

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM S-3  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

BRUNSWICK CORPORATION  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

<TABLE>

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DELAWARE  
(STATE OR OTHER JURISDICTION OF  
INCORPORATION OR ORGANIZATION)

36-0848180

(IRS EMPLOYER  
IDENTIFICATION NO.)

</TABLE>

1 N. FIELD CT.  
LAKE FOREST, ILLINOIS 60045-4811  
(847) 735-4700  
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF  
REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

ROBERT T. MCNANEY  
VICE PRESIDENT AND GENERAL COUNSEL  
BRUNSWICK CORPORATION  
1 N. FIELD CT.  
LAKE FOREST, ILLINOIS 60045-4811  
(847) 735-4305  
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE,  
OF AGENT FOR SERVICE)

COPY TO:

ROBERT E. CURLEY  
MAYER, BROWN & PLATT  
190 SOUTH LASALLE STREET  
CHICAGO, ILLINOIS 60603

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:

From time to time after the effective date of this registration statement as the  
Registrant shall determine.

If the only securities being registered on this Form are being offered  
pursuant to dividend or interest reinvestment plans, please check the following  
box. //

If any of the securities being registered on this Form are to be offered on  
a delayed or continuous basis pursuant to Rule 415 under the Securities Act of  
1933, other than securities offered only in connection with dividend or interest  
reinvestment plans, check the following box. /X/

If this Form is filed to register additional securities for an offering  
pursuant to Rule 462(b) under the Securities Act, please check the following box  
and list the Securities Act registration statement number of the earlier  
effective registration statement for the same offering. //

If this Form is a post-effective amendment filed pursuant to Rule 462(c)  
under the Securities Act, check the following box and list the Securities Act  
registration statement number of the earlier effective registration statement

for the same offering. //

If delivery of the prospectus is expected to be made pursuant to Rule 434,  
please check the following box. //

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CALCULATION OF REGISTRATION FEE

<TABLE>

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TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED(1)	PROPOSED MAXIMUM AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT	AMOUNT OF AGGREGATE OFFERING PRICE(2)	REGISTRATION FEE
Common Stock, par value \$.75 per share(3)...				
Preferred Stock, par value \$.75 per share...				
Depository Shares Representing Preferred Stock, par value \$.75 per share.....	(4)(5)	(4)	\$600,000,000(4)(5)	\$172,413.79(5)
Debt Securities.....				
Warrants to Purchase Common Stock.....				
Warrants to Purchase Preferred Stock.....				
Warrants to Purchase Debt Securities.....				

</TABLE>

(1) Securities registered hereunder (the "Offered Securities") may be sold separately, together or as units with other Offered Securities registered hereunder. The Offered Securities registered hereunder also include such indeterminate number of shares of Common Stock and Preferred Stock that may be issued upon conversion of convertible debt securities or convertible preferred stock.

(2) Estimated in accordance with Rule 457 solely for the purpose of computing the registration fee.

(3) Includes preferred stock purchase rights.

(4) Pursuant to Rule 457(o) under the Securities Act of 1933, as amended (the "Securities Act"), which permits the registration fee to be calculated on the basis of the maximum offering price of all the securities listed, the table does not specify by each class information as to the amount to be registered, proposed maximum offering price per unit or proposed maximum aggregate offering price.

(5) Of the \$600,000,000 of Offered Securities registered hereby, \$100,000,000 aggregate principal amount of debt securities were registered pursuant to Registration Statement No. 33-61512 and are unissued as of the date hereof. Of the \$600,000,000 of Offered Securities registered hereby, the \$100,000,000 of debt securities will remain designated as such. A registration fee of \$31,250 was previously paid with respect to such debt securities.

Pursuant to Rule 429 under the Securities Act, the Prospectus filed as part of this Registration Statement relates to the securities registered hereby, including the remaining unsold \$100,000,000 principal amount of debt securities previously registered by Registrant under its Registration Statement on Form S-3 (File No. 33-61512). Such Registration Statement is amended to reflect the information contained herein.

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THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.  
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INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A

REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED AUGUST 12, 1996

PROSPECTUS

\$600,000,000

[LOGO]

BRUNSWICK CORPORATION

COMMON STOCK, PREFERRED STOCK, DEPOSITORY SHARES, DEBT SECURITIES,  
WARRANTS TO PURCHASE COMMON STOCK, WARRANTS TO PURCHASE PREFERRED STOCK AND  
WARRANTS TO PURCHASE DEBT SECURITIES

Brunswick Corporation, a Delaware corporation (the "Company"), may from time to time offer in one or more series (i) shares of Common Stock, par value \$.75 per share (the "Common Stock"), (ii) whole or fractional shares of Preferred Stock, par value \$.75 per share (collectively, "Preferred Stock"), (iii) Preferred Stock represented by depository shares ("Depository Shares"), (iv) unsecured debt securities ("Debt Securities"), (v) warrants to purchase Common Stock ("Common Stock Warrants"), (vi) warrants to purchase Preferred Stock ("Preferred Stock Warrants"), and (vii) warrants to purchase Debt securities ("Debt Warrants"), with an aggregate public offering price of up to \$600,000,000, on terms to be determined at the time or times of offering. The Common Stock, Preferred Stock, Depository Shares, Debt Securities, Common Stock Warrants, Preferred Stock Warrants and Debt Warrants (collectively referred to herein as the "Offered Securities") may be offered, separately or together, in separate classes or series, in amounts, at prices and on terms to be set forth in one or more supplements to this Prospectus (each, a "Prospectus Supplement").

All specific terms of the offering and sale of the Offered Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and will include, where applicable: (i) in the case of Common Stock, any public offering price and the aggregate number of shares offered; (ii) in the case of Preferred Stock, the specific class, series, title and stated value, any dividend, liquidation, redemption, conversion, voting and other rights, any dividend payment dates, any sinking fund provisions, the aggregate number of shares offered and any public offering price; (iii) in the case of Depository Shares, the aggregate number of shares offered, the shares of whole or fractional Preferred Stock represented by each such Depository Share and any public offering price; (iv) in the case of Debt Securities, the designation, aggregate principal amount, designated currency or currency units, rate or method of calculation of interest and dates for payment thereof, maturity, authorized denominations, any public offering price, any redemption or prepayment rights at the option of the Company or any other special terms of the Debt Securities; (v) in the case of Common Stock Warrants, the duration, offering price, exercise price and detachability features; (vi) in the case of Preferred Stock Warrants, description of the Preferred Stock for which each warrant will be exercisable and the duration, offering price, exercise price and detachability features; and (vii) in the case of Debt Warrants, description of the Debt Securities for which each warrant will be exercisable and the duration, offering price, exercise price and detachability features.

The applicable Prospectus Supplement will also contain information, where applicable, about certain United States federal income tax considerations relating to, and any listing on a securities exchange of, the Offered Securities covered by that Prospectus Supplement.

The Offered Securities may be offered directly, through agents designated from time to time by the Company, or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of the Offered Securities, their names and any applicable purchase price, fee, commission or discount arrangement between or among them will be set forth in or will be calculable from the information set forth in the applicable Prospectus Supplement. No Offered Securities may be sold without delivery of the applicable

Prospectus Supplement describing the method and terms of the offering of those Offered Securities. See "Plan of Distribution" for possible indemnification arrangements with underwriters, dealers and agents.

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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This Prospectus may not be used to consummate sales of the Offered Securities unless accompanied by a Prospectus Supplement.

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, 1996

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS OR AN APPLICABLE PROSPECTUS SUPPLEMENT AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER, DEALER OR AGENT. THIS PROSPECTUS AND ANY APPLICABLE PROSPECTUS SUPPLEMENT DO NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OFFERED HEREBY IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS PROSPECTUS OR ANY PROSPECTUS SUPPLEMENT NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THEREOF.

IN CONNECTION WITH THIS OFFERING, UNDERWRITERS, IF ANY, MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE OFFERED SECURITIES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE, IN THE OVER-THE-COUNTER MARKET OR OTHERWISE. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

#### AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by the Company can be inspected and copied at the offices of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 or at its Regional Offices at Seven World Trade Center, 13th Floor, New York, New York 10048 and Citicorp Center, Suite 1400, 500 West Madison Street, Chicago, Illinois 60661. Copies of such material can be obtained by mail from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates, or at the Commission's world wide web site at <http://www.sec.gov>. In addition, reports, proxy statements and other information concerning the Company may be inspected and copied at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005, the Chicago Stock Exchange, 440 South LaSalle Street, Chicago, Illinois 60605, and the Pacific Stock Exchange, Inc., 301 Pine Street, San Francisco, California 94104.

The Company has filed with the Commission a Registration Statement on Form S-3 under the Securities Act of 1933, as amended (the "Securities Act"), which relates to the Offered Securities (the "Registration Statement"). This Prospectus omits certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and to the exhibits thereto for further information with respect to the Company and the Offered Securities. The Registration Statement may be inspected without charge by anyone at the office of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and copies of all or any part thereof may be obtained from the Commission upon payment of the prescribed fees. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the Commission. Each such statement is qualified in its entirety by such reference.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed by the Company with the Commission are incorporated in this Prospectus by reference: (i) the Company's Annual Report on Form 10-K for the year ended December 31, 1995; (ii) the Company's Quarterly Reports on Form 10-Q for the Quarters ended March 31, 1996 and June 30, 1996; (iii) the Company's Current Report on Form 8-K dated February 9, 1996; and (iv) the description of the Preferred Stock Purchase Rights contained in the Company's Registration Statement on Form 8-A dated March 13, 1996.

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All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date hereof and prior to the termination of the offering of the Offered Securities shall be deemed to be incorporated by reference herein and to be a part hereof from the date of filing such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company hereby undertakes to provide without charge to each person, including any beneficial owner, to whom a Prospectus is delivered a copy of any and all of the information that has been incorporated by reference herein (other than exhibits to such documents) upon written or oral request. Requests for such copies should be directed to: Richard S. O'Brien, Vice President and Treasurer, 1 N. Field Ct., Lake Forest, Illinois 60045-4811 (telephone (847) 735-4351).

## THE COMPANY

Brunswick Corporation (the "Company") is a multinational company with operations in two industry segments: Recreation and Marine. The principal executive offices of the company are located at 1 N. Field Ct., Lake Forest, Illinois 60045-4811 (telephone (847) 735-4700).

## RECREATION

There are two divisions in the Recreation industry segment: Brunswick Outdoor Recreation Group and Brunswick Indoor Recreation Group.

The Brunswick Outdoor Recreation Group manufactures, assembles, purchases and sells spincast, spinning and baitcast fishing reels, rods, reel/rod combinations, Martin fly reels and reel/rod combinations, and Swivel-Eze fishing pedestals and ski tows and pylons. The Group also manufactures and sells electric trolling motors. In March 1996 the Group acquired Roadmaster Industries, Inc.'s Nelson/Weather-Rite Division, which manufactures, purchases and sells camping products including sleeping bags, tents, backpacks, canvas bags, rainwear, waders and portable stoves.

The Brunswick Indoor Recreation Group manufactures and sells products for the bowling industry, including bowling lanes, automatic pinsetters, ball returns, computerized scoring equipment and business systems. In addition, the Group manufactures and sells seating and locker units for bowling centers; bowling pins, lane finishes and supplies; and bowling balls and bags. The Group also sells billiards tables which are manufactured for the Company to its specifications.

The Brunswick Indoor Recreation Group also operates 126 recreation centers worldwide, and its joint ventures operate an additional 28 centers. Recreation centers are bowling centers which offer, in varying degrees depending on size and location, the following additional activities and services: billiards and other family games, children's playrooms, restaurants and cocktail lounges.

## MARINE

The Marine industry segment consists of the Mercury Marine Division, which manufactures and sells marine propulsion systems, and the US Marine and Sea Ray Divisions and the Salt Water Fishing Boats Group, which manufacture and sell pleasure and fishing boats. The Company believes it has the largest dollar volume of sales of recreational marine engines and pleasure boats in the world.

The Mercury Marine Division manufactures and sells Mercury, Mariner and Force outboard motors, MerCruiser gasoline and diesel inboard and stern drive

engines, the Sport Jet propless jet system and replacement parts and accessories.

The US Marine Division builds and sells several brands of fiberglass pleasure and fishing boats, ranging in size from 16 to 56 feet. Bayliner is the Division's oldest and most well known brand, with offerings that include jet powered boats, family runabouts, cabin cruisers, sport fishing boats and luxury motor yachts. Other brands

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include Maxum (runabouts and cabin cruisers), Trophy (sport fishing boats), and Quantum (freshwater fishing boats).

The Sea Ray Division builds and sells Sea Ray fiberglass boats from 14 to 65 feet in length, including luxury motor yachts, cabin cruisers, sport fishing boats, sport boats, runabouts, water skiing boats, and jet powered boats.

