

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: 1994-05-13 | Period of Report: 1994-04-01
SEC Accession No. 0000897069-94-000065

(HTML Version on secdatabase.com)

FILER

JOHNSON WORLDWIDE ASSOCIATES INC

CIK: 788329 | IRS No.: 391536083 | State of Incorporation: WI | Fiscal Year End: 0930
Type: 10-Q | Act: 34 | File No.: 000-16255 | Film No.: 94527714
SIC: 3949 Sporting & athletic goods, nec

Mailing Address
222 MAIN ST
STE400
RACINE WI 53403

Business Address
222 MAIN ST, SUITE 400
RACINE WI 53403
4146312100

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

For the quarterly period ended April 1, 1994

OR

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

For the transition period from _____ to _____

Commission file number 0-16255

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

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

222 Main Street, Racine, Wisconsin 53403
(Address of principal executive offices)

(414) 631-2100
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed
since last report)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act
of 1934 during the preceding 12 months (or for such shorter period that
the registrant was required to file such reports), and (2) has been
subject to such filing requirements for the past 90 days.

Yes No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and

reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

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

Class	Outstanding at May 2, 1994
Class A Common Stock (\$.05 par value)	6,793,292
Class B Common Stock (\$.05 par value)	1,230,675

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

	Index	Page No.
PART I	FINANCIAL INFORMATION	
	Item 1. Financial Statements	
	Consolidated Statements of Operations - Three and Six Months Ended April 1, 1994 and April 2, 1993	3
	Consolidated Balance Sheets - April 1, 1994, October 1, 1993 and April 2, 1993	4, 5
	Consolidated Statements of Cash Flows - Six Months Ended April 1, 1994 and April 2, 1993	6
	Notes to Consolidated Financial Statements	7
	Item 2. Management's Discussion and Analysis of Financial	

-2-

PART II OTHER INFORMATION

Item 4.	Submission of Matters to a Vote of Security Holders	10
Item 6.	Exhibits and Reports on Form 8-K	10

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIESCONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended		Six Months Ended	
(thousands of dollars, except per share data)	April 1, 1994	April 2, 1993	April 1, 1994	April 2, 1993
Net sales	\$84,305	\$85,259	\$128,314	\$132,188
Cost of sales	48,322	48,727	74,380	76,629
Gross profit	35,983	36,532	53,934	55,559
Operating expenses:				
Marketing and selling	16,173	16,627	28,213	28,419
Financial and administrative management	5,936	6,497	11,712	13,133
Research and development	1,353	1,379	2,459	2,726
Profit sharing	506	482	664	600
Total operating expenses	23,968	24,985	43,048	44,878
Operating profit	12,015	11,547	10,886	10,681
Interest income	(105)	(113)	(190)	(257)
Interest expense	2,001	2,213	3,796	4,159
Amortization of acquisition				

costs	356	412	744	827
Other expenses, net	29	185	44	473
	-----	-----	-----	-----
Income from continuing operations before income taxes	9,734	8,850	6,492	5,479
Income tax expense	3,605	3,441	2,387	2,230
	-----	-----	-----	-----
Income from continuing operations	6,129	5,409	4,105	3,249
Income from discontinued operations	--	1,550	--	2,728
	-----	-----	-----	-----
Net income	\$ 6,129	\$ 6,959	\$ 4,105	\$ 5,977
	=====	=====	=====	=====
Earnings per common share				
Continuing operations	\$.76	\$.68	\$.51	\$.41
Discontinued operations	---	.19	---	.34
	-----	-----	-----	-----
Net income	\$.76	\$.87	\$.51	\$.75
	=====	=====	=====	=====

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

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(unaudited)

ASSETS (thousands of dollars)	April 1, 1994	October 1, 1993	April 2, 1993
Current assets:			
Cash and temporary cash investments	\$ 2,981	\$ 4,415	\$ 4,918

Accounts receivable, less allowance for doubtful accounts of \$1,811, \$1,606 and \$1,954, respectively	81,634	44,803	81,447
Inventories	80,295	67,323	76,911
Other current assets	17,798	19,523	15,153
Net assets of discontinued operations	40,363	46,504	50,643
	-----	-----	-----
Total current assets	223,071	182,568	229,072
Property, plant and equipment	19,570	19,052	20,294
Intangible assets	33,385	34,957	38,453
Other assets	2,736	2,544	1,970
	-----	-----	-----
	\$278,762	\$239,121	\$289,789
	=====	=====	=====

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

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(unaudited)

LIABILITIES AND SHAREHOLDERS' EQUITY (thousands of dollars)	April 1, 1994	October 1, 1993	April 2, 1993
Current liabilities:			
Notes payable and current maturities of long-term obligations	\$ 68,059	\$ 37,123	\$ 68,381
Accounts payable	17,037	11,874	21,788
Accrued income taxes	5,291	4,214	2,203
Accrued restructuring expenses	5,558	8,905	2,684
Other accrued liabilities	15,794	16,325	17,338
	-----	-----	-----

Total current liabilities	111,739	78,441	112,394
Long-term obligations, less current maturities	47,225	44,543	52,290
Other liabilities	5,214	5,319	6,083
	-----	-----	-----
Total liabilities	164,178	128,303	170,767
	-----	-----	-----
Shareholders' equity:			
Preferred stock issued: none	---	---	---
Common Stock:			
Class A shares issued:			
April 1, 1994, 6,776,454;			
October 1, 1993, 6,758,346;			
April 2, 1993, 6,693,507	339	338	335
Class B shares issued (convertible into Class A):			
April 1, 1994, 1,230,675;			
October 1, 1993, 1,230,883;			
April 2, 1993, 1,231,972	61	61	61
Capital in excess of par value	42,061	41,696	41,020
Retained earnings	71,445	67,340	74,508
Contingent compensation	(352)	(350)	(180)
Cumulative translation adjustment	1,030	1,733	3,278
	-----	-----	-----
Total shareholders' equity	114,584	110,818	119,022
	-----	-----	-----
Total liabilities and shareholders' equity	\$278,762	\$239,121	\$289,789
	=====	=====	=====

