event of Default.

4.3 OPTIONAL PREPAYMENT. The Company may at any time and from time to time prepay all or a portion of the Loans without premium or penalty, provided that the Company may not prepay any portion of any such Loan as to which an election for a continuation of or a conversion to any Eurodollar Rate Loan is pending pursuant to Section 3.5 and, provided, further, that unless earlier payment is required under this Agreement, any such Eurodollar Rate Loan may only be prepaid on the last day of the then-current Interest Period with respect to such Loan.

4.4 MANDATORY PREPAYMENT. In addition to all other payments and prepayments made by the Company on the Loans, if at any time the aggregate Loans exceed the aggregate Commitment of the Banks, the Company shall forthwith pay to the Banks an amount not less than the amount of such excess.

4.5 PAYMENT METHOD. All payments to be made by the Company hereunder will be made in Dollars and in immediately available funds to the Agent for the account of the Banks at its address set forth in Section 10.2 not later than 11:00 a.m. Detroit time on the date on which such payment shall become due. Payments received after 11:00 a.m. Detroit time shall be deemed to be payments made prior to 11:00 a.m. Detroit time on the next succeeding Business Day. At the time of making each such payment, the Company shall specify to the Agent that obligation of the Company hereunder to which such payment is to be applied or, in the event that the Company fails to so specify or if an Event of Default shall have occurred and be continuing, the Agent may apply such payments as it

may determine in its sole discretion. On the day such payments are deemed received, the Agent shall remit to the Banks their pro rata shares of such payments, in immediately available funds, (a) in the case of payments of principal of and interest on the Loans, determined with respect to each such Bank by the ratio which the outstanding principal balance of its Note bears to the outstanding principal amount of all Notes, and (b) in the case of fees paid pursuant to Article II and other amounts payable hereunder, determined with respect to each such Bank by the ratio which the Commitment of such Bank bears to the Commitments of all the Banks.

4.6 NO SETOFF OR DEDUCTION. All payments of principal of and interest on the Loans and other amounts payable by the Company hereunder shall be made by the Company without setoff or counterclaim, and free and clear of, and without deduction or withholding for, or on account of, any present or future taxes, levies, imposts, duties, fees, assessments, or other charges of whatever nature, imposed by any governmental authority, or by any department, agency or other political subdivision or taxing authority.

4.7 PAYMENT ON NON-BUSINESS DAY; PAYMENT COMPUTATIONS. Except as otherwise provided in this Agreement to the contrary, whenever any installment of principal of, or interest on, any Loan outstanding hereunder or any other amount due hereunder becomes due and payable on a day which is not a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, in the case of any installment of principal, interest shall be payable thereon at the rate per annum determined in accordance with this Agreement during such extension. Computations of interest and other amounts due under this Agreement shall be made on the basis of a year of 360 days for the actual number of days elapsed, including the first day but excluding the last day of the relevant period.

ARTICLE V. YIELD PROTECTION AND CONTINGENCIES

5.1 ADDITIONAL COSTS. In the event that the adoption after the Effective Date of any applicable law, treaty, rule or regulation (whether domestic or foreign), or any interpretation or administration after the Effective Date of any applicable law, treaty, rule or regulation (whether domestic or foreign) by any governmental authority charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive of any such authority (whether or not having the force of law), shall (a) affect the basis of taxation of payments to any Bank of any amounts payable by the Company under this Agreement (other than federal or state income taxes or taxes imposed on the overall net income of the Bank or the Michigan Single Business Tax), or (b) shall impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by any Bank, or (c) shall impose any penalty or other condition with respect to this Agreement, the Notes or the Loans, and the result of any of the foregoing is to increase the cost to any Bank of making or maintaining any

Eurodollar Rate Loan or to reduce the amount of any sum receivable by such Bank thereon, then, provided the Bank has complied with the notice provisions of this Section 5.1, the Company shall pay to such Bank, from time to time upon request by such Bank, additional amounts sufficient to compensate the Bank for such increased cost to or reduced sum receivable by the Bank to the extent such Bank is not expressly compensated therefor in the computation of the interest rate applicable to such Loan. Any Bank seeking reimbursement shall give the Company written notice, in reasonable detail, of the law, treaty, rule or regulation, or any interpretation or administration thereof, which may give rise to the increased cost or reduced sum receivable to the Bank and the reimbursement obligation of the Company. Such notice, together with a detailed statement as to the amount of such increased cost or reduced sum receivable,

prepared in good faith, shall be given to the Company within 90 days after such Bank has actual notice of such law, treaty, rule or regulation, or any applicable interpretation or administration thereof, and the Company shall make payment to such Bank of the amount due within 15 days after receipt by the Company of such notice and statement.

5.2 LIMITATION OF REQUESTS AND ELECTIONS. Notwithstanding any other provision of this Agreement to the contrary, if, upon receiving a request for a Eurodollar Rate Loan pursuant to Section 3.1, or a request for a continuation of a Eurodollar Rate Loan as a Eurodollar Rate Loan of the then existing type pursuant to Section 3.5, or conversion of a Loan to a Eurodollar Rate Loan pursuant to Section 3.5, (a) in the case of any Eurodollar Rate Loan, deposits in Dollars for periods comparable to the Interest Period elected by the Company are not available to any Bank in the relevant inter-bank or secondary market, or (b) the Eurodollar Rate will not adequately and fairly reflect the cost to any Bank of making or maintaining the related Eurodollar Rate Loan, as the case may be, or (c) by reason of national or international financial, political or economic conditions or by reason of any applicable law, treaty, rule or regulation (whether domestic or foreign) now or hereafter in effect, or the interpretation or administration thereof by any governmental authority charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive of such authority (whether or not having the force of law), including without limitation exchange controls, it is impracticable, unlawful or impossible for any Bank (i) to make the relevant Eurodollar Rate Loan or (ii) to continue such Eurodollar Rate Loan as a Eurodollar Rate Loan of the then existing type or (iii) to convert a Loan to such a Eurodollar Rate Loan, then the Company shall not be entitled, so long as such circumstances continue, to request a Eurodollar Rate Loan of the affected type pursuant to Section 3.1 or a continuation of or conversion to a Eurodollar Rate Loan of the affected type pursuant to Section 3.5. In the event that such circumstances no longer exist, the Banks shall again consider requests for Eurodollar Rate Loans of the affected type pursuant to Section 3.1, and requests for continuations of and conversions to Eurodollar Rate Loans of the affected type pursuant to Section 3.5.

5.3 ILLEGALITY AND IMPOSSIBILITY. In the event that any applicable law, treaty, rule or regulation (whether domestic or foreign) now or hereafter in

-17-

effect and whether or not presently applicable to any Bank, or any interpretation or administration thereof by any governmental authority charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive of such authority (whether or not having the force of law), including without limitation exchange controls, shall make it unlawful or impossible for any Bank to maintain any Eurodollar Rate Loan under this Agreement, the Company shall upon receipt of notice thereof from such Bank, repay in full to all of the Banks the then outstanding principal amount of each Eurodollar Rate Loan so affected together with all accrued interest thereon to the date of payment and all amounts due to the Banks, if any, under Section 5.5, (a) on the last day of the then-current Interest Period applicable to such Loan if the Bank may lawfully continue to maintain such Loan to such day, or (b) immediately if the Bank may not continue to maintain such Loan to such day.

5.4 ADDITIONAL CONTINGENCIES. If by reason of the adoption after the Effective Date of any applicable law, treaty, rule or regulation, or any interpretation or administration after the Effective Date of any applicable law, treaty, rule or regulation by any governmental authority charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive of such authority (whether or not having the force of law), the ability of the Agent to establish the Prime Rate shall be limited or restricted (other than by limitations or restrictions affecting the charging of interest generally), the Agent shall promptly provide notice thereof to the Company and the Banks. Thereafter, the Company, the Agent and the Banks shall negotiate with a view to agreeing to a mutually acceptable alternative basis to make and maintain Floating Rate Loans. If an alternative basis is agreed

upon within 30 days after the date of such notice, it shall apply in accordance with the terms of such agreement. If such alternative basis is not agreed upon within such 30-day period, the Company shall on the 31st day after such notice is given repay in full the then-outstanding principal amount of each Floating Rate Loan so affected together with accrued interest thereon (computed at the rate applicable to such Floating Rate Loans immediately preceding the imposition of such limitations or restrictions for the period after such imposition) and, during the continuance of such circumstances, the Company shall not be entitled to request Floating Rate Loans so affected pursuant to Section 3.1 or continuations of or conversions to Floating Rate Loans so affected pursuant to Section 3.5.

