

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the second twelve week accounting period ended June 15, 1996

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 1-6024

WOLVERINE WORLD WIDE, INC.
(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other Jurisdiction of
Incorporation or Organization)

38-1185150
(IRS Employer
Identification No.)

9341 COURTLAND DRIVE, ROCKFORD, MICHIGAN
(Address of Principal Executive Offices)

49351
(Zip Code)

(616) 866-5500
(Registrant's Telephone Number, including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve (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 ninety (90) days.

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

There were 18,493,250 shares of Common Stock, \$1 par value, outstanding as of July 23, 1996, of which 557,343 shares are held as Treasury Stock. The shares outstanding have not been adjusted for the 3-for-2 stock split payable on August 16, 1996, on shares outstanding at the close of business on July 26, 1996.

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS
(THOUSANDS OF DOLLARS)

	JUNE 15, 1996 (UNAUDITED)	DECEMBER 30, 1995 (AUDITED)	JUNE 17, 1995 (UNAUDITED)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 8,444	\$ 27,088	\$ 2,396
Accounts receivable, less allowances			
June 15, 1996 - \$4,648			
December 30, 1995 - \$3,407			
June 17, 1995 - \$4,961	81,204	83,392	73,317
Inventories:			
Finished products	85,699	45,814	70,942

Raw materials and work in process	43,081	42,536	38,917
	128,780	88,350	109,859
Other current assets	9,340	15,896	15,098
Net current assets of discontinued operations	32	149	1,403
TOTAL CURRENT ASSETS	227,800	214,875	202,073
PROPERTY, PLANT & EQUIPMENT			
Gross cost	117,706	109,731	102,215
Less accumulated depreciation	65,473	62,846	64,258
	52,233	46,885	37,957
OTHER ASSETS	28,450	21,794	21,854
TOTAL ASSETS	\$308,483	\$283,554	\$261,884

See notes to consolidated condensed financial statements.

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WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS - CONTINUED
(THOUSANDS OF DOLLARS)

	JUNE 15, 1996 (UNAUDITED)	DECEMBER 30, 1995 (AUDITED)	JUNE 17, 1995 (UNAUDITED)
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Notes payable to banks	\$ 2,969	\$ 2,339	\$ 2,881
Accounts payable and other accrued liabilities	39,034	35,224	40,626
Current maturities of long-term debt	73	84	120
TOTAL CURRENT LIABILITIES	42,076	37,647	43,627
LONG-TERM DEBT (less current maturities)	42,555	30,594	69,702
OTHER NONCURRENT LIABILITIES	10,370	11,099	10,950
STOCKHOLDERS' EQUITY			
Common Stock - par value \$1, authorized 40,000,000 shares; shares issued (including shares in treasury):			
June 15, 1996 - 28,537,497 shares			
December 30, 1995 - 28,173,870 shares			
June 17, 1995 - 25,473,935 shares	28,537	18,783	16,983
Additional paid-in capital	64,582	70,716	21,651
Retained earnings	130,945	123,593	107,136
Accumulated translation adjustments	(351)	(324)	340
Unearned compensation	(3,504)	(1,827)	(1,987)
Cost of shares in treasury:			
June 15, 1996 - 547,591 shares			
December 30, 1995 - 547,913 shares			
June 17, 1995 - 562,645 shares	(6,727)	(6,727)	(6,518)
TOTAL STOCKHOLDERS' EQUITY	213,482	204,214	137,605
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$308,483	\$283,554	\$261,884

() - Denotes deduction.

See notes to consolidated condensed financial statements.

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WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS
OF OPERATIONS
(THOUSANDS OF DOLLARS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	12 WEEKS ENDED		24 WEEKS ENDED	
	JUNE 15, 1996	JUNE 17, 1995	JUNE 15, 1996	JUNE 17, 1995
NET SALES AND OTHER				
OPERATING INCOME	\$ 94,153	\$ 86,289	\$ 177,995	\$ 162,620
Cost of products sold	62,836	58,799	121,355	112,342
GROSS MARGIN	31,317	27,490	56,640	50,278
Selling and administrative expenses	23,162	21,172	43,651	40,085
OPERATING INCOME	8,155	6,318	12,989	10,193
OTHER EXPENSES (INCOME):				
Interest expense	833	952	1,459	1,653
Interest income	(149)	(177)	(556)	(405)
Other - net	(382)	(104)	(705)	(321)
	302	671	198	927
EARNINGS BEFORE INCOME				
TAXES	7,853	5,647	12,791	9,266
Income taxes	2,420	1,750	3,965	2,872
NET EARNINGS	\$ 5,433	\$ 3,897	\$ 8,826	\$ 6,394
EARNINGS PER SHARE:				
Primary	\$.19	\$.15	\$.31	\$.25
Fully diluted	\$.19	\$.15	\$.31	\$.25
CASH DIVIDENDS PER SHARE	\$.027	\$.023	\$.053	\$.045
SHARES USED FOR NET EARNINGS PER SHARE COMPUTATION:				
Primary	28,445,246	25,320,441	28,331,140	25,168,896
Fully diluted	28,523,082	25,320,441	28,451,719	25,234,939

See notes to consolidated condensed financial statements.

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WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(THOUSANDS OF DOLLARS)
(UNAUDITED)

	24 WEEKS ENDED	
	JUNE 15, 1996	JUNE 17, 1995
OPERATING ACTIVITIES		
Net earnings	\$ 8,826	\$ 6,394
Depreciation, amortization and other non-cash items	(161)	1,696
Unearned compensation	(1,677)	(674)
Changes in operating assets and liabilities:		
Accounts receivable	12,676	(2,648)
Inventories	(31,275)	(30,834)
Other current assets	1,275	(608)
Accounts payable and other accrued liabilities	2,074	(658)
NET CASH USED IN OPERATING ACTIVITIES	(8,262)	(26,658)
FINANCING ACTIVITIES		
Proceeds from long-term borrowings	12,000	38,181
Payments of long-term borrowings	(50)	(12,145)
Proceeds from short-term borrowings	630	3,449
Payments of short-term borrowings		(2,000)
Cash dividends	(1,474)	(1,131)
Proceeds from shares issued under employee stock plans	3,620	1,797

NET CASH PROVIDED BY FINANCING ACTIVITIES	14,726	28,151
INVESTING ACTIVITIES		
Purchase of business product line	(22,750)	
Additions to property, plant and equipment	(5,841)	(5,187)
Net decrease in notes receivable	3,796	4,031
Other	(313)	(216)
NET CASH USED IN INVESTING ACTIVITIES	(25,108)	(2,046)
DECREASE IN CASH AND CASH EQUIVALENTS	(18,644)	(553)
Cash and cash equivalents at beginning of year	27,088	2,949
CASH AND CASH EQUIVALENTS AT END OF SECOND ACCOUNTING PERIOD	\$ 8,444	\$ 2,396

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() - Denotes reduction in cash and cash equivalents.

See notes to consolidated condensed financial statements.

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WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

JUNE 15, 1996

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring accruals) considered necessary for fair presentation have been included. For further information, refer to the consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1995. Certain amounts in 1995 have been reclassified to conform with the presentation used in 1996.

NOTE B - FLUCTUATIONS

The Company's sales are seasonal, particularly in its major divisions, The Hush Puppies Company, the Wolverine Footwear Group and the Wolverine Slipper Group. Seasonal sales patterns and the fact that the fourth quarter has sixteen or seventeen weeks as compared to twelve weeks in each of the first three quarters cause significant differences in sales and earnings from quarter to quarter. These differences, however, follow a consistent pattern each year.

NOTE C - BUSINESS ACQUISITION

On March 22, 1996, the Company consummated the acquisition of certain net assets of the Hy-Test product line from The Florsheim Shoe Company. The preliminary purchase price at the closing date was \$22,750,000 in cash and has been allocated to the related assets and liabilities at June 15, 1996. A final purchase price allocation will be completed in future periods based on the review and agreement of both parties on the final closing balance sheet.

NOTE D - COMMON STOCK

On July 11, 1996, the Company announced a 3-for-2 stock split on shares outstanding on July 26, 1996 payable on August 16, 1996. All share and per share data have been retroactively adjusted for the increased shares resulting from the stock split.

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NOTE E - EARNINGS PER SHARE

Primary earnings per share are computed based on the weighted average shares of common stock outstanding during each period assuming that the stock split described in Note D had been completed at the beginning of the earliest period presented. Common stock equivalents (stock options) are included in the computation of primary and fully diluted earnings per share.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS - COMPARISONS OF SECOND QUARTER AND YEAR-TO-DATE 1996 TO SECOND QUARTER AND YEAR-TO-DATE 1995

Second quarter net sales and other operating income of \$94.2 million for 1996 exceeded 1995 levels by \$7.9 million (a 9.1% increase), and 1996 year-to-date net sales and other operating income of \$178.0 million compares to \$162.6 million recorded for the comparable period of 1995 (a 9.5% increase). The strong performance of the Wolverine Footwear Group continued, accounting for \$7.0 million of the increase in quarterly net sales and other operating income and \$9.2 million of the year-to-date increase. United States Department of Defense shipments accounted for \$2.7 million and \$7.5 million of the quarterly and year-to-date increases, respectively, helping to offset a \$2.0 million second quarter decrease in the Wolverine Slipper Group. Second quarter sales in the Hush Puppies Wholesale Division remained flat resulting from the continued soft retail climate. The Wolverine Leather Division recognized slight sales increases for the quarter.

Gross margin as a percentage of net sales and other operating income for the second quarter of 1996 was 33.3% compared to 31.9% for the comparable period of the prior year. Year-to-date gross margin of 31.8% for 1996 compared to 30.9% for the same period in 1995. Improved margins were recorded in the Wolverine Footwear Group through increased licensing revenues and manufacturing and sourcing efficiencies. The Wolverine Leather Division continued its strong performance, reporting a year-to-date 3.7 percentage point increase in gross margin. This increase was attributable to a more favorable product mix, higher production levels and continued control of overhead costs.

Selling and administrative expenses of \$23.2 million (24.6% of net sales and other operating income) for the second quarter of 1996 remained relatively consistent with the 1995 second quarter level of \$21.2 million (24.5% of net sales and other operating income). Year-to-date selling and administrative expenses of \$43.7 million (24.5% of net sales and other operating income) in 1996 are also comparable to \$40.1 million (24.6% of net sales and other operating income) in 1995. Year-to-date selling, advertising and distribution costs associated with the increased sales volume combined with advertising and promotional investments for the Wolverine Footwear Group accounted for \$3.3 million of the increase. Hush Puppies Wholesale Division distribution costs have decreased 11.1% from \$1.9 million to \$1.7 million, reflecting cost savings of the Company's incentive wage program and elimination of temporary warehousing costs.

Interest expense for the second quarter of 1996 was \$0.8 million, compared

to \$1.0 million for the same period of 1995. Year-to-date interest expense for 1996 and 1995 was \$1.5 million and \$1.7 million, respectively. The

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decrease in interest expense for the second quarter and year-to-date for 1996 as compared to 1995 was primarily a result of the equity offering in the fourth quarter of 1995, discussed below, which decreased borrowings and increased interest income.

The effective income tax rate on net earnings remained consistent on a year-to-date basis in 1996 compared to the 1995 level (31.0% in both 1996 and 1995). The effective tax rate reflects the anticipated annualized rate for the Company giving consideration to the non-taxable net earnings of foreign subsidiaries.

Net earnings of \$5.4 million (\$.19 per share, post split) for the twelve weeks ended June 15, 1996 compared favorably to earnings of \$3.9 million (\$.15 per share, post split) for the respective period of 1995 (a 39.4% increase). Year-to-date net earnings of \$8.8 million (\$.31 per share, post split) in 1996 compared with earnings of \$6.4 million (\$.25 per share, post split) for the same period of 1995 (a 38.0% increase). Increased earnings are primarily a result of the items noted above.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Accounts receivable of \$81.2 million at June 15, 1996 reflects an increase of \$7.9 million over the balance at June 17, 1995 and a decrease of \$2.2 million over the balance at December 30, 1995. Inventories of \$128.8 million at June 15, 1996 reflect an increase of \$18.9 million and \$40.4 million over the balances at June 17, 1995 and December 30, 1995, respectively. The increases in accounts receivable and inventories were due primarily to the acquisition of the assets of the Hy-Test Division of The Florsheim Shoe Company. Excluding the Hy-Test Division additions, inventories at June 15, 1996 increased 8.9% over the June 17, 1995 balance, which is in line with the 9.5% sales growth discussed above. Second quarter order backlogs have increased 26.4% when compared to 1995, supporting the requirement for increased inventories.