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

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

(thousands of dollars)

	Six Months Ended	
	April 1, 1994	April 2, 1993
Cash used for operations:		
Net income	\$ 4,105	\$ 5,977
Noncash items:		
Depreciation and amortization	3,600	3,991
Deferred income taxes	1,071	400
Income from discontinued operations	---	(2,728)
Change in accounts receivable, net	(37,012)	(42,265)
Change in inventories	(13,488)	(11,296)
Change in restructuring accrual	(3,347)	(1,816)
Change in accounts payable and accrued liabilities	6,627	12,606
Change in net assets of discontinued operations	6,141	(6,191)
Change in other, net	26	(1,067)
	-----	-----
	(32,277)	(42,389)
	-----	-----
Cash used for investment activities:		
Additions to property, plant and equipment	(3,342)	(3,174)
Other, net	(27)	(276)
	-----	-----
	(3,369)	(3,450)
	-----	-----
Cash provided from financing activities:		
Changes in notes payable and long-term liabilities	34,011	47,589
Issuance of common stock	278	36
	-----	-----

	34,289	47,625
	-----	-----
Effect of foreign currency fluctuations on cash	(77)	(413)
	-----	-----
(Decrease) increase in cash and temporary cash investments	(1,434)	1,373
Cash and temporary cash investments:		
Beginning of period	4,415	3,545
	-----	-----
End of period	\$ 2,981	\$ 4,918
	=====	=====

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

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1) Financial Statements

The consolidated financial statements included herein are unaudited. In the opinion of management, these statements contain all adjustments (consisting of only normal recurring items) necessary to present fairly the financial position of Johnson Worldwide Associates, Inc. (the Company) as of April 1, 1994, the results of operations for the three and six months ended April 1, 1994 and cash flows for the six months ended April 1, 1994. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report for the year ended October 1, 1993.

Because of seasonal and other factors, the results of operations for the three and six months ended April 1, 1994 and April 2, 1993 are not necessarily indicative of the results to be expected for the full year.

2) Income Taxes

The provision for income taxes includes deferred taxes and is based upon estimated annual effective tax rates in the tax jurisdictions in which the Company operates.

3) Inventories

	April 1, 1994	October 1, 1993	April 2, 1993
(thousands of dollars)			
Raw materials	\$18,653	\$16,622	\$21,884
Work in process	6,127	4,834	5,263
Finished goods	55,515	45,867	49,764
	-----	-----	-----
	\$80,295	\$67,323	\$76,911
	=====	=====	=====

4) Subsequent Event

On May 6, 1994 the Company completed the sale of a group of businesses that represent a major component of the Company's Marking Systems group. The businesses that have been sold include: Porelon, Inc., manufacturer of ink rolls and ribbon re-inking systems; Microfoam, which produces foam structures used for inked and non-inked purposes; U.S. Stamp, manufacturer and marketer of pre-inked hand stamps; and Unigraphics, headquartered in Boras, Sweden, servicing hand stamp customers in Europe. The net assets of these businesses were classified as discontinued operations for all periods presented. Proceeds from the sale will eventually be redeployed into recreation products, but, in the short term, the proceeds have been used to pay down debt. Negotiations are continuing regarding the sale of Trident, which is the remaining component of the discontinued Marking Systems group.

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

Management's Discussion and Analysis of Financial
Condition and Results of Operations

Results of Operations

Net sales were \$84.3 million for the quarter ended April 1, 1994, a decrease of approximately 1% from net sales of \$85.3 million for the corresponding period in 1993. Sales of the European operations for the quarter ended April 1, 1994, increased \$3.3 million or approximately 11% over the corresponding period in 1993. Sales of fishing and camping products accounted for approximately 88% of the European sales increase. Sales of the North American operations for the quarter ended April 1, 1994

decreased approximately \$2.9 million or approximately 6% compared to the corresponding period in 1993. Approximately \$2.4 million of the sales decrease is the result of the absence of sales from non-strategic recreation product lines which JWA is exiting. Sales of North American camping products were up 2% for the quarter ended April 1, 1994 over the corresponding period in 1993. Sales of North American fishing products were down approximately 1% for the quarter ended April 1, 1994 from the corresponding period in 1993, but were strong in the month of March consistent with recent trends in trade purchases aligning more closely with the trends of retail sales. Net sales of \$128.3 million for the six months ended April 1, 1994 decreased approximately \$3.9 million or 3% from net sales of \$132.2 million for the corresponding period in 1993. The absence of sales from non-strategic recreation product lines which JWA is exiting caused sales for the six months ended April 1, 1994 to be approximately \$5.0 million lower than the corresponding period in 1993.

Operating profit for the quarter ended April 1, 1994 increased approximately \$468,000 or 4% from the corresponding period in 1993 due to a reduction in operating expenses. Operating profit for the six months ended April 1, 1994 increased approximately \$205,000 or 2% from the corresponding period in 1993. The gross profit reduction of \$1.6 million in the six months ended April 1, 1994 which was primarily from lower net sales, was offset by reduced operating expenses of \$1.8 million. Net reduction in operating expenses resulted primarily from the Company's repositioning actions described in the Company's 1994 Annual Report.

Interest expense for the quarter and six months ended April 1, 1994 decreased approximately \$212,000 and \$363,000, respectively, over the corresponding periods in 1993 due primarily to lower interest rates at the Company's foreign operations. Although U.S. interest rates have increased, the Company expects interest expense in the third and fourth quarters to be less than corresponding periods in the prior year, because the Company intends to initially use the proceeds from the sale of the Company's Marking System business to reduce debt.