5.5 INDEMNIFICATION. If the Company makes any payment of principal with respect to any Eurodollar Rate Loan on any other date than the last day of an Interest Period applicable thereto (whether pursuant to Section 4.4, Section 5.3, Section 8.2 or otherwise), or if the Company fails to borrow any Eurodollar Rate Loan after notice has been given in accordance with Section 3.1 (except if such failure is due to circumstances described in Section 5.2), or fails to make any payment of principal or interest in respect of a Eurodollar Rate Loan when due, the Company shall reimburse each Bank on demand for any resulting loss or expense incurred by each such Bank, including without limitation any loss incurred in obtaining, liquidating or employing deposits

-18-

from third parties, PROVIDED that (a) the Company shall not be required to reimburse any Bank under this Section 5.5 for any such loss or expense not attributable to the relevant Loan (i.e., the Loan with respect to which such nonconforming payment is made, or the Loan that is not borrowed by the Company after such notice is given, or the Loan with respect to which such due payment is not made) being a Eurodollar Rate Loan, and (b) the Company shall have no liability under this Section 5.5 with respect to any prepayment pursuant to Section 5.3 that is required due to the application of any law, treaty, rule or regulation, any interpretation or administration thereof, or any request or directive, as the case may be, in effect prior to the Effective Date. A detailed statement as to the amount of such loss or expense, prepared in good faith and submitted by such Bank to the Company, shall be prima facie evidence of the amount thereof.

5.6 CAPITAL ADEQUACY. In the event that the adoption after the Effective Date of any applicable law, treaty, rule or regulation (whether domestic or foreign), or any interpretation or administration after the Effective Date of any applicable law, treaty, rule or regulation by any governmental authority charged with the interpretation or administration thereof, or compliance by any Bank or any corporation controlling such Bank with any request or directive of any such authority (whether or not having force of law) regarding capital adequacy or a change therein, or compliance by any Bank, any such controlling corporation or any of their branches with any request or directive regarding capital adequacy of any such authority, has or would have the effect of reducing the rate of return on such Bank's or such controlling corporation's capital as a consequence of its obligations hereunder to a level below that which such Bank or such controlling corporation would have achieved but for any of the foregoing by an amount deemed by such Bank to be material, the Company shall pay to such Bank, from time to time upon request by such Bank, additional amounts sufficient to compensate such Bank or such controlling corporation for such reduction, PROVIDED that the Company shall not be required to pay such compensation to any Bank or corporation controlling such Bank, as the case may be, to the extent such reduction is attributable to any such law, treaty, rule or regulation, or interpretation or administration thereof, or request or directive, as the case may be, that is not generally applicable to (a) in the case of each Bank that is a national bank, all national banks, or (b) in the case of any of the Banks, all banks organized under the same authority as such Bank (i.e., if such Bank is a State of Michigan chartered bank, all State of Michigan chartered banks and if such Bank is a federal savings bank, all federal savings banks, etc.) in any of the states in which such Bank has an

office. Any Bank seeking reimbursement shall give the Company written notice, and reasonable detail, of the law, treaty, rule or regulation, or any interpretation or administration thereof, which may give rise to the increased cost or reduced sum receivable to the Bank or such controlling corporation and the reimbursement obligation of the Company. Such notice, together with a detailed statement as to the amount of such increased cost or reduce some receivable, prepared in good faith, shall be given to the Company within

-19-

ninety (90) days after such Bank has actual notice of such law, treaty, rule or regulation, or any applicable interpretation or administration thereof, and the Company shall make payment to such Bank of the amount due within fifteen (15) days after receipt by the Company of such notice and statement.

ARTICLE VI. REPRESENTATIONS AND WARRANTIES

The Company represents and warrants that:

6.1 CORPORATE EXISTENCE AND POWER. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business in each additional jurisdiction in which (a) such qualification is necessary under applicable law and (b) the failure to be so qualified would have a material adverse effect on the properties, business, prospects, profits or condition (financial or otherwise) of the Company or of the Company and its Subsidiaries taken as a whole. The Company has all requisite corporate power to own its properties and to carry on its business as now being conducted and as proposed to be conducted, and to execute and deliver this Agreement and the Notes and to engage in the transactions contemplated by this Agreement.

6.2 CORPORATE AUTHORITY. The execution, delivery and performance by the Company of this Agreement and the Notes are within its corporate powers, have been duly authorized by all necessary corporate action and are not in contravention of any law, rule or regulation, or any judgment, decree, writ, injunction, order or award of any arbitrator, court or governmental authority, or of the terms of the Company's charter or by-laws, or of any contract or undertaking to which the Company is a party or by which the Company or its property may be bound or affected.

6.3 BINDING EFFECT. This Agreement is, and the Notes when delivered hereunder will be, legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and by general principles of equity (whether applied in a proceeding at law or in equity).

6.4 SUBSIDIARIES. SCHEDULE 6.4 hereto correctly sets forth the corporate name, jurisdiction of incorporation and ownership percentage with respect to each Subsidiary of the Company. Each such Subsidiary and each corporation becoming a Subsidiary of the Company after the date hereof is and will be a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and is and will be duly qualified to do business in each additional jurisdiction in which (a) such qualification is necessary under applicable law and (b) the failure to be so qualified would have a material adverse effect on the properties, business,

-20-

prospects, profits or condition (financial or otherwise) of the Company or of the Company and its Subsidiaries taken as a whole. Each Subsidiary of the Company has and will have all requisite corporate power to own its properties and to carry on its business as now being conducted and as proposed to be

conducted. All outstanding shares of capital stock of each class of each Subsidiary of the Company have been and will be validly issued and are fully paid and nonassessable and, except as otherwise indicated in SCHEDULE 6.4 hereto or disclosed in writing to the Banks from time to time, are and will be owned, beneficially and of record, by the Company or another Subsidiary of the Company free and clear of any liens, charges, encumbrances or rights of others whatsoever.

6.5 LITIGATION. Except as disclosed on SCHEDULE 6.5 hereto, there is no action, suit or proceeding pending or, to the best of the Company's knowledge, threatened against or affecting the Company or any of its Subsidiaries before or by any court, governmental authority, or arbitrator, which if adversely decided might result, either individually or collectively, in any material adverse change in the business, properties, operations or conditions, financial or otherwise, of the Company or of the Company and its Subsidiaries taken as a whole, and, to the best of the Company's knowledge, there is no basis for any such action, suit or proceeding.

6.6 FINANCIAL CONDITION. The consolidated balance sheet of the Company and its Subsidiaries and the consolidated statements of income, retained earnings and changes in financial position of the Company and its Subsidiaries for the fiscal year ended December 31, 1995, and certified by Ernst & Young, independent certified public accountants, and the interim consolidated balance sheet and interim consolidated statements of income, retained earnings and changes in financial position of the Company and its Subsidiaries, as of or for the third quarter ended on September 7, 1996, copies of which have been furnished to the Banks, fairly present the consolidated financial position of the Company and its Subsidiaries as at the respective dates thereof, and the consolidated results of operations of the Company and its Subsidiaries for the respective periods indicated, all in accordance with generally accepted accounting principles consistently applied (subject, in the case of said interim statements, to year-end audit adjustments). There has been no material adverse change in the business, properties, operations or condition, financial or otherwise, of the Company or of the Company and its Subsidiaries taken as a whole, since December 31, 1995.

6.7 USE OF LOANS. Neither the Company nor any of its Subsidiaries extends or maintains, in the ordinary course of business, credit for the purpose, whether immediate, incidental, or ultimate, of buying or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Loan will be used for the purpose, whether immediate, incidental, or ultimate, of buying or carrying any such margin stock or maintaining or extending credit to others for such purpose.

-21-

6.8 CONSENTS, ETC. No consent, approval or authorization of or declaration, registration or filing with any governmental authority or any nongovernmental Person or entity, including without limitation any creditor or stockholder of the Company or any of its Subsidiaries, is required on the part of the Company in connection with the execution, delivery and performance of this Agreement or the Notes or the transactions contemplated hereby or as a condition to the legality, validity or enforceability of this Agreement or the Notes.

6.9 TAXES. The Company and its Subsidiaries have filed all tax returns (federal, state and local) required to be filed and have paid all taxes shown thereon to be due, including interest and penalties, or have established adequate financial reserves on their respective books and records for payment thereof.

6.10 TITLE TO PROPERTIES. Except as set forth in the financial statements described in Section 6.6 or as otherwise disclosed in the financial statements delivered pursuant to Section 7.1(d), the Company and its Subsidiaries have good and marketable title to, and valid indefeasible ownership interests in,

all of their respective material properties and assets free and clear of any lien, charge, security interest or other encumbrance of any kind, except such as are permitted by Section 7.2(e).

6.11 EXISTING NOTE AGREEMENTS. There is no default under any Existing Note Agreement, as amended or modified from time to time, or under any agreement, document or instrument issued in exchange or substitution therefor or as a supplement thereto, nor is there any event or condition which would, unless sooner cured, become such a default with notice or lapse of time, or both.