Other current assets of \$9.3 million at June 15, 1996 reflect a decrease of \$6.6 million and \$5.8 million as compared to December 30, 1995 and June 17, 1995, respectively. The decreases were primarily a result of 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 \$5.8 million in the first half of 1996 compares to \$5.2 million reported during the same period in 1995. The majority of these expenditures relate to the modernization of corporate facilities, expansion of warehouse facilities and purchases of manufacturing equipment necessary to continue to upgrade the Company's footwear and leather manufacturing facilities which will enhance the Company's ability to respond to product demand on a timely and cost-effective basis.

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Short-term debt of \$3.0 million at June 15, 1996 compared to \$2.9 million at June 17, 1995 and \$2.3 million at December 30, 1995. Long-term debt, excluding current maturities, of \$42.6 million at June 15, 1996 compares to \$69.7 million and \$30.6 million at June 17, 1995 and December 30, 1995, respectively. The decrease in long-term debt levels from June 17, 1995 is attributable to the pay down of the Company's revolving credit facility with funds generated by the November 1995 equity offering discussed below.

It is expected that continued growth of the Company will require increases in capital funding over the next several years. The Company is currently evaluating its capital requirements in order to assure that proper credit facilities are available. The combination of credit facilities and cash flows from operations are expected to be sufficient to meet future capital needs.

The 1996 second quarter dividend declared of \$.027 per share of common stock represents a 14.3% increase over the \$.023 per share declared for the second quarter of 1995. The second quarter 1996 dividend is payable

August 1, 1996 to stockholders of record on July 1, 1996. Additionally, shares issued under stock incentive plans provided cash of \$3.6 million during the first two quarters of 1996 compared to \$1.8 million for the same period in 1995. On July 11, 1996, the Company announced a 3-for-2 stock split on shares outstanding of the close of business on July 26, 1996. All share and per share data have been retroactively adjusted for the 3-for-2 stock split payable on August 16, 1996.

The Company further strengthened its financial position in 1995 through a successful public offering of 1,737,500 shares of common stock at \$29.875 per share (pre-split). The \$48.9 million of net proceeds from this offering were used in part to reduce debt in the fourth quarter of 1995 and to acquire certain assets of the Hy-Test work, safety and occupational footwear business of The Florsheim Shoe Company for approximately \$22,750,000 at the end of the first quarter 1996.

INFLATION

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

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PART II. OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES

On April 17, 1996, the Company held its 1996 Annual Meeting of Stockholders. At the meeting, the stockholders voted to approve an amendment to the Company's Certificate of Incorporation to increase the Company's authorized capital from 25,000,000 shares of Common Stock, \$1.00 par value per share ("Common Stock"), to 40,000,000 shares of Common Stock.

All of the additional shares resulting from the increase in the Company's authorized Common Stock are of the same class, with the same dividend, voting and liquidation rights, as shares of Common Stock previously outstanding. The Company's authorized capital also includes 2,000,000 shares of preferred stock, none of which is currently outstanding.

The newly authorized shares of Common Stock are unreserved and available for issuance. No further stockholder authorization is required prior to the issuance of such shares by the Company. Stockholders have no preemptive rights to acquire shares issued by the Company under its Certificate of Incorporation, and stockholders did not acquire any such rights with respect to such additional shares of Common Stock under the amendment to the Company's Certificate of Incorporation. Under some circumstances, the issuance of additional shares of Common Stock could dilute the voting rights, equity and earnings per share of existing stockholders.

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

On April 17, 1996, the Company held its 1996 Annual Meeting of Stockholders. The purposes of the meeting were: to elect two Directors for three-year terms expiring in 1999; to consider and approve an amendment to the Company's Certificate of Incorporation to increase the amount of authorized capital from 25,000,000 shares of Common Stock to 40,000,000 shares of Common Stock; and to consider and ratify the appointment of Ernst & Young LLP as the Company's independent auditors for the current fiscal year.

Two candidates nominated by management were elected by the stockholders to serve as Directors of the Company at the meeting. The following sets forth the results of the voting with respect to each candidate:

NAME OF CANDIDATE	SHARES VOTED	
Daniel T. Carroll	For	15,836,922
	Authority Withheld	44,322
	Broker Non-Votes	0
Phillip D. Matthews	For	15,844,534
	Authority Withheld	36,710
	Broker Non-Votes	0

The following persons remained as Directors of the Company with terms expiring in 1998: Geoffrey B. Bloom, David T. Kollat, David P. Mehney, and Timothy J. O'Donovan. The following persons remained as Directors of the Company with terms expiring in 1997: Alberto L. Grimoldi, Joseph A. Parini, Joan Parker, and Elizabeth A. Sanders.

The stockholders also voted to approve the amendment to the Certificate of Incorporation to increase the amount of authorized capital stock as described in Item 2 of Part II of this Report on Form 10-Q. The following sets forth the results of the voting with respect to this matter:

SHARES VOTED	
For	14,768,418
Against	1,055,704
Abstentions	27,872
Broker Non-votes	38,450

The stockholders also voted to approve the appointment of Ernst & Young LLP by the Board of Directors as independent auditors of the Company for the current fiscal year. The following sets forth the results of the voting with respect to this matter:

SHARES VOTED	
For	15,847,811
Against	18,180
Abstentions	15,253
Broker Non-votes	9,200

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) EXHIBITS. The following documents are filed as exhibits to this Report on Form 10-Q:

EXHIBIT NUMBER	DOCUMENT
3.1	Certificate of Incorporation, as amended.
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 Amended and Restated Credit Agreement dated as of October 13, 1994 with NBD Bank, N.A. as Agent. Previously filed as Exhibit 4(c) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994. Here incorporated by reference.
- 4.4 Note 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 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.

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EXHIBIT
NUMBER

DOCUMENT

- 10.1 Supplemental Executive Retirement Plan, as amended.
- 10.2 Wolverine World Wide, Inc. Outside Directors' Deferred Compensation Plan.
- 27 Financial Data Schedule.

(b) REPORT ON FORM 8-K. No reports on Form 8-K were filed during the period for which this report is filed.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WOLVERINE WORLD WIDE, INC.
AND SUBSIDIARIES

JULY 30, 1996
Date

/S/GEOFFREY B. BLOOM
Geoffrey B. Bloom
Chairman and Chief Executive Officer
(Duly Authorized Signatory for Registrant)

JULY 30, 1996
Date

/S/STEPHEN L. GULIS, JR.
Stephen L. Gulis, Jr.
Executive Vice President, Chief Financial
Officer and Treasurer (Principal Financial
Officer and Duly Authorized Signatory for
Registrant)

NUMBER	DOCUMENT
3.1	Certificate of Incorporation, as amended.
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.
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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	Supplemental Executive Retirement Plan, as amended.
10.2	Wolverine World Wide, Inc. Outside Directors' Deferred Compensation Plan.
27	Financial Data Schedule.

EXHIBIT 3.1

CERTIFICATE OF INCORPORATION

OF

WOLVERINE WORLD WIDE, INC.

FIRST. The name of the corporation is

WOLVERINE WORLD WIDE, INC.

SECOND. The address of its registered office in the State of Delaware is No. 100 West Tenth Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The nature of the business or purposes to be conducted or promoted by the corporation is to engage in any lawful act or activity for which the corporations may be organized under the General Corporation Law of the State of Delaware, as amended from time to time.

FOURTH. The total number of shares which the corporation shall have authority to issue and have outstanding is Forty-Two Million (42,000,000) shares, of which Two Million (2,000,000) shares shall be Preferred Stock, par value One Dollar (\$1) per share, and Forty Million (40,000,000) shares shall be Common Stock, par value One Dollar (\$1) per share.

The Board of Directors is authorized to cause Preferred Stock, \$1 par value, to be issued from time to time in one or more series, with such voting powers, full or limited, or no voting powers, and such designations, provisions, and relative, participating, preferential or other special rights and qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions providing for the issue of such stock adopted by the Board of Directors. The Board of Directors is expressly authorized to adopt such resolution or resolutions and issue such stock from time to time as may seem desirable.

The authorized shares of Common Stock of the par value of \$1 per share are all of one class with equal voting powers, and each such share shall be equal to every other such share.

FIFTH. The name and mailing address of the Incorporator are as follows:

Name	Mailing Address
B. J. Consono	100 West Tenth Street Wilmington, Delaware

SIXTH. The name and mailing address of each person who is to serve as a director until the first annual meeting of the stockholders or until a successor is elected and qualified, are as follows:

Name	Mailing Address
Ray R. Eppert	9341 Courtland Drive, N.E. Rockford, Michigan 49341
E. Vincent Erickson	9341 Courtland Drive, N.E. Rockford, Michigan 49341
C. Robert Evenson	9341 Courtland Drive, N.E. Rockford, Michigan 49341
Gordon C. Krause	9341 Courtland Drive, N.E.

Rockford, Michigan 49341

Jack A. Krause	9341 Courtland Drive, N.E. Rockford, Michigan 49341
Richard H. Krause	9341 Courtland Drive, N.E. Rockford, Michigan 49341
Louis J. Schaefer	9341 Courtland Drive, N.E. Rockford, Michigan 49341
Dr. Alfred L. Seelye	9341 Courtland Drive, N.E. Rockford, Michigan 49341
J. Austen Wood	9341 Courtland Drive, N.E. Rockford, Michigan 49341

Subsequent elections of directors need not be by ballot unless the By-Laws of the corporation shall so provide.

SEVENTH. The corporation is to have perpetual existence.

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EIGHTH. The Board of Directors shall have the power, at any regular or special meeting at which a quorum is present, by the affirmative vote of a majority of the whole Board:

To make, alter or repeal the By-Laws of the corporation.

To authorize and cause to be executed mortgages and liens upon the real and personal property of the corporation.

To set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and to abolish any such reserve in the manner in which it was created.

To designate one or more committees, each committee to consist of two or more of the directors of the corporation, which, to the extent provided in the resolution or in the By-Laws of the corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the By-Laws of the corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

NINTH. (a) Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, may be indemnified by the corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect

to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

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(b) Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise may be indemnified by the corporation against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application, that despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery of the State of Delaware or such other court shall deem proper.

(c) Any indemnification under subsections (a) and (b) of this section (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (a) and (b) of this section. Such determination shall be made (1) by the Board of Directors by a majority of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel (who may be the regular counsel of the corporation) in a written opinion, or (3) by the stockholders.

(d) To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this section, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the manner provided in subsection (c) upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section.

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(f) The indemnification provided by this section shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, vote of stockholders or disinterested director or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the

power to indemnify him against such liability under the provisions of this section.

TENTH. No director of the corporation shall be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty by such director as a director; provided however, that this Article TENTH shall not eliminate or limit the liability of a director to the extent provided by applicable law (i) for any breach of the director's duty of loyalty to the corporation or its stockholder, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. No amendment to or repeal of this Article TENTH shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

EXHIBIT 10.1

WOLVERINE WORLD WIDE, INC.
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

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WOLVERINE WORLD WIDE, INC.

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Wolverine World Wide, Inc. ("Wolverine") hereby adopts the Wolverine World Wide, Inc. Supplemental Executive Retirement Plan, a supplemental nonqualified plan for a select group of management personnel employed by Wolverine and any subsidiary of Wolverine.

ARTICLE 1

ESTABLISHMENT OF PLAN

1.1 ESTABLISHMENT OF PLAN.

This Plan is a supplemental, nonqualified Plan and is intended to be a Plan for a select group of management and highly compensated employees of Wolverine and affiliates of Wolverine. This Plan is intended to be a Plan described in Sections 201(2), 301(a)(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). As a supplemental nonqualified executive retirement program it is not subject to limitations in the Internal Revenue Code applicable to benefits provided through a qualified, tax-exempt employee benefit plan established under Section 401(a) of the Internal Revenue Code of 1986, as amended ("Code").

1.2 EMPLOYER; COMPANY.

"Employer" and "Company" mean Wolverine World Wide, Inc. and any affiliate of Wolverine World Wide, Inc. which has adopted this Plan with the consent of Wolverine World Wide, Inc.

1.3 RABBI TRUST.

This Plan may be funded by contributions to a "Rabbi" trust which does not alter the "unfunded," nonqualified status of the Plan for federal tax purposes.

1.4 EFFECTIVE DATE.

The "Effective Date" of this Plan is January 1, 1996. Each Plan provision applies until the effective date of an amendment of that provision.

ARTICLE 2

DEFINITIONS

2.1 EMPLOYEE.

"Employee" means an individual employed by the Employer who receives compensation for personal services performed for the Employer that is subject to withholding for federal income tax purposes.

2.2 PENSION PLAN.

"Pension Plan" means the Wolverine Employees' Pension Plan, a qualified, tax-exempt defined benefit pension plan established and maintained by Wolverine under Code Sections 401(a) and 501(a).