Other expenses, net decreased approximately \$156,000 for the quarter ended April 1, 1994 and approximately \$429,000 for the six months ended April 1, 1994 as compared to the corresponding period in 1993, primarily as a result of a reduction in foreign currency translation losses.

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

Income from continuing operations for the quarter and six months ended April 1, 1994 was \$6.1 million and \$4.1 million, respectively, as compared to \$5.4 million and \$3.2 million for the corresponding periods in 1993. On July 28, 1993 the Board of Directors approved a formal plan to divest the Company's Marking Systems group. As a result of the adoption of the plan, the Marking Systems operations have been classified as discontinued for all periods presented. All operating results for the Marking Systems

group subsequent to July 28, 1993 are taken into account in determining the Company's net cost of disposal. As discussed in the Financial Condition section, on May 6, 1994, the Company sold a major component of the Marking Systems group.

Financial Condition

Inventories and accounts receivable were \$161.9 million on April 1, 1994 or \$49.8 million higher than inventory and accounts receivable levels on October 1, 1993 and \$3.6 million higher than inventory and accounts receivable levels on April 2, 1993. The increase from October 1, 1993 levels reflects normal seasonal increases in connection with the Company's peak selling season in the second and third quarters. The \$3.6 million increase from the April 2, 1993 levels is largely the result of the increased levels of U.S. fishing finished good inventories in response to the continuing shift by large retailers to purchasing inventory closer to the retail selling season. The increase in inventory and accounts receivable from the April 2, 1993 levels was lessened by the changing relationship between the U.S. dollar and the European currencies in which the Company has operations. Values of the currencies in most countries in which the Company operates have declined relative to the U.S. dollar as of April 1, 1994 in comparison to their values as of April 2, 1993. Current notes payable as of April 1, 1994 were approximately \$31.2 million higher than October 1, 1993, primarily to finance the Company's normal seasonal increase in inventories and accounts receivable. Cash flow from operations and short term borrowings under existing credit facilities are sufficient to meet the Company's seasonal working capital needs.

During the quarter ended April 1, 1994, the Company began construction of a new office and Research and Development building for employees located in Racine. The estimated cost of the building is approximately \$4.0 million. Existing credit facilities are sufficient to meet the Company's expected capital expenditures.

On May 6, 1994 the Company completed the sale of a group of businesses that represent a major component of the Company's Marking Systems group. The businesses that have been sold include: Porelon, Inc., manufacturer of ink rolls and ribbon re-inking systems; Microfoam, which produces foam structures used for inked and non-inked purposes; U.S. Stamp, manufacturer and marketer of pre-inked hand stamps; and Unigraphics, headquartered in Boras, Sweden, servicing hand stamp customers in Europe. The net assets of these businesses were classified as discontinued operations for all periods presented. Proceeds from the sale will eventually be redeployed into recreation products, but, in the short term, the proceeds have been used to pay down debt. Negotiations are continuing regarding the sale of Trident, which is the remaining component of the discontinued Marking Systems group.

PART II OTHER INFORMATION

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

At the Company's Annual Meeting on January 27, 1994, the Shareholders voted to:

	Votes Cast For	Votes Cast Against	Votes Withheld	Absten- tion	Broker Non-Votes
a) Elect the following individuals as Directors for terms that expire at the next annual meeting.					
Class A Directors:					
Donald W. Brinckman	5,043,641	0	5,930	0	0
Thomas F. Pyle, Jr.	5,043,941	0	5,630	0	0
Class B Directors:					
Samuel C. Johnson	1,220,115	0	0	0	0
Helen P. Johnson- Leipold	1,220,115	0	0	0	0
Raymond F. Farley	1,220,115	0	0	0	0
John D. Crabb	1,220,115	0	0	0	0
b) Approve the Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan.					
	16,230,330	302,409	0	473,108	244,874
c) Approve an amendment to the Johnson Worldwide Associates, Inc. 1987 Employees' Stock Purchase Plan to increase the number of shares of Class A Common Stock authorized for issuance from 60,000 to 150,000.					
	16,556,183	25,377	0	443,643	225,518
d) Approve an amendment to the Johnson Worldwide Associates, Inc. 1987 Employees' Stock Purchase Plan to change the eligibility requirements to exclude participation by executive officers who participate in the proposed Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan.					
	16,751,763	37,356	0	445,686	15,916
e) Approve Johnson Worldwide Associates, Inc. 1994 Non-Employee Director Stock Ownership Plan.					

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit:

10.1 Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan

10.2 Johnson Worldwide Associates, Inc. 1994 Non-Employee Director Stock Ownership Plan

11 Computation of Earnings Per Share

(b) There were no reports on Form 8-K filed for the three months ended April 1, 1994.

SIGNATURES

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

JOHNSON WORLDWIDE ASSOCIATES,
INC.

Date: May 11, 1994

/s/ John Cahill

John Cahill
Vice-President, Secretary and Treasurer
(Principal Financial and Accounting
Officer)

EXHIBIT INDEX

Exhibit	Description	Page Number
10.1	Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan	—
10.2	Johnson Worldwide Associates, Inc. 1994 Non-Employee Director Stock Ownership Plan	—
11.	Computation of Earnings Per Share	—