The Salt Water Fishing Boats Group includes the Boston Whaler line of offshore boats, which was acquired in May 1996, and Robalo and Wahoo! fishing boats.

## USE OF PROCEEDS

Unless otherwise described in the applicable Prospectus Supplement, the Company intends to use the net proceeds from the sale of the Offered Securities for general corporate purposes, including expansion of existing businesses and investments in business opportunities as they may arise. Pending such use, the net proceeds may be temporarily invested in short-term investments.

## RATIO OF EARNINGS TO FIXED CHARGES OF THE COMPANY

The following table sets forth the ratio of earnings to fixed charges of the Company for the periods indicated:

<TABLE>  
<CAPTION>

	SIX MONTHS ENDED JUNE 30,		YEAR ENDED DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Ratio of earnings to fixed charges(a).....	10.5x	7.2x	6.2x	6.6x	3.5x	2.6x	--
Inadequacy of coverage(b).....						\$40.4	

</TABLE>

(a) For computation of the ratio of earnings to fixed charges, "earnings" have been calculated by adding fixed charges (excluding capitalized interest) to earnings before income taxes and then deducting the undistributed earnings of affiliates. Fixed charges consist of interest expense, estimated interest portion of rental expense and capitalized interest.

(b) The Company's 1991 loss from continuing operations includes litigation charges of \$38.0 million (\$23.6 million after-tax). The Company was in compliance with its credit agreements during that year.

## GENERAL DESCRIPTION OF THE OFFERED SECURITIES

The Company may offer under this Prospectus Common Stock, Preferred Stock, Depository Shares, Debt Securities, Common Stock Warrants, Preferred Stock Warrants, or Debt Warrants or any combination of the foregoing, either individually or as units consisting of two or more Offered Securities. The aggregate offering price of Offered Securities offered by the Company under this Prospectus will not exceed \$600,000,000. If Offered Securities are offered as units, the terms of the units will be set forth in a Prospectus Supplement.

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## DESCRIPTION OF THE CAPITAL STOCK

### GENERAL

The authorized capital stock of the Company consists of 200,000,000 shares of Common Stock, par value \$.75 per share, of which 98,296,697 were outstanding as of July 19, 1996, and 12,500,000 shares of Preferred Stock, par value \$.75 per share, none of which are outstanding.

### COMMON STOCK

Each share of Common Stock is entitled to one vote at all meetings of stockholders of the Company for the election of directors and all other matters submitted to stockholder vote. The Common Stock does not have cumulative voting rights. Accordingly, the holders of a majority of the outstanding shares of Common Stock can elect all the directors if they chose to do so. Dividends may be paid to the holders of Common Stock when, as and if declared by the Board of Directors of the Company out of funds legally available therefor. The Common Stock has no preemptive or similar rights. Upon the liquidation, dissolution or winding up of the affairs of the Company, any assets remaining after provision for payment of all liabilities would be distributed pro rata among holders of Common Stock. The shares of Common Stock currently outstanding are fully paid and nonassessable. The shares of Common Stock outstanding are, and the shares of Common Stock offered hereby will be, upon issuance against full payment of the purchase price therefor, fully paid and nonassessable.

The Company's Certificate of Incorporation contains provisions requiring, with certain exceptions, any merger, consolidation, disposition of assets or similar business combination with a person who owns 5% or more of the shares of stock of the Company entitled to vote in elections of directors to be approved by the affirmative vote of the holders of two-thirds of the shares of stock entitled to vote in elections of directors which are not beneficially owned by such person. The Certificate of Incorporation also requires, with certain exceptions, that two independent experts conclude that the terms of any such merger, consolidation, disposition of assets or similar business combination are fair to unaffiliated stockholders and that the opinion of these experts be included in a proxy statement mailed to stockholders. The foregoing provisions may be amended only by the affirmative vote of the holders of two-thirds of the shares of stock entitled to vote in elections of directors, excluding any shares held by a person who owns 5% or more of the outstanding shares.

The Company's Certificate of Incorporation divides the Board of Directors into three classes that serve staggered three-year terms; sets the number of directors at not less than six and not more than 15; permits the number of directors to be increased or decreased within the foregoing range by vote of 80% of the directors or the holders of 80% of the outstanding shares of stock entitled to vote in elections of directors; authorizes the by-laws to establish the procedures for advance notice for stockholder nominations of directors; permits such nomination procedures to be amended only by vote of 80% of the directors or the holders of 80% of the outstanding shares of stock entitled to vote in elections of directors; gives the Board of Directors the exclusive power to fill interim vacancies and to determine the qualifications of directors; prohibits the removal of directors without cause; requires that stockholder action be taken at a meeting of stockholders, except for action by written consents of the holders of preferred stock authorized by the Board of Directors; and requires the affirmative vote of the holders of 80% of the shares entitled to vote in elections of directors to amend the foregoing provisions.

### PREFERRED STOCK PURCHASE RIGHTS

On February 5, 1996, the Board of Directors of the Company declared a dividend distribution of one preferred stock purchase right (the "Rights") for each outstanding share of Common Stock of the Company, pursuant to a Rights Agreement, dated as of February 5, 1996, between the Company and Harris Trust and Savings Bank. Prior to the Distribution Date (as hereinafter defined), the Company will issue one Right with each new share of Common Stock so that all such shares will have attached Rights. The Company is issuing one Right with each share of Common Stock offered hereby. The following description does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement.

Each holder of Rights until April 1, 2006 (but only after the occurrence of a Distribution Date) may purchase one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value \$.75 per share (the "Series A Preferred Stock"), at price of \$85 per one one-thousandth share, subject to adjustment (the "Purchase Price"). The Rights will be represented by the Common Stock certificates and will not be exercisable, or transferable apart from the Common Stock, until the earlier to occur of (i) the tenth day after the first public announcement by the Company that a person has become an Acquiring Person (as defined below) or (ii) the fifteenth business day (or such later date as the Board of Directors may decide prior to such time as any person becomes an Acquiring Person) after the commencement of (or a public announcement of the intention to make) a tender offer or exchange offer that would result in such person or group beneficially owning a total of 15% or more of the outstanding Common Stock (the earlier of such dates being called the "Distribution Date").

On the date when the Company announces that a person (other than the Company, any subsidiary or any employee benefit plan of the Company or a subsidiary) together with related parties has acquired, or has obtained the right to acquire, beneficial ownership of 15% or more of the outstanding Common Stock (an "Acquiring Person"), each Right (other than Rights owned by the Acquiring Person and any transferees thereof, each of whose Rights become void) will, subject to certain exceptions, become a right to buy, at the Purchase Price, that number of shares of Common Stock having a market value of twice the Purchase Price.

Under certain circumstances in which the Company is acquired in a merger or other business combination transaction or 50% or more of its consolidated assets or earning power are sold, each holder of Rights (other than the Acquiring Person) has the right to buy, at the Purchase Price, common stock of the acquiring company (or the Company, if it is the surviving entity) having a market value of twice the Purchase Price.

The Purchase Price payable and the number of shares of Series A Preferred Stock or Common Stock or other securities issuable upon exercise of the Rights are subject to adjustment in certain circumstances. At any time prior to the time a person shall become an Acquiring Person, the Company may elect to redeem the Rights in whole, but not in part, at a price of \$.01 per Right. The Rights will expire on April 1, 2006, unless earlier redeemed by the Company. Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person who attempts to acquire the Company without conditioning any offer on the Rights being redeemed or a substantial number of Rights being acquired. However, the Rights will not interfere with a transaction approved by the Company's Board of Directors prior to the date upon which a person has become a 15% stockholder, because the Rights can be redeemed until that time.

## PREFERRED STOCK

Under the Certificate of Incorporation, the Board of Directors of the Company may direct the issuance of up to 12,500,000 shares of Preferred Stock in one or more series and with rights, preferences, privileges and restrictions, including dividend rights, voting rights, conversion rights, terms of redemption and liquidation preferences, that may be fixed or designated by the Board of Directors pursuant to a certificate of designation without any further vote or action by the Company's stockholders. As of February 5, 1996, the Board of Directors had designated 150,000 shares of the Preferred Stock as Series A Junior Participating Preferred Stock for possible issuance in connection with the Rights. The issuance of Preferred Stock may have the effect of delaying, deferring or preventing a change in control of the Company. Preferred Stock, upon issuance against full payment of the purchase price therefor, will be fully paid and nonassessable. The specific terms of a particular series of Preferred Stock will be described in the Prospectus Supplement relating to that series. The description of Preferred Stock set forth below and the description of the terms of a particular series of Preferred Stock set forth in the related Prospectus Supplement do not purport to be complete and are qualified in their entirety by reference to the certificate of designation relating to that series. The related Prospectus Supplement will contain a description of certain United States federal income tax consequences relating to the purchase and ownership of the series of Preferred Stock described in such Prospectus Supplement.



The rights, preferences, privileges and restrictions of the Preferred Stock of each series will be fixed by the certificate of designation relating to such series. A Prospectus Supplement, relating to each series, will specify the following terms of the Preferred Stock:

- (a) The maximum number of shares to constitute the series and the distinctive designation thereof;
- (b) The annual dividend rate, if any, on shares of the series, whether such rate is fixed or variable or both, the date or dates from which dividends will begin to accrue or accumulate and whether dividends will be cumulative;
- (c) The price at and the terms and conditions on which the shares of the series may be redeemed, including the time during which shares of the series may be redeemed and any accumulated dividends thereon that the holders of shares of the series shall be entitled to receive upon the redemption thereof;
- (d) The liquidation preference, if any, and any accumulated dividends thereon, that the holders of shares of the series shall be entitled to receive upon the liquidation, dissolution or winding up of the affairs of the Company;
- (e) Whether or not the shares of the series will be subject to operation of a retirement or sinking fund, and, if so, the extent and manner in which any such fund shall be applied to the purchase or redemption of the shares of the series for retirement or for other corporate purposes, and the terms and provisions relating to the operation of such fund;
- (f) The terms and conditions, if any, on which the shares of the series shall be convertible into, or exchangeable for, shares of any other class or classes of capital stock of the Company or a third party or of any other series of the same class, including the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same and whether such conversion is mandatory or optional;
- (g) The stated value of the shares of such series;
- (h) The voting rights, if any, of the shares of the series; and
- (i) Any or all other preferences and relative, participating, optional or other special rights or qualifications, limitations or restrictions thereof.

In the event of any voluntary liquidation, dissolution or winding up of the affairs of the Company, the holders of any series of any class of Preferred Stock shall be entitled to receive in full out of the assets of the Company, including its capital, before any amount shall be paid or distributed among the holders of the Common Stock or any other shares ranking junior to such series, the amounts fixed by the Board of Directors with respect to such series and set forth in the applicable Prospectus Supplement plus an amount equal to all dividends accrued and unpaid thereon to the date of payment of the amount due pursuant to such liquidation, dissolution or winding up the affairs of the Company. After payment to the holders of the Preferred Stock of the full preferential amounts to which they are entitled, the holders of Preferred Stock, as such, shall have no right or claim to any of the remaining assets of the Company.

If liquidating distributions shall have been made in full to all holders of Preferred Stock, the remaining assets of the Company shall be distributed among the holders of any other classes or series of capital stock ranking junior to the Preferred Stock upon liquidation, dissolution or winding up, according to their respective rights and preferences and in each case according to their respective number of shares. The merger or consolidation of the Company into or with any other corporation, or the sale, lease or conveyance of all or substantially all of the assets of the Company, shall not constitute a dissolution, liquidation or winding up of the Company.

## DESCRIPTION OF DEPOSITORY SHARES

### GENERAL

The Company may offer receipts ("Depository Receipts") for Depository Shares, each of which will represent a fractional interest in a share of a particular series of a class of Preferred Stock, as specified in the applicable Prospectus Supplement. Preferred Stock of each series of each class represented by Depository Shares will be deposited under a separate Deposit Agreement (each, a "Deposit Agreement") among the Company, the depository named therein (such depository or its successor, the "Preferred Stock Depository") and the holders from time to time of the Depository Receipts. Subject to the terms of the Deposit Agreement, each owner of a Depository Receipt will be entitled, in proportion to the fractional interest of a share of the particular series of a class of Preferred Stock represented by the Depository Shares evidenced by such Depository Receipt, to all the rights and preferences of the Preferred Stock represented by such Depository Shares (including dividend, voting, conversion, redemption and liquidation rights).

The Depository Shares will be evidenced by Depository Receipts issued pursuant to the applicable Deposit Agreement. Immediately following the issuance and delivery of the Preferred Stock by the Company to the Preferred Stock Depository, the Company will cause the Preferred Stock Depository to issue, on behalf of the Company, the Depository Receipts. Copies of the applicable form of Deposit Agreement and Depository Receipt may be obtained from the Company upon request.