6.12 ENVIRONMENTAL AND SAFETY MATTERS. Except as described on SCHEDULE 6.12 attached hereto, (a) the Company and each Subsidiary is in substantial compliance with all federal, state and local laws, ordinances and regulations relating to safety and industrial hygiene or to the environmental condition, including without limitation all Environmental Laws in jurisdictions in which the Company or any Subsidiary owns or operates, or has owned or operated, a facility or site, or arranges or has arranged for disposal or treatment of hazardous substances, solid waste, or other wastes, accepts or has accepted for transport any hazardous substances, solid wastes or other wastes or holds or has held any interest in real property or otherwise; (b) no material demand, claim, notice, suit, suit in equity, action, administrative action, investigation or inquiry whether brought by any governmental authority, private Person or entity or otherwise, arising under, relating to or in connection with any Environmental Laws is pending or threatened against the Company or any of its Subsidiaries, any real property in which the Company or any such Subsidiary holds or has held an interest or any past or present operation of the Company or any Subsidiary; (c) neither the Company nor any of its Subsidiaries (i) is the subject of any federal or state investigation evaluating whether any

-22-

remedial action is needed to respond to a release of any toxic substances, radioactive materials, hazardous wastes or related materials into the environment, (ii) has received any notice of any toxic substances, radioactive materials, hazardous waste or related materials in, or upon any of its properties in violation of any Environmental Laws, or (iii) knows of any basis for any such investigation, notice or violation; and (d) no material release, threatened release or disposal of hazardous waste, solid waste or other wastes is occurring or has occurred on, under or to any real property in which the Company or any of its Subsidiaries holds any interest or performs any of its operations, in violation of any Environmental Law. Notwithstanding the foregoing, the Company will not be in default or breach of this Section unless and until any of the events or matters referenced in this Section is reasonably expected to result in any material adverse change in the business, operations, properties, or condition, financial or otherwise, of the Company and its Subsidiaries, on a consolidated basis.

6.13 INDEBTEDNESS. All Indebtedness of the Company and its Subsidiaries in a principal amount equal to or greater than \$100,000, other than the Existing Note Agreements, is listed on SCHEDULE 6.13 hereto.

ARTICLE VII. COVENANTS

7.1 AFFIRMATIVE COVENANTS. The Company covenants and agrees that, until the Termination Date and thereafter until the payment in full of the principal of and accrued interest on the Notes and the performance of all other obligations of the Company under this Agreement, unless the Majority Banks shall otherwise consent in writing, it shall, and except as to subsection (d), shall cause each of its Subsidiaries to:

(a) PRESERVATION OF CORPORATE EXISTENCE, ETC. Except as otherwise permitted under Section 7.2(f), preserve and maintain its corporate existence, rights, privileges, licenses, franchises and permits and qualify and remain qualified as a validly existing corporation in good standing in each

jurisdiction where the failure to so qualify and be in good standing would have a material adverse effect on the business, property, operations or condition, financial or otherwise, of the Company or of the Company and its Subsidiaries taken as a whole.

(b) COMPLIANCE WITH LAWS, ETC. Comply in all material respects with all applicable laws, rules, regulations and orders of any governmental authority (compliance to include, without limitation, paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property), noncompliance with which could materially and adversely affect the financial condition or operations of the Company or of the Company and its Subsidiaries taken as a whole, or the legality, validity or enforceability of this Agreement or the Notes, except to the extent that

-23-

compliance with any of the foregoing is then being contested in good faith by appropriate legal proceedings and with respect to which adequate financial reserves have been established on the books and records of the Company or such Subsidiary.

(c) MAINTENANCE OF INSURANCE. Maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties similarly situated.

(d) REPORTING REQUIREMENTS. Furnish to the Banks the following:

(i) Immediately after becoming aware of the occurrence of any Event of Default or any event or condition which, with notice or lapse of time, or both, would constitute an Event of Default, a statement of the chief financial officer of the Company setting forth details of such Event of Default or such event or condition and the action which the Company has taken and proposes to take with respect thereto;

(ii) As soon as available and in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, the consolidated balance sheet of the Company and its Subsidiaries as of the end of such quarter, and the related consolidated statements of income, retained earnings and changes in financial position for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, setting forth in each case in comparative form the corresponding figures for the corresponding date or period of the preceding fiscal year, all in reasonable detail and duly certified (subject to year-end and audit adjustments) by the chief financial officer of the Company as having been prepared in accordance with generally acceptable accounting principles, together with a certificate of the chief financial officer of the Company stating (A) that no Event of Default or event or condition which, with notice or lapse of time, or both, would constitute an Event of Default, has occurred and is continuing or, if an Event of Default or such an event or condition has occurred and is continuing, a statement setting forth the details thereof and the action which the Company has taken and proposes to take with respect thereto, and (B) that a computation (which computation shall accompany such certificate and shall be in reasonable detail) showing whether compliance with Sections 7.2(a), (b) (c) and (h) is in conformity with the terms of this Agreement;

(iii) As soon as available and in any event within 90 days after the end of each fiscal year of the Company, a copy of the consolidated balance sheet of the Company and its Subsidiaries as of the end of such fiscal year and the related consolidated statements of income, retained earnings and changes in financial position of the Company and its Subsidiaries for such fiscal year, with a customary audit report of Ernst & Young or other independent certified public

accountants selected by the Company and acceptable to the Agent, without qualifications unacceptable to either the Agent or the Majority Banks, together with a certificate of such accountants stating (A) that they have reviewed this Agreement and stating further whether, in the course of their review of such financial statements, they have become aware of any Event of Default or any event or condition which, with notice or lapse of time, or both, would constitute an Event of Default and, if such an Event of Default or such a condition or event then exists and is continuing, a statement setting forth the nature and status thereof, and (B) that a computation by the Company (which computation shall accompany such certificate and shall be in reasonable detail) showing whether compliance with Sections 7.2(a), (b), (c) and (h)), is in conformity with the terms of this Agreement;

(iv) Promptly after the sending or filing thereof, copies of all reports, proxy statements and financial statements which the Company or any of its Subsidiaries sends to any of their respective security holders or to any securities exchange or to the Securities and Exchange Commission or any successor agency thereof;

(v) Promptly, written notice of any extension, renewal, supplement, amendment, modification, substitution, restatement or replacement of, to or for any Existing Note Agreement, together with a copy of such extension, renewal, supplement, amendment, modification, substitution, restatement or replacement, as the case may be, and all documents issued in connection therewith; and

(vi) Promptly, such other information regarding the business, properties or the condition or operations, financial or otherwise, of the Company or any of its Subsidiaries as any Bank may from time to time reasonably request.

(e) ACCESS TO RECORDS, BOOKS, ETC. At any reasonable time and from time to time, permit any Bank or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Company and its Subsidiaries, and to discuss the affairs, finances and accounts of the Company and its Subsidiaries with their respective officers and employees.

7.2 NEGATIVE COVENANTS. Until the Termination Date and thereafter until payment in full of the principal of and accrued interest on the Notes and the performance of all other obligations of the Company under this Agreement, the Company agrees that, unless the Majority Banks shall otherwise consent in writing, it shall not itself and shall not permit any Subsidiary to:

(a) TANGIBLE NET WORTH. Permit or suffer consolidated Tangible Net Worth of the Company and its Subsidiaries to be less than the sum of (i) \$170,000,000 plus (ii) an amount equal to 40% of the Net Income of the Company

and its Subsidiaries for each fiscal year of the Company, such Net Income for each fiscal year of the Company to be added effective as of the last day of such fiscal year, commencing with the fiscal year ending December 31, 1996, provided that if such Net Income is negative in any fiscal year, it shall not be subtracted from the amount required to be maintained pursuant to this subsection or from any future amount to be added to the amount of Tangible Net Worth to be maintained under this subsection.

(b) TOTAL LIABILITIES TO TANGIBLE NET WORTH. Permit or suffer the ratio of consolidated Total Liabilities of the Company and its Subsidiaries to consolidated Tangible Net Worth of the Company and its Subsidiaries to be

greater than 1.5 to 1.0 at any time.

(c) FIXED CHARGE COVERAGE RATIO. Permit or suffer, as of the end of any fiscal quarter of the Company, the ratio of (i) the consolidated Net Income Available for Fixed Charges for the four fiscal quarters then ending to (ii) the consolidated Fixed Charges of the Company and its Subsidiaries for such four fiscal quarters (the "Fixed Charge Coverage Ratio") to be less than 1.7 to 1.0.

(d) INDEBTEDNESS. Create, incur, assume, guaranty or in any manner become liable in respect of, or suffer to exist, at any time any Funded Debt or Guaranty other than any Funded Debt or Guaranty permitted by Section 5.8, or 5.11, respectively, of the Existing Note Agreements (including all subsections thereof as modified below), which entire Sections 5.8 and 5.11 of the Existing Note Agreements as modified below, together with definitions of defined terms used therein and exhibits referred to therein, is by this reference incorporated and made a part of this Agreement with the same force and effect as though herein set forth in full, except that reference to "20% of Consolidated Adjusted Net Worth" contained in Section 5.8(a)(3) of the Existing Note Agreements as incorporated herein shall be deemed reference to 20% of consolidated Tangible Net Worth (as defined in this Agreement) of the Company and its Subsidiaries.

(e) LIENS. Create, incur or suffer to exist, any lien (including without limitation any pledge, mortgage, title retaining contract or other type of security interest, hereinafter "Liens") to exist on any of its property, real, Personal or mixed, tangible or intangible, whether now owned or hereafter acquired, except Liens permitted by Section 5.9 of the Existing Note Agreements (including all subsections thereof) as modified below, which entire Section 5.9 of the Existing Note Agreements as modified below, together with defined terms used therein and exhibits referred to therein, is by this reference incorporated in and made a part of this Agreement with the same force and effect as though herein set forth in full, except that (A) Section 5.9(A)(7) of the Existing Note Agreements is excluded and not incorporated herein, and all Liens described in such Section 5.9(a)(7) shall not be permitted unless otherwise permitted by Section 5.9(a)(9) of the Existing Note Agreements as incorporated herein; and (B) reference to "20% of Consolidated Adjusted Net Worth" contained in Section

-26-

5.8(a)(3) of the Existing Note Agreements (as incorporated herein pursuant to Section 5.9(a)(9) of the Existing Note Agreements) shall be deemed reference to 20% of consolidated Tangible Net Worth (as defined in this Agreement) of the Company and its Subsidiaries.