JOHNSON WORLDWIDE ASSOCIATES, INC.
AND SUBSIDIARIES

Computation of Earnings Per Share

	Three Months Ended		Six Months Ended	
(thousands of dollars, except per share data)	April 1, 1994	April 2, 1993	April 1, 1994	April 2, 1993
Primary:				
Weighted average common shares outstanding	8,003,740	7,920,376	7,997,136	7,918,509
Common equivalent shares	107,911	83,977	53,956	41,989
	-----	-----	-----	-----
Weighted common shares and common equivalent shares outstanding	8,111,651	8,004,353	8,051,092	7,960,498
	=====	=====	=====	=====
Income from continuing operations	\$ 6,129	\$ 5,409	\$ 4,105	\$ 3,249
	=====	=====	=====	=====
Primary earnings per share from continuing operations	\$.76	\$.68	\$.51	\$.41
	=====	=====	=====	=====
Fully diluted:				
Weighted average common shares outstanding	8,003,740	7,920,376	7,997,136	7,918,509
Common equivalent shares	107,911	91,494	53,956	45,747
	-----	-----	-----	-----

Weighted average common shares and common equivalent shares outstanding	8,111,651	8,011,870	8,051,092	7,964,256
	=====	=====	=====	=====

Income from continuing operations	\$ 6,129	\$ 5,409	\$ 4,105	\$ 3,249
	=====	=====	=====	=====

Fully diluted earnings per share from continuing operations	\$.76	\$.68	\$.51	\$.41
	=====	=====	=====	=====

Earnings per share from discontinued operations are computed by dividing the income from discontinued operations by the applicable primary or fully diluted weighted average common and common equivalent shares outstanding.

Johnson Worldwide Associates, Inc.
1994 Long-Term Stock Incentive Plan

Section 1: Purpose

The purpose of the Johnson Worldwide Associates, Inc. 1994 Long-Term Stock Incentive Plan (the "Plan") is to enhance the ability of Johnson Worldwide Associates, Inc. (the "Company") and its Affiliates (as defined below) to attract and retain key employees who will make substantial contributions to the Company's long-term business growth and to provide meaningful incentives to such key employees which are more directly linked to the profitability of the Company's businesses and increases in shareholder value. In addition, the Plan is designed to encourage and provide opportunities for stock ownership by such employees which will increase their proprietary interest in the Company and, consequently, their identification with the interests of the shareholders of the Company.

Section 2: Definitions

As used in the Plan, the following terms have the respective meanings set forth below:

- (a) Affiliate means any entity that, directly or through one or more intermediaries, is controlled by, controls or is under common control with the Company or any entity in which the Company has a significant equity interest as determined by the Committee.
- (b) Award means any Stock Option, Stock Appreciation Right or Stock Award granted under the Plan.
- (c) Board means the Board of Directors of the Company.
- (d) Code means the Internal Revenue Code of 1986, as amended from time to time.
- (e) Committee means a committee of the Board designated by such Board to administer the Plan and composed of not less than two directors, each of whom is a "disinterested person" within the meaning of Rule 16b-3 under the 1934 Act and Section 162(m) under the Code.
- (f) Common Stock means the Class A Common Stock, \$.05 par value, of the Company.
- (g) Company means Johnson Worldwide Associates, Inc., a corporation established under the laws of the State of Wisconsin, and its Affiliates.
- (h) Fair Market Value means, with respect to Common Stock, the fair

market value of such property determined by such methods or procedures as shall be established from time to time by the Committee; provided, however, that the Fair Market Value shall not be less than the par value of the Common Stock; and provided further, that so long as the Common Stock is traded on a public market, Fair Market Value means the average of the high and low prices of a share of Common Stock in the over-the-counter market on the trading date preceding the specified date, as reported by the NASDAQ National Market System (or if no sales occurred on such date, the last preceding date on which sales occurred); provided, however, that if the principal market for the Common Stock is then a national securities exchange, the Fair Market Value shall be the average of the high and low prices of a share of Common Stock on the principal securities exchange on which the Common Stock is traded on the trading date preceding the specified date (or if no sales occurred on such date, the last preceding date on which sales occurred).

- (i) Incentive Stock Option, or ISO, means an option to purchase Shares granted under Section 7(b) of the Plan that is intended to meet the requirements of Section 422 of the Code or any successor provision.
- (j) 1934 Act means the Securities Exchange Act of 1934, as amended from time to time.
- (k) Nonqualified Stock Option, or NQSO, means an option to purchase Shares granted under Section 7(b) of the Plan that is not intended to meet the requirements of Section 422 of the Code or any successor provision.
- (l) Participant means a person selected by the Committee (or its delegate as provided under Section 4) to receive an Award under the Plan.
- (m) Reporting Person means an individual who is subject to Section 16 under the 1934 Act or any successor rule.
- (n) Rule 16b-3 means Rule 16b-3 as promulgated by the Securities and Exchange Commission under the 1934 Act, or any successor rule or regulation thereto.
- (o) Shares means shares of Common Stock of the Company.
- (p) Stock Appreciation Right, or SAR, means any right granted under Section 7(c) of the Plan.
- (q) Stock Award means an award granted under Section 7(d) of the Plan.
- (r) Stock Option means an Incentive Stock Option or a Nonqualified Stock Option.

Section 3: Effective Date and Term of Plan

The Plan shall be effective as of January 27, 1994, subject, however, to the approval of the Plan by the shareholders of the Company. No Awards may be made under the Plan after January 27, 1999, or earlier termination of the Plan by the Board. However, unless otherwise expressly provided in the Plan or in an applicable Award agreement, any Award granted prior to the termination date may extend beyond such date, and, to the extent set forth in the Plan, the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such award, or to waive any conditions or restrictions with respect to any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

Section 4: Administration

The Plan shall be administered by the Committee. Subject to the terms of the Plan and applicable law, the Committee shall have full power and authority to: (i) designate Participants; (ii) determine the type or types of Awards to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards granted to Participants; (iv) determine the terms and conditions of any Award granted to a Participant; (v) determine whether, to what extent, and under what circumstances Awards granted to Participants may be settled or exercised in cash, Shares, other securities, other Awards, or other property or cancelled, forfeited or suspended to the extent permitted in Section 9 of the Plan, and the method or methods by which Awards may be settled, exercised, cancelled, forfeited or suspended; (vi) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (vii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan; and (viii) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time, and shall be final, conclusive and binding upon all persons, including the Company, any Affiliate, any Participant, any holder or beneficiary of any Award, any shareholder and any employee of the Company or of any Affiliate. To the extent permitted by applicable law and the provisions of the Plan, the Committee may delegate to one or more employee members of the Board the power to make Awards to Participants who are not Reporting Persons.