2.3 PLAN YEAR.

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

2.4 PRESENT VALUE.

"Present Value" means the present value as computed under the Pension Plan as of the end of the most recently completed Plan Year, but using the GATT 30-year Treasury interest rate.

2.5 SPOUSE/MARRIED.

"Spouse" means the husband or wife to whom the Participant is married on the date the benefit is scheduled to be paid, or payment is scheduled to begin. The legal existence of the marital relationship shall be governed by the law of the state or other jurisdiction of domicile of the Participant.

2.6 SURVIVING SPOUSE.

"Surviving Spouse" means the Spouse of the Participant at the time of the Participant's death who survives the Participant. If the Participant

and Spouse die under circumstances which prevent ascertainment of the order of their deaths, it shall be presumed for this Plan that the Participant survived the Spouse.

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ARTICLE 3

PARTICIPANT

3.1 DESIGNATION AS PARTICIPANT.

Only management and highly compensated Employees shall be eligible to participate in this Plan.

Wolverine shall designate eligible Employees who shall become participants ("Participant"). The designation shall be made in writing, and shall become effective when both the Employer and the Employee have signed a Participation Agreement in the form attached as Exhibit "A." A designated eligible Employee shall become a Participant on the date specified in the Participation Agreement.

3.2 INACTIVE PARTICIPANT STATUS.

The Administrator may notify an Employee Participant in writing at any time that the Participant is being converted to Inactive Participant status. An Employee Participant will not accrue additional Years of Service under this Plan after the date of such notice, unless the Participant is subsequently designated as a Participant under Section 3.1.

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ARTICLE 4

CONTRIBUTIONS/FUNDING

4.1 AMOUNT.

The Employer is not required to make contributions to fund the benefits under this Plan. The Employer may make contributions sufficient to prevent an unfunded liability from adversely affecting financial

disclosures required under generally accepted accounting principles and to provide reasonable anticipated benefits under this Plan. Employees shall not make any contributions under this Agreement.

4.2 NO RELATIONSHIP TO BENEFITS.

The benefits provided by this Agreement shall be separate from and unrelated to any contributions made by Employer (including but not limited to assets held in a trust created under Article IX of this Plan, if any).

4.3 UNFUNDED PLAN.

This shall be an unfunded Plan within the meaning of ERISA and the Code. Benefits payable under this Plan constitute only an unsecured contractual promise to pay in accordance with the terms of this Plan by the Employer.

4.4 UNSECURED CREDITOR STATUS.

A Participant shall be an unsecured general creditor of the Employer as to the payment of any benefit under this Plan. The right of any Participant or Beneficiary to be paid the amount promised in this Plan shall be no greater than the right of any other general, unsecured creditor of the Employer.

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ARTICLE 5

AMOUNT OF BENEFITS

5.1 RETIREMENT BENEFITS.

A Participant who has 5 Years of Service after the earlier of execution of a Participation Agreement under this Plan or a Deferred Compensation Agreement, or who has reached age 65 before Retiring, will be entitled to a benefit computed under this Section, unless the benefit is forfeited under Article 6. For purposes of this Article 5, the terms "Retiring" or "Retire" shall include any termination of the Participant's status as an Employee of the Employer.

(a) ANNUAL BENEFIT. The "Annual Benefit" under this Plan will be an amount computed by multiplying that percentage of the Participant's Average Earnings which is designated in the Participation Agreement ("Designated Percentage") by the Participant's Years of Service. The Annual Benefit shall be reduced by the Participant's Annual Pension Benefit (as defined in 5.1(c) below). Further, if the Participant elects pre-age 65 payment, the Annual Benefit shall be reduced as provided in 5.1(b) below.

(i) EARNINGS. "Earnings" means Earnings as computed under the Pension Plan, excluding:

(A) LONG-TERM INCENTIVE PLAN. Any amounts paid to the Participant under the Wolverine Executive Long Term Incentive (Three Year) Plan or any comparable long-term bonus Plan, and

(B) SEVERANCE PAYMENTS. Any payments to the Participant under any severance agreement or policy.

(ii) AVERAGE EARNINGS. "Average Earnings" means the average of a Participant's Earnings for the Participant's four consecutive highest earnings calendar years of the most recent ten consecutive Years of Service immediately prior to the date on which the Participant Retires, except that Years of Service during which a Participant receives a disability benefit under Section 5.3 of this Plan will be omitted from the calculation of Average Earnings if doing so will produce higher Average Earnings. In computing Average Earnings, a Participant's earnings for the calendar year of retirement or earlier termination of employment shall be annualized and the Participant shall be deemed to have received earnings during that entire calendar year.

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(iii) YEARS OF SERVICE. "Years of Service" means a Participant's Years of Service under the Pension Plan, except that: (i) periods during which a Participant is receiving a disability benefit under Section 5.3 of this Plan will count as Years of Service for computation of any benefit under this Plan other than a disability benefit, and will not count as Years of Service for computation of a disability benefit; (ii) periods during which a Participant is an Inactive Participant (as defined in Section 3.2) will not count as Years of Service under this Plan; (iii) upon the recommendation of the Compensation Committee, the Board of Directors of the Company may grant a Participant deemed Years of Service for purposes of this Section; and (iv) the maximum number of Years of Service used in computing a benefit under this Plan shall be 25.

(b) BEFORE AGE 65. The benefit payable to a Participant who Retires before reaching age 65 will be the benefit computed under (a) above, beginning on the first day of the month following the Participant's 65th birthday.

(i) EARLIER PAYMENT. A Participant who has 10 or more Years of Service may elect to begin receiving a reduced benefit beginning on the first day of any month after the Participant attains age 55. If the Participant begins receiving a benefit between age 60 and 65, the reduction shall be .1666% (1/6 of 1%) for each month between the date benefits begin and the first day of the month following that in which the Participant would attain age 65. If the Participant begins receiving benefits between age 55 and 60, there shall be an additional reduction of .333% (1/3 of 1%) for each month between the date benefits begin and the first day of the month following that in which the Participant would attain age 60.

(ii) DEEMED EARLY RETIREMENT PENSION ELECTION. A Participant who is eligible and in fact elects payment prior to the Participant's attainment of age 65 shall be deemed (for purposes of the Annual Pension benefit reduction in subsection (c) below) to have elected Early Retirement under the Pension Plan as of the later of the Participant's attainment of age 60 or the date that the Participant begins to receive benefits under this Plan.

(c) ANNUAL PENSION BENEFIT. A Participant's "Annual Pension Benefit" shall mean the amount of benefit payable to the Participant under the Pension Plan in the form of a life annuity, prior to any offset for workers compensation payments.

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5.2 DEATH.

A death benefit shall be payable only under this section.

(a) BEFORE COMMENCEMENT OF BENEFITS. If a Participant dies before beginning to receive benefits under Section 5.1 or 5.4, the Participant's Beneficiary will be paid a lump sum death benefit without regard to the 5-year service or minimum age requirements of Section 5.1. The death benefit shall be equal to the Present Value of the benefit computed under Section 5.1 as if the Participant had Retired on the date of death, had begun receiving benefits at age 65, and had continued to receive benefits for the remainder of the Participant's life expectancy. If the Participant has received a Disability benefit under Section 5.3, the lump sum death benefit under this subsection will be reduced by the actuarial value of benefits received under Section 5.3.

(b) AFTER RETIRING. If a Participant dies after beginning to receive benefit payments under Section 5.1, benefits shall cease unless the Participant was receiving benefits in the form of a 50% Joint and Survivor Annuity, or in any of the forms set forth in subsections 7.2(b).

5.3 DISABILITY.

A Participant (other than an Inactive Participant) who becomes Disabled while employed by the Employer shall receive the benefit provided by this section.

(a) DISABLED DEFINED. A Participant is Disabled if the Participant has a physical or mental condition that entitles the Participant to a disability benefit under the Pension Plan.

(b) BENEFIT IF PARTICIPANT BECOMES DISABLED BEFORE RETIRING. If a Participant becomes Disabled before Retiring, and is not an Inactive Participant at the time of application for a benefit under this Section 5.3, the Participant will receive a disability benefit, without regard to the 5-year service or minimum age requirement of Section 5.1. The benefit will equal 60% of the benefit computed under (a) above, based on Years of Service up to the date the Participant became Disabled. This benefit will continue until the earliest of the date of Participant's death, the date Participant reaches age 65 or the date as of which the Participant is no longer Disabled. Each benefit payment under this subparagraph (b) shall be reduced by any benefit for the same period payable under any employer funded disability plan. A reduction shall not be made for benefits from a disability plan funded by the employee either directly or through a written salary reduction agreement or program.

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5.4 MINIMUM BENEFIT.

(a) DIFFERENCE - ADDITIONAL BENEFIT. This Section 5.4 shall apply to Participants who are party to a Deferred Compensation Agreement which is designated in the Participation Agreement as eligible for the minimum benefit calculation in this Section 5.4. As of the first date on which such a Participant begins receiving a benefit under this Plan, or as of the date a Participant's Beneficiary becomes entitled to a lump sum payment under this Plan, the Administrator will compare the projected total benefits to be paid to or on behalf of such Participant under this Plan and the current Pension Plan to the total benefits which would have been paid to or on behalf of such Participant if the Deferred Compensation Agreement had remained in effect, and the Participant had been eligible for an Annual Pension Benefit under the Pension Plan benefit formula in effect on December 31, 1994. If the Administrator determines that the total payments to or on behalf of the Participant under this Plan (before any reduction for the Participant's Annual Pension Benefit) would be less than the sum of:

(i) the total payments which would have been made to or on behalf of the Participant under the Deferred Compensation Agreement; and

(ii) the Participant's Annual Pension Benefit computed using the Pension Plan benefit formula in effect on December 31, 1994;

then the difference will be paid to the Participant as an additional

monthly amount under the form of payment elected by the Participant, or, if a lump sum payment is being made, the difference will be added to the lump sum payment.

The Administrator will again make the comparison provided for by this subsection as of the date when all benefits cease under this Plan, and if additional amounts would be due under the formula set forth above, the Administrator shall cause a lump sum payment to be made to the Participant's designated beneficiary or estate.

(b) DETERMINATIONS. In making this determination, the Administrator shall compute Deferred Compensation Agreement benefits under the terms of the Deferred Compensation Agreement, except that:

(i) for purposes of computing a lump-sum benefit for which the Participant would have been eligible under the Deferred Compensation Agreement due to termination of his employment after a Change in Control, the terms "Change in Control," "Cause," "Disability," "total disability/totally disabled," "Retirement," "Notice of Termination," and "Date of Termination" as used in any such Deferred Compensation Agreement shall be defined as provided in Article 10 of this Plan; and

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(ii) the Designated Period, as defined in Section 10.2 shall be used in determining whether the Participant would have been entitled to accelerated vesting under the Deferred Compensation Agreement, rather than the 5-year period provided for in the Deferred Compensation Agreement; and

(iii) the person entitled to receive the benefit will be determined under this Plan without regard to any former designation of beneficiary under the Deferred Compensation Agreement.

In making the benefit comparison under this Section, the Administrator shall use the actual dates on which a Participant Retires, dies, or is determined to have become Disabled, and in making the projection called for the Administrator shall assume that the Participant and the Participant's Spouse will remain living for their respective life expectancies. If the dates on which benefits would have been paid under the Deferred Compensation Agreement differ from the dates on which benefits are actually paid under this Plan, the Administrator will make the determination called for by this Section based on the Present Value of both streams of payments as of the date payments begin under this Plan.

FORFEITURE

6.1 MISCONDUCT.

Subject to Article 10, a Participant (or Participant's Spouse or Beneficiary) will not be entitled to any benefits under this Agreement if the Participant is discharged for dishonesty, commission of a misdemeanor or felony injurious to the Employer, or any action inimical to the interests of the Employer, or the Participant resigns while an investigation is ongoing to determine whether Participant should be discharged for any such reason and the Administrator determines that Participant would have been so discharged but for the resignation; or

6.2 COMPETITIVE ACTIVITY.

A Participant (or such Participant's Spouse or Beneficiary) shall not be entitled to any benefit payment if, prior to the date on which such benefit payment is due, the Participant has acquired any ownership interest in a competing business (other than an ownership interest consisting of less than 5% of a class of publicly traded securities), or has been employed as director, officer, employee, consultant, adviser, partner or owner of a competing business. A "competing business" includes any business which is substantially similar to the whole or any part of the business conducted by the Employer. Upon the recommendation of the Compensation Committee, the Board of Directors may partially or completely waive the application of this provision.

6.3 INSURANCE RELATED.

A Participant (or such Participant's Spouse or Beneficiary) shall not be entitled to any benefit payment if benefits are not payable under any policy of life or disability insurance obtained by the Employer to fund its obligations under this Plan, due to the Participant's suicide or the Participant's misrepresentation or omission of information required to be furnished to the insurer in connection with the issuance of such policy.