(f) MERGER; SALE OF ASSETS; ETC. Sell, lease, transfer or otherwise dispose of all or a substantial portion of its assets or business to any Person or purchase or otherwise acquire all or a substantial portion of any assets of any Person, or all or a substantial portion of the shares of stock of or other ownership interest in any other Person, nor sell, lease, transfer, abandon or otherwise dispose of assets, nor 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 exchangeable for or convertible into stock) of a Subsidiary or any Debt of any Subsidiary, nor will any Subsidiary issue, sell, pledge or otherwise dispose of any shares of its own Subsidiary Stock; nor merge or consolidate with any other Person; provided, however, (i) any of the foregoing shall be permitted if permitted under Section 5.10 of the Existing Note Agreements, which Section 5.10 of the Existing Note Agreements (including all subsections thereof), together with all defined terms used therein and exhibits referred to therein, is by this reference incorporated in and made a part of this Agreement with the same force and effect as though herein set forth in full, except that (A) Section 5.10(a)(3) of the Existing Note Agreements is excluded and not incorporated herein, and all transactions described therein shall not be permitted, and (B) all references in Section 5.10(a)(2) of the Existing Note Agreements to the "Notes" and "this Agreement" shall be deemed references to the Notes issued by the Company to the

Banks hereunder and this Agreement among the Company, the Banks and the Agent, respectively, and all references in Section 5.10 of the Existing Note Agreements to an "Event of Default" and "Default" shall mean an Event of Default hereunder and any event or condition which with notice or lapse of time, or both, would become such an Event of Default hereunder, respectively, and (ii) any Subsidiary may be dissolved or merged out of existence so long as any assets of such Subsidiary are transferred to the Company or any other Subsidiary.

(g) NATURE OF BUSINESS. 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 Effective Date.

(h) DEBT TO TANGIBLE NET WORTH OF SUBSIDIARIES. Permit or suffer the ratio of (i) the consolidated Indebtedness of the Subsidiaries of the Company to (ii) the consolidated Tangible Net Worth of the Company and its Subsidiaries to be greater than 0.2 to 1.0 at any time.

Whenever any section or other provision of the Existing Note Agreements is incorporated in Sections 7.2(d), (e) and (f) hereof or otherwise in this Agreement, such sections and provisions shall be incorporated in the form

-27-

contained in the Existing Note Agreements in the form as certified by the Company to the Banks as of the Effective Date and without giving effect to any retroactive or other amendments thereto executed at any time unless described in such certification and included therewith as of the Effective Date, and such sections and provisions shall be and continue effective regardless of whether the Existing Note Agreements continue in effect or the promissory notes issued thereunder are paid, and no supplement, amendment, modification, waiver, consent or termination of the Existing Note Agreements made or granted after the Effective Date shall have any effect whatsoever upon the sections and provisions thereof as they are incorporated herein.

ARTICLE VIII. DEFAULT

8.1 EVENTS OF DEFAULT. The occurrence of any one of the following events or conditions shall be deemed an "Event of Default" hereunder unless waived pursuant to Section 10.1:

(a) The Company shall (i) fail to pay when due any principal of the Notes, or (ii) fail to pay within five days after the date when due any interest on the Notes or any commitment or facility fees or any other amount payable hereunder; or

(b) Any representation or warranty made by the Company in Article VI hereof, or in any other document or certificate furnished by or on behalf of the Company in connection with this Agreement, shall prove to have been incorrect in any material respect when made; or

(c) The Company shall fail to perform or observe any term, covenant or agreement contained in Section 7.2 other than subsection (e); or

(d) The Company shall fail to perform or observe any term, covenant or agreement contained in subsection (e) of Section 7.2 and, if such failure relates to a nonconsensual Lien, either (i) such failure shall remain unremedied for 30 calendar days after the earlier of (1) the day on which the President, the Chief Executive Officer, the Chief Financial Officer or the Treasurer of the Company first obtains knowledge of such failure or (2) the day on which notice of such failure is given to the Company by the Agent or any Bank (the "Commencement Date") or (ii) the Company or its Subsidiary, as the case may be, shall fail, before the expiration of 15 calendar days after the Commencement Date, to begin, and at all times thereafter to continue, to

contest such nonconsensual Lien in good faith by appropriate legal proceedings; or

(e) The Company shall fail to perform or observe any other term, covenant or agreement contained in this Agreement (other than such failures addressed in Sections 8.1(c) and (d) above), and any such failure shall remain unremedied for 30 calendar days after notice thereof shall have been given to the Company by the Agent or any Bank; or

-28-

(f) (i) Any Indebtedness of the Company or any of its Subsidiaries aggregating more than \$5,000,000 (other than Indebtedness hereunder) becomes or is declared to be due and payable prior to the stated maturity thereof as a result of any default or event of default occurring with respect thereto, or (ii) any part of the principal of, the premium, if any, or the interest on, or any other payment of money due under, any Indebtedness of the Company or any of its Subsidiaries aggregating more than \$5,000,000 is not paid when due or within the period of grace, if any, provided with respect thereto, or (iii) the Company or any of its Subsidiaries fails to perform or observe any other covenant or agreement contained in any document(s) evidencing or securing any Indebtedness aggregating more than \$5,000,000, or in any agreement(s) or instrument(s) under which any such Indebtedness was issued or created, and such nonperformance or nonconformity continues beyond the period of grace, if any, provided with respect thereto, if the effect of such failure is to cause, or permit the holder or holders of such Indebtedness (or a trustee on behalf of such holder or holders) to cause, or permit any party to such document to cause, any payment in respect of such Indebtedness aggregating more than \$5,000,000 to become due prior to their respective due dates, including without limitation the occurrence of any event of default of the Company or any of its Subsidiaries under any of the Existing Note Agreements; or

(g) One or more judgments or orders for the payment of money which, together with other such judgments or orders which are not otherwise covered by insurance or reserves, exceed the aggregate amount of \$5,000,000, shall be rendered against the Company or any of its Subsidiaries and (i) enforcement proceedings shall have been commenced by any creditor upon such judgment(s) or order(s) in such aggregate amount and for a period of 20 consecutive days after commencement of such proceedings (A) such judgment(s) or order(s) in such aggregate amount shall have remained unsatisfied and (B) such proceedings shall have remained unstayed, or (ii) for a period of 20 consecutive days, such judgment(s) or order(s) in such aggregate amount shall have remained unsatisfied and a stay of enforcement thereof, by reason of pending appeal or otherwise, shall not have been in effect, or (iii) the total of such judgment(s) or order(s) with respect to which at least one of the foregoing clauses (i) and (ii) applies shall equal or exceed \$5,000,000; or

(h) The occurrence of any "reportable event," as defined in ERISA, which is finally determined after all applicable appeal periods have expired to constitute grounds (i) for termination by the PBGC of any Plan maintained by or on behalf of the Company or any trade or business (whether or not incorporated) which together with the Company would be treated as a single employer under Section 4001 of ERISA or (ii) for the appointment by the appropriate United States District Court of a trustee to administer such Plan and such reportable event is not corrected and such determination is not revoked within 30 days after notice thereof has been given to the administrator of such Plan or to the Company or such trade or business, as the case may be; or the institution of proceedings by the PBGC to terminate any such Plan or to appoint a trustee to administer such Plan and the failure of

-29-

the Company to (i) appropriately, diligently and in good faith successfully contest such proceedings within the applicable required period therefor or

(ii) to establish adequate financial reserves on its books and records with respect thereto; or the appointment of a trustee by the appropriate United States District Court to administer any such Plan; or

(i) The Company or any of its Material Subsidiaries shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or shall institute, or there shall be instituted against the Company or any of its Material Subsidiaries, any proceeding or case seeking to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is instituted against the Company or such Material Subsidiary and is being contested by the Company or such Material Subsidiary, as the case may be, in good faith by appropriate proceedings, such proceedings shall remain undismissed or unstayed for a period of 60 days; or the Company or such Material Subsidiary shall take any action (corporate or other) to authorize or further any of the actions described above in this subsection; or

(j) The occurrence of any Change of Control.

8.2 REMEDIES. (a) Upon the occurrence and during the continuance of any Event of Default, the Agent shall, upon being directed to do so by the Majority Banks, by notice to the Company terminate the Commitments or declare the outstanding principal of, and accrued interest on, the Notes and all other amounts due under this Agreement to be immediately due and payable, or both, whereupon the Commitments shall terminate forthwith or all such amounts shall become immediately due and payable, or both, as the case may be, PROVIDED that in the case of any event or condition described in Section 8.1(i) with respect to the Company, the Commitments shall automatically terminate forthwith and all such amounts shall automatically become immediately due and payable without notice; in each case without demand, presentment, protest, diligence, notice of dishonor or other formality, all of which are hereby expressly waived.