Section 5: Eligibility

Any Company employee shall be eligible to receive an Award under the Plan. In addition, consultants and advisors to the Company shall be eligible to receive Nonqualified Stock Options under Section 7(b) of the Plan, provided that bona fide services are rendered by such consultants or advisors and such services are not in connection with the offer or sale of securities in a capital-raising transaction.

Section 6: Stock Available for Awards

- (a) Common Shares Available. Subject to adjustment as provided in Section 6(c) below, the maximum number of Shares available for Awards under the Plan shall be 500,000, plus such additional number of Shares not to exceed 150,000 determined by the sum of (i) the number of remaining Shares available for grant under the Johnson Worldwide Associates, Inc. Amended and Restated 1986 Stock Option Plan (the "1986 Plan") as of January 27, 1994 and (ii) the number of Shares underlying outstanding options under the 1986 Plan as of January 27, 1994 that subsequently expire, terminate or are cancelled.
- (b) Share Usage Limits. For the period that the Plan is in effect the aggregate number of Shares that shall be granted as Stock Awards and Stock Appreciation Rights shall not exceed 100,000 Shares. Additionally, the aggregate number of Shares that could be awarded to any one Participant of the Plan over the period that the Plan is in effect shall not exceed 100,000 Shares.
- (c) Adjustments. In the event of any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of Company assets to shareholders, or any other change affecting Shares, such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee may, in such manner as it may deem equitable, adjust any or all of (i) the aggregate number and type of Shares that may be issued under the Plan; (ii) the number and type of Shares covered by each outstanding Award made under the Plan; and (iii) the exercise, base or purchase price per Share for any outstanding Stock Option, Stock Appreciation Right and other Awards granted under the Plan provided that any such actions are consistently and equitably applicable to all affected Participants.
- (d) Common Stock Usage. If, after the effective date of the Plan, any Shares covered by an Award granted under the Plan, or to which any Award relates, are forfeited or if an Award otherwise terminates, expires or is cancelled prior to the delivery of all of the Shares or of other consideration issuable or payable pursuant to such Award and if such forfeiture, termination, expiration or cancellation occurs prior to the payment of dividends or the exercise by the holder of other indicia of ownership of the Shares to which the Award relates, then the number of Shares counted against the number of Shares available under the Plan in connection with the grant of such Award, to the extent of any such forfeiture, termination, expiration or cancellation, shall again be available for granting of additional Awards under the Plan.
- (e) Accounting for Awards. The number of Shares covered by an Award

under the Plan, or to which such Award relates, shall be counted on the date of grant of such Award against the number of Shares available for granting Awards under the Plan.

Section 7: Awards

- (a) General. The Committee shall determine the type or types of Award(s) (as set forth below) to be made to each Participant and shall approve the terms and conditions of all such Awards in accordance with Sections 4 and 8 of the Plan. Awards may be granted singularly, in combination, or in tandem such that the settlement of one Award automatically reduces or cancels the other. Awards may also be made in replacement of, as alternatives to, or as form of payment for grants or rights under any other employee compensation plan or arrangement of the Company, including the plans of any acquired entity.
- (b) Stock Options. A Stock Option shall confer on a Participant the right to purchase a specified number of Shares from the Company with the terms and conditions as set forth below and with such additional terms and conditions as the Committee shall determine. The Committee shall establish the purchase price per Share under the Stock Option at the time each Stock Option is awarded, provided that the price shall not be less than 100% of the Fair Market Value. Stock Options may be in the form of ISOs or NQSOs. If a Participant owns or is deemed to own (by reason of the attribution rules applicable under Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any subsidiary or parent corporation and an ISO is awarded to such Participant, the option price shall not be less than 110% of the Fair Market Value at the time such ISO is awarded. The aggregate Fair Market Value at time of grant of the Shares covered by ISOs exercisable by any one optionee in any calendar year shall not exceed \$100,000 (or such other limit as may be required by the Code). The term of each Stock Option shall be fixed by the Committee; provided, however, that in no event shall the term of any Stock Option exceed a period of ten years from the date of its grant. A Stock Option shall become exercisable in such manner and within such period or periods and in such installments or otherwise as shall be determined by the Committee. Except as provided below, payment of the exercise price of a Stock Option shall be made at the time of exercise in cash or such other forms as the Committee may approve, including shares valued at their Fair Market Value on the date of exercise, or in a combination of forms. The Committee may also permit Participants to have the option price delivered to the Company by a broker pursuant to an arrangement whereby the Company, upon irrevocable instructions from a Participant, delivers the exercised Shares to the broker.
- (c) Stock Appreciation Rights (SARs). An SAR grant shall confer on a Participant the right to receive, upon exercise, an amount determined by multiplying: (i) the positive difference, if any, between the

Fair Market Value of a Share on the date of exercise and the base price of the SAR contained in the terms and conditions of the Award by (ii) the number of Shares with respect to which the SAR is exercised. Subject to the terms of the Plan, the grant price, term, methods of exercise, methods of settlement (including whether the Participant will be paid in cash, Shares or combination thereof), and any other terms and conditions of any SAR shall be determined by the Committee. Shares issued in settlement of the exercise of SARs shall be valued at their Fair Market Value on the date of the exercise. The Committee shall establish the base price of the SAR at the time the SARs are awarded, provided that the base price shall not be less than 100% of the Fair Market Value on the date of award or the exercise or payment price of the related Award if the SAR is granted in combination with or in tandem with another Award. The Committee may impose such conditions or restrictions on the exercise of any SAR as it may deem appropriate, including, without limitation, restricting the time of exercise of the SAR to specified periods as may be necessary to satisfy the requirements of Rule 16b-3.