PAYMENT OF BENEFITS

7.1 EVENT OF DISTRIBUTION.

Benefit payments shall begin following termination of Participant's employment at the time and in the manner specified in this Article. Subject to Article 10, a transfer of employment among the Company and its subsidiaries is not a termination of employment, nor (subject to Article 10) shall a Participant's employment be deemed terminated if Participant is offered employment by a successor which purchases all or substantially all of the assets of the Company and who adopts this Plan.

7.2 FORM OF PAYMENT.

(a) PRESUMED METHOD. A Disability Benefit shall be paid in the form of a life annuity. Unless a Participant elects otherwise, a Retirement Benefit shall be paid in the form of a Joint and 50% Survivor Annuity to a married Participant, or in the form of a Life Annuity to any other Participant in lieu of the normal form of payment.

(b) OPTIONAL METHODS. A Participant may elect any of the following actuarially equivalent optional forms for a Retirement Benefit with the consent of the Company by notifying the Administrator in writing before the end of the calendar year preceding that in which the Participant begins receiving a benefit.

(i) 5 OR 10-YEAR CERTAIN AND LIFE. A monthly amount for life to the Participant, and if the Participant dies before payment of 60 or 120 monthly benefit payments, the same monthly amount shall be paid to the Participant's Beneficiary until a total of 60/120 monthly payments have been made.

(ii) JOINT AND 100% SPOUSE ANNUITY. A monthly amount to the Participant for the Participant's lifetime and in an equal monthly amount to the Participant's Surviving Spouse, if any, for life.

(c) LUMP SUM. A lump-sum benefit shall not be available except as provided in this subsection (c).

(i) ELIGIBLE PARTICIPANT/BENEFICIARY. A Participant (or Beneficiary) who has a benefit under subsection (a) with an actuarially equivalent Present Value which does not exceed \$3,500; a Participant who is entitled to a Change in Control Benefit; or a Beneficiary who is entitled to a death benefit under Section 5.2(a) (death before commencement of benefits) may elect a lump-sum payment.

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(ii) AMOUNT. Except as modified by the provisions of Section 10.1 for a Change of Control Benefit, the amount of the lump sum shall be the actuarially equivalent present value of the Participant's benefit payable under the Plan at the Participant's Normal Retirement Date (as defined in the Pension Plan).

7.3 CALCULATION.

All benefit calculations shall be made as of the date the Participant's employment terminates or, if later, upon occurrence of the event which triggers payment of the benefit. Each form of benefit payment shall be actuarially equivalent to a life annuity and shall be based upon the actuarial assumptions and factors applicable in the Pension Plan in effect on the date the Participant's employment terminates.

7.4 TIME OF PAYMENT - RETIREMENT.

(a) AT OR AFTER AGE 65. Retirement benefits under this Plan shall begin on the first day of the later of the month following that in which the Participant attains age 65, or that in which the Participant Retires.

(b) AGE 55 TO 65. A Participant who wishes to receive a benefit provided by Section 5.1(b) may elect to do so, with the consent of the Company, by notifying the Administrator in writing. Such notice must be given, if at all, prior to the beginning of the calendar year in which Participant begins receiving a benefit. The benefit will begin on the first day of the month designated in such election.

(c) LUMP SUM. Any lump-sum benefit payable under Section 7.2(c) shall be paid on March 1 following the end of the calendar year in which the Participant's employment terminates or the Participant dies.

(d) DELAYED PAYMENT. If the payment of benefits begins after the time specified for payment above, the benefit shall be adjusted for late payment in the same manner as under the Pension Plan (as in effect on the date the Participant's employment terminates).

7.5 TIME OF PAYMENT - DEATH.

Benefits shall cease upon a Participant's death unless continued under this section.

(a) SPOUSE. If a benefit is payable as a Joint and 50/100% Spouse Annuity and the married Participant dies, payment shall continue to the

Participant's Surviving Spouse until the Spouse's death.

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(b) PAYMENT TO BENEFICIARY. If a benefit is payable as a 5 or 10-Year Certain and Life annuity and the Participant dies prior to payment of all amounts due under this Plan, payment of all remaining benefits shall be made to the Participant's Beneficiary.

(c) BENEFICIARY. "Beneficiary" means the individual, trust or other entity designated by the Participant to receive any benefits payable under this Plan after the Participant's death. A Participant may designate or change a Beneficiary by filing a signed designation with the Administrator in the form approved by the Administrator. The Participant's Will is not effective for this purpose. If a designation has not been properly completed and filed with the Administrator or is ineffective for any other reason, the Beneficiary shall be the Participant's Surviving Spouse. Designation of a Beneficiary shall not in itself serve to revoke an actual election of a Joint and Survivor Annuity method of payment (or a deemed election under Section 7.2(a)).

(d) PAYMENT TO ESTATE. If there is not an effective designation and the Beneficiary/Participant does not have a Surviving Spouse, the remaining benefits, if any, shall be paid to the Participant's estate. If payment is to be made to the estate of a Participant, payment shall be made in a lump sum.

(e) WITHHOLDING TAXES. The Employer may withhold from all payments due to Participant (or his/her beneficiary or estate) hereunder all taxes which, by applicable federal, state, local or other law, the Employer is required to withhold therefrom.

(f) GENERATION-SKIPPING TRANSFER TAX. The Employer may withhold any benefits payable to a Beneficiary as a result of the death of a Participant or any other Beneficiary until it can be determined whether a generation-skipping transfer tax, as defined in Chapter 13 of the Code, or any substitute provision therefor, is payable and the amount of generation-skipping transfer tax, including interest, that is due. If a tax is payable, the benefits otherwise payable shall be reduced in an actuarially equivalent amount to reflect the payment of the generation-skipping transfer tax and interest. Any benefits withheld shall begin or resume as soon as there is a final determination of the applicable generation-skipping transfer tax and interest.

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ARTICLE 8

ADMINISTRATION

8.1 DUTIES, POWERS, AND RESPONSIBILITIES OF THE EMPLOYER.

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

(i) EMPLOYER CONTRIBUTIONS.

(A) AMOUNT. Determining the amount of Employer Contributions if any.

(B) PAYMENT. Paying, ceasing, or suspending Employer

Contributions if any.

(ii) AGENT OF SERVICE OF PROCESS. Serving as the agent for service of process;

(iii) AMENDMENT. Amending this Plan and trust; and

(iv) PLAN TERMINATION. Revoking this instrument and terminating this Plan (and any related trust).

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

(i) ALTERNATE ADMINISTRATOR. Designating a Person other than the Employer as the Administrator; and

(ii) PAYMENT OF ADMINISTRATIVE EXPENSES. Paying administrative expenses incurred in the operation, administration, management, and control of the Plan.

(iii) RESERVED POWERS. Designating Participants, crediting a Participant with deemed Years of Service, or waiving the competitive activity forfeiture provisions.

8.2 EMPLOYER ACTION.

An action required to be taken by the Employer shall be taken by its Board of Directors unless the board has delegated the power or responsibility to one or more Persons identified by its resolution.

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8.3 PLAN ADMINISTRATOR.

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

8.4 DUTIES, POWERS, AND RESPONSIBILITIES OF THE ADMINISTRATOR.

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

(a) PLAN INTERPRETATION. Interpret this instrument (including resolving an inconsistency or ambiguity or to correcting an error or an omission). All questions of interpretation, construction, or application arising under this Agreement shall be decided by the Administrator whose decision shall be final and conclusive upon all persons, except that the Administrator's decision shall not be final and conclusive with regard to a Participant's entitlement to a benefit under Section 10.1;

(b) PARTICIPANT RIGHTS. Determine the rights of Participants and Beneficiaries under the terms of this Plan;

(c) CLAIMS AND ELECTIONS. Establish or approve the manner of making an election, designation, application, claim for benefits, and review of claims;

(d) BENEFIT PAYMENTS. Direct the time that payments are to be made or to begin, and the elected form of distribution;

(e) ADMINISTRATIVE INFORMATION. Obtain to the extent reasonably possible all information necessary for the proper administration of this Plan;

(f) RECORDKEEPING. Establish procedures for and supervise the establishment and maintenance of all records necessary and appropriate for the proper administration of this Plan;

(g) REPORTING AND DISCLOSURE. Prepare and file annual and periodic reports or disclosure documents required under ERISA and Regulations;

(h) ADVISERS. Employ attorneys, actuaries, accountants, clerical employees, agents, or other Persons who are necessary for operation, administration, and management of this Plan;

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(i) OTHER POWERS AND DUTIES. Exercise all other powers and duties necessary or appropriate under this Plan, except those powers and duties allocated to another named fiduciary.

8.5 CLAIMS PROCEDURE.

The Administrator shall determine all issues arising from the administration of this Plan.

(a) INITIAL DETERMINATION. Upon application by a Participant or Beneficiary, the Administrator shall make an initial determination and communicate the determination to the participant or Beneficiary within 90 days after the application. If the initial determination requires a longer period, the Administrator shall notify the Participant or Beneficiary that the 90-day period is extended to 180 days.

(b) METHOD. The decision of the Administrator shall be in writing. The decision shall set forth (i) the decision and the specific reason for the decision; (ii) specific reference to the Plan provisions on which the decision is based; (iii) a description of additional material, information, or acts that may change or modify the decision; and (iv) an explanation of the procedure for further review of the decision.

(c) FURTHER REVIEW. Within 60 days of receipt of the initial written decision, the Participant or Beneficiary filing the original application, or the applicant's authorized representative, may make a request for redetermination by the Administrator. The applicant (or the authorized representative) may review all pertinent documents and submit issues, comments, and arguments.

(d) REDETERMINATION. Within 60 days of receipt of an application for redetermination, unless special circumstances require a longer period of time (but not longer than 120 days after receipt of the application), the Administrator shall provide the applicant with its final decision, setting forth specific reasons for the decision with specific reference to plan provisions on which the decision is based.

8.6 PARTICIPANT'S RESPONSIBILITIES.

All requests for action of any kind by a Participant or Beneficiary under this Plan shall be in writing and executed by the Participant or Beneficiary.

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ARTICLE 9

INVESTMENT AND ADMINISTRATION OF ASSETS

9.1 RABBI TRUST.

Contributions to this Plan or assets purchased by Employer with the intent of defraying the cost of providing benefits under this Agreement may

be held in a Rabbi Trust. The Trust will conform to the terms of the model Trust set forth in Revenue Procedure 92-65 (or a successor pronouncement by the Internal Revenue Service).

9.2 INSURANCE.

The Employer may purchase a policy of life insurance on the life of a Participant (in whom the Employer has an insurable interest) to assist it in providing the Benefits. The Employer shall be the sole applicant, owner, premium payer and beneficiary of the policy, and shall exercise all incidents of ownership. The Employer intends that the value of the policy while in force and that the death proceeds of the policy shall be excluded from taxation under Code Sections 7702 and 101(a) respectively.

9.3 AVAILABLE TO CREDITORS.

Any contribution made by Employer or asset held by Trustee related to this Agreement shall be available to the general creditors of the Employer as specified in the Trust.

9.4 NO TRUST OR FIDUCIARY RELATIONSHIP.

Except as required by governing law, this Plan shall not create a trust or fiduciary relationship of any kind between the Participant (or the Participant's Spouse or Beneficiary) and the Employer or any third party.

9.5 BENEFIT PAYMENTS.

Benefit payments shall be paid directly by the Employer or indirectly through a grantor trust (owned or maintained by the Employer) to the Participant or the Participant's Beneficiary. If a trust is established, the Employer shall not be relieved of its obligation and liability to pay the benefits of this Plan except to the extent payments are actually made from the trust.

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ARTICLE 10

SPECIAL CHANGE IN CONTROL BENEFIT

10.1 BENEFIT.

If a Participant's employment with the Company is terminated during the Designated Period after a Change in Control other than by reason of a Nonqualifying Termination, then notwithstanding any other provision of this Plan, the Participant shall be paid, within 30 days following such termination and in lieu of any other benefit to which Participant, Participant's Spouse, or Participant's Beneficiary might have been entitled at any time under this Plan or under any Deferred Compensation Agreement, the Change in Control Benefit. The Change in Control Benefit shall be the greater of:

(a) STANDARD BENEFIT. A lump sum equal to 125% of the Present Value of the payments for which Participant would have been eligible beginning at age 55 (or at Participant's age on the date the employment terminates, if greater than 55), without reduction for the early retirement factor set forth in Section 5.1(b), based on Participant's Years of Service as of the date Participant's employment terminates; or

(b) MINIMUM BENEFIT. The Minimum Benefit provided in Section 5.4.