### DIVIDENDS AND OTHER DISTRIBUTIONS

The Preferred Stock Depository will distribute all cash dividends or other cash distributions received in respect of the Preferred Stock to the record holders of the Depository Receipts evidencing the related Depository Shares in proportion to the number of such Depository Receipts owned by such holder, subject to certain obligations of holders to file proofs, certificates and other information and to pay certain charges and expenses to the Preferred Stock Depository.

In the event of a distribution other than in cash, the Preferred Stock Depository will distribute property received by it to the record holders of Depository Receipts entitled thereto, subject to certain obligations of holders to file proofs, certificates and other information and to pay certain charges and expenses to the Preferred Stock Depository, unless the Preferred Stock Depository determines that it is not feasible to make such distribution, in which case the Preferred Stock Depository may, with the approval of the Company, sell such property and distribute the net proceeds from such sale to such holders.

### WITHDRAWAL OF SHARES

Upon surrender of the Depository Receipts at the corporate trust office of the Preferred Stock Depository (unless the related Depository Shares have previously been called for redemption), the holders thereof will be entitled to delivery at such office, to or upon such holder's order, of the number of whole shares of Preferred Stock and any money or other property represented by the Depository Shares evidenced by such Depository Receipts. Holders of Depository Receipts will be entitled to receive whole shares of the related Preferred Stock on the basis of the proportion of Preferred Stock represented by each Depository Share as specified in the applicable Prospectus Supplement, but holders of such Preferred Stock will not thereafter be entitled to receive Depository Shares therefor. If the Depository Receipts delivered by the holder evidence a number of Depository Shares in excess of the number of Depository Shares representing the number of shares of Preferred Stock to be withdrawn, the Preferred Stock Depository will deliver to such holder at the same time a new Depository Receipt evidencing such excess number of Depository Shares.

### REDEMPTION OF DEPOSITORY SHARES

Whenever the Company redeems Preferred Stock held by the Preferred Stock Depository, the Preferred Stock Depository will redeem as of the same redemption date the number of Depository Shares representing the Preferred Stock so redeemed, provided the Company shall have paid in full to the Preferred Stock Depository the redemption price of the Preferred Stock to be redeemed plus an

amount equal to any accrued and unpaid dividends (except, with respect to noncumulative shares of Preferred Stock, dividends for the

current dividend period only) thereon to the date fixed for redemption. The redemption price per Depositary Share will be equal to the redemption price and any other amounts per share payable with respect to the Preferred Stock. If less than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by the Preferred Stock Depository by lot.

After the date fixed for redemption, the Depositary Shares so called for redemption will no longer be deemed to be outstanding and all rights of the holders of the Depositary Receipts evidencing the Depositary Shares so called for redemption will cease, except the right to receive any moneys payable upon such redemption and any money or other property to which the holders of such Depositary Receipts were entitled upon such redemption upon surrender thereof to the Preferred Stock Depository.

#### VOTING OF THE UNDERLYING PREFERRED STOCK

Upon receipt of notice of any meeting at which the holders of the Preferred Stock are entitled to vote, the Preferred Stock Depository will mail the information contained in such notice of meeting to the record holders of the Depositary Receipts evidencing the Depositary Shares which represent such Preferred Stock. Each record holder of Depositary Receipts evidencing Depositary Shares on the record date (which will be the same date as the record date for the Preferred Stock) will be entitled to instruct the Preferred Stock Depository as to the exercise of the voting rights pertaining to the amount of Preferred Stock represented by such holder's Depositary Shares. The Preferred Stock Depository will vote the amount of Preferred Stock represented by such Depositary Shares in accordance with such instructions, and the Company will agree to take all reasonable action which may be deemed necessary by the Preferred Stock Depository in order to enable the Preferred Stock Depository to do so. The Preferred Stock Depository will abstain from voting the amount of Preferred Stock represented by such Depositary Shares to the extent it does not receive specific instructions from the holders of Depositary Receipts evidencing such Depositary Shares.

#### LIQUIDATION PREFERENCE

In the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, each holder of a Depositary Receipt will be entitled to the fraction of the liquidation preference accorded each share of Preferred Stock represented by the Depositary Share evidenced by such Depositary Receipt, as set forth in the applicable Prospectus Supplement.

#### CONVERSION OF PREFERRED STOCK

The Depositary Shares, as such, are not convertible into Common Stock or any securities or property of the Company. Nevertheless, if so specified in the applicable Prospectus Supplement relating to an offering of Depositary Shares, the Depositary Receipts may be surrendered by holders thereof to the Preferred Stock Depository with written instructions to the Preferred Stock Depository to instruct the Company to cause conversion of the Preferred Stock represented by the Depositary Shares evidenced by such Depositary Receipts into whole shares of Common Stock, other Preferred Stock of the Company or other shares of capital stock, and the Company has agreed that upon receipt of such instructions and any amounts payable in respect thereof, it will cause the conversion thereof utilizing the same procedures as those provided for delivery of Preferred Stock to effect such conversion. If the Depositary Shares evidenced by a Depositary Receipt are to be converted in part only, one or more new Depositary Receipts will be issued for any Depositary Shares not to be converted. No fractional shares of Common Stock will be issued upon conversion, and if such conversion will result in a fractional share being issued, an amount will be paid in cash by the Company equal to the value of the fractional interest based upon the closing price of the Common Stock on the last business day prior to the conversion.

#### AMENDMENT AND TERMINATION OF THE DEPOSIT AGREEMENT

The form of Depositary Receipt evidencing the Depositary Shares which represent the Preferred Stock and any provision of the Deposit Agreement may at

any time be amended by agreement between the Company and the Preferred Stock Depository. However, any amendment that materially and adversely alters

the rights of the holders of Depository Receipts will not be effective unless such amendment has been approved by the existing holders of at least a majority of the Depository Shares evidenced by the Depository Receipts then outstanding.

The Deposit Agreement may be terminated by the Company upon not less than 30 days' prior written notice to the Preferred Stock Depository if a majority of each class of Depository Shares affected by such termination consents to such termination, whereupon the Preferred Stock Depository shall deliver or make available to each holder of Depository Receipts, upon surrender of the Depository Receipts held by such holder, such number of whole or fractional shares of Preferred Stock as are represented by the Depository Shares evidenced by such Depository Receipts. In addition, the Deposit Agreement will automatically terminate if (i) all outstanding Depository Shares shall have been redeemed, (ii) there shall have been a final distribution in respect of the related Preferred Stock in connection with any liquidation, dissolution or winding up of the Company and such distribution shall have been distributed to the holders of Depository Receipts evidencing the Depository Shares representing such Preferred Stock or (iii) each related share of Preferred Stock shall have been converted into capital stock of the Company not so represented by Depository Shares.

#### CHARGES OF PREFERRED STOCK DEPOSITORY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the Deposit Agreement. In addition, the Company will pay the fees and expenses of the Preferred Stock Depository in connection with the performance of its duties under the Deposit Agreement. However, holders of the Depository Receipts will pay the fees and expenses of the Preferred Stock Depository for any duties requested by such holders to be performed which are outside of those expressly provided for in the Deposit Agreement.

#### RESIGNATION AND REMOVAL OF PREFERRED STOCK DEPOSITORY

The Preferred Stock Depository may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the Preferred Stock Depository, any such resignation or removal to take effect upon the appointment of a successor Preferred Stock Depository. A successor Preferred Stock Depository must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000.

#### MISCELLANEOUS

The Preferred Stock Depository will forward to holders of Depository Receipts any reports and communications from the Company that are received by the Preferred Stock Depository with respect to the related Preferred Stock.

Neither the Preferred Stock Depository nor the Company will be liable if it is prevented from or delayed in, by law or any circumstances beyond its control, performing its obligations under the Deposit Agreement. The obligations of the Company and the Preferred Stock Depository under the Deposit Agreement will be limited to performing their duties thereunder in good faith and without gross negligence or willful misconduct, and the Company and the Preferred Stock Depository will not be obligated to prosecute or defend any legal proceeding in respect of any Depository Receipts, Depository Shares or Preferred Stock represented thereby unless satisfactory indemnity is furnished. The Company and the Preferred Stock Depository may rely on written advice of counsel or accountants, or information provided by persons presenting Preferred Stock represented thereby for deposit, holders of Depository Receipts or other persons believed to be competent to give such information, and on documents believed to be genuine and signed by a proper party.

If the Preferred Stock Depository shall receive conflicting claims, requests or instructions from any holders of Depository Receipts, on the one hand, and the Company, on the other hand, the Preferred Stock Depository shall be entitled to act on such claims, requests or instructions received from the

## DESCRIPTION OF DEBT SECURITIES

The Debt Securities are to be issued under an Indenture (the "Indenture"), dated as of March 15, 1987, between the Company and Harris Trust and Savings Bank, as successor to First Trust of Illinois, National Association (as the successor to Bank of America Illinois, formerly known as Continental Illinois National Bank and Trust Company of Chicago), as trustee (the "Trustee"), a copy of which has been filed as an exhibit to the Registration Statement. The following summary of certain provisions of the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture, including the definitions therein of certain terms. Wherever particular sections or defined terms of the Indenture are referred to, it is intended that such sections or defined terms shall be incorporated herein by reference.

### GENERAL

The Indenture does not limit the aggregate principal amount of the Debt Securities or of any particular series of Debt Securities and provides that Debt Securities may be issued thereunder from time to time in one or more series. The Debt Securities will be issued in fully registered form in denominations which may be specified for each particular series, but in the absence of such specification, shall be in denominations of \$1,000 and integral multiples thereof or the equivalent thereof in foreign denominated currency or ECU. Debt Securities will be unsecured and will rank on a parity with other unsecured and unsubordinated indebtedness of the Company. Unless otherwise described in the Prospectus Supplement relating to the Debt Securities of any particular series, there are no covenants or provisions contained in the Indenture which may afford the holders of the Debt Securities protection in the event of a highly leveraged transaction involving the Company. Any such highly leveraged transaction may adversely affect holders of the Debt Securities.

Reference is made to the Prospectus Supplement relating to the Debt Securities of any particular series for the following terms thereof: (1) the title of the Debt Securities; (2) any limit on the aggregate principal amount of the Debt Securities; (3) the date or dates on which the Debt Securities will mature; (4) the rate or rates (which may be fixed or variable) per annum at which the Debt Securities will bear interest, if any, and the date from which any such interest will accrue; (5) the times at which any such interest will be payable; (6) the currency or currencies for which Debt Securities may be purchased and currency or currencies in which principal of and any interest thereon may be payable; (7) if the currency for which Debt Securities may be purchased or in which principal of and interest thereon may be payable is at the purchaser's election, the manner in which such an election may be made; (8) the dates, if any, on which and the price or prices at which the Debt Securities may, pursuant to any mandatory or optional sinking fund provisions, be redeemed by the Company and other detailed terms and provisions of any such sinking funds; and (9) the date, if any, after which and the price or prices at which the Debt Securities may, pursuant to any optional redemption provisions, be redeemed at the option of the Company or of the holder thereof, and other detailed terms and provisions of any such optional redemption.

Unless otherwise indicated in the Prospectus Supplement relating thereto, principal and premium, if any, will be payable at the Company's offices or agencies in Chicago, Illinois, the Borough of Manhattan in the City and State of New York and such other place or places as the Company may designate pursuant to the provisions of the Indenture, provided that, at the option of the Company, payment of any interest may be made by check mailed to the address of the Person entitled thereto as it appears in the security register. (Section 2.06.) Debt Securities may be presented for registration of transfer or exchange at the office of the Trustee in Chicago, at the office of the Trustee's agent in the Borough of Manhattan and at such other place or places as the Company may designate pursuant to the provisions of the Indenture. (Section 5.02).

Debt Securities may be issued under the Indenture as original issue discount Debt Securities to be offered and sold at a substantial discount from the principal amount thereof. Special federal income tax, accounting and other considerations applicable thereto will be described in the Prospectus Supplement relating to any such original issue discount Debt Securities.

As of June 30, 1996, \$225 million principal amount of Debt Securities were issued under the Indenture.