- (d) Stock Awards. A Stock Award shall confer on a Participant the right to receive a specified number of Shares or a cash equivalent payment or a combination thereof, subject to the terms and conditions of the Award, which may include forfeitability contingencies based on continued employment with the Company or on meeting specified performance criteria or both. The Committee shall determine the restriction or performance period, the performance goals or targets to be achieved during any performance period, the proportion of payments, if any, to be made for performance between the minimum and full performance levels, the restrictions, if any, applicable to any Shares awarded or received upon payment of performance shares or units, and any other terms, conditions and rights relating to a grant of Stock Awards. A Stock Award may be in the form of Shares or Share units. The Committee may also grant Stock Awards that are not subject to any restrictions. The Committee may provide that, during a performance or restriction period, a Participant shall be paid cash amounts, with respect to each Stock Award held by such Participant, in the same manner, at the same time and in the same amount paid, as a cash dividend on a Share. Any other provision of the Plan to the contrary notwithstanding, the Committee may at any time adjust performance goals (up or down) and minimum or full performance levels (and any intermediate levels and proportion of payments related thereto), adjust the manner in which performance goals are measured, or shorten any performance period or waive in whole or in part any or all remaining restrictions with respect to Shares subject to restrictions, if the Committee determines that conditions, including but not limited to, changes in the economy, changes in competitive conditions, changes in laws or governmental regulations, changes in generally accepted accounting principles, changes in the Company's accounting policies, acquisitions or dispositions by the Company or its Affiliates, or the occurrence of other unusual, unforeseen or extraordinary events, so warrant.

Section 8: General Provisions Applicable to Awards

- (a) No Consideration for Awards. Awards shall be granted to Participants for no cash consideration unless otherwise determined by the Committee.
- (b) Transferability and Exercisability. No Award subject to the Plan and no right under any such Award shall be assignable, alienable, saleable or otherwise transferable by the Participant other than by will or the laws of descent and distribution; provided, however, that if so permitted by the Committee, a Participant may designate a beneficiary or beneficiaries to exercise the Participant's rights and receive any distributions under this Plan upon the Participant's death.
- (c) General Restrictions. Each Award shall be subject to the requirement that, if at any time the Committee shall determine, in its sole discretion, that the listing, registration or qualification of any Award under the Plan upon any securities exchange or under any state or federal law, or the consent or approval of any government regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the grant or settlement thereof, such Award may not be exercised or settled in whole or in part unless such listing, registration, qualification, consent or approval have been effected or obtained free of any conditions not acceptable to the Committee.
- (d) Grant Terms and Conditions. The Committee shall determine the provisions and duration of grants made under the Plan, including the option prices for all Stock Options, the base prices for all SARs, the consideration, if any, to be required from Participants for Stock Awards, and the conditions under which a Participant will retain rights under the Plan in the event of the Participant's termination of employment while holding any outstanding Awards.
- (e) Rule 16b-3 Six-Month Limitations. To the extent required in order to comply with Rule 16b-3 only, any equity security offered pursuant to the Plan to a Reporting Person may not be sold for at least six months after acquisition, except in the case of death or disability, and any derivative security issued pursuant to the Plan to a Reporting Person shall not be exercisable for at least six months, except in case of death or disability of the holder thereof. Terms used in the preceding sentence shall, for the purposes of such sentence only, have the meanings, if any, assigned or attributed to them under Rule 16b-3.
- (f) Tax Withholding. The Company shall have the right, upon issuance of Shares or payment of cash in respect of an Award, to reduce the number of Shares or amount of cash, as the case may be, otherwise issuable or payable by the amount necessary to satisfy any federal,

state or local withholding taxes or to take such other actions as may be necessary to satisfy any such withholding obligations. The Committee may require or permit Shares including previously acquired Shares and Shares that are part of, or are received upon exercise of the Award, to be used to satisfy required tax withholding and such Shares shall be valued at their Fair Market Value on the date the tax withholding is effective.

- (g) Documentation of Grants. Awards made under the Plan shall be evidenced by written agreements in such form (consistent with the terms of the Plan) or such other appropriate documentation as shall be approved by the Committee. The Committee need not require the execution of any instrument or acknowledgement of notice of an Award under the Plan, in which case acceptance of such Award by the respective Participant will constitute agreement to the terms of the Award.
- (h) Settlement. Subject to the terms of the Plan and any applicable Award agreement, the Committee shall determine whether Awards are settled in whole or in part in cash, Shares, or other Awards. The Committee may require or permit a Participant to defer all or any portion of a payment under the Plan, including the crediting of interest on deferred amounts denominated in cash.
- (i) Change in Control. In order to preserve a Participant's rights under an Award in the event of a Change in Control (as defined below) of the Company, the Committee in its discretion may, at the time an Award is made or at any time thereafter, take one or more of the following actions: (i) provide for the acceleration of any time period relating to the exercise or realization of the Award, (ii) provide for the purchase of the Award upon the Participant's request for an amount of cash or other property that could have been received upon the exercise or realization of the Award had the Award been currently exercisable or payable, (iii) adjust the terms of the Award in a manner determined by the Committee to reflect the Change in Control, (iv) cause the Award to be assumed, or new rights substituted therefore, by another entity, or (v) make such other provision as the Committee may consider equitable and in the best interests of the Company. For purposes of this Plan, a Change in Control shall be deemed to have occurred if the Johnson Family (as defined below) shall at any time fail to own stock of the Company having, in the aggregate, votes sufficient to elect at least a fifty-one percent (51%) majority of the directors of the Company. Johnson Family shall mean at any time, collectively, Samuel C. Johnson, his wife and their children and grandchildren, the executor or administrators of the estate or other legal representative of any such person, all trusts for the benefit of the foregoing or their heirs or any one or more of them, and all partnerships, corporations or other entities directly or indirectly controlled by the foregoing or any one or more of them.