10.2 DEFINITIONS.

As used in this Article 10, the following terms shall have the respective meanings set forth below:

(a) "Cause" means (1) the willful and continued failure by

Participant to substantially perform his or her duties with Company and/or its subsidiaries (other than any such failure resulting from Participant's incapacity due to physical or mental illness, or any such actual or anticipated failure resulting from Participant's termination for Good Reason) after a demand for substantial performance is delivered to Participant by the Board and/or its Chairman (which demand shall specifically identify the manner in which the Board and/or its Chairman believes that Participant has not substantially performed his or her duties); or (2) the willful engaging by Participant in gross misconduct materially and demonstrably injurious to the Company and/or its subsidiaries. For purposes of this Section, no act or failure to act on the part of Participant shall be considered "willful" unless done or omitted to be done by Participant not in good faith and without reasonable belief that his or her action(s) or omission(s) was in the best interests of the Company and/or its subsidiaries. Notwithstanding the foregoing, Participant shall not be deemed to have been terminated for Cause unless and until the Company provides Participant with a copy of a resolution

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adopted by an affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for the purpose (after reasonable notice to Participant and an opportunity for Participant, with counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Participant has been guilty of conduct set forth in (1) or (2) above, setting forth the particulars in detail. A determination of Cause by the Board shall not be binding upon or entitled to deference by any finder of fact in the event of a dispute, it being the intent of the parties that such finder of fact shall make an independent determination of whether the termination was for "Cause" as defined in (1) and (2) above.

(b) "Change in Control" means:

(1) the acquisition by any individual, entity, or group (a "Person"), including any "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of 20% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions shall not constitute a Change in Control: (a) any acquisition by the Company, (b) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (c) any acquisition by any corporation pursuant to a reorganization, merger, or consolidation involving the Company, if, immediately after such reorganization, merger, or consolidation, each of the conditions described in clauses (i), (ii), and (iii) of subsection (3) of this Section 10.2(b) shall be satisfied, or (d) any acquisition by the Participant or any group of persons including the Participant; and provided further that, for purposes of clause (a), if any Person (other than the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company) shall become the beneficial owner of 20% or more of the Outstanding Company Common Stock or 20% or more of the Outstanding Company Voting Securities by reason of an acquisition by the Company and such Person shall, after such acquisition by the Company, become the beneficial owner of any additional shares of the Outstanding Company Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(2) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, however, that any individual who

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becomes a director of the Company subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by the vote of at least three-quarters of the directors

then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board; and provided further, that no individual who was initially elected as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board, shall be deemed to have been a member of the Incumbent Board;

(3) approval by the stockholders of the Company of a reorganization, merger, or consolidation unless, in any such case, immediately after such reorganization, merger, or consolidation, (i) more than 50% of the then outstanding shares of common stock of the corporation resulting from such reorganization, merger, or consolidation and more than 50% of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals or entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such reorganization, merger, or consolidation and in substantially the same proportions relative to each other as their ownership, immediately prior to such reorganization, merger, or consolidation, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or the corporation resulting from such reorganization, merger, or consolidation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such reorganization, merger, or consolidation, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 20% or more of the then outstanding shares of common stock of such corporation or 20% or more of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors, and (iii) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger, or consolidation were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such reorganization, merger, or consolidation; or

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(4) approval by the stockholders of the Company of (i) a plan of complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company other than to a corporation with respect to which, immediately after such sale or other disposition, (a) more than 50% of the then outstanding shares of common stock thereof and more than 50% of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such sale or other disposition and in substantially the same proportions relative to each other as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (b) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or such corporation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such sale or other disposition, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 20% or more of the then outstanding shares of Common stock thereof or 20% or more of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors and

(c) at least a majority of the members of the board of directors thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition.

Notwithstanding anything contained in this Agreement to the contrary, if Participant's employment is terminated prior to a Change in Control and Participant reasonably demonstrates that such termination was at the request of or in response to a third party who has indicated an intention or taken steps reasonably calculated to effect a Change in Control (a "Third Party") who effectuates a Change in Control, then for all purposes of this Agreement, the date of a Change of Control shall mean the date immediately prior to the date of such termination of Participant's employment.

(c) "Common Stock" means the common stock of the Company, \$1 par value per share.

(d) "Date of Termination" means (1) the effective date on which Participant's employment by the Company and/or its subsidiaries terminates as specified in a Notice of Termination by the Company or Participant, as the case may be, or (2) if Participant's employment by the Company and/or its subsidiaries terminates by reason of death, the date of death of

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Participant. Notwithstanding the previous sentence, (i) if the Participant's employment is terminated for Disability (as defined in (f)), then such Date of Termination shall be no earlier than thirty (30) days following the date on which a Notice of Termination is received, and (ii) if the Participant's employment is terminated by the Company and/or its subsidiaries other than for Cause, then such Date of Termination shall be no earlier than thirty (30) days following the date on which a Notice of Termination is received.

(e) "Designated Period" means the designated period set forth in the Participant's Participation Agreement.

(f) "Disability" means Participant's failure to substantially perform his/her duties with the Company and/or its subsidiaries on a full-time basis for at least one hundred eighty (180) consecutive days as a result of Participant's incapacity due to mental or physical illness.

(g) "Good Reason" means, without Participant's express written consent, the occurrence of any of the following events after a Change in Control:

(1) (a) the assignment to Participant of any duties inconsistent in any material adverse respect with Participant's position(s), duties, responsibilities, or status with the Company and/or its subsidiaries immediately prior to such Change in Control; (b) a material adverse change in Participant's reporting responsibilities, titles or offices with the Company and/or its subsidiaries as in effect immediately prior to such Change in Control; or (c) any removal or involuntary termination of Participant by the Company and/or its subsidiaries otherwise than as expressly permitted by this Agreement (including any purported termination of employment which is not effected by a Notice of Termination); or (d) any failure to re-elect Participant to any position with the Company and/or its subsidiaries held by Participant immediately prior to such Change in Control;

(2) a reduction by the Company and/or its subsidiaries in Participant's rate of annual base salary as in effect immediately prior to such Change in Control or as the same may be increased from time to time thereafter;

(3) any requirement of the Company and/or its subsidiaries that Participant (i) be based anywhere other than the facility where Participant is located at the time of the Change in Control or reasonably equivalent facilities within twenty five (25) miles of such facility or (ii) travel for the business of the Company and/or its subsidiaries to an extent substantially more burdensome than the travel obligations of Participant immediately prior to such Change in Control;

(4) the failure of the Company and/or its subsidiaries to continue the Company's executive incentive plans or bonus plans in which Participant is participating immediately prior to such Change in Control or a reduction of the Participant's target incentive award opportunity under the Company's Executive Long-Term Incentive (Three Year) Plan (three-year bonus plan), Executive Short Term Incentive Plan (annual bonus plan) or other bonus plan adopted by the Company;

(5) the failure of the Company and/or its subsidiaries to (a) provide any employee benefit plan or compensation plan (including but not limited to stock option, restricted stock, incentive stock option or other similar programs) in which Participant is participating immediately prior to such Change in Control, in accordance with the most favorable plans, practices, programs and policies of the Company and/or its subsidiaries in effect for Participant immediately prior to the Change in Control, unless Participant is permitted to participate in other plans providing Participant with substantially comparable benefits; (b) provide Participant and Participant's dependents with welfare benefits (including, without limitation, medical, prescription, dental, disability, salary continuance, employee life, group life, accidental death and travel accident insurance plans and programs) in accordance with the most favorable plans, practices, programs, and policies of the Company and/or its subsidiaries in effect for Participant immediately prior to such Change in Control; (c) provide fringe benefits in accordance with the most favorable plans, practices, programs, and policies of the Company and/or its subsidiaries as in effect for Participant immediately prior to such Change in Control; or (d) provide Participant with paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and/or its subsidiaries as in effect for Participant immediately prior to such Change in Control; or the taking of any action by the Company and/or its subsidiaries which would adversely affect Participant's participation in or materially reduce Participant's benefits under any such plan;

(6) the failure of the Company and/or its subsidiaries to pay any amounts owed Participant as salary, bonus, deferred compensation or other compensation;

(7) the failure of the Company to obtain an assumption agreement from any successor as contemplated in Section 10.4;

(8) the refusal by the Company and/or its subsidiaries to continue to allow Participant to attend to matters or engage in activities which did not involve a substantial portion of a Participant's time and which are not directly related to the business of the Company and/or its subsidiaries which were permitted by the Company and/or its subsidiaries immediately prior to such Change in

Control, including without limitation serving on the Boards of Directors of other companies or entities;

(9) Any amendment or termination of this Plan which unfavorably affects a Participant or reduces any protection afforded to a Participant (including a failure to continue to credit service with any successor after a change in control for purposes of this Plan).

(10) Any purported termination of Participant's Employment which is not effected pursuant to a Notice of Termination; and

(11) Any other material breach by Company of its obligations under any executive severance agreement between the Participant and the Company.

For purposes of this Agreement, any good faith determination of Good Reason made by Participant shall be conclusive; provided, however, that an isolated and insubstantial action taken in good faith and which is remedied by the Company and/or its subsidiaries within ten (10) days after receipt of notice thereof given by Participant shall not constitute Good Reason.

Any event or condition described in this subsection (g)(1) through (10) which occurs prior to a Change in Control, but which Participant reasonably demonstrates was at the request of or in response to a Third Party who effectuates a Change in Control, shall constitute Good Reason following a Change in Control for purposes of this Agreement notwithstanding that it occurred prior to the Change in Control.

(h) "Nonqualifying Termination" means a termination of Participant's employment (1) by the Company and/or its subsidiaries for Cause, (2) by Participant for any reason other than for Good Reason with Notice of Termination, (3) as a result of Participant's death, and (4) by the Company and/or its subsidiaries due to Participant's Disability, unless within thirty (30) days after Notice of Termination is provided to Participant following such Disability Participant shall have returned to substantial performance of Participant's duties on a full-time basis.

(i) "Notice of Termination" means written notice of Participant's Date of Termination by the Company or Participant, as the case may be, to the other, which (1) indicates the specific termination provision in this Agreement relied upon, (2) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Participant's employment under the provision so indicated, and (3) specifies the termination date. The failure by Participant or the Company to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Participant or the Company hereunder or preclude Participant or the Company from asserting such fact or circumstance in enforcing Participant's or the Company's rights hereunder.

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10.3 METHOD OF PAYMENT.

Payment shall be made, to the extent possible, by distribution of any insurance policy or policies purchased by the Company in connection with this Agreement and in effect on the date of a Change in Control, valued for distribution purposes at their cash surrender value. Any remaining balance of the distribution sum shall be paid in cash.

10.4 SUCCESSOR OBLIGATIONS IN CHANGE OF CONTROL SITUATION.

(a) Neither this Plan nor any Participation Agreement shall be terminated by any merger or consolidation of the Company whereby the Company is or is not the surviving or resulting corporation or as a result of any transfer of all or substantially all of the assets of the Company. In the event of any such merger, consolidation, or transfer of assets, the provisions of this Plan and of such Participation Agreements shall be binding upon the surviving or resulting corporation or the person or entity to which such assets are transferred.

(b) The Company agrees that concurrently with any merger, consolidation or transfer of assets referred to in paragraph (a) of this Section 10.4, it will cause any successor or transferee unconditionally to assume, by written instrument delivered to each Participant (or his/her beneficiary or estate), all of the obligations of the Company hereunder. Failure of the Company to obtain such assumption prior to the effectiveness of any such merger, consolidation or transfer of assets shall constitute Good Reason hereunder. For purposes of implementing the foregoing, the date on which any such merger, consolidation, or transfer becomes effective shall be deemed the date Good Reason occurs, and shall be the Date of Termination if requested by Executive.

10.5 REIMBURSEMENT OF EXPENSES.

If any contest or dispute shall arise under this Plan or any Participation Agreement involving a Participant's entitlement to a benefit under Section 10.1, the Company shall reimburse Participant, on a current basis, for all legal fees and expenses, if any, incurred by Participant in connection with such contest or dispute regardless of the result thereof.

GENERAL PROVISIONS

11.1 AMENDMENT; TERMINATION.

Wolverine World Wide, Inc. may amend this Plan prospectively or retroactively, or to terminate this Plan, provided that an amendment or termination may not reduce or revoke the accrued benefits of any Participant who is already entitled as of the date of such amendment or termination to a benefit under Section 5.1 of this Plan, regardless of whether payment of such benefit has commenced. Upon termination of or a discontinuation of further accrual of benefits under this Plan, the accrued benefits of affected Participants shall become nonforfeitable and shall be distributed in accordance with the provisions of this Plan.