## RESTRICTIONS ON SECURED DEBT

The Indenture provides that the Company will not, and will not cause or permit a Restricted Subsidiary to, incur, issue, assume or guarantee any Secured Debt unless the Debt Securities will be secured by any Mortgage which secures such Secured Debt, so long as such Secured Debt or any other Indebtedness (except for the Debt Securities) secured by such Mortgage shall exist, equally and ratably with (or prior to) any and all other obligations and indebtedness which shall be so secured. The foregoing restrictions do not apply, however, to (i) any Mortgage on any property hereafter acquired or constructed by the Company or a Restricted Subsidiary to secure or provide for the payment of all or any part of the purchase price or construction cost of such property, including, but not limited to, any indebtedness incurred by the Company or a Restricted Subsidiary prior to, at the time of, or within 180 days after the later of the acquisition, the completion of construction (including any improvements on an existing property) or the commencement of commercial operation of such property, which indebtedness is incurred for the purpose of financing all or any part of the purchase price thereof or construction or improvements thereon; (ii) the acquisition of property subject to any Mortgage upon such property existing at the time of acquisition thereof, whether or not assumed by the Company or such Restricted Subsidiary; (iii) any Mortgage existing on the property, or on the outstanding shares of capital stock or indebtedness, of a corporation at the time such corporation becomes a Restricted Subsidiary; (iv) Mortgages on property or shares of capital stock or indebtedness of a corporation existing at the time such corporation is merged into or consolidated with the Company or a Restricted Subsidiary or at the time of a sale, lease or other disposition of the properties of a corporation or firm as an entirety or substantially as an entirety to the Company or a Restricted subsidiary (provided, however, that no such Mortgage shall extend to any other property of the Company or such Restricted Subsidiary prior to such acquisition or to other property thereafter acquired other than additions or improvements to such acquired property); (v) Mortgages on property of the Company or a Restricted Subsidiary in favor or at the request of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof (including Mortgages to secure indebtedness of the pollution control or industrial revenue bond type), in order to permit the Company or a Restricted Subsidiary to perform any contract or subcontract made by it with or at the request of any of the foregoing, or to secure partial, progress, advance or other payments pursuant to any tender, bid, contract, regulation or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such Mortgages; (vi) any Mortgage on any property or assets of any Restricted Subsidiary to secure indebtedness owing by it to the Company or to a Restricted Subsidiary; (vii) any Mortgage existing on March 15, 1987; (viii) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Mortgage permitted by clauses (i) through (vii), inclusive, provided, however, that the principal amount of Secured Debt secured thereby shall not exceed the principal amount of Secured Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to the property which secured the Mortgage so extended, renewed or replaced and additions or improvements to such property; (ix) carriers', warehousemen's, landlords', mechanics' and materialmen's Mortgages incurred in the ordinary course of business of the Company or a Restricted Subsidiary for sums not yet due or being contested in good faith; (x) Mortgages for taxes or assessments or governmental charges or levies on property owned by the Company or any of its Restricted Subsidiaries, if such taxes, assessments, governmental charges or levies shall not at the time be due and payable, or if the same thereafter can be paid without penalty, or if the same are being contested in good faith; (xi) Mortgages to secure payment of worker's compensation, customs duties or insurance premiums, to secure (or in lieu of) customs, surety or appeal bonds, and for purposes similar to any of the above in the regular course of business; and (xii) Mortgages created by or resulting from any litigation or legal proceeding which at the time is currently being contested in good faith. At June 30, 1996, assets of Unrestricted Subsidiaries accounted for approximately 21% of the Company's total consolidated assets.

Notwithstanding the restrictions outlined above, the Company or any Restricted Subsidiary may incur, issue, assume or guarantee Secured Debt which would otherwise be subject to such restrictions in an aggregate amount which, together with all other Secured Debt of the Company and its Restricted Subsidiaries which would otherwise be subject to such restrictions (not including Secured Debt permitted to be so secured) and

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the aggregate Attributable Debt of the Sale and Leaseback Transactions in existence at such time (except for Sale and Leaseback Transactions the proceeds of which shall have been or will be used to retire Funded Debt in accordance with the procedures specified in "Restrictions on Sale and Leaseback Transactions"), does not exceed 10% of the Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries, determined as of a date not more than 90 days prior thereto. (Section 5.05.)

#### RESTRICTIONS ON SALE AND LEASEBACK TRANSACTIONS

The Indenture provides that the Company will not, and will not permit any Restricted Subsidiary to, enter into a Sale and Leaseback Transaction unless either (a) the Company or such Restricted Subsidiary would be entitled, pursuant to the provisions outlined in "Restrictions on Secured Debt," to incur Secured Debt in an amount equal to the Attributable Debt of such Sale and Leaseback Transaction without equally and ratably securing the Securities, or (b) the Company or a Restricted Subsidiary, within 120 days, applies an amount (which amount shall equal the greater of (i) the net proceeds of the sale or transfer of the property leased pursuant to such Sale and Leaseback Transaction or (ii) the fair value of such property at the time of entering into such Sale and Leaseback Transaction as determined by the Company's Board of Directors) to the retirement (other than any mandatory retirement) of the Funded Debt as shown on the most recent consolidated balance sheet of the Company and its Restricted Subsidiaries, which Funded Debt, in the case of the Company, is not subordinated to the prior payment of the Debt Securities of any series. In lieu of applying all or any part of such amount to the retirement of Funded Debt, the Company, at its option, may reduce the amount which it shall be required to apply to such retirement by (i) delivering to the Trustee Debt Securities theretofore purchased or otherwise acquired by the Company or (ii) receiving credit for Debt Securities theretofore redeemed at its option or redeemed through optional sinking fund payments, which Debt Securities have not previously been made the basis for the reduction of a mandatory sinking fund payment. Any Debt Securities which shall have been made the basis for a reduction in the amount of Funded Debt required to be retired shall not be available as a credit against mandatory sinking fund payments. (Section 5.06.)

#### RESTRICTIONS ON MERGER, CONSOLIDATION AND SALE, TRANSFER OR LEASE OF ASSETS

The Indenture provides that the Company shall not consolidate with or merge into any other corporation, or sell, transfer or lease its properties and assets substantially as an entirety to any Person, nor may any other Person consolidate with or merge into the Company, or sell or transfer or lease its properties and assets substantially as an entirety to the Company, unless (i) the Person (if other than the Company) formed by or resulting from any such consolidation or merger or which shall have purchased, received the transfer of, or leased, such property and assets shall be a corporation organized and existing under the laws of the United States or any State or the District of Columbia and shall expressly assume, by a supplemental indenture, the payment of the principal of (and premium, if any) and interest (if any) on all the Debt Securities and the performance and observance of the covenants of the Indenture, (ii) immediately thereafter no Event of Default and no event which after notice or lapse of time, or both, would become an Event of Default shall have happened or be continuing, and (iii) if, as a result of such consolidation, merger, sale, transfer or lease, properties or assets of the Company shall cause the outstanding Debt Securities to be secured equally and ratably with (or prior to) such Mortgage. Notwithstanding the provisions summarized in this paragraph, the Company may, without complying with such provisions, sell, transfer or lease all of its property and assets to another corporation organized and existing under the laws of the United States of America or any State or the District of Columbia if, immediately after giving effect to such sale, transfer or lease and the receipt of the consolidation therefor, such corporation is a wholly-owned Restricted Subsidiary of the Company and the Company would be permitted under the Indenture to incur at least \$1 of Secured Debt. (Section 12.01.)

## EVENTS OF DEFAULT

Events of Default with respect to any series of Debt Securities are defined in the Indenture as being: default for 30 days in payment of any interest installment due on the Debt Securities of such series; default in payment of principal or premium, if any, on any of the Debt Securities of such series or in making any

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mandatory sinking fund payment with respect to Debt Securities of such series; default in performance of any other covenant in the Debt Securities of such series or in the Indenture for 60 days after notice to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in principal amount of the outstanding Debt Securities of such series; certain events of bankruptcy, insolvency and reorganization of the Company; and such additional Events of Default as may be established with respect to the Debt Securities of any series in the manner provided in the Indenture. If an Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the outstanding Debt Securities of such series may declare all the Debt Securities of such series to be due and payable immediately, subject to the right of the holders of a majority in principal amount of the outstanding Debt Securities of such series to waive such default and rescind such declaration in certain limited circumstances. (Sections 7.01 and 7.07.)

The Indenture contains a provision entitling the Trustee, subject to the duty of the Trustee during default to act with the required standard of care, to be indemnified by the holders of the Debt Securities of any series before proceeding to exercise any right or power under the Indenture at the request of such holders. (Section 8.02.) The Indenture also provides that the holders of a majority in principal amount of the outstanding Debt Securities of any series may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Debt Securities of such series. (Section 7.07.)

The Indenture contains a covenant that the Company will file annually with the Trustee a certificate of no default or a certificate specifying any default that exists. (Section 5.07.)

## MODIFICATION OF THE INDENTURE

The Indenture contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than 66 2/3% in principal amount of the outstanding Debt Securities of any series which would be affected by any such supplemental indenture, to execute supplemental indentures adding any provisions to or changing or eliminating any of the provisions of the Indenture or modifying the rights of the holders of Debt Securities of such series, except that no such supplemental indenture may (i) extend the fixed maturity of any Debt Security, or reduce the rate or extend the time of payment of any interest thereon, or reduce the principal amount thereof or any premium thereon, or extend the time of or reduce the amount of any mandatory sinking fund payment, or change the currency of payment of such Debt Security, or impair the rights of the holder of such Debt Security to institute suit for the enforcement of any payment of principal or premium, if any, or any interest on such Debt Security, in each case without the consent of the holder of each such Debt Security so affected, or (ii) reduce the aforesaid percentage of Debt Securities of any series, the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of all outstanding Debt Securities of such series. (Section 11.02.)

## DEFEASANCE AND DISCHARGE

The Indenture provides that the Company, at its option, (a) will be discharged from any and all obligations in respect of the Debt Securities (except for certain obligations such as obligations to register the transfer or exchange of Debt Securities, replace stolen, lost or mutilated Debt Securities, and maintain paying agencies) and thereafter the holders of Debt Securities shall look only to the Trustee for payment from the deposit in trust hereinafter described, or (b) need not comply with certain restrictive covenants of the Indenture (including those described under "Restrictions on Secured Debt," "Restrictions on Sale and Leaseback Transactions" and "Restrictions on Merger, Consolidation and Sale, Transfer or Lease of Assets"), in each case if the Company deposits with the Trustee, in trust, money, or U.S. Governmental



Obligations (or in the case of Debt Securities denominated in a foreign currency, Foreign Government Obligations), or any combination thereof, which through the payment of interest thereon and principal thereof in accordance with their terms will provide money in an amount sufficient to pay all the principal (including any mandatory sinking fund payments) of and premium, if any, and interest on the Debt Securities on the dates such installments of interest or principal are due in accordance with the terms of the Indenture and the Debt Securities, provided that the Trustee shall have been irrevocably instructed to apply such money or the proceeds of such U.S. Government Obligations (or Foreign Government Obligations) to the payment of such

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installments of principal of, and premium, if any, and interest with respect to the Debt Securities. To exercise the option referred to in (a) above, the Company is required to deliver to the Trustee an opinion of outside counsel of nationally recognized standing or a ruling from or published by the United States Internal Revenue Service to the effect that the discharge would not cause holders of Debt Securities to recognize income, gain or loss for Federal income tax purposes. To exercise the option referred to in (b) above, the Company is not required to deliver to the Trustee an opinion of counsel or ruling to such effect. Defeasance provisions relating to any Debt Securities denominated in ECUs will be set forth with more particularity in the applicable Prospectus Supplement. (Section 4.01.)

#### DEFINITIONS OF CERTAIN TERMS

The following Definitions are more fully set forth in Article One of the Indenture:

Attributable Debt means, with respect to any Sale and Leaseback Transaction at any particular time, the present value, discounted at a rate per annum (compounded semi-annually) equal to the effective weighted average interest rate on the Debt Securities, of the obligation of the lessee for rental payments (calculated in accordance with generally accepted accounting principles) due during the remaining term of such lease (which may, if in accordance with generally accepted accounting principles, include any period for which such lease has been extended or may, at the option of the lessee, be extended). Such rental payments shall not include amounts payable by the lessee for maintenance and repairs, insurance, taxes, assessments and similar charges. In case of any lease which is terminable by the lessee upon the payment of a penalty, such rental payments shall also include such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated.

Consolidated Current Liabilities means the aggregate of the current liabilities of the Company and its Restricted Subsidiaries appearing on the most recent available consolidated balance sheet of the Company and its Restricted Subsidiaries, all in accordance with generally accepted accounting principles; but excluding any obligation of the Company and its Restricted Subsidiaries issued under a revolving credit or similar agreement if the obligation issued under such agreement matures by its terms within twelve months from the date thereof but by the terms of such agreement such obligation may be renewed or extended or the amount thereof reborrowed or refunded at the option of the Company or any Restricted Subsidiary for a term in excess of twelve months from the date of determination.

Consolidated Net Tangible Assets means Consolidated Tangible Assets after deduction of Consolidated Current Liabilities.