- (a) Plan Amendment. The Board may amend, alter, suspend, discontinue or terminate the Plan as it deems necessary or appropriate to better achieve the purposes of the Plan; provided, however, that no amendment, alteration, suspension, discontinuation or termination of the Plan shall in any manner (except as otherwise provided in the Plan) adversely affect any Award granted and then outstanding under the Plan without the consent of the respective Participant; and provided, further, that without the approval of the Company's shareholders, no amendment shall be made which would (i) increase the total number of Shares available for issuance under the Plan; or (ii) cause the Plan not to comply with Rule 16b-3 or any successor rule.

The Committee may, in whole or in part, waive any conditions or other restrictions with respect to, and may amend, alter, suspend, discontinue or terminate any Award granted under the Plan to a Participant, prospectively or retroactively, but no such action shall impair the rights of a Participant without his or her consent, except as otherwise provided herein.

- (b) No Right to Employment. No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment. The Company expressly reserves the right at any time to dismiss a Participant free from any liability or claim under the Plan, except as expressly provided by an applicable Award.
- (c) No Rights as Shareholder. Only upon issuance of Shares to a Participant (and only in respect to such Shares) shall the Participant obtain the rights of a shareholder, subject, however, to any limitations imposed by the terms of the applicable Award.
- (d) No Fractional Shares. No fractional shares or other securities shall be issued under the Plan, however, the Committee may provide for a cash payment as settlement in lieu of any fractional shares.
- (e) Other Company Benefit and Compensation Programs. Except as expressly determined by the Committee, settlements of Awards received by Participants under this Plan shall not be deemed as part of a Participant's regular, recurring compensation for purposes of calculating payments or benefits from any Company benefit or severance program (or severance pay law of any country). The above notwithstanding, the Company may adopt other compensation programs, plans or arrangements as it deems appropriate or necessary.
- (f) Unfunded Plan. Unless otherwise determined by the Committee, the Plan shall be unfunded and shall not create (or be construed to create) a trust or a separate fund(s). The Plan shall not create any fiduciary relationship between the Company and any Participant or

other person. To the extent any person holds any rights by virtue of an Award granted under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company.

- (g) Successors and Assignees. The Plan shall be binding on all successors and assignees of a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.
- (h) Governing Law. The validity, construction and effect of the Plan and any actions taken under or relating to the Plan shall be determined in accordance with the laws of the State of Wisconsin and applicable federal law.

December 2, 1993

Johnson Worldwide Associates, Inc.
1994 Non-Employee Director Stock Ownership Plan

Section 1: Purpose

The purpose of the Johnson Worldwide Associates, Inc. 1994 Non-Employee Director Stock Ownership Plan (the "Plan") is to promote the long-term growth and financial success of Johnson Worldwide Associates, Inc. (the "Company") by attracting and retaining non-employee directors of outstanding ability and assisting the Company in promoting a greater identity of interest between the Company's non-employee directors and its shareholders.

Section 2: Definitions

As used in the Plan, the following terms have the respective meanings set forth below:

- (a) Award means any Stock Option or Stock Award granted under the Plan.
- (b) Board means the Company's Board of Directors.
- (c) Common Stock means the Class A Common Stock, \$.05 par value, of the Company.
- (d) Company means Johnson Worldwide Associates, Inc., a corporation established under the laws of the State of Wisconsin, and any entity that is directly or indirectly controlled by the Company or any entity in which the Company has a significant interest as determined by the Board.
- (e) Fair Market Value means the fair market value of the Common Stock determined by such methods or procedures as shall be established from time to time by the Board; provided, however, that the Fair Market Value shall not be less than the par value of the Common Stock; and provided further, that so long as the Common Stock is traded on a public market, Fair Market Value means the average of the high and low prices of a share of Common Stock in the over-the-counter market on the trading date preceding the specified date, as reported by the NASDAQ National Market System (or if no sales occurred on such date, the last preceding date on which sales occurred); provided, however, that if the principal market for the Common Stock is then a national securities exchange, the Fair Market Value shall be the average of the high and low prices of a share of Common Stock on the principal securities exchange on which the Common Stock is traded on the trading date preceding the specified date (or if no sales occurred on such date, the last preceding date on which sales occurred).

- (f) 1934 Act means the Securities Exchange Act of 1934, as amended from time to time.
- (g) Participant means a Director of the Board who is not an employee of the Company.
- (h) Shares means shares of Common Stock of the Company.
- (i) Stock Award means an award to a Participant comprised of Shares granted under Section 6(b) of the Plan.
- (j) Stock Option means an award in the form of the right to purchase a specified number of Shares at a specified price during a specified period granted under Section 6(a) of the Plan.

Section 3: Effective Dates

The Plan shall be in effect as of January 27, 1994, subject, however, to the approval of the Plan by the shareholders of the Company. No Awards may be made under the Plan after January 27, 2004 or earlier termination of the Plan by the Board.

Section 4: Plan Operation

The Plan is intended to meet the requirements of Rule 16b-3(c)(2)(ii) adopted under the 1934 Act and accordingly is intended to be self-governing. To this end the Plan requires no discretionary action by any administrative body with regard to any transaction under the Plan. To this extent, if any, that any questions of interpretation arise, these shall be resolved by the Board.