(b) Upon the occurrence and during the continuance of any Event of Default, the Agent may, and upon being directed to do so by the Majority Banks shall, in addition to the remedies provided in Section 8.2(a), enforce its rights and those of the Banks either by suit in equity, or by action at law, or by other appropriate proceedings, whether for the specific performance (to the extent permitted by law) of any covenant or agreement contained in this

-30-

Agreement or in the Notes or in aid of the exercise of any power granted in this Agreement or the Notes, and may enforce the payment of the Notes and any of its other rights available to the Agent or the Banks at law or in equity.

(c) Upon the occurrence and during the continuance of any Event of Default hereunder and, except for the occurrence of any Event or Default set forth in Section 8.1(i), a declaration of acceleration pursuant to Section 8.2(a), each Bank may at any time and from time to time, without notice to the Company (any requirement for such notice being expressly waived by the Company) set off and apply against any and all of the obligations of the Company to the Banks and the Agent now or hereafter existing under this Agreement any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Company and any property of the Company from time to time in possession of such Bank, irrespective of whether the Banks shall have made any demand hereunder and although such obligations may be contingent and unmatured. The rights of the Banks under this Section 8.2(c) are in addition to other rights and remedies (including, without limitation, other

rights of setoff) which the Banks may have.

ARTICLE IX. THE AGENT AND THE BANKS

9.1 APPOINTMENT OF AGENT. NBD Bank is hereby appointed Agent for the Banks and accepts such appointment and agrees to act as such upon the conditions herein set forth. The Agent shall have no duties or responsibilities except those expressly set forth in this Agreement, and shall not, by reason of this Agreement, have a fiduciary relationship with any Bank.

9.2 SCOPE OF AGENCY. Neither the Agent nor any of its directors, officers or agents shall be liable for any action taken or omitted by any of them hereunder or under the Notes, except for its, his or her own gross negligence or willful misconduct and except as provided in Section 9.3; or be responsible for any recitals, warranties or representations herein or in the Notes or for the execution or validity of this Agreement or the Notes; or be required to make any inquiry concerning the performance by the Company of any of its obligations under this Agreement or the Notes. In the absence of gross negligence or willful misconduct, the Agent shall be entitled to rely, without liability therefor, upon any certificate or other document or other communication believed by it to be genuine and correct and to have been signed or sent by the proper officer or Person and upon the advice of legal counsel (which may be legal counsel for the Company), independent public accountants and other experts concerning all matters pertaining to the agency. The Company agrees, upon demand, to pay or to reimburse the Agent for the payment of all reasonable compensation of such counsel, accountants and other experts and all other reasonable out-of-pocket expenses of the Agent. To the extent that the Company shall fail to pay or to reimburse the Agent for the payment

-31-

of the same, each Bank shall reimburse the Agent pro rata in accordance with the Commitments, and any such amount so paid shall be immediately due and payable to the Banks by the Company. The Banks agree to indemnify the Agent ratably in accordance with the Commitments for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Agent in its capacity as such in any way relating to or arising out of this Agreement or the transactions contemplated hereby, provided that no Bank shall be liable for any of the foregoing to the extent they arise from the Agent's gross negligence or willful misconduct.

9.3 DUTIES OF AGENT. In carrying out the agency, the Agent shall have only the duties and responsibilities expressly set forth in this Agreement and in performing such duties and responsibilities the Agent shall exercise the same degree of care as it would if the Loans were entirely for its own account, but the Agent shall not be deemed to have knowledge of the occurrence of any Event of Default, or any event or condition which with notice or lapse of time, or both, could become such an Event of Default and need not take or continue any action with respect thereto or toward the enforcement of this Agreement or the Notes, nor prosecute or defend any suit with respect to this Agreement or the Notes, unless directed to do so by the Majority Banks and unless indemnified to its satisfaction against any loss, cost, liability or expense which it might incur as a consequence of taking such action. The Agent may employ agents and attorneys and shall not be answerable for the negligence or misconduct of any such agents or attorneys selected by it with reasonable care. The Agent in its capacity as a Bank hereunder shall have the same rights and powers hereunder as any other Bank and may exercise the same as though it were not acting as the Agent hereunder. Each Bank agrees that it has, independently and without reliance on the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Company and its Subsidiaries in connection with its decision to enter into this Agreement and that it will, independently and without reliance

upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement.

9.4 RESIGNATION OF AGENT. The Agent may resign as such at any time upon 30 days' prior written notice to the Company and the Banks. In the event of any such resignation, the Majority Banks shall, by an instrument in writing delivered to the Company and the Agent, appoint a successor which shall be an incorporated bank or trust company. If a successor is not so appointed or does not accept such appointment at least 5 days before the Agent's resignation becomes effective, the Agent may appoint a temporary successor to act until such appointment by the Majority Banks is made and accepted. Any successor to the Agent shall execute and deliver to the Company and the Banks an instrument accepting such appointment and thereupon such successor Agent, without further act, deed, conveyance or transfer shall become vested with all of the

-32-

properties, rights, interests, powers, authorities and obligations of its predecessor hereunder with like effect as if originally named as Agent hereunder. Upon request of such successor Agent, the Company and the Agent ceasing to act shall execute and deliver such instruments of conveyance, assignment and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Agent all such properties, rights, interests, powers, authorities and obligations.

9.5 PRO RATA SHARING BY BANKS. Each Bank agrees with every other Bank that, in the event that it shall receive and retain any payment on account of any Note in excess of its pro rata portion, according to the principal amount of the Notes then outstanding, of the payment due all of the Banks, whether such payment be voluntary, involuntary or by operation of law, by application of set-off of any indebtedness or otherwise, then such Bank shall promptly purchase from the other Banks, without recourse, for cash and at face value, ratably in accordance with the principal amount of the Notes then outstanding, interests in the Notes of the other Banks in such an amount that each Bank shall have received payment pro rata on account of the Notes in accordance with the unpaid principal amount thereof then owing to it; PROVIDED, that if any such purchase be made by any Bank and if any such excess payment relating thereto or any part thereof is thereafter recovered from such Bank, appropriate adjustment in the related purchase from the other Banks shall be made by rescission and restoration of the purchase price as to the portion of such excess payment so recovered. It is further agreed that, to the extent there is then owing by the Company to any Bank Indebtedness other than that evidenced by the Notes, to which such Bank may apply any involuntary payments of indebtedness by the Company, including those resulting from exercise of rights of set-off or similar rights, such Bank shall apply all such involuntary payments first to obligations of the Company to the Banks hereunder and under the Notes and then to such other Indebtedness owed to such Bank by the Company.

ARTICLE X. MISCELLANEOUS

10.1 AMENDMENTS; ETC. This Agreement and any term or provision hereof may be amended, waived or terminated by an instrument in writing executed by the Company and the Majority Banks, provided that, except by an instrument in writing executed by the Company and all of the Banks, no such amendment, waiver or termination shall:

(a) Authorize or permit the extension of the time or times of payment or prepayment of the principal of, or interest on, the Notes or any of them, including without limitation amending the Termination Date, or the increase or reduction in principal amount thereof or the reduction in the rate of interest thereon, or the rate of any fees or compensating balances or any

other modification in the terms of the payment or prepayment of the principal of or interest on the Notes; or

(b) Amend or change the respective amounts of the Banks' Commitments set forth in Section 2.1, or reduce the percentage of the aggregate principal amount of the Notes required by the provisions of this Section for the taking of any action under this Section 10.1; or

(c) Permit the termination of the obligations of any Bank hereunder, provided that upon any such termination, (i) the Company shall have the option to select a bank to replace such terminating Bank and to assume the rights and obligations of such Bank hereunder, provided that such replacement bank is acceptable to each non-terminating Bank, and (ii) in the event that such terminating Bank is not so replaced, each non-terminating Bank shall be entitled, but shall not be obligated, to increase its Commitment by an amount equal to that amount of the terminating Bank's Commitment bearing the same ratio to such terminating Bank's Commitment as such non-terminating Bank's Commitment bears to the aggregate Commitment of all non-terminating Banks. In the event that any non-terminating Bank shall not elect to increase its Commitment as specified in clause (ii), each Bank making such election shall be entitled, but shall not be obligated, to further increase its Commitment by an amount equal to that amount of each non-electing Bank's Commitment bearing the same ratio to such non-electing Bank's Commitment as such electing Bank's Commitment bears to the aggregate Commitment of all electing Banks. The procedure set forth in the preceding sentence shall be followed until the entire Commitment of the terminating Bank is allocated or until no non-terminating Bank shall desire to further increase its Commitment.

Any such amendment, waiver or termination shall be effective only in the specific instance and for the specific purpose for which given.

10.2 NOTICES. (a) Except as otherwise provided in Section 10.2(c), all notices, requests, consents and other communications hereunder shall be in writing and shall be delivered or sent to the Company at 9341 Courtland Drive, Rockford, Michigan 49351, Attention: Treasurer; and to the Agent at 611 Woodward Avenue, Detroit, Michigan 48226, Attention: Michigan Banking Division; and to the Banks at the respective addresses for notices set forth on the signature pages hereof, or to such other address as may be designated by the Company, the Agent or any Bank by notice to the other parties hereto. All notices shall be deemed to have been given at the time of actual delivery thereof to such address or, if sent by the Agent or any Bank to the Company by certified or registered mail, postage prepaid, to such address, on the date of mailing.