Consolidated Tangible Assets means the aggregate of all assets of the Company and its Restricted Subsidiaries (including the value of all existing Sale and Leaseback Transactions and any assets resulting from the capitalization of other long-term lease obligations in accordance with generally accepted accounting principles but excluding the value of assets or investment in any Unrestricted Subsidiary) appearing on the most recent available consolidated balance sheet of the Company and its Restricted Subsidiaries at their net book values, after deducting related depreciation, amortization and other valuation reserves and excluding (a) any capital write-up resulting from reappraisals of assets or of other investments after March 15, 1984 (other than a write-up of any assets) constituting part of the assets and business of another corporation made in connection with the acquisition, direct or indirect, of the assets and business of such other corporation) except as permitted in accordance with

generally accepted accounting principles, (b) treasury stock, and (c) patent and trademark rights, goodwill, unamortized discounts and expenses and any other intangible items, all in accordance with generally accepted accounting principles.

Foreign Government Obligations means direct non-callable obligations of, or non-callable obligations guaranteed by, a government other than that of the United States of America or an agency of such government for the payment of which obligations or guarantee the full faith and credit of such government is pledged.

Funded Debt of any corporation means an Indebtedness created, issued, incurred, assumed or guaranteed by such corporation, whether secured or unsecured, maturing more than one year after the date of

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determination thereof or which may by its terms be reborrowed, refunded, renewed or extended to a time more than twelve months after the date of determination thereof.

Indebtedness means (a) any obligation for borrowed money, (b) any obligation representing the deferred purchase price of property other than accounts payable arising in connection with the purchase of inventory or equipment on terms customary in the trade, (c) any obligation, whether or not assumed, secured by a Mortgage on, or payable out of the proceeds or production from, property now owned or hereafter acquired by the obligor and (d) any obligation in respect of lease rentals which under generally accepted accounting principles would be shown on a consolidated balance sheet of the Company and its Restricted Subsidiaries as a liability item other than a current liability.

Mortgage means any mortgage, pledge, lien, charge, security interest, conditional sale or other title retention agreement or other similar encumbrance.

Person means an individual, corporation or other entity.

Principal Property means any manufacturing plant or other facility of the Company or any Restricted Subsidiary, whether now owned or hereafter acquired, which, in the opinion of the Board of Directors, is of material importance to the business conducted by the Company and its Restricted Subsidiaries as a whole.

Restricted Subsidiary means (a) any Subsidiary other than an Unrestricted Subsidiary and (b) any Subsidiary which was an Unrestricted Subsidiary but which, subsequent to March 15, 1987, is designated by the Board of Directors of the Company to be a Restricted Subsidiary, provided, however, that the Company may not designate any such Subsidiary to be a Restricted Subsidiary if the Company would thereby breach any covenant contained in the Indenture (on the assumptions that any outstanding Secured Debt of such Subsidiary was incurred at the time of such designation and that any Sale and Leaseback Transaction to which such Subsidiary is then a party was entered into at the time of such designation).

Sale and Leaseback Transaction means the sale or transfer (except to the Company or one or more Restricted Subsidiaries) of any Principal Property owned or leased by the Company or any Restricted Subsidiary on a date which is more than 120 days after the later of (a) the date of acquisition of such Principal Property or (b) the date of completed construction and full operation of such Principal Property, with the intention of leasing back such Principal Property (except for a term of no more than 3 years with the intent not to use it thereafter).

Secured Debt means any Indebtedness which is secured by a Mortgage on (a) any Principal Property of the Company or a Restricted Subsidiary or on (b) any shares of capital stock or indebtedness of any Restricted Subsidiary.

Subsidiary means any corporation of which at least a majority of the outstanding stock having ordinary voting power to elect a majority of directors (irrespective of whether stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned or controlled by the Company or by one or more Subsidiaries thereof, or by the Company and one or

more Subsidiaries.

Unrestricted Subsidiary means (a) any Subsidiary acquired or organized after March 15, 1987 except for any such Subsidiary which is a successor, directly or indirectly, to any Restricted Subsidiary, (b) any Subsidiary which may acquire recreation centers from the Company or any Restricted Subsidiary and which is principally engaged in the business of owning, leasing, operating or constructing recreation centers, (c) any Subsidiary the principal business and assets of which are located outside the United States of America, its territories and possessions, (d) Centennial Assurance Company Ltd., a Bermuda corporation, and (e) any Subsidiary substantially all the assets of which consist of stock or indebtedness of a Subsidiary or Subsidiaries of the character described in clauses (a), (b) or (c), or identified in clause (d), in each case unless and until any such Subsidiary shall have been designated to be a Restricted Subsidiary pursuant to clause (b) of the definition of "Restricted Subsidiary."

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U.S. Government Obligations means direct non-callable obligations of, or non-callable obligations guaranteed by, the United States of America or an agency thereof for the payment of which guarantee or obligations the full faith and credit of the United States is pledged.

#### CONCERNING THE TRUSTEE

The Company has a \$400 million revolving credit agreement with seventeen banks, including Harris Trust and Savings Bank. The Company may from time to time have other customary banking relationships with Harris Trust and Savings Bank.

#### DESCRIPTION OF THE WARRANTS TO PURCHASE COMMON STOCK OR PREFERRED STOCK

The following statements with respect to the Common Stock Warrants and Preferred Stock Warrants (collectively, the "Stock Warrants") are summaries of, and subject to, the detailed provisions of a warrant agreement ("Stock Warrant Agreement") to be entered into by the Company and a warrant agent to be selected at the time of issue (the "Stock Warrant Agent"), which Stock Warrant Agreement may include or incorporate by reference standard warrant provisions substantially in the form of the Standard Stock Warrant Provisions (the "Stock Warrant Provisions") filed as an exhibit to the Registration Statement.

#### GENERAL

The Stock Warrants, evidenced by warrant certificates (the "Stock Warrant Certificates"), may be issued under the Stock Warrant Agreement independently or together with any Offered Securities offered by any Prospectus Supplement and may be attached to or separate from such Offered Securities. If Stock Warrants are offered, the related Prospectus Supplement will describe the designation and terms of the Stock Warrants, including without limitation the following: (1) the offering price, if any; (2) the designation and terms of the Common Stock or Preferred Stock purchasable upon exercise of the Stock Warrants; (3) if applicable, the date on and after which the Stock Warrants and the related Offered Securities will be separately transferable; (4) the number of shares of Common Stock or Preferred Stock purchasable upon exercise of one Stock Warrant and the initial price at which such shares may be purchased upon exercise; (5) the date on which the right to exercise the Stock Warrants shall commence and the date on which such right shall expire; (6) a discussion of certain federal income tax considerations; (7) the call provisions, if any; (8) the currency, currencies or currency units in which the offering price, if any, and exercise price are payable; (9) the antidilution provisions of the Stock Warrants; and (10) any other terms of the Stock Warrants. The shares of Common Stock or Preferred Stock issuable upon exercise of the Stock Warrants will, when issued in accordance with the Stock Warrant Agreement, be fully paid and nonassessable.

#### EXERCISE OF STOCK WARRANTS

Stock Warrants may be exercised by surrendering to the Stock Warrant Agent the Stock Warrant Certificate with the form of election to purchase on the reverse thereof duly completed and signed by the warrant holder, or its duly authorized agent (such signature to be guaranteed by a bank or trust company, a broker or dealer which is a member of the National Association of Securities

Dealers, Inc. or by a national securities exchange), indicating the warrant holder's election to exercise all or a portion of the Stock Warrants evidenced by the certificate. Surrendered Stock Warrant Certificates shall be accompanied by payment of the aggregate exercise price of the Stock Warrants to be exercised, as set forth in the related Prospectus Supplement, in lawful money of the United States of America, unless otherwise provided in the related Prospectus Supplement. Upon receipt thereof by the Stock Warrant Agent, the Stock Warrant Agent will requisition from the transfer agent for the Common Stock or the Preferred Stock, as the case may be, for issuance and delivery to or upon the written order of the exercising warrant holder, a certificate representing the number of shares of Common Stock or Preferred Stock purchased. If less than all of the Stock Warrants evidenced by any Stock Warrant Certificate are exercised, the Stock Warrant Agent shall deliver to the exercising warrant holder a new Stock Warrant Certificate representing the unexercised Stock Warrants.

## ANTIDILUTION AND OTHER PROVISIONS

The exercise price payable and the number of shares of Common Stock or Preferred Stock purchasable upon the exercise of each Stock Warrant and the number of Stock Warrants outstanding will be subject to adjustment in certain events, including the issuance of a stock dividend to holders of Common Stock or Preferred Stock, respectively, or a combination, subdivision or reclassification of Common Stock or Preferred Stock, respectively. In lieu of adjusting the number of shares of Common Stock or Preferred Stock purchasable upon exercise of each Stock Warrant, the Company may elect to adjust the number of Stock Warrants. No adjustment in the number of shares purchasable upon exercise of the Stock Warrants will be required until cumulative adjustments require an adjustment of at least 1% thereof. The Company may, at its option, reduce the exercise price at any time. No fractional shares will be issued upon exercise of Stock Warrants, but the Company will pay the cash value of any fractional shares otherwise issuable. Notwithstanding the foregoing, in case of any consolidation, merger, or sale or conveyance of the property of the Company as an entirety or substantially as an entirety, the holder of each outstanding Stock Warrant shall have the right to the kind and amount of shares of stock and other securities and property (including cash) receivable by a holder of the number of shares of Common Stock or Preferred Stock into which such Stock Warrants were exercisable immediately prior thereto.

## NO RIGHTS AS STOCKHOLDERS

Holders of Stock Warrants will not be entitled, by virtue of being such holders, to vote, to consent, to receive dividends, to receive notice as stockholders with respect to any meeting of stockholders for the election of directors of the Company or any other matter, or to exercise any rights whatsoever as stockholders of the Company.

## DESCRIPTION OF THE WARRANTS TO PURCHASE DEBT SECURITIES

The following statements with respect to the Debt Warrants are summaries of, and subject to, the detailed provisions of a warrant agreement (the "Debt Warrant Agreement") to be entered into by the Company and a warrant agent to be selected at the time of issue (the "Debt Warrant Agent"), which Debt Warrant Agreement may include or incorporate by reference standard warrant provisions substantially in the form of the Standard Debt Securities Warrant Provisions (the "Debt Warrant Provisions") filed as an exhibit to the Registration Statement.

## GENERAL

The Debt Warrants, evidenced by warrant certificates (the "Debt Warrant Certificates"), may be issued under the Debt Warrant Agreement independently or together with any Offered Securities offered by any Prospectus Supplement and may be attached to or separate from such Offered Securities. If Debt Warrants are offered, the related Prospectus Supplement will describe the designation and terms of the Debt Warrants, including without limitation the following: (1) the offering price, if any; (2) the designation, aggregate principal amount and terms of the Debt Securities purchasable upon exercise of the Debt Warrants; (3) if applicable, the date on and after which the Debt Warrants and the related Offered Securities will be separately transferable; (4) the principal amount of Debt Securities purchasable upon exercise of one Debt Warrant and the price at

which such principal amount of Debt Securities may be purchased upon exercise; (5) the date on which the right to exercise the Debt Warrants shall commence and the date on which such right shall expire; (6) a discussion of certain federal income tax considerations; (7) whether the warrants represented by the Debt Warrant Certificates will be issued in registered or bearer form; (8) the currency, currencies or currency units in which the offering price, if any, and exercise price are payable; (9) the antidilution provisions of the Debt Warrants; and (10) any other terms of the Debt Warrants.

Warrantholders do not have any of the rights of holders of Debt Securities, including the right to receive the payment of principal of, or interest on, the Debt Securities or to enforce any of the covenants of the Debt Securities or the Indenture except as otherwise provided in the Indenture.

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## EXERCISE OF DEBT WARRANTS

Debt Warrants may be exercised by surrendering the Debt Warrant Certificate at the warrant agent office of the Debt Warrant Agent, with the form of election to purchase on the reverse side of the Debt Warrant Certificate properly completed and executed (with signature(s) guaranteed by a bank or trust company, a broker or dealer which is a member of the National Association of Securities Dealers, Inc. or by a national securities exchange), and by payment in full of the exercise price, as set forth in the Prospectus Supplement. Upon the exercise of Debt Warrants, the Company will issue the Debt Securities in authorized denominations in accordance with the instructions of the exercising warrant holder. If less than all of the Debt Warrants evidenced by the Debt Warrant Certificate are exercised, a new Debt Warrant Certificate will be issued for the remaining number of Debt Warrants.

## PLAN OF DISTRIBUTION

The Company may sell the Offered Securities being offered hereby (i) directly to purchasers, (ii) through agents, (iii) through underwriters or a group of underwriters or (iv) through a combination of those methods of sale. The Prospectus Supplement with respect to the Offered Securities describes the terms of the offering of such Offered Securities and the method of distribution of such Offered Securities.

Offers to purchase Offered Securities may be solicited directly by the Company or by agents designated by the Company from time to time. Unless otherwise indicated in the Prospectus Supplement, any such agent will be acting on a best efforts basis for the period of its appointment (ordinarily five business days or less). Agents may be entitled under agreements which may be entered into with the Company to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act.