11.2 EMPLOYMENT RELATIONSHIP.

This Plan shall not be construed to create a contract of employment between the Employer and any Participant or to otherwise confer upon a Participant or other person a legal right to continuation of employment or any rights other than those specified herein. This Plan shall not limit or affect the right of the Employer to discharge or retire a Participant.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Agreement.

11.3 CONFIDENTIALITY AND RELATIONSHIP.

Each Participant shall agree to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Participant is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

11.4 RIGHTS NOT ASSIGNABLE.

Except for designation of a Beneficiary, benefits payable under this Plan shall not be subject to assignment, conveyance, transfer, anticipation, pledge, alienation, sale, encumbrance, or charge, whether voluntary or involuntary, by the Participant (or any Spouse or Beneficiary of the Participant), even if directed under a qualified domestic relations order or other divorce order. A benefit payable under this Plan shall not be used as collateral or security for a debt or be subject to garnishment, execution, assignment, levy, or to another form of judicial or administrative process or to the claim of a creditor through legal process or otherwise. An attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or to otherwise dispose of benefits payable, before actual receipt of the benefits, or a right to receive benefits,

shall be void and shall not be recognized.

11.5 CONSTRUCTION.

The singular includes the plural, and the plural includes the singular, unless the context clearly indicates the contrary. Capitalized terms (except those at the beginning of a sentence or part of a heading) have the meaning specified in this Plan. If a capitalized term is not defined in this Plan, the term shall have, for purposes of this Plan, the stated definitions of those terms in the Wolverine Retirement Income Plan as amended from time to time.

11.6 GOVERNING LAW.

To the extent not preempted by applicable federal law, this Plan shall be governed by and interpreted under the laws of the State of Michigan.

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EXHIBIT A - 1

WOLVERINE WORLD WIDE, INC.
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
PARTICIPATION AGREEMENT

_____ ("Employee") has been notified by Wolverine World Wide, Inc. ("Employer") of the Employer's intent to designate the Employee as a Participant in the Wolverine World Wide, Inc. Supplemental Executive Retirement Plan ("Plan"). Employer and Employee have signed this Agreement to effectuate Employee's Participant status and to agree on certain terms relating to Employee's Participant status. Therefore, Employer and Employee agree as follows:

1. PARTICIPATION DATE. Employee will become a Participant in the Plan effective _____, 19___. Employee agrees to be bound by the provisions of the Plan.
2. YEARS OF SERVICE. Employee's commencement date for purposes of computing Years of Service under the Plan is _____. Employee currently has ___ Years of Service.
3. AVERAGE EARNINGS. Employee's current Average Earnings is \$_____.
4. DESIGNATED PERCENTAGE. The Designated Percentage under Plan Section 5.1(a) is 2.4%.
5. DESIGNATED PERIOD. The Designated Period under Plan Section 10.1 is 3 years.
6. DEFERRED COMPENSATION AGREEMENT. Employer and Employee agree that:

[Check one of the following]

[] There is no deferred compensation agreement in effect as described in Plan Section 5.4(a).

[] There is a Deferred Compensation Agreement dated _____ in effect as described in Section 5.4(a) of the Plan and attached. Employee hereby relinquishes all rights under such Deferred Compensation Agreement, and agrees to look solely to the terms of the Plan with regard to any computation of a Minimum Benefit as provided in the Plan.

7. EMPLOYMENT RELATIONSHIP. Employee agrees that the Plan shall not be construed to create a contract of employment between the Employer and the Employee or to otherwise confer upon the Employee or other person a legal right to continuation of employment or any rights other than those specified herein. This plan shall not limit or affect the right of the Employer to discharge or retire the Employee.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Agreement.

8. CONFIDENTIALITY AND RELATIONSHIP. Employee agrees to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Employee is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

9. ACKNOWLEDGMENTS. Employee acknowledges the Employer's rights to:

(a) Amend or terminate the Plan at any time, subject to Section 11.1 of the Plan; and

(b) To designate the Employee as an Inactive Participant at any time, as provided in Section 3.2 of the Plan; and

(c) To make final decisions on any claim or dispute related to the Plan, as provided in Section 8.5 of the Plan; and

(d) To exercise any and all other rights of the Employer under the Plan, in the Employer's sole discretion, without any limitation other than as expressly set forth in the Plan.

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Employee agrees that any amendment or termination of the Plan shall automatically amend or terminate this Agreement, to the extent permitted by the Plan.

10. AMENDMENTS. Employee agrees that this Agreement may not be amended orally, but only in a written amendment authorized by the Company's Board of Directors and signed by the Plan Administrator.

IN WITNESS WHEREOF, the parties have signed this Agreement.

WOLVERINE WORLD WIDE, INC.

Date: _____

By: _____

Its: _____
"Employer"

Date: _____

"Employee"

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EXHIBIT A - 2

WOLVERINE WORLD WIDE, INC.
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
PARTICIPATION AGREEMENT

_____ ("Employee") has been notified by Wolverine World Wide, Inc. ("Employer") of the Employer's intent to designate the Employee as a Participant in the Wolverine World Wide, Inc. Supplemental Executive Retirement Plan ("Plan"). Employer and Employee have signed this Agreement to effectuate Employee's Participant status and to agree on certain terms relating to Employee's Participant status. Therefore, Employer and Employee agree as follows:

1. PARTICIPATION DATE. Employee will become a Participant in the Plan effective _____, 19___. Employee agrees to be bound by the provisions of the Plan.
2. YEARS OF SERVICE. Employee's commencement date for purposes of computing Years of Service under the Plan is _____. Employee currently has ___ Years of Service.
3. AVERAGE EARNINGS. Employee's current Average Earnings is \$_____.
4. DESIGNATED PERCENTAGE. The Designated Percentage under Plan Section 5.1(a) is 2.0%.
5. DESIGNATED PERIOD. The Designated Period under Plan Section 10.1 is 2 years.

6. DEFERRED COMPENSATION AGREEMENT. Employer and Employee agree that:

[Check one of the following]

- [] There is no deferred compensation agreement in effect as described in Plan Section 5.4(a).
- [] There is a Deferred Compensation Agreement dated _____ in effect as described in Section 5.4(a) of the Plan and attached. Employee hereby relinquishes all rights under such Deferred Compensation Agreement, and agrees to look solely to the terms of the Plan with regard to any computation of a Minimum Benefit as provided in the Plan.

7. EMPLOYMENT RELATIONSHIP. Employee agrees that the Plan shall not be construed to create a contract of employment between the Employer and the Employee or to otherwise confer upon the Employee or other person a legal right to continuation of employment or any rights other than those specified herein. This plan shall not limit or affect the right of the Employer to discharge or retire the Employee.

This Plan does not constitute a contract on the part of the Employer to employ Employee until age 65 or to continue his employment for any given period of time, either fixed or contingent. Moreover, Employee does not by this writing agree to continue in the employment of the Employer for any specified interval of time. The employment relationship, therefore, shall continue for so long as, but only for so long as, such employment is mutually satisfactory to both parties. The Employer does not promise that Employee's employment will be continued for such interval as to enable Employee to obtain all or any part of the benefits under this Agreement.

8. CONFIDENTIALITY AND RELATIONSHIP. Employee agrees to refrain from divulging any information of a confidential nature including, but not restricted to, trade secrets, operating methods, the names of the Employer's customers and suppliers and the relations of the Employer with such customers and suppliers, or other confidential information; and to refrain from using or permitting the use of such information or confidences by any interests competitive with the Employer; irrespective of whether or not Employee is then employed by the Employer, and to refrain from including, and from causing inducements to be made to, the Employer's employees to terminate employment with the Employer or undertake employment with its competitors. The obligations herein assumed by Participant shall endure whether or not the remaining promises by either party remain to be performed or shall be only partially performed.

9. ACKNOWLEDGMENTS. Employee acknowledges the Employer's rights to:

(a) Amend or terminate the Plan at any time, subject to Section 11.1 of the Plan; and

(b) To designate the Employee as an Inactive Participant at any time, as provided in Section 3.2 of the Plan; and

(c) To make final decisions on any claim or dispute related to the Plan, as provided in Section 8.5 of the Plan; and

(d) To exercise any and all other rights of the Employer under the Plan, in the Employer's sole discretion, without any limitation other than as expressly set forth in the Plan.

Employee agrees that any amendment or termination of the Plan shall automatically amend or terminate this Agreement, to the extent

permitted by the Plan.

10. AMENDMENTS. Employee agrees that this Agreement may not be amended orally, but only in a written amendment authorized by the Company's Board of Directors and signed by the Plan Administrator.

IN WITNESS WHEREOF, the parties have signed this Agreement.

WOLVERINE WORLD WIDE, INC.

Date: _____

By: _____

Its: _____
"Employer"

Date: _____

"Employee"

EXHIBIT 10.2

WOLVERINE WORLD WIDE, INC.
OUTSIDE DIRECTORS' DEFERRED COMPENSATION PLAN

Warner Norcross & Judd LLP
900 Old Kent Building
111 Lyon Street, N.W.
Grand Rapids, Michigan 49503-2489

WOLVERINE WORLD WIDE, INC.
OUTSIDE DIRECTORS' DEFERRED COMPENSATION PLAN

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WOLVERINE WORLD WIDE, INC.
 OUTSIDE DIRECTORS' DEFERRED COMPENSATION PLAN

ARTICLE 1

ESTABLISHMENT AND PURPOSES OF PLAN

1.1 ESTABLISHMENT OF PLAN. The Company hereby establishes the Wolverine World Wide, Inc. Outside Directors' Deferred Compensation Plan, a supplemental nonqualified deferred compensation plan for the Outside Directors of the Company. The Plan shall be an unfunded plan within the meaning of Internal Revenue Code of 1986, as amended. It is intended that the Plan not cover employees and therefore not be subject to the Employee Retirement Income Security Act of 1974, as amended.

1.2 PURPOSES OF PLAN. The purposes of the Plan are to attract and retain well qualified individuals for service as Outside Directors of the Company, to provide Outside Directors with the opportunity to increase their financial interest in the Company, and thereby increase their personal interest in the Company's continued success, through the payment of retirement income to Current Directors in amounts tied to the performance of the Company's Common Stock, and to provide Outside Directors with the opportunity to accumulate supplemental funds for retirement through the deferral of all or a portion of Director's Fees payable to Outside Directors.

1.3 EFFECTIVE DATE. The "Effective Date" of the Plan is April 17, 1996. Each Plan provision applies until the effective date of an amendment of that provision.

1.4 NUMBER OF STOCK UNITS. Subject to adjustment as provided in Section 7.1 of the Plan, a maximum of 200,000 Stock Units shall be available for awards under the Plan.

1.5 APPLICATION TO FORMER PARTICIPANTS. Except to the extent it amends a provision of the Plan that applies to former Participants or expressly states that it is applicable to former Participants, an amendment to the Plan (including changes included in any restatement of the Plan) shall not apply to a former Participant.

ARTICLE 2

DEFINITIONS

2.1 AVERAGE MARKET VALUE. "Average Market Value" means the mean of the Market Values of Common Stock on the last day of each month for the 12 months preceding the applicable date.

2.2 BENEFICIARY. "Beneficiary" means the individual, trust or other entity designated by the Participant to receive any benefits payable under the Plan after the Participant's death. A Participant may designate or change a Beneficiary by filing a signed designation with the Committee in a form approved by the Committee. The Participant's Will is not effective for this purpose. If a designation has not been properly completed and filed with the Committee or is ineffective for any other reason, the Beneficiary shall be the Participant's Surviving Spouse. If there is no effective designation and the Participant does not have a Surviving Spouse, the remaining benefits, if any, shall be paid to the Participant's estate.