(b) Notices by the Company with respect to terminations or reductions of the Commitments pursuant to Section 2.2, requests for Loans pursuant to Section 3.1, requests for continuations or conversions of Loans

pursuant to Section 3.5 and notices of prepayment pursuant to Section 4.3 shall be irrevocable and binding on the Company.

(c) Any notice to be given by the Company to the Banks pursuant to Sections 3.1, 3.5 or 4.3 and any notice to be given by the Banks hereunder, may be given by telephone or by facsimile transmission and must be immediately confirmed in writing in the manner provided in Section 10.2(a). Any such notice given by telephone and facsimile transmission shall be deemed effective upon receipt thereof by the party to whom such notice is given.

10.3 CONDUCT NO WAIVER; REMEDIES CUMULATIVE. No course of dealing on the part of the Agent or the Banks, nor any delay or failure on the part of the Agent or the Banks in exercising any right, power or privilege hereunder shall operate as a waiver of such right or privilege or otherwise prejudice the Agent's or any Bank's rights and remedies hereunder; nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege. No right or remedy conferred upon or reserved to the Banks under this Agreement is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing under any applicable law. Every right and remedy given by this Agreement or by applicable law to the Agent or the Banks may be exercised from time to time and as often as may be deemed expedient by them.

10.4 RELIANCE ON AND SURVIVAL OF VARIOUS PROVISIONS. All terms, covenants, agreements, representations and warranties of the Company made herein or in any certificate or other document delivered pursuant hereto shall be deemed to be material and to have been relied upon by each Bank, notwithstanding any investigation heretofore or hereafter made by any Bank or on any Bank's behalf, and those covenants and agreements of the Company set forth in Article V and in Section 10.5 shall survive the repayment in full of the Loans and the termination of the Commitments.

10.5 EXPENSES. The Company agrees to pay and save the Agent and the Banks harmless from liability for the payment of (a) the reasonable fees and expenses of Dickinson, Wright, Moon, Van Dusen & Freeman, counsel for the Agent, in connection with the preparation, execution and delivery of this Agreement and the Notes and the consummation of the transactions contemplated hereby, and in connection with any amendments, waivers or consents in connection therewith, and (b) all reasonable costs and expenses of the Agent and the Banks (including reasonable fees and expenses of counsel) in connection with any Event of Default or the enforcement of this Agreement or the Notes.

10.6 SUCCESSORS AND ASSIGNS. (a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, PROVIDED that the Company may not, without the prior consent of the Banks, assign its rights or obligations hereunder or under the Notes and

-35-

the Banks shall not be obligated to make any Loan hereunder to any entity other than the Company.

(b) Any Bank may sell a participation interest to any financial institution or institutions, and such financial institution or institutions may further sell, a participation interest (undivided or divided) in, the Loans and such Bank's rights and benefits under this Agreement and the Notes, and to the extent of that participation, such participant or participants shall have no rights or benefits against the Company hereunder, PROVIDED, HOWEVER, that (i) such Bank's obligations under this Agreement shall remain unmodified and fully effective and enforceable against such Bank, (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Bank shall remain the holder of its Note for all purposes of this agreement, (iv) the Company, the Agent and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement, and (v) such Bank shall not grant to its participant any rights to consent or withhold consent to any action taken by such Bank or the Agent under this Agreement other than action requiring the consent of all of the Banks hereunder.

(c) Each Bank may, with the prior consent of the Company and the Agent (and not otherwise), assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Loans owing to it and the Note or Notes held by it); PROVIDED, HOWEVER, that (i) each such

assignment shall be of a uniform, and not a varying, percentage of all rights and obligations, (ii) except in the case of an assignment of all of a Bank's rights and obligations under this Agreement, (A) the amount of the Commitment of the assigning Bank being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$5,000,000, and in integral multiples of \$1,000,000 thereafter, or such lesser amount as the Company and the Agent may consent to and (B) after giving effect to each such assignment, the amount of the Commitment of the assigning Bank when the Commitments are at their lower amounts shall in no event be less than \$5,000,000, and (iii) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance and recording, an Assignment and Acceptance in the form of Exhibit D hereto (an "Assignment and Acceptance"), together with any Note or Notes subject to such assignment and a processing fee of \$5,000. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in such Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Bank hereunder and (y) the Bank assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the

-36-

case of an Assignment and Acceptance covering all of the remaining portion of an assigning Bank's rights and obligations under this Agreement, such Bank shall cease to be a party hereto).

(d) The Agent shall at all times maintain a minimum Commitment of \$10,000,000, unless such Commitment is terminated pursuant to Section 2.2 or 8.2.

10.7 COUNTERPARTS. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart, and this Agreement shall enter into force and effect only if counterparts executed by the Company and by each Bank named in Section 2.1(a) are returned to and executed by the Agent. Upon such execution by the Agent, this Agreement shall be deemed effective as of the Effective Date.

10.8 GOVERNING LAW. This Agreement is a contract made under, and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with, the laws of the State of Michigan applicable to contracts made and to be performed entirely within such State.

10.9 HEADINGS. The headings of the various subdivisions hereof are for the convenience of reference only and shall in no way modify any of the terms or provisions hereof.

10.10 CONSTRUCTION OF CERTAIN PROVISIONS. All computations required hereunder and all financial terms used herein shall be made or construed in accordance with generally accepted accounting principles unless such principles are inconsistent with the express requirements of this Agreement. If any provision of this Agreement refers to any action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person, whether or not expressly specified in such provision.

10.11 INTEGRATION AND SEVERABILITY. This Agreement embodies the entire agreement and understanding among the Company, the Agent and the Banks, and supersedes all prior agreements and understandings relating to the subject matter hereof. In case any one or more of the obligations of the Company under this Agreement or the Notes shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining

obligations of the Company shall not in any way be affected or impaired thereby, and such invalidity, illegality or enforceability in one jurisdiction shall not affect the validity, legality or enforceability of the obligations of the Company under this Agreement or the Notes in any other jurisdiction.

10.12 INTEREST RATE LIMITATION. Notwithstanding any provisions of this Agreement or the Notes, in no event shall the amount of interest paid or agreed to be paid by the Company exceed an amount computed at the highest rate of

-37-

interest permissible under applicable law. If, from any circumstances whatsoever, fulfillment of any provision of this Agreement or the Notes at the time performance of such provision shall be due, shall involve exceeding the interest rate limitation validly prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, IPSO FACTO, the obligations to be fulfilled shall be reduced to an amount computed at the highest rate of interest permissible under applicable law, and if for any reason whatsoever the Banks shall ever receive as interest an amount which would be deemed unlawful under such applicable law, such interest shall be automatically applied to the payment of principal of the Loans outstanding hereunder (whether or not then due and payable) and not to the payment of interest, or shall be refunded to the Company if such principal has been paid in full.

10.13 INDEPENDENCE OF COVENANTS. All covenants contained herein shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitation of, another covenant shall not avoid the occurrence of an Event of Default if such action is taken or condition exists.

10.14 WAIVER OF JURY TRIAL. THE Banks and the Agent and the Company, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waive any right any of them may have to a trial by jury in any litigation based upon or arising out of this Agreement or any related instrument or agreement or any of the transactions contemplated by this Agreement or any course of conduct, dealing, statement (whether oral or written) or actions of any of them. Neither any Bank, the Agent, nor the Company shall seek to consolidate, by counterclaim or otherwise, any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by any party thereto except by a written instrument executed by such party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the 11th day of October, 1996, which shall be the Effective Date of this Agreement, notwithstanding the day and year first above written.

Address for Notices:

WOLVERINE WORLD WIDE, INC.

9341 Courtland Drive
Rockford, Michigan 49351
Attention: Steve Gulis,
Chief Financial Officer
Telephone: (616) 866-5570
Telecopy: (616) 866-0257

By: _____

Its: _____

-38-

Address for Notices:

NBD Bank, individually
as a Bank and as Agent

611 Woodward Avenue
Detroit, Michigan 48226
Attention: Michigan Banking Division
Telephone: (313) 225-2227
Telecopy: (313) 226-0855
Commitment Amount: \$35,000,000

By: _____
William C. Goodhue
Its: Vice President

Address for Notices:

HARRIS TRUST AND SAVINGS BANK

111 West Monroe Street
P.O. Box 755
Chicago, Illinois 60690
Attention: Peter Krawchuk
Telephone: (312) 461-2783
Telecopy: (312) 461-2591
Commitment Amount: \$25,000,000

By: _____
Peter Krawchuk
Its: Vice President

Address for Notices:

COMERICA BANK

99 Monroe Avenue, N.W.
Grand Rapids, Michigan 49503
Attention: Kevin Ringenberg
Telephone: (616) 776-6380
Telecopy: (616) 776-7885
Commitment Amount: \$20,000,000

By: _____
Kevin Ringenberg
Its: Vice President

Address for Notices:

OLD KENT BANK

Corporate Banking Department
1 Vandenberg Center
Grand Rapids, Michigan 49503
Attention: David Kistler
Telephone: (616) 771-4479
Telecopy: (616) 771-4641
Commitment Amount: \$10,000,000

By: _____
Its: _____

Address for Notices:

ABN AMRO NORTH AMERICA, INC.