If an underwriter or underwriters are utilized in the sale, the Company will enter into an underwriting agreement with such underwriters at the time of sale to them and the names of the underwriters and the terms of the transaction will be set forth in the Prospectus Supplement, which will be used by the underwriters to make resales of the Offered Securities in respect of which this Prospectus is delivered to the public. The underwriters may be entitled, under the underwriting agreement, to indemnification by the Company against certain liabilities, including liabilities under the Securities Act.

All Offered Securities offered other than Common Stock will be new issues of securities with no established trading market. Any underwriters to whom such Offered Securities are sold by the Company for public offering and sale may make a market in such Offered Securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of or the trading markets for any such Offered Securities.

The agents and underwriters may be deemed to be underwriters and any discounts, commissions or concessions received by them from the Company or any profit on the resale of Offered Securities by them may be deemed to be underwriting discounts and commissions under the Securities Act. Any such person who may be deemed to be an underwriter and any such compensation received from the Company will be described in the Prospectus Supplement. Agents and underwriters may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

The place and time of delivery for the Offered Securities in respect of which this Prospectus is delivered will be set forth in the Prospectus Supplement.

## LEGAL OPINIONS

Certain legal matters in connection with the Offered Securities will be passed upon for the Company by Mayer, Brown & Platt, 190 South LaSalle Street, Chicago, Illinois. The legality of the Offered Securities will be passed upon for any underwriters as set forth in the Prospectus Supplement.

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## EXPERTS

The consolidated financial statements and supplemental schedules included or incorporated by reference in the Company's Annual Report on Form 10-K for the year ended December 31, 1995, have been examined by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are incorporated herein in reliance upon the authority of said firm as experts in giving said reports.

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## PART II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the estimated expenses in connection with the issuance and distribution of the securities registered hereby, other than underwriting discounts and commissions:

<TABLE>

<S>	<C>
SEC registration fee.....	\$172,414
Blue sky fees and expenses.....	5,000
Printing and engraving costs.....	30,000
Legal fees and expenses.....	50,000
Accounting fees and expenses.....	100,000
Trustee fees and expenses.....	5,000
Rating agency fees.....	197,500
Miscellaneous.....	40,086
	-----
Total.....	\$600,000
	=====

</TABLE>

#### ITEM 15. INDEMNIFICATION OF OFFICERS AND DIRECTORS.

(a) Section 145 of the General Corporation Law of Delaware, under which the Company is organized, empowers a corporation, subject to certain limitations, to indemnify its officers, directors, employees and agents, or others acting in similar capacities for other entities at the request of the Company, against certain expenses, including attorneys' fees, judgments, fines and other amounts which may be paid or incurred by them in their capacities as such directors, officers, employees or agents.

(b) The Certificate of Incorporation of the Company authorizes the Board of Directors to indemnify directors, officers, employees or agents of the Company to the full extent permitted by law.

(c) The Company's By-laws authorize the Board of Directors to indemnify directors, officers, employees and agents in the same circumstances set forth in the Certificate of Incorporation. The By-laws also authorize the Company to purchase liability insurance on behalf of directors, officers, employees and agents and to enter into indemnity agreements with directors, officers, employees and agents.

(d) The Company has entered into indemnification agreements with its directors and its officers which provide broader indemnification than the

indemnification specifically available under Section 145 of the Delaware General Corporation Law. The agreements provide that the Company will indemnify its directors and its officers to the fullest extent permitted by the Company's Certificate of Incorporation (and that is otherwise lawful) against expenses (including attorneys' fees), judgments, fines, taxes, penalties and settlement payments incurred by reason of the fact that they were directors or officers of the Company. Unlike Section 145 of the Delaware General Corporation Law, this indemnification would, to the extent that it is lawful, cover judgments, fines and amounts paid in settlement of claims against the director or officer by or in the right of the Company.

(e) The Company is the owner of the insurance policy which covers the Company for certain losses incurred pursuant to indemnification obligations set forth above during any policy year, subject to specified exclusions, terms and conditions. The policy also covers the officers and directors of the Company for certain of such losses if they are not indemnified by the Company.

(f) The Company is also the owner of an insurance policy which would reimburse it for certain losses incurred by it pursuant to its fiduciary obligations under the Employee Retirement Income Security Act of 1974, subject to specified exclusions, terms and conditions. This policy also covers the officers, directors and employees of the Company for certain of their losses incurred as fiduciaries under such Act, subject to specified exclusions, terms and conditions.

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(g) Under the terms of the Equity Underwriting Agreement and the Debt Underwriting Agreement filed as exhibits hereto, directors, certain officers and controlling persons of the Company are entitled to indemnification under certain circumstances including proceedings under the Securities Act of 1933 and the Securities Exchange Act of 1934.

## ITEM 16. EXHIBITS.

A list of exhibits filed herewith or incorporated by reference is contained in the Exhibit Index which is incorporated herein by reference.

## ITEM 17. UNDERTAKINGS.

The Company hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Company pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That for the purpose of determining any liability under the Securities

Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That for purposes of determining any liability under the Securities Act of 1933, each filing of the Company's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Company, pursuant to the provisions described in Item 15, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense

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of any action, suit or proceeding) is asserted against the Company by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to the court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The Company hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Company pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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### SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Company certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, Lake Forest, Illinois on August 12, 1996.

BRUNSWICK CORPORATION

By /s/ PETER B. HAMILTON

-----  
Senior Vice President and  
Chief Financial Officer

Each person whose signature appears below on this Registration Statement hereby constitutes and appoints Peter B. Hamilton, Robert T. McNaney and Richard S. O'Brien and each of them, with full power to act without the other, as his or



Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the date indicated.

<CAPTION>

</TABLE>

&lt;TABLE&gt;

<CAPTION>

SIGNATURE	TITLE	DATE
<S> _____ <C> /s/ GEORGE D. KENNEDY	Director	August 12, 1996
George D. Kennedy /s/ BERND K. KOKEN	Director	August 12, 1996
Bernd K. Koken /s/ JAY W. LORSCH	Director	August 12, 1996
Jay W. Lorsch /s/ BETTYE MARTIN MUSHAM	Director	August 12, 1996
Bettye Martin Musham /s/ JACK F. REICHERT	Director	August 12, 1996
Jack F. Reichert /s/ KENNETH ROMAN	Director	August 12, 1996
Kenneth Roman /s/ ROGER W. SCHIPKE	Director	August 12, 1996

&lt;/TABLE&gt;

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## EXHIBIT INDEX

&lt;TABLE&gt;

&lt;CAPTION&gt;

		SEQUENTIALLY NUMBERED	
EXHIBIT NO.	EXHIBIT		PAGE
<C>	<S>	<C>	
1.1	Form of Equity Underwriting Agreement.....		
1.2	Form of Debt Underwriting Agreement.....		
3.1	Restated Certificate of Incorporation of the Company filed as Exhibit 19.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1987, and hereby incorporated by reference.		
3.2	Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for 1995, and hereby incorporated by reference.		
3.3	By-Laws of the Company filed as Exhibit 3.3 to the Company's Annual Report on Form 10-K for 1995, and hereby incorporated by reference.		
4.1	Indenture dated as of March 15 1987, between the Company and Continental Illinois National Bank and Trust Company of Chicago filed as Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1987, and hereby incorporated by reference.		
4.2	Form of 8 1/8% Notes of the Company Due April 1, 1997, filed as Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1987, and hereby incorporated by reference.		
4.3	Officers' Certificate setting forth terms of the Company's \$125,000,000 principal amount 7 3/8% Debentures due September 1, 2023 filed as Exhibit 4.3 to the Company's Annual Report on Form 10-K for 1993, and hereby incorporated by reference.		
4.4	The Company's Agreement to furnish additional debt instruments upon request by the Securities and Exchange Commission filed as Exhibit 4.10 to the Company's Annual Report in Form 10-K for 1980, and hereby incorporated by reference.		
4.5	Rights Agreement dated as of February 5, 1996, between the Company and Harris Trust and Savings Bank filed as Exhibit 1 to the Company's Registration Statement for Preferred Share Purchase Rights on Form 8-A dated March 13, 1996, and hereby incorporated by reference.		
4.6	Form of Standard Stock Warrant Provisions.....		
4.7	Form of Standard Debt Warrant Provisions.....		
4.8	Instrument of Resignation, Appointment and Acceptance dated as of May 16, 1996, by and among the Company, First Trust of Illinois, National Association (as the successor to Bank of America Illinois, formerly known as Continental Illinois National Bank and Trust Company of Chicago) and Harris Trust and Savings Bank.....		
5.1	Opinion of Mayer, Brown & Platt.....		
12.1	Statement regarding computation of ratios of earnings to fixed charges.....		
23.1	Consent of Arthur Andersen LLP.....		
23.2	Consent of Mayer, Brown & Platt (included in its opinion filed as Exhibit 5.1).		
24.1	Powers of Attorney (included on the signature page of this Registration Statement).		
25.1	Statement of Eligibility of Trustee on Form T-1 for Harris Trust and Savings Bank.....		

&lt;/TABLE&gt;

Exhibit 1.1

BRUNSWICK CORPORATION

(a Delaware corporation)

(Par Value \$.75 Per Share)

FORM OF EQUITY PURCHASE AGREEMENT

\_\_\_\_\_, 199\_

To the [Representatives of the Underwriters  
named in Schedule A]

Ladies and Gentlemen:

Brunswick Corporation, a Delaware corporation (the "Company"), confirms its agreement with you and each of the other underwriters named in Schedule A hereto (collectively, the "Underwriters", which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom you are acting as representatives (the "Representatives"), with respect to the sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective number of [shares of Common Stock, par value \$.75 per share][shares of Preferred Stock, par value \$.75 per share][depository shares representing shares of preferred stock, par value \$.75 per share], of the Company [("Common Stock")]["Preferred Stock"] [the "Depository Shares"]) set forth in said Schedule A, and with respect to the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of \_\_\_\_\_ additional [shares of Common Stock][shares of Preferred Stock][Depository Shares] to cover over-allotments, in each case except as may otherwise be provided in the Price Determination Agreement, as hereinafter defined. The aforesaid \_\_\_\_\_ [shares of Common Stock][shares of Preferred Stock][Depository Shares] set forth on Schedule A hereto (the "Initial Shares") to be purchased by the Underwriters and all or any part of the \_\_\_\_\_ [shares of Common Stock][shares of Preferred Stock][Depository Shares] subject to the option described in Section 2(b) hereof (the "Option Shares") are collectively hereinafter called the "Shares."

You have advised us that you and the other Underwriters, acting severally and not jointly, desire to purchase the Initial Shares and, if the Underwriters so elect, the Option Shares and that you have been authorized by the other Underwriters to execute this Agreement and the Price Determination Agreement referred to below on their behalf.

The initial public offering price per share for the Shares and the purchase price per share for the Shares to be paid by the several Underwriters shall be agreed upon by the Company and the Representatives, acting on behalf of the several Underwriters, and such agreement shall be set forth in a separate written instrument substantially in the form of Exhibit A hereto (the "Price Determination Agreement"). The Price Determination Agreement may take the form of an exchange of any standard form of written telecommunication between the Company and the Representatives and shall specify such applicable information as is indicated in Exhibit A hereto. The offering of the Shares will be governed by this Agreement, as supplemented by the Price Determination Agreement. From and after the date of the execution and delivery of the Price Determination Agreement, this Agreement shall be deemed to incorporate, and all references herein to "the Agreement" shall be deemed to include, the Price Determination Agreement.

[If the Prospectus (as defined below) so provides, the Preferred Stock will be deposited by the Company against delivery of receipts (the "Depository Receipts") to be issued by a depository to be named by the Company (the "Depository") under a deposit agreement, dated as of a date specified in the Prospectus (the "Deposit Agreement"), between the Company, the Depository and the holders from time to time of the Depository Receipts issued thereunder and

evidencing Shares. Each Share will represent the number of deposited shares of Preferred Stock specified in the Prospectus.]

[The terms and rights of any particular issuance of [Preferred Stock] [Depositary Shares] shall be as specified in or pursuant to a resolution or resolutions of the Board of Directors of the Company or a duly authorized committee thereof and set forth in a certificate of designations (the "Certificate of Designations") to be filed with the Secretary of State of the State of Delaware pursuant to Section 151 of the General Corporation Law of the State of Delaware (the "General Corporation Law").]