Section 5: Stock Available for Awards

- (a) Common Shares Available. The maximum number of Shares available for Awards under the Plan may not exceed 50,000 shares of Common Stock of the Company.
- (b) Adjustments and Reorganizations. The Board, as it deems appropriate to meet the intent of the Plan, may make such adjustments to (i) the number of Shares available under the Plan and which thereafter may be made the subject of Awards under the Plan, and (ii) the number and type and exercise price of Shares subject to outstanding Stock Options, provided any such adjustments are consistent with the effect on other shareholders arising from any corporate restructuring action. Such actions may include, but are not limited to, any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off, recapitalization, or other distributions (other than normal cash dividends) of Company assets to shareholders, or any other change affecting Shares. The Board may also make such similar appropriate adjustments in the calculation of Fair Market

Value as it deems necessary to preserve the Participants' rights under the Plan. Notwithstanding the foregoing, (x) Stock Options subject to grant or previously granted under the Plan at the time of any event described above shall be subject to only such adjustment as shall be necessary to maintain the proportionate interest of the Participant and preserve, without exceeding, the value of such Stock Options, and (y) the number of Shares subject to Stock Awards under the Plan at the time of any event described above shall be subject to only such adjustment as shall be necessary to maintain the relative proportionate interest represented by such Shares immediately prior to any such event.

- (c) Common Stock Usage. If, after the effective date of the Plan, any Shares covered by an Award granted under the Plan, or to which any Award relates, are forfeited or if an Award otherwise terminates, expires or is cancelled prior to the delivery of all of the Shares or of other consideration issuable or payable pursuant to such Award and if such forfeiture, termination, expiration or cancellation occurs prior to the payment of dividends or the exercise by the holder of other indicia of ownership of the Shares to which the Award relates, then the number of Shares counted against the number of Shares available under the Plan in connection with the grant of such Award, to the extent of any such forfeiture, termination, expiration or cancellation, shall again be available for granting of additional Awards under the Plan.

Section 6: Awards

- (a) Stock Options. By and simultaneous with the approval of the Plan by the shareholders of the Company, each Participant at such time shall automatically be granted a non-qualified stock option to purchase 5,000 Shares of Common Stock. Thereafter, on the date on which a Participant, other than a Participant who was serving as a Director of the Company on the date of shareholder approval, is first elected or appointed as a Director of the Company during the existence of the Plan, such Participant shall automatically be granted a non-qualified stock option to purchase 5,000 Shares of Common Stock. The option exercise price shall be the Fair Market Value of a Share of Common Stock on the date of the grant which shall be payable at the time of exercise in cash, previously acquired Shares of Common Stock valued at their Fair Market Value or such other forms or combinations of forms as the Board may approve. Each option shall have a term of ten years and shall become fully exercisable one year following the date on which it is granted.
- (b) Stock Awards. Commencing with the 1994 annual meeting of shareholders, the Company shall issue to each Participant 500 Shares of Common Stock on the first business day following each annual meeting of shareholders until the Plan is terminated or amended.

Section 7: General Provisions Applicable to Awards

(a) Non-Transferability of Stock Options. Options granted under Section 6(a) hereof may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or under the laws of descent and distribution or pursuant to a qualified domestic relations order as defined in the Internal Revenue Code. The designation of a beneficiary shall not constitute a transfer. An option may be exercised, during the lifetime of the Participant, only by such Participant or his legal representative.

(b) Non-Transferability of Stock Awards. Shares awarded under Section 6(b) hereof shall not be assignable, alienable, saleable or otherwise transferable by the respective Participant until such Participant ceases for any reason to serve on the Board. Notwithstanding the preceding sentence, the following transfers or other dispositions will not be deemed to be a violation of the transfer restrictions set forth herein:

A gift or other transfer of Shares issued to (i) any trust or other estate in which such Participant has a substantial beneficial interest or as to which such Participant serves as a trustee or in a similar capacity or (ii) any relative or spouse of such Participant, or any relative of such spouse, who has the same home as the Participant which in either case would not change the Participant's beneficial ownership of those Shares for purposes of reporting under Section 16(a) of the 1934 Act; provided, that any Shares transferred by gift or otherwise pursuant to this subparagraph will continue to be subject to the non-transfer restrictions of this Section though such Shares are held by the Participant.

(c) Termination of Directorship. If for any reason a Participant ceases to be a Director of the Company one year or more after the Director's initial election or appointment to the Board while holding an option granted under the Plan, such option shall continue to be exercisable for a period of three years after such termination or the remainder of the option term, whichever is shorter. If for any reason other than death a Participant ceases to be a Director of the Company within one year of the Director's initial election or appointment to the Board, the option granted under the Plan and held by the Director shall be cancelled as of the date of such termination. In the event a Participant dies within one year of initial election or appointment to the Board, the option granted under the Plan shall be exercisable by will or in accordance with the laws of descent and distribution for a period of three years following the date of death.

(d) Documentation of Grants. Awards made under the Plan shall be evidenced by written agreements or such other appropriate documentation as the Board shall prescribe. The Board need not require the execution of any instrument or acknowledgment of notice of an Award under the Plan, in which case acceptance of such Award by

the respective Participant will constitute agreement to the terms of the Award.

- (e) Plan Amendment. The Board may suspend or terminate the Plan or any portion of the Plan at any time. The Board may also amend the Plan if deemed to be in the best interests of the Company and its shareholders; provided, however, that (i) no such amendment may impair any Participant's right regarding any outstanding grants, elections or other right to receive Shares under the Plan without his or her consent, and (ii) the Plan may not be amended more than once every six months, unless such amendment is permitted by Rule 16b-3(c)(2)(ii)(B) under the 1934 Act.
- (f) Governing Law. The validity, construction and effect of the Plan and any such actions taken under or relating to the Plan shall be determined in accordance with the laws of the State of Wisconsin and applicable federal law.

December 2, 1993