135 South LaSalle Street
Chicago, Illinois 60674-9135
Attention: Stephen J. Czech
Telephone: (312) 904-6051
Telecopy: (312) 606-8425
Commitment Amount: \$10,000,000

By: _____
Stephen J. Czech
Its: Vice President

By: _____
Its: _____

EXHIBIT A
REVOLVING CREDIT NOTE

\$ _____

October 11, 1996
Detroit, Michigan

FOR VALUE RECEIVED, the undersigned, WOLVERINE WORLD WIDE, INC., a Delaware corporation (the "Company"), hereby promises to pay to the order of _____ (the "Bank"), at the principal banking office of the Agent at 611 Woodward Avenue, Detroit, Michigan, in lawful money of the United States of America and in immediately available funds, the principal sum of _____ Dollars (\$ _____) or such lesser aggregate principal sum outstanding of loans made by the Bank to the Company under the Credit Agreement referred to below, on the Termination Date; and to pay interest on the unpaid principal balance hereof from time to time outstanding, in like money and funds, for the period from the date hereof until such loans shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement referred to below.

The Bank is hereby authorized by the Company to note on the schedule attached to this Note, or on its books and records, the date, amount and type of each loan made by the Bank under the Credit Agreement, the interest rate and duration of the related Interest Period (if applicable), the amount of each payment or prepayment of principal thereon and the other information provided for on such schedule, which schedule or such books and records, as the case may be, shall constitute prima facie evidence of the information so noted, provided that any failure by the Bank to make any such notation shall not relieve the Company of its obligation to repay the outstanding principal amount of this Note, all accrued interest hereon and any amount payable with respect hereto in accordance with the terms of this Note and the Credit Agreement.

The Company and each endorser or guarantor hereof waives demand, presentment, protest, diligence, notice of dishonor and any other formality in

connection with this Note. Should the indebtedness evidenced by this Note or any part thereof be collected in any proceeding or be placed in the hands of attorneys for collection, the Company agrees to pay, in addition to the principal and interest due and payable hereon, all costs of collecting this Note, including attorneys' fees and expenses.

This Note evidences one or more loans made by the Bank under a Credit Agreement dated on or about the date hereof (as amended, supplemented, extended or otherwise modified from time to time, the "Credit Agreement"), by and among the Company, the banks (including the Bank) named therein and NBD Bank, as agent, to which reference is hereby made for a statement of the circumstances under which this Note is subject to prepayment and under which its due date may be accelerated. Capitalized terms used but not defined in this Note shall have the respective meanings assigned to them in the Credit Agreement.

WOLVERINE WORLD WIDE, INC.

By: _____

Its: _____

Schedule to Revolving Credit Note, dated
 October 11, 1996 made by Wolverine World Wide, Inc.
 in favor of _____)

DATE LOAN MADE OR CONVERTED	PRINCIPAL AMOUNT OF LOAN	TYPE OF LOAN	INTEREST RATE	PRINCIPAL AMOUNT INTEREST PERIOD (IF APPLICABLE)	PAID, PRE- PAID OR CONVERTED	PRINCIPAL BALANCE OUTSTANDING	NOTATION MADE BY
-----	-----	-----	-----	-----	-----	-----	-----

EXHIBIT B

REQUEST FOR LOAN

[Date]

NBD Bank, as Agent

The undersigned (the "Company") hereby requests a Loan pursuant to Section 3.1 of the Credit Agreement, dated as of October 11, 1996 (as amended, supplemented, extended or otherwise modified from time, the "Credit Agreement"), among the Company, each of you, and NBD Bank, as agent, in the amount of \$_____, to be made on _____, 19__, and to be

evidenced by the Company's Note. After giving effect to such Loan, the aggregate outstanding principal amount of the Loans on the date thereof will be \$_____. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Credit Agreement.

Such Loan shall be a _____ [insert either Eurodollar Rate Loan or Floating Rate Loan] and the initial Interest Period, if such requested Loan is a Eurodollar Rate Loan, shall be _____ [insert permitted Interest Period].

In support of this request, the Company hereby certifies that:

1. The representations and warranties contained in Article VI of the Credit Agreement are true and correct on and as of the date hereof, and will be true and correct on the date of the making of such Loan, as if such representations and warranties were made on and as of such dates.

2. No Event of Default, and no event or condition which might become such an Event of Default with notice or with lapse of time, or both, has occurred and is continuing or will exist on the date of the making of such Loan.

Acceptance of the proceeds of such Loan by the Company shall be deemed to be a further representation that the representations made herein are true and correct at the time such proceeds are disbursed.

WOLVERINE WORLD WIDE, INC.

By: _____

Its: _____

EXHIBIT C

REQUEST FOR CONTINUATION OR CONVERSION OF LOAN

[Date]

NBD Bank, as Agent

The undersigned (the "Company") hereby requests that \$_____ of the principal amount of the Loan originally made on _____, 19__, which Loan is currently a _____ [insert type of Loan based on type of interest rate applicable], be continued as or converted to, as the case may be, a _____ [insert type of Loan requested based on type of interest rate desired] on _____, 19__. If such Loan is requested to be converted to a Eurodollar Rate Loan, the Company hereby elects an Interest Period for such Loan of _____ [insert permitted Interest Period]. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Amended and Restated Credit Agreement, dated as of October 11, 1996 (as amended, supplemented, extended or otherwise modified from time to time, the "Credit Agreement") among the Company, each of you and NBD Bank, as agent.

In support of this request, the Company hereby certifies that:

1. The representations and warranties contained in Article VI of the Credit Agreement are true and correct on and as of the date hereof, and will be true and correct on the date of the continuation or conversion of such Loan, as if such representations and warranties were made on and as of such dates.
2. No Event of Default, and no event or condition which might become such an Event of Default with notice or with lapse of time, or both, has occurred and is continuing or will exist on the date of the continuation or conversion of such Loan.

Acceptance of the continuation or conversion of such Loan by the Company shall be deemed to be a further representation that the representations made herein are true and correct at the time such proceeds are disbursed.

WOLVERINE WORLD WIDE, INC.

By: _____

Its: _____

EXHIBIT D

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Credit Agreement, dated as of October 11, 1996 (as amended or modified from time to time, the "Credit Agreement"), among WOLVERINE WORLD WIDE, INC., a Delaware corporation (the "Borrower"), the banks

party thereto (the "Banks") and NBD BANK, as agent for the Banks (the "Agent"). Terms defined in the Credit Agreement are used herein with the same meaning.

1. The "Assignor" and the "Assignee" referred to on Schedule 1 agree as follows:

2. The Assignor hereby sells and assigns (without recourse) to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, an interest in and to the Assignor's rights and obligations under the Credit Agreement as of the date hereof equal to the percentage interest specified on Schedule 1 of all outstanding rights and obligations under the Credit Agreement. After giving effect to such sale and assignment, the Assignee's Commitments and the amounts of the Loans owing to the Assignee will be as set forth on Schedule 1.

3. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iv) attaches the Note or Notes held by the Assignor and requests that the Agent exchange such Note or Notes for a new Note or Notes payable to the order of the Assignee in an amount equal to the Commitments assumed by the Assignee pursuant hereto and the Assignor in an amount equal to the Commitments retained by the Assignor under the Credit Agreement, respectively, as specified on Schedule 1.

4. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (iv) agrees that it will perform in accordance with their terms of all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Bank; and (v) if the Assignee is organized under the laws of a jurisdiction outside the United States, attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement and the Notes or such other documents as are necessary to indicate that all such payments are subject to such taxes at a rate reduced by an applicable tax treaty.

5. Following the execution of this Assignment and Acceptance, it will be delivered to the Agent for acceptance by the Agent. The effective date for this Assignment and Acceptance (the "Effective Date") shall be the date of acceptance hereof by the Agent, unless otherwise specified on Schedule 1.

6. Upon such acceptance by the Agent, as of the Effective Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement. All representations and agreements

by the Assignor and the Assignee herein may be relied upon by the Agent and the Banks under the Credit Agreement.

7. Upon such acceptance and recording by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the Notes in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement and the Notes for periods prior to the Effective Date directly between themselves.

8. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the State of Michigan.

9. This Assignment and Acceptance may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of Schedule 1 to this Assignment and Acceptance by telecopier shall be effective as delivery of a manually executed counterpart of this Assignment and Acceptance.

-2-

IN WITNESS WHEREOF, the Assignor and the Assignee have caused this Assignment and Acceptance to be executed by their officers thereunto duly authorized as of the date described in Section 4 above.

[ASSIGNOR]

By: _____

Its: _____

[ASSIGNEE]

By: _____

Its: _____

Accepted and Agreed:

WOLVERINE WORLD WIDE, INC.

By: _____

Its: _____

Dated: _____

NBD BANK, as Agent

By: _____

Its: _____

Dated: _____

EXHIBIT 10.7

WOLVERINE WORLD WIDE, INC.
EXECUTIVE LONG-TERM INCENTIVE (THREE YEAR) PLAN
1996 - 1998 PERIOD

ARTICLE I
ESTABLISHMENT OF THE PLAN

1.1 The Wolverine World Wide, Inc. Executive Long-Term Incentive (Three Year) Plan, as summarized herein is established by Wolverine World Wide, Inc. (Company) for the three year fiscal period of 1996 - 1998 and may be continued, intact or as amended, from year to year, at the Company's option.