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 333- \_\_\_\_\_), including a basic prospectus, relating to certain of its securities, including the Shares, and the offering thereof from time to time, in accordance with Rule 415 under the

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Securities Act of 1933, as amended (the "1933 Act"), and has filed such amendments thereto as may have been required to the date hereof. Such registration statement, as amended, has been declared effective by the Commission. As provided in Section 3(a), a prospectus supplement reflecting the terms of the Shares, the terms of the offering thereof and the other matters set forth therein has been prepared and will be filed pursuant to Rule 424 under the 1933 Act. Such prospectus supplement, in the form first filed on or after the date hereof pursuant to Rule 424, is herein referred to as the "Prospectus Supplement." Such registration statement, as amended at the date hereof, including the exhibits thereto and the documents incorporated by reference therein, is herein called the "Registration Statement," and the basic prospectus included therein relating to all offerings of securities under the Registration Statement, as supplemented by the Prospectus Supplement, is herein called the "Prospectus," except that, if such basic prospectus is amended or supplemented on or prior to the date on which the Prospectus Supplement is first filed pursuant to Rule 424, the term "Prospectus" shall refer to the basic prospectus as so amended or supplemented and as supplemented by the Prospectus Supplement, in either case including the documents filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "1934 Act"), that are incorporated by reference therein. All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is or is deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement or the Prospectus shall be deemed to mean and include the filing of any document under the 1934 Act which is or is deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

SECTION 1. Representations and Warranties.

(a) The Company represents and warrants to each Underwriter as of the date hereof and as of the date of the Price Determination Agreement (such latter date being hereinafter referred to as the "Representation Date") as follows:

(i) At the time the Registration Statement became effective (the "Effective Time") and at the date hereof the Registration Statement and the Prospectus complied in all material respects with the requirements of the 1933 Act and the rules and regulations of the Commission thereunder (the "1933 Act Regulations"); at the Effective Time and at the

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date hereof, the Registration Statement did not contain an untrue

statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and the Prospectus, at the Effective Time, at the date hereof and at the Closing Time, did not or will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification of the Trustee on Form T-1 under the 1939 Act ("Form T- 1") or to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by the trustee or any Underwriter through the Representatives expressly for use in the Registration Statement or Prospectus or any amendment or supplement thereto.

(ii) The accountants who certified the financial statements and supporting schedules included in the Registration Statement are independent public accountants as required by the 1933 Act and the 1933 Act Regulations.

(iii) The financial statements included in the Registration Statement and the Prospectus present fairly the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations for the periods specified; except as otherwise stated in the Registration Statement, said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis; and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein.

(iv) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) except for regular quarterly dividends on the Company's

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Common Stock in amounts per share that are consistent with past practice, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(v) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement and the Price Determination Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(vi) Each subsidiary of the Company which is a significant subsidiary (a "Subsidiary") as defined in Rule 405 of the 1933 Act Regulations has been duly incorporated and is validly existing as a

corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each such Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(vii) The authorized, issued and outstanding capital stock of the Company is as set forth in the Prospectus under "Description of Capital Stock--General" (except for subsequent issuances, if any, pursuant to this Agreement or pursuant to employee benefit plans as described in the Prospectus); the shares of issued and outstanding Common

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Stock have been duly authorized and validly issued and are fully paid and non-assessable; the Shares have been duly authorized for issuance and sale pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement [and when the Certificate of Designations is duly executed, filed, recorded and is in effect under the General Corporation Law,] against payment of the consideration set forth in the Price Determination Agreement, will be validly issued and fully paid and non-assessable; the capital stock of the Company conforms to all statements relating thereto contained in the Prospectus; and the issuance of the Shares is not subject to preemptive or other similar rights. [The Shares have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement and when the Certificate of Designations is duly executed, filed, recorded and is in effect under the General Corporation Law, the Preferred Stock to be issued in connection with the Shares shall be validly issued, fully paid and non-assessable and the issuance of such Preferred Stock will not be subject to any preemptive or similar rights.]

[☐ Assuming due issuance by the Depositary of Depositary Receipts evidencing the Preferred Stock to be delivered by the Company against the deposit of Preferred Stock in respect thereof in accordance with the provisions of the Deposit Agreement, such Depositary Receipts are duly and validly issued and the persons in whose names such Depositary Receipts are registered shall be entitled to the rights specified therein and in the Deposit Agreement.]

(viii) Neither the Company nor any of the Subsidiaries is in violation of its charter or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage loan agreement, note, lease or other instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject; and the execution, delivery and performance of this Agreement [, the Deposit Agreement] and the Price Determination Agreement and the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder have been duly authorized by all necessary corporate action and will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of the Subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the

Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company or any of the Subsidiaries under any applicable law, administrative regulation or administrative or court decree.

(ix) Other than as disclosed in the Registration Statement, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which is required to be disclosed in the Registration Statement, or which might result in any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, or which might materially and adversely affect the properties or assets thereof or which might materially and adversely affect the consummation of this Agreement [or the Deposit Agreement]; all pending legal or governmental proceedings to which the Company or any subsidiary is a party or of which any of their respective property or assets is the subject which are not described in the Registration Statement, including ordinary routine litigation incidental to the business, are, considered in the aggregate, not material; and there are no contracts or documents of the Company or any of its subsidiaries which are required to be filed as exhibits to the Registration Statement by the 1933 Act or by the 1933 Act Regulations which have not been so filed.

(x) The Company and the Subsidiaries own or possess, or can acquire on reasonable terms, the patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names (collectively, "patent and proprietary rights") presently employed by them in connection with the business now operated by them, and neither the Company nor any of the Subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any patent or proprietary rights, or of any facts which would render any patent and proprietary rights invalid or inadequate to protect the interest of the Company or any of the Subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, would result in any material

adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xi) No authorization, approval or consent of any court or governmental authority or agency is necessary in connection with the offering, issuance or sale of the Shares hereunder, except such as may be required under the 1933 Act, the 1933 Act Regulations or state securities laws.

(xii) The Company and the Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, and neither the Company nor any of the Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an

unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xiii) This Agreement has been, and, at the Representation Date, the Price Determination Agreement [and the Deposit Agreement] will have been, duly executed and delivered by the Company.

(xiv) There are no persons with registration or other similar rights to have any securities registered pursuant to the Registration Statement or otherwise registered by the Company under the 1933 Act.

(xv) The Company and the Subsidiaries have good and sufficient title to all property described or referred to in the Registration Statement as being owned by them, in each case free and clear of all liens, claims, security interests or other encumbrances, with such exceptions as are described or referred to in the Registration Statement or as are not material to the condition, financial or otherwise, or to the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xvi) The documents incorporated or deemed to be incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission under the 1934 Act (the "1934 Act Regula-

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tions"), and, when read together with the other information in the Prospectus, at the time the Registration Statement and any amendments thereto become effective and at the Closing Time, will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) Any certificate signed by any officer of the Company and delivered to the Representatives or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

## SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price per share set forth in the Price Determination Agreement, the number of Initial Shares set forth in Schedule A opposite the name of such Underwriter (except as otherwise provided in the Price Determination Agreement), plus any additional number of Initial Shares which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to an additional \_\_\_\_\_ [shares of Common Stock] [shares of Preferred Stock] [Depository Shares] at the price per share set forth in the Price Determination Agreement. The option hereby granted will expire 30 days after the Representation Date and may be exercised in whole or in part from time to time only for the purpose of covering overallocments which may be made in connection with the offering and distribution of the Initial Shares upon notice by the Representatives to the Company setting forth the number of Option Shares as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Shares. Any such time and date of delivery (a "Date of Delivery") shall



be determined by the Representatives, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time, as hereinafter defined, unless otherwise agreed by the Representatives and the Company. If the option is exercised as to all or any portion of the Option Shares, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total number of

Option Shares then being purchased which the number of Initial Shares set forth in Schedule A opposite the name of such Underwriter bears to the total number of Initial Shares (except as otherwise provided in the Price Determination Agreement), subject in each case to such adjustments as the Representatives in their discretion shall make to eliminate any sales or purchases of fractional shares.

(c) Payment of the purchase price for, and delivery of certificates for, the Initial Shares shall be made at the office of Mayer, Brown & Platt, 190 South LaSalle Street, Chicago, Illinois 60603, or at such other place as shall be agreed upon by the Representatives and the Company, at 10:00 A.M. (Chicago time) on the third business day (unless postponed in accordance with the provisions of Section 10) after execution of the Price Determination Agreement unless the Price Determination Agreement is executed after 4:30 p.m., in which case on the fourth business day thereafter, or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time"). In addition, in the event that any or all of the Option Shares are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates for, such Option Shares shall be made at the above-mentioned offices of Mayer, Brown & Platt, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company. Payment shall be made to the Company by wire transfer of immediately available funds to an account designated by the Company, against delivery to the [Representatives] [the Depositary] for the respective accounts of the Underwriters of certificates for the Shares to be purchased by them. Certificates for the Initial Shares and the Option Shares, if any, shall be in such denominations and registered in such names as the Representatives may request in writing at least two business days before the Closing Time or the relevant Date of Delivery, as the case may be. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Shares and the Option Shares, if any, which it has agreed to purchase [(it being understood that any Preferred Stock to be issued in connection with any Shares shall be transferred and delivered by or on behalf of the Company to the Depositary for deposit pursuant to the Deposit Agreement against issuance to the Representatives for the respective accounts of the several Underwriters of one or more Depositary Receipts evidencing the Shares to be purchased by each Underwriter)]. You, individually and not as Representatives of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Shares or the Option Shares, if any, to be purchased by any Underwriter whose

money has not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder. The certificates for the Initial Shares and the Option Shares, if any, will be made available for examination and packaging by the Representatives not later than 10:00 A.M. on the last business day prior to the Closing Time or the relevant Date of Delivery, as the case may be. [Depositary Receipts evidencing any Shares to be purchased hereunder, in definitive form and registered in such names as provided above, shall be made available for checking and packaging at least 48 hours prior to the Closing Date or any Date of Delivery, as the case may be, at the offices of the Depositary. Such Depositary Receipts shall be available for the release at the Closing Date or such Date of Delivery, as the case may be, at such office.]

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) In connection with the offering of the Shares, the Company will prepare a Prospectus Supplement setting forth the number of Shares covered thereby and their terms and rights of the particular issuance, the names of the Underwriters and the number of the Shares which each severally has agreed to purchase, the name of the Representatives, the price at which the Shares are to be purchased by the Underwriters from the Company, the initial public offering price, the selling concession and reallowance, if any, and such other information as the Representatives and the Company deem appropriate in connection with the offering of the Shares. The Company will promptly transmit copies of the Prospectus Supplement to the Commission for filing pursuant to Rule 424 of the 1933 Act Regulations and will furnish to the Underwriters named therein as many copies of any preliminary prospectus supplement and the Prospectus as the Representatives shall reasonably request.

(b) The Company will notify the Representatives promptly, and confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the mailing or the delivery to the Commission for filing of any supplement to the Prospectus or any document to be filed pursuant to the 1934 Act which will be incorporated by reference into the Prospectus or the Registration Statement, (iii) of the receipt of any comments from the Commission, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, and (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any order preventing or suspending the use of any Prospectus or the initiation of any proceedings for any such purpose, and (vi) of the suspension of the qualification of the

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Shares for offering or sale in any jurisdiction, or the initiation or threatening of any proceedings for such purpose of which the Company becomes aware. The Company will use all reasonable efforts to prevent the issuance of any stop order or any order preventing or suspending the use of any Prospectus or suspending such qualification, and, in the event of the issuance of a stop order or any order preventing or suspending the use of any Prospectus or suspending such qualifications, to use all reasonable efforts to promptly obtain the lifting thereof.

(c) The Company will give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement (including any post-effective amendment) or any amendment or supplement to the Prospectus, whether or not such revised prospectus is required to be filed pursuant to Rule 424(b), whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish the Representatives with copies of any such amendment or supplement a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file any such amendment or supplement or use any such prospectus to which the Representatives or counsel for the Underwriters shall reasonably object.

(d) The Company will deliver to the Representatives \_\_\_\_\_ (\_\_\_\_) signed copies of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) as the Representatives may reasonably request and will also deliver to the Representatives a conformed copy of the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters.

(e) The Company will furnish to each Underwriter, from time to time during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request for the purposes contemplated by the 1933 Act or the 1934 Act or the respective applicable rules and regulations of the Commission thereunder.

(f) If any event shall occur as a result of which it is necessary to amend or supplement the Prospectus in order to make the Prospectus not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Company will forthwith amend or supplement the Prospectus (in form and substance reasonably satisfactory to counsel for the Underwriters) so that, as so amended or supplemented, the Prospectus will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances

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existing at the time it is delivered to a purchaser, not misleading, and the Company will furnish to the Underwriters a reasonable number of copies of such amendment or supplement.

(g) The Company will endeavor, in cooperation with the Underwriters, to qualify the Shares for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Representatives may designate; provided, however, that the Company shall not be obligated to qualify as a foreign corporation in any jurisdiction in which it is not so qualified or to file a general consent to service of process in any jurisdiction. In each jurisdiction in which the Shares have been so qualified, the Company will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification in effect for a period of not less than one year from the effective date of the Registration Statement.