2.3 CHANGE IN CONTROL. "Change in Control" means:

(a) The acquisition by any individual, entity or group (a "Person"), including any "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of beneficial ownership within the meaning of Rule 13d-3 issued under the Exchange Act, of 20% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, that the following acquisitions shall not constitute a Change in Control: (A) any acquisition by the Company, (B) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (C) any acquisition by any corporation pursuant to a reorganization, merger, or consolidation involving the

Company, if, immediately after such reorganization, merger, or consolidation, each of the conditions described in clauses (i), (ii), and (iii) of subsection (c) below shall be satisfied, or (D) any acquisition by the Participant or any group of persons including the Participant; and provided further that, for purposes of clause (A), if any Person (other than the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company) shall become the beneficial owner of 20% or more of the Outstanding Company Common Stock or 20% or more of the Outstanding Company Voting Securities by reason of an

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acquisition by the Company and such Person shall, after such acquisition by the Company, become the beneficial owner of any additional shares of the Outstanding Company Common Stock or any additional Outstanding Company Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;

(b) Individuals who, as of the date of the Plan, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, that any individual who becomes a director of the Company subsequent to the date of the Plan whose election, or nomination for election by the Company's stockholders, was approved by the vote of at least three-quarters of the directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board; and provided further, that no individual who was initially elected as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A issued under the Exchange Act, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board, shall be deemed to have been a member of the Incumbent Board;

(c) Approval by the stockholders of the Company of a reorganization, merger or consolidation unless, in any such case, immediately after such reorganization, merger or consolidation, (i) more than 50% of the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation and more than 50% of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals or entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such reorganization, merger or consolidation and in substantially the same proportions relative to each other as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or the corporation resulting from such reorganization, merger or consolidation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such reorganization, merger or consolidation, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns,

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directly or indirectly, 20% or more of the then outstanding shares of common stock of such corporation or 20% or more of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the election of directors, and (iii) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger or consolidation were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such reorganization, merger or consolidation; or

(d) Approval by the stockholders of the Company of (i) a plan of complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company other than to a corporation with respect to which, immediately after such sale or other disposition, (A) more than 50% of the then outstanding shares of common stock thereof and more than 50% of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such sale or other disposition and in substantially the same proportions relative to each other as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (B) no Person (other than the Company, any employee benefit plan (or related trust) sponsored or maintained by the Company or such corporation (or any corporation controlled by the Company), or any Person which beneficially owned, immediately prior to such sale or other disposition, directly or indirectly, 20% or more of the Outstanding Company Common Stock or the Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 20% or more of the then outstanding shares of common stock thereof or 20% or more of the combined voting power of the then outstanding securities thereof entitled to vote generally in the election of directors, and (C) at least a majority of the members of the board of directors thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition.

2.4 COMMITTEE. "Committee" means the Compensation Committee of the Board of Directors or such other committee as the Board of Directors shall designate to administer the Plan. The Committee shall consist of at least two members of the Board, and all of its members shall be "disinterested persons" as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

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2.5 COMMON STOCK. "Common Stock" means the common stock, \$1.00 par value per share, of Wolverine World Wide, Inc.

2.6 COMPANY. "Company" means Wolverine World Wide, Inc.

2.7 CURRENT DIRECTORS. "Current Directors" means the Outside Directors of the Company at the close of business on April 17, 1996 who participated in the Company's former Director Retirement Plan.

2.8 DIRECTOR'S FEE. "Director's Fee" means the amount of income payable to a Participant for service as an Outside Director, including payments for attendance at meetings of the Board of Directors or meetings of committees of the Board of Directors, and any retainer fee paid to chairpersons of committees of the Board of Directors.

2.9 DIVIDEND EQUIVALENT. "Dividend Equivalent" means a number of Stock Units equal to the number of shares of Common Stock (including fractions of a share) that have a Market Value equal to the amount of any cash dividends that would have been payable to a stockholder owning the number of shares of Common Stock represented by Stock Units credited to a Fee Account or Retirement Account on each dividend payment date.

2.10 FEE ACCOUNT. "Fee Account" means the bookkeeping device used by the Company to measure and determine the amounts of deferred Director's Fee income to be paid to a Participant under the Plan.

2.11 FEE STOCK UNIT. "Fee Stock Unit" means a Stock Unit credited to

a Participant's Fee Account representing deferred Director's Fee income payable to a Participant under the Plan.

2.12 MARKET VALUE. "Market Value" means the mean of the highest and lowest sale prices of shares of Common Stock on the New York Stock Exchange (or any successor exchange that is the primary stock exchange for trading of Common Stock) on the applicable date, or if the New York Stock Exchange (or any such successor) is closed on that date, the last preceding date on which the New York Stock Exchange (or any such successor) was open for trading and on which shares of Common Stock were traded.

2.13 OUTSIDE DIRECTOR. "Outside Director" means any individual who serves as a member of the Board of Directors of the Company and who is not an employee of the Company or any of its subsidiaries.

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2.14 PARTICIPANT. "Participant" means any individual who is participating in the Plan.

2.15 PLAN. "Plan" means the Wolverine World Wide, Inc. Outside Directors' Deferred Compensation Plan, as such plan may be amended, administered or interpreted from time to time.

2.16 PLAN YEAR. "Plan Year" means the 12-month period beginning each January 1, except that the Plan Year for the year in which the Plan becomes effective shall commence on the effective date of the Plan and end on December 31 of such year.

2.17 RETIREMENT ACCOUNT. "Retirement Account" means the bookkeeping device used by the Company to measure and determine the amounts of retirement income to be paid to a Current Director under the Plan.

2.18 RETIREMENT STOCK UNIT. "Retirement Stock Unit" means a Stock Unit credited to a Current Director's Retirement Account representing retirement income payable to a Current Director under the Plan.

2.19 SPOUSE. "Spouse" means the husband or wife to whom the Participant is married on the date the benefit is scheduled to be paid, or payment is scheduled to begin. The legal existence of the spousal relationship shall be governed by the law of the state or other jurisdiction of domicile of the Participant.

2.20 STOCK UNIT. "Stock Unit" means the device used by the Company to measure and determine the amounts to be paid to a Participant under the Plan. One Stock Unit represents an amount of cash equal to the applicable value of one share of the Company's Common Stock on the applicable date.

2.21 SURVIVING SPOUSE. "Surviving Spouse" means the Spouse of the Participant at the time of the Participant's death who survives the Participant. If the Participant and Spouse die under circumstances which prevent ascertainment of the order of their deaths, it shall be presumed for the Plan that the Participant survived the Spouse.

2.22 TERMINATION OF SERVICE. "Termination of Service" means the termination by a Participant of service as a director of the Company for any reason.

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ARTICLE 3

ADMINISTRATION

3.1 POWER AND AUTHORITY. The Committee shall administer the Plan, shall have full power and authority to interpret the provisions of the Plan, and shall have full power and authority to supervise the administration of the Plan. All determinations, interpretations and selections made by the Committee regarding the Plan shall be final and conclusive. The Committee shall hold its meetings at such times and places as it deems advisable. Action may be taken by a written instrument signed by a majority of the members of the Committee, and any action so taken shall be fully as effective as if it had been taken at a meeting duly called and held. The Committee shall make such rules and regulations for the conduct of its business as it deems advisable. The members of the Committee shall not be paid any additional fees for their services.

3.2 DELEGATION OF POWERS; EMPLOYMENT OF ADVISERS. The Committee may delegate to any agent such duties and powers, both ministerial and discretionary, as it deems appropriate except those that may not be delegated by law or regulation. In administering the Plan, the Committee may employ attorneys, consultants, accountants or other persons, and the Company and the Committee shall be entitled to rely upon the advice, opinions or valuation of any such persons. All usual and reasonable expenses of the Committee shall be paid by the Company.

3.3 INDEMNIFICATION OF COMMITTEE MEMBERS. Each person who is or shall have been a member of the Committee shall be indemnified and held harmless by the Company from and against any cost, liability or expense imposed or incurred in connection with such person's or the Committee's taking or failing to take any action under the Plan. Each such person shall be justified in relying on information furnished in connection with the Plan's administration by any appropriate person or persons.

ARTICLE 4

PARTICIPATION

4.1 ELIGIBILITY TO PARTICIPATE. An Outside Director shall be eligible to become a Participant in the Plan on the first day of the individual's term as an Outside Director.

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ARTICLE 5

ELECTIVE DEFERRALS OF DIRECTOR'S FEES

5.1 DEFERRAL OF DIRECTOR'S FEES. A Participant may elect to defer payment of 25%, 50%, 75% or 100% of Director's Fees for a Plan Year. For each amount deferred, the Participant's Fee Account shall be credited with a number of Fee Stock Units (including fractions of a Stock Unit) determined by dividing the dollar amount deferred by the Market Value of Common Stock on the date on which the corresponding non-deferred portion of the Director's Fee is paid or would have been payable to the Participant if the Participant had not elected to defer payment of Director's Fees.

5.2 PRIOR IRREVOCABLE ELECTION. The election to defer Director's Fees shall be made by the Participant on a form provided for that purpose prior to the beginning of a Plan Year and shall become irrevocable for each Plan Year thereafter as of the beginning of each Plan Year. The deferral election shall continue in effect for each Plan Year until revoked or modified for a subsequent Plan Year by the Participant. The deferral shall be applicable to Director's Fees earned in each Plan Year. A new Participant may make an initial irrevocable election to defer Director's Fees during the first 90 days of eligibility to participate and such election shall apply only to Director's Fees earned following the date of the election. If a new Participant does not make an election during this 90-day period, the Participant may not make an election effective earlier

than the beginning of the next Plan Year. The Participant shall have no claim or right to payment of the amounts deferred and shall be limited solely to the rights and benefits conferred under the terms of the Plan. In no event shall an election to defer Director's Fees become effective sooner than the date of the written, irrevocable election.

5.3 FEE ACCOUNTS. For bookkeeping purposes only, the Company shall maintain a separate Fee Account for each Participant. A Fee Account shall be maintained for and credited with Fee Stock Units representing the value of the Participant's deferrals plus Dividend Equivalents on such Fee Stock Units. The Company shall provide each Participant with a written accounting reflecting the number of Fee Stock Units in the Participant's account at least annually. If the Participant does not object to the account within 60 days after receipt, the account shall be deemed final and binding on all parties.

5.4 TIMING OF DEFERRALS. Deferrals shall be credited to the Participant's Fee Account on each January 1, April 1, July 1, October 1 or such other dates on which the Director's Fees would have been payable to the Participant if the Participant had not made a deferral election.

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5.5 VESTING. The right to be paid an amount in cash equal to the product of the Average Market Value of Common Stock and the number of Fee Stock Units credited to the Participant's Fee Account, including Dividend Equivalents credited to the Fee Account, shall not be subject to forfeiture for any reason.

5.6 EVENT OF DISTRIBUTION. Upon Termination of Service or a Change in Control, cash equal to the product of the Average Market Value of Common Stock and the number of Fee Stock Units credited to the Participant shall be distributed at the times and in the manner specified in the Plan.

5.7 MANNER OF PAYMENT. At the time of the initial irrevocable election to defer Director's Fees under the Plan, each Participant shall irrevocably elect a manner of payment. The following manners of payment may be elected by a Participant:

(a) LUMP SUM. A single lump-sum payment of the entire amount payable with respect to Fee Stock Units under the Plan;

(b) INSTALLMENTS. Payment of the entire amount payable with respect to Fee Stock Units under the Plan in not more than 10 annual installments; or

(c) DEFERRED PAYMENT. Payment of the lump sum or installment payments that are payable following Termination of Service commencing when the Participant retires from his or her principal employment, in January of the year following Termination of Service or retirement from his or her principal employment, or when the Participant attains age 65 or 70.

If the total amount to be distributed does not exceed \$5,000, the Participant shall be paid a lump-sum payment under (a) above. If the Participant fails to make an election of a manner of payment in the initial election, the Participant shall be paid a lump-sum payment. Notwithstanding any election by a Participant of a manner of payment pursuant to (a), (b) or (c) of this Section, all Participants shall be paid a lump-sum payment upon an event of distribution resulting from a Change in Control.

5.8 AMOUNT OF PAYMENT. The Participant shall be paid an amount in cash equal to the product of the Average Market Value of Common Stock and the number of Fee Stock Units in the Participant's Fee Account plus Dividend Equivalents credited to the Participant's Fee Account. The amount to be distributed shall be determined as follows:

(a) LUMP SUM. For a lump-sum distribution, the Average Market Value shall be determined as of the date of Termination of

Service or Change in Control or, if such payment is deferred pursuant to Section 5.7(c) of the Plan, as of the date of payment.

(b) INSTALLMENTS. If payment is in installments, the initial amount to be distributed shall be the product of the number of Fee Stock Units credited to the Participant's Fee Account and the Average Market Value of Common Stock as of the date of Termination of Service (or, if such payments are deferred pursuant to Section 5.7(c) of the Plan, as of the date of the initial installment payment) divided by the number of installment payments elected. The number of Fee Stock Units credited to the Participant's Fee Account shall be reduced by the number of Fee Stock Units having an Average Market Value equal to the amount of the payment. Future installments shall be determined by dividing the Average Market Value of the remaining Fee Stock Units credited to the Participant's Fee Account, plus any additional Dividend Equivalents credited to the Participant's Fee Account during the payout period, as of the date of payment by the remaining number of annual installment payments. Each such payment will reduce the number of Fee Stock Units credited to the Participant's Fee Account by the number of Stock Units having an Average Market Value equal to the amount of the payment.

5.9 FORM OF PAYMENT. Payments shall be paid to the Participant or Beneficiary wholly in cash directly by the Company. The Company shall not be relieved of its obligation and liability to pay the benefits of the Plan, except to the extent payments are actually made from any trust established by the Company for such purpose.