1.2 The primary purposes of the plan are to:

- a. Encourage longer range strategic planning and not stress over-dependence on short-term performance which could be at the expense of long-term increases in stockholder value and/or achieving a strategic position/advantage in the marketplace.
- b. Encourage cooperation among all the units of the Company so as to foster a closer and more cooperative association and sense of teamwork.
- c. Encourage key management individuals to enter and continue in the employ of the Company.

ARTICLE II
CONCEPT OF THE PLAN

- 2.1
- a. The primary concept of the plan is to establish a financial goal for each three year time period for the Company. These periods are overlapping. The goal needs to be both closely identified with the interests of the stockholders and easily understood.
 - b. The goals for all plans through 1998 are expressed in terms of earnings per share (E.P.S.). The Compensation Committee has determined that this goal meets the objectives stated above. The definition of "earnings per share," for this purpose, is the Company's net after tax earnings per common share of stock after all expenses and taxes, except for the payment of the three year bonus itself.

ARTICLE III

GOALS FOR PLAN
(EARNINGS PER SHARE, POST '96 SPLIT)

YEAR	THRESHOLD	TARGET	MAXIMUM
- - - - -	-----	-----	-----
1996	\$1.03	\$1.08	\$1.13
1997	1.13	1.24	1.35
1998	1.25	1.43	1.62
	-----	-----	-----
TOTAL	\$3.41	\$3.75	\$4.10

Note: In order to pay a bonus, E.P.S. in the third year must be at least 20% of the total E.P.S. goal for the three year period (e.g. at Threshold, E.P.S. for 1998 must be \$.682 cents per share, 20% x \$3.41).

SPECIAL NOTE

The Compensation Committee reserves the right to reduce any participant's bonus if his/her performance was not satisfactory during any year of the Plan and/or if his/her unit did not achieve 80% of the Unit Target Goal for the three year period (as noted in the Executive Annual Bonus Plan) and/or if the Chief Executive Officer recommends a reduction in an individual's bonus.

PAYOUT AGAINST GOALS

Payout under the 1996-98 Plan as a percentage of each participant's individual target bonus will be made within thirty days of acceptance of the fiscal year 1998 certified audit by the Board of Directors, according to the final schedule:

GOAL		PAYOUT AS % OF TARGET BONUS<F*>
- ----		-----
Threshold	\$3.41	50%
Target	\$3.75	100%
Maximum	\$4.10	150%

<FN>

<F*>For E.P.S. between the goals shown, the payout as a percentage of Target Bonus will be determined by straight line interpolation.

</FN>

-2-

ARTICLE IV
TERMINATION OF PARTICIPATION

4.1 Retirement, Death, or Total Disability.

If a participant ceases to be a participant before the end of any performance period and more than twelve months after the beginning of such performance period because of death, normal or early retirement under the Company's retirement plan, as then in effect, or total disability under the Company's long-term disability plan, an award shall be paid to him or his estate after the end of such performance period prorated as follows. The award, if any, for such performance period shall be the amount that he would have received if he had been a participant during the entire performance period, multiplied by the ratio of his full months as a participant during that performance period to the number of months in that performance period.

4.2 Other Termination.

If an employee ceases to be a participant during any performance period(s), or prior to actual receipt of the award for a previous period because of the participant's termination of employment for any reason other than described in Section 4.1 above, the participant will not be entitled to any award for such performance period. If a participant continues in Wolverine's employment but no longer is approved by the Compensation Committee of the Board of Directors to participate in future periods, his/her eligibility for a prorated award in current periods will be determined solely by the Compensation

Committee and communicated to the employee. Factors used in this determination could include the employee's past and current performance, reasons for the change in participation and other job related factors as determined by the Compensation Committee.

ARTICLE V
SUMMARY

This communication is meant to summarize the major elements of the Wolverine World Wide, Inc. Executive Long-Term Incentive Plan. The Plan shall not be construed to give and does not give any employee the right to be retained in the employ of the Company.

The Board may discontinue the Plan at any time, suspend the Plan at any time or from time to time, and from time to time amend the Plan in any respect, except that no amendment may be made which either would cause any participant to be deprived of any award previously earned but not paid or would adversely affect any award such participant might receive for any performance period which commenced before such amendment was made. The Board may review at any time the Plan and its administration to determine

-3-

whether the objectives of the Plan continue to be met. Where appropriate, the Chief Executive Officer will recommend changes in the Plan for adoption by the Board of Directors.

EXHIBIT 10.15

The Company has entered into Termination of Employment and Change of Control Agreements with Steven M. Duffy, Stephen L. Gulis, Jr., V. Dean Estes, Blake W. Krueger, Thomas P. Mundt, Timothy J. O'Donovan, and Robert J. Sedrowski which are identical to the form of agreement which is incorporated by reference from Exhibit 10(m) of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993.

EXHIBIT 10.16

Each of the officers and directors of the Company listed below (including Mr. Gleason and Mr. Northrop, who retired as directors during fiscal year 1996) have entered into an Indemnification Agreement identical to the one which is incorporated by reference from Exhibit 10(n) of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1993.

Geoffrey B. Bloom
Daniel T. Carroll
Steven M. Duffy
V. Dean Estes
Thomas D. Gleason
Alberto L. Grimoldi
Stephen L. Gulis, Jr.
David T. Kollat
Blake W. Krueger
Phillip D. Matthews
David P. Mehney
Thomas P. Mundt
Stuart J. Northrop
Timothy J. O'Donovan
Joseph A. Parini
Joan Parker
Elizabeth A. Sanders
Robert J. Sedrowski

EXHIBIT 11 - COMPUTATION OF PER SHARE EARNINGS<FA>

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

	FISCAL YEAR ENDED		
	DECEMBER 28, 1996	DECEMBER 30, 1995	DECEMBER 31, 1994
PRIMARY			
Average shares outstanding	27,694,629	24,830,963	23,734,790
Net effect of dilutive stock options	831,416	840,740	802,295
Total	28,526,045	25,671,702	24,537,084
Net earnings	\$32,856,000	\$24,067,000	\$16,598,000
Per share amount	\$ 1.15	\$ 0.94	\$ 0.67
FULLY DILUTED			
Actual shares outstanding	27,694,629	24,830,963	23,734,790
Net effect of dilutive stock options	983,223	1,024,806	860,162
Number of shares to be issued assuming conversion of convertible notes to stock	--	--	327,302
Total	28,677,852	25,855,769	24,922,253
Net earnings	\$32,856,000	\$24,067,000	\$16,598,000
Interest expense on convertible notes assuming conversion at beginning of year			78,795
Tax effect of interest expense	--	--	(29,154)
Total	\$32,856,000	\$24,067,000	\$16,647,641
Per share amount	\$ 1.15	\$ 0.93	\$ 0.67

<FN>

<FA> On March 10, 1994, April 19, 1995 and July 11, 1996, the Company announced three-for-two stock splits on shares of common stock outstanding on March 21, 1994, May 1, 1995 and July 26, 1996, respectively. All share and per share data has been retroactively adjusted for the increased shares resulting from these

stock splits.

</FN>

EXHIBIT 21

SUBSIDIARIES OF THE REGISTRANT
WOLVERINE WORLD WIDE, INC.

Name	State or Country of Incorporation or Organization
Aquadilla Shoe Corporation	Michigan
BSI Shoes, Inc.	Michigan
Brooks France, S.A.	France
Dominican Wolverine Shoe Company Limited	Cayman Islands
Frolic de Mexico S.A. de C.V.	Mexico
Spartan Shoe Company Limited	Cayman Islands
WWW Europe, Ltd.	England
Hush Puppies Retail, Inc. d/b/a Little Red Shoe House Hush Puppies Factory Direct	Michigan
Wolverine Design Center, Inc.	Michigan
Hy-Test, Inc.	Michigan
Wolverine Procurement, Inc.	Michigan
Wolverine Sourcing, Inc.	Michigan
Hush Puppies Canada Footwear, Ltd.	Canada
Hush Puppies (UK) Ltd.	England

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. 33-63689, 33-55213, 33-64854, 33-23195, 33-23196, 2-92600 and 2-68548) pertaining to various stock option and incentive plans of Wolverine World Wide, Inc. of our report dated February 7, 1997, 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 28, 1996.

/s/Ernst & Young LLP

Grand Rapids, Michigan
March 27, 1997

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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 7, 1997

/S/ GEOFFREY B. BLOOM

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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 6, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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

March 5, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 7, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 17, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 7, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 7, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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 9, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.; BLAKE W. KRUEGER; 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 28, 1996, 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

March 19, 1997

/S/ 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 GEOFFREY B. BLOOM; TIMOTHY J. O'DONOVAN; STEPHEN L. GULIS, JR.;

BLAKE W. KRUEGER; 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 28, 1996, 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 10, 1997

/S/ ELIZABETH A. SANDERS

<ARTICLE>	5
<LEGEND>	THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS OF WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES FOR THE PERIOD ENDED DECEMBER 28, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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