(h) The Company will make generally available to its security holders as soon as practicable, but not later than 50 days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 of the 1933 Act Regulations) covering a twelve month period beginning not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in said Rule 158) of the Registration Statement.

(i) The Company will use the net proceeds received by it from the sale of the Shares in the manner specified in the Prospectus under "Use of Proceeds".

(j) The Company will effect the listing of the Shares on the New York, Chicago, and Pacific Stock Exchanges and on such foreign exchanges where such listing is required by the rules thereof.

(k) During a period of 90 days from the date of the Price Determination Agreement, the Company will not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any Shares or any security convertible into Shares (except for Shares issued pursuant to this Agreement or pursuant to employee benefit plans).

(l) The Company, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, will file all documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

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SECTION 4. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the printing and filing of the Registration Statement as originally filed and of each amendment thereto, (ii) the typing, printing and distribution of this Agreement and the Price Determination Agreement, (iii) the preparation, issuance and delivery of the certificates for the Shares to the Underwriters, including stock transfer taxes, if any, payable upon the sale, issuance and delivery to the Underwriters of the Shares, (iv) the fees and disbursements of

the Company's counsel and accountants, (v) the qualification of the Shares under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey, (vi) the printing and delivery to the Underwriters of copies of the Registration Statement as originally filed and of each amendment thereto, and of the Prospectus and any amendments or supplements thereto, (vii) the printing and delivery to the Underwriters of copies of the Blue Sky Survey, (viii) the fees, if any, of the National Association of Securities Dealers, Inc., and (ix) the fees and expenses incurred in connection with the listing of the Shares on the exchanges referred to in Section 3(j) hereof.

If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company herein contained, to the performance by the Company of its obligations hereunder, and to the following further conditions:

(a) At the Closing Time, no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission and any request on the part of the Commission for additional information shall have been complied with to the satisfaction of counsel for the Underwriters.

(b) At Closing Time, the Representatives shall have received:

(1) The favorable opinion, dated as of Closing Time, of Mayer, Brown & Platt, counsel to the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

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(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware.

(ii) The authorized capital stock of the Company is as set forth in the Prospectus under "Description of Capital Stock--General".

(iii) [The Shares have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth in the Price Determination Agreement, will be validly issued and fully paid and non-assessable.] [The Shares have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and the Deposit Agreement, and when issued and delivered by the Company pursuant to this Agreement and the Deposit Agreement against payment of the consideration set forth in the Price Determination Agreement, the Preferred Stock to be issued in connection with the Shares will be validly issued and fully paid and nonassessable.]

(iv) The issuance of the Shares is not subject to preemptive or other similar rights arising by operation of law, under the Certificate of Incorporation or By-laws of the Company or, to the best of their knowledge and information, otherwise.

(v) This Agreement [, the Deposit Agreement] and the Price Determination Agreement have each been duly authorized, executed and delivered by the Company.

[☐] Assuming due issuance by the Depositary of Depositary Receipts evidencing the Preferred Stock to be delivered by the Company against the deposit of Preferred Stock in respect thereof

in accordance with the provisions of the Deposit Agreement, such Depositary Receipts are duly and validly issued and the persons in whose names such Depositary Receipts are registered shall be entitled to the rights specified therein and in the Deposit Agreement.]

(vi) The Registration Statement is effective under the 1933 Act and, to the best of their knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act or proceeding therefor initiated or threatened by the Commission.

(vii) At the time the Registration Statement became effective and at the Representation Date, the

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Registration Statement (other than the financial statements and supporting schedules and other financial or statistical data included therein, as to which no opinion need be rendered) complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations.

(viii) The [Common Stock] [Preferred Stock] [Depositary Shares] conforms to the description thereof contained in the Prospectus and the form of certificate used to evidence the [Common Stock] [Preferred Stock] [Depositary Shares] is in due and proper form.

(ix) The information in the Prospectus under "Description of Capital Stock", to the extent that it constitutes matters of law, summaries of legal matters, documents or proceedings, or legal conclusions, has been reviewed by them and is correct in all material respects.

(x) To the best of their knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto.

(xi) No authorization, approval, consent or order of any court or governmental authority or agency is required in connection with the offering, issuance or sale of the Shares to the Underwriters, except such as may be required under the 1933 Act, the 1933 Act Regulations or state securities law; and, to the best of their knowledge and information, the execution, delivery and performance of this Agreement [, the Depositary Agreement] and the Price Determination Agreement and the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of the Subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company, or any applicable law, administrative regulation or administrative or court decree.

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(xii) Each document filed pursuant to the 1934 Act (other than the financial statements and supporting schedules and

other financial or statistical data included therein, as to which no opinion need be rendered) and incorporated or deemed to be incorporated by reference in the Prospectus complied when so filed as to form in all material respects with the 1934 Act and the 1934 Act Regulations.

(2) The favorable opinion, dated as of Closing Time, of Robert T. McNaney, General Counsel to the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

(i) To the best of his knowledge and information, the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(ii) Each Subsidiary has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and, to the best of his knowledge and information, is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction to which such qualification is required, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and, to the best of his knowledge and information, is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(iii) Other than as disclosed in the Registration Statement, to the best of his knowledge and information, there are no legal or governmental proceedings pending or threatened which are required to be disclosed in the Registration Statement, and all pending legal or governmental proceedings to which the Company or any subsidiary is a party or to which any of their property is

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subject which are not described in the Registration Statement, including ordinary routine litigation incidental to the business, are, considered in the aggregate, not material.

(iv) To the best of his knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, the descriptions thereof or references thereto are correct, and no default exists in the due performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument so described, referred to, filed or incorporated by reference.

(v) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and to enter into and perform its obligations under this Agreement [, the Deposit Agreement] and the Price Determination Agreement.

(vi) The authorized capital stock of the Company is as set forth in the Prospectus under "Description of Capital Stock -- General". The shares of issued and outstanding Common Stock have been

duly authorized and validly issued and are fully paid and non-assessable.

(vii) To the best of his knowledge and information, there are no persons with registration or other similar rights to have any securities registered pursuant to the Registration Statement or otherwise registered by the Company under the 1933 Act.

(3) The favorable opinion, dated as of Closing Time, of \_\_\_\_\_, counsel for the Underwriters, with respect to the matters set forth in (i), (iii), (iv) (solely as to preemptive rights arising under the Certificate of Incorporation or By-laws of the Company) and (v) to (viii), inclusive of subsection (b)(1) of this Section.

(4) In giving their opinions required by subsections (b)(1), (b)(2) and (b)(3), respectively, of this Section, Mayer, Brown & Platt, Mr. McNaney and \_\_\_\_\_ shall each additionally state that nothing has come to their attention that has caused them to believe that the Registration Statement (except for financial statements and schedules and other finan-

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cial or statistical data included or incorporated by reference therein, as to which counsel need make no statement), at the time it became effective or at the Representation Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus (except for financial statements and schedules and other financial or statistical data included or incorporated by reference therein, as to which counsel need make no statement), at the Representation Date or at Closing Time, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) At Closing Time there shall not have been, since the date hereof or since the respective dates as of which information is given in the Registration Statement and the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1 hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been initiated or threatened by the Commission.

(d) At the time of the execution of this Agreement, the Representatives shall have received from Arthur Andersen LLP a letter dated such date, in form and substance satisfactory to the Representatives, to the effect that (i) they are independent public accountants with respect to the Company and its subsidiaries within the meaning of the 1933 Act and the 1933 Act Regulations; (ii) it is their opinion that the financial statements and supporting schedules included or incorporated by reference into the Registration Statement and Prospectus and covered by their opinions therein comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations and the 1934 Act and 1934 Act Regulations; (iii) based upon limited procedures set forth in detail in such letter, nothing has come to their attention which causes them to believe that (A) any unaudited financial statements and supporting schedules of the Company and

its subsidiaries included in or incorporated by reference into the Registration Statement and Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations and the 1934 Act and 1934 Act Regulations or are not presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements included in or incorporated by reference into the Registration Statement and Prospectus, or (B) at a specified date not more than five days prior to the date of the letter, there has been any change in the capital stock of the Company or any increase in the consolidated long term debt of the Company and its subsidiaries or any decrease in consolidated net current assets or net assets as compared with the amounts shown in the most recent financial statements included in or incorporated by reference into the Registration Statement or, during the period from the most recent financial statements included in or incorporated by reference into the Registration Statement to a specified date not more than five days prior to the date of the letter, there were any decreases, as compared with the corresponding period in the preceding year, in consolidated revenues, net income or net income per share of the Company and its subsidiaries, except in all instances for changes, increases or decreases which the Registration Statement and the Prospectus disclose have occurred or may occur; and (iv) in addition to the examination referred to in their opinions and the limited procedures referred to in clause (iii) above, they have carried out certain specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included in or incorporated by reference into the Registration Statement and Prospectus and which are specified by the Representatives, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company and its subsidiaries identified in such letter.

(e) At Closing Time the Representatives shall have received from Arthur Andersen LLP a letter, dated as of Closing Time, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (d) of this Section, except that the specified date referred to shall be a date not more than five days prior to Closing Time.

(f) At the Closing Time, the Shares shall have been approved for listing on the exchanges referred to in Section 3(j) hereof.

(g) At Closing Time and at each Date of Delivery, if any, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Shares

herein contemplated and related proceedings, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Shares as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(h) In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Shares, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company hereunder shall be true and correct as of each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(1) A certificate, dated such Date of Delivery, of the President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(c) hereof remains true and correct as of such Date of Delivery.

(2) The favorable opinions of Mayer, Brown & Platt, counsel for the Company, and Robert T. McNaney, General Counsel



of the Company, in form and substance satisfactory to counsel for the Underwriters, dated such Date of Delivery, relating to the Option Shares to be purchased on such Date of Delivery and otherwise to the same effect as the opinions required by Sections 5(b)(1), 5(b)(2) and 5(b)(4) hereof.

(3) The favorable opinion of \_\_\_\_\_, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Shares to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Sections 5(b)(3) and 5(b)(4) hereof.

(4) A letter from Arthur Andersen LLP, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially the same in form and substance as the letter furnished to the Representatives pursuant to Section 5(e) hereof, except that the "specified date" in the letter furnished pursuant to their Section 5(h)(4) shall be a date not more than five days prior to such Date of Delivery.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time, and such

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termination shall be without liability of any party to any other party except as provided in Section 4 hereof. Notwithstanding any such termination, the provisions of Sections 6, 7, and 8 hereof shall remain in effect.

#### SECTION 6. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including, subject to Section 6(c) hereof, the fees and disbursements of counsel chosen by you to represent the Underwriters), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense (x) to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with

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written information furnished to the Company by any Underwriter through you expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) or (y) if such untrue statement or omission or alleged untrue statement or omission was contained or made in any preliminary prospectus and corrected in a Prospectus and (i) any such loss, liability, claim, damage or expense suffered or incurred by any Underwriter (or any person who controls any Underwriter) resulted from an action, claim or suit by any person who purchased the Shares which are the subject thereof from such Underwriter in the offering and (ii) such Underwriter failed to deliver or provide a copy of the Prospectus to such person at or prior to the confirmation of the sale of such Shares in any case where such delivery is required by the 1933 Act or the 1933 Act Regulations.

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through you expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of any such action. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

SECTION 7. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 6 hereof is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Company and the Underwriters

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shall contribute to the aggregate losses, liability, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and one or more of the Underwriters, as incurred, in such proportions that the Underwriters are responsible for that portion represented by the percentage that the underwriting discount appearing on the cover page of the Prospectus bears to the initial public offering price appearing thereon and the Company is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section

15 of the 1933 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as the Company.

SECTION 8. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement and the Price Determination Agreement, or contained in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or controlling person, or by or on behalf of the Company, and shall survive delivery of the Shares to the Underwriters.

#### SECTION 9. Termination of Agreement.

(a) The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to Closing Time (i) if there has been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or elsewhere or any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which is such as to make it, in the judgment of the Representatives, impracticable to market the Shares or to enforce contracts for the sale of the Shares, or (iii) if trading in the Common Stock has been suspended by the Commission, or if trading generally on either the American Stock Exchange or the New York Stock Exchange has been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by

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either of said Exchanges or by order of the Commission or any other governmental authority, or if a banking moratorium has been declared by either Federal or New York authorities.

(b) If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof. Notwithstanding any such termination, the provisions of Section 6, 7 and 8 hereof shall remain in effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at Closing Time to purchase the Initial Shares which it or they are obligated to purchase under this Agreement and the Price Determination Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(a) if the number of Defaulted Securities does not exceed 10% of the number