5.10 TIME OF PAYMENT. A lump-sum payment or an initial installment payment shall be made within 30 days following the date of Termination of Service, unless such payments are deferred pursuant to Section 5.7(c) of the Plan. Later installment payments shall be made on or before January 31 of each year thereafter until the total amount to be distributed under the Plan is distributed. A lump-sum payment shall be made immediately upon the occurrence of a Change in Control.

5.11 DEATH.

(a) PAYMENT TO BENEFICIARY. If the Participant dies prior to payment of all amounts due under the Plan, payment of all remaining amounts shall be made to the Participant's Beneficiary. Payments to a Beneficiary following a Participant's death shall be in the form elected by the Participant and shall be made or shall begin on the date specified in Section 5.10. At the time

of the initial irrevocable election to defer Director's Fees, the Participant may designate a manner of payment following the Participant's death which is different from the manner of payment during the Participant's lifetime.

(b) PAYMENT TO ESTATE. If payment is to be made to the estate of a Participant, payment shall be made in a lump sum within 90 days after the date of the Participant's death.

(c) GENERATION-SKIPPING TRANSFER TAX. Notwithstanding any other provision in the Plan, the Company may withhold any benefits payable to a Beneficiary as a result of the death of a Participant or any other Beneficiary until it can be determined whether a generation-skipping transfer tax, as defined in Chapter 13 of the Internal Revenue Code of 1986, as amended, or any substitute provision therefor, is payable by the Company and the amount of generation-skipping transfer tax, including interest, that is due. If such tax is payable, the benefits otherwise payable under the Plan shall be reduced by an amount equal to the generation-skipping transfer tax and interest. Any benefits withheld shall be payable as soon as there is a final

determination of the applicable generation-skipping transfer tax and interest. No interest shall be payable to any Beneficiary for the period from the date of death to the time when the amount of benefits payable to a Beneficiary can be fully determined pursuant to this paragraph.

ARTICLE 6

AWARDS OF PAST-SERVICE RETIREMENT INCOME

6.1 PAST-SERVICE AWARDS. On April 17, 1996, each Current Director as of the close of business on April 17, 1996 will be credited with a number of Retirement Stock Units equal to the present value of his or her anticipated benefit under the former Director Retirement Plan (assuming a discount rate of 7.0%, that each Current Director would achieve 10 years of total service as a director, that such benefits would be payable to each Current Director upon attainment of age 65 or currently with respect to any Current Director who has already attained age 65, that such payments would be made over a 10-year period, and that the final annual retainer would be \$16,000) divided by the Market Value of Common Stock on such date. A schedule of the present value amounts for each Current Director is attached as Schedule A.

6.2 RETIREMENT ACCOUNTS. For bookkeeping purposes only, the Company shall maintain a separate Retirement Account for each Current Director. A Retirement Account shall be maintained for and credited with Retirement

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Stock Units representing the value of the Current Director's past-service awards plus Dividend Equivalents on such Retirement Stock Units. The Company shall provide each Current Director with a written accounting reflecting the number of Retirement Stock Units in the Current Director's account at least annually. If the Current Director does not object to the account within 60 days after receipt, the account shall be deemed final and binding on all parties.

6.3 VESTING. All accumulated Retirement Stock Units credited pursuant to Section 6.1 of the Plan shall vest at the rate of 50% after five years of total service, and 10% per year of total service thereafter; provided, that all Retirement Stock Units credited to a Participant pursuant to the Plan shall vest upon a Change in Control or at such time as the Participant attains age 65 or becomes unable to fulfill his or her duties as a director due to death or disability. As used in this Article, a "year of total service" means that period of time measured from Annual Meeting of Stockholders to the next following Annual Meeting of Stockholders. Each Current Director shall receive full credit for purposes of this Section 6.4 for each year of total service served by him or her before the effective date of the Plan.

6.4 EVENT OF DISTRIBUTION; MANNER OF PAYMENT.

(a) TERMINATION OF SERVICE. Upon Termination of Service, cash equal to the product of the Average Market Value of Common Stock and the number of vested Retirement Stock Units credited to the Current Director shall be distributed in 10 annual installments. The initial amount to be distributed shall be the product of the number of vested Retirement Stock Units credited to the Current Director's Retirement Account and the Average Market Value of Common Stock as of the date of Termination of Service divided by 10. The number of vested Retirement Stock Units credited to the Current Director's Retirement Account shall be reduced by the number of Retirement Stock Units having an Average Market Value equal to the amount of the payment. Future installments shall be determined by dividing the Average Market Value of the remaining vested Retirement Stock Units credited to the Current Director's Retirement Account, plus any additional Dividend Equivalents credited to the Participant's Retirement Account during the payout period, as of the date of payment by the remaining number of annual installment payments. Each such payment will reduce the number of vested Retirement Stock Units credited to the Current Director's Retirement Account by the number of Stock Units having an

Average Market Value equal to the amount of the payment.

(b) CHANGE IN CONTROL. Upon a Change in Control, cash equal to the product of the Average Market Value of Common Stock and the number of vested Retirement Stock Units credited to the Current Director shall be distributed in a single lump-sum.

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6.5 FORM OF PAYMENT. Payments shall be paid to the Participant or Beneficiary wholly in cash directly by the Company. The Company shall not be relieved of its obligation and liability to pay the benefits of the Plan, except to the extent payments are actually made from any trust established by the Company for such purpose.

6.6 TIME OF PAYMENT. An initial installment payment shall be made within 30 days following the date of Termination of Service. Later installment payments shall be made on or before January 31 of each year thereafter until the total amount to be distributed under the Plan is distributed. A lump-sum payment shall be made immediately upon a Change in Control.

6.7 DEATH.

(a) PAYMENT TO BENEFICIARY. If the Participant dies prior to payment of all amounts due under the Plan, payment of all remaining amounts shall be made to the Participant's Beneficiary. Payments to a Beneficiary following a Participant's death shall be made on the same schedule set forth in Section 6.4 and shall begin on the date specified in Section 6.6.

(b) PAYMENT TO ESTATE. If payment is to be made to the estate of a Participant, payment shall be made in a lump sum within 90 days after the date of the Participant's death.

(c) GENERATION-SKIPPING TRANSFER TAX. Notwithstanding any other provision in the Plan, the Company may withhold any benefits payable to a Beneficiary as a result of the death of a Participant or any other Beneficiary until it can be determined whether a generation-skipping transfer tax, as defined in Chapter 13 of the Internal Revenue Code of 1986, as amended, or any substitute provision therefor, is payable by the Company and the amount of generation-skipping transfer tax, including interest, that is due. If such tax is payable, the benefits otherwise payable under the Plan shall be reduced by an amount equal to the generation-skipping transfer tax and interest. Any benefits withheld shall be payable as soon as there is a final determination of the applicable generation-skipping transfer tax and interest. No interest shall be payable to any Beneficiary for the period from the date of death to the time when the amount of benefits payable to a Beneficiary can be fully determined pursuant to this paragraph.

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ARTICLE 7

GENERAL PROVISIONS

7.1 ADJUSTMENTS. If the number of shares of Common Stock outstanding changes by reason of a stock dividend, stock split, recapitalization, merger, consolidation, combination, exchange of shares or any other change in the corporate structure or shares of the Company, the number of Stock Units credited to a Participant's Fee Account and Retirement Account shall be appropriately adjusted to reflect the number and kind of shares of common stock, other securities or other consideration that holders of common stock would receive by reason of the change in corporate structure.

7.2 AMENDMENT; TERMINATION. The Company reserves the right to amend the Plan prospectively or retroactively, in whole or in part, or to terminate the Plan, provided that no change or amendment may be made more than once every six months and that an amendment or termination may not reduce or revoke Stock Units accrued and the amounts represented by them promised to be paid to Participants as of the later of the date of adoption of the amendment or the effective date of the amendment or termination. Upon termination of the Plan, the accounts of affected Participants shall be administered and distributed in accordance with the provisions of the Plan.

7.3 RIGHTS NOT ASSIGNABLE. Except for designation of a Beneficiary, Stock Units credited to Participants and amounts represented thereby promised under the Plan shall not be subject to assignment, conveyance, transfer, anticipation, pledge, alienation, sale, encumbrance or charge, whether voluntary or involuntary, by the Participant or any Beneficiary of the Participant, even if directed under a qualified domestic relations order or other divorce order. An interest in a Stock Unit or the amount represented thereby shall not provide collateral or security for a debt of a Participant or Beneficiary or be subject to garnishment, execution, assignment, levy or to another form of judicial or administrative process or to the claim of a creditor of a Participant or Beneficiary, through legal process or otherwise. Any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or to otherwise dispose of benefits payable, before actual receipt of the benefits, or a right to receive benefits, shall be void and shall not be recognized.

7.4 UNSECURED CREDITOR STATUS. A Participant shall be an unsecured general creditor of the Company as to the payment of any benefit under the Plan. The right of any Participant or Beneficiary to be paid the amount promised in the Plan shall be no greater than the right of any other general, unsecured creditor of the Company.

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7.5 NO TRUST OR FIDUCIARY RELATIONSHIP. Nothing contained in the Plan shall be deemed to create a trust or fiduciary relationship of any kind for the benefit of any Participant or Beneficiary.

7.6 CONSTRUCTION. The singular includes the plural, and the plural includes the singular, unless the context clearly indicates the contrary. Capitalized terms (except those at the beginning of a sentence or part of a heading) have the meaning specified in the Plan. If a capitalized term is not defined in the Plan, the term shall have the general, accepted meaning of the term.

7.7 DISPUTES. In the event that a dispute arises regarding the eligibility to participate in the Plan or any other matter relating to Plan participation, such dispute shall be made to the Committee. The determination by the Committee with respect to such disputes shall be final and binding on all parties. In the event that a dispute arises regarding the amount of any benefit payment under the Plan that is not related to Participant eligibility disputes, the Committee may appoint a qualified independent certified public accountant to determine the amount of payment and such determination shall be final and binding on all parties.

7.8 UNFUNDED PLAN. This shall be an unfunded plan within the meaning of the Internal Revenue Code of 1986, as amended. Benefits provided in the Plan constitute only an unsecured contractual promise to pay in accordance with the terms of the Plan by the Company.

7.9 SELF-EMPLOYMENT TAXES. To the extent that amounts paid or deferred under the Plan are deemed to be net earnings from self-employment, each Outside Director shall be responsible for any taxes payable under federal, state or local law.

7.10 RIGHT OF COMPANY TO REPLACE DIRECTORS. Neither the action of the Company in establishing the Plan, nor any provision of the Plan, shall be

construed as giving any Outside Director the right to be retained as a director, or any right to any payment whatsoever except to the extent of the benefits provided for by the Plan. The Company expressly reserves the right at any time to replace or fail to renominate any Outside Director without any liability for any claim against the Company for any payment whatsoever except to the extent provided for in the Plan. The Company has no obligation to create any other or subsequent deferred compensation plan for directors.

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7.11 GOVERNING LAW; SEVERABILITY. The Plan shall be construed, regulated and administered under the laws of the State of Michigan. If any provisions of the Plan shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the remaining provisions of the Plan, and the Plan shall be deemed to be modified to the least extent possible to make it valid and enforceable in its entirety.

7.12 TRUST FUND. The Company shall be responsible for the payment of all benefits provided under the Plan. At its discretion, the Company may establish one or more trust, with such trustees as the Board or the Committee may approve, for the purpose of providing for the payment of such benefits. Such trust or trusts may be irrevocable, but the assets thereof shall be subject to the claims of the Company's creditors. To the extent any benefits provided under the Plan are actually paid from any such trust, the Company shall have no further obligation with respect thereto, but to the extent not so paid, such benefits shall remain the obligation of, and shall be paid by, the Company.

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SCHEDULE A

PRESENT VALUE OF EXPECTED BENEFIT UNDER
DIRECTOR RETIREMENT PLAN

NAME

PRESENT VALUE OF BENEFIT

Mr. Carroll	\$96,225
Mr. Grimoldi	45,707
Mr. Kollat	56,004
Mr. Matthews	56,004
Mr. Mehney	52,347
Mr. Parini	89,971
Ms. Parker	68,608
Ms. Sanders	34,833

NOTES

- (1) The assumed retirement age is the later of current age or age 65.
- (2) The annual director's benefit is 80% of the final annual retainer, because all directors will have 10 years of total service at assumed retirement age. The benefit amount is assumed to be \$12,800 (80% of \$16,000).
- (3) The value of the benefit at retirement age is the annual benefit multiplied by a 10-year annuity certain factor, with the first payment assumed at retirement age and annually thereafter. The factor at 7.0% interest is 7.51523.
- (4) The value of the benefit at current age discounts the value at retirement age, at 7.0% interest, for the number of years between current age and assumed retirement age.

<ARTICLE>

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<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 JUNE 15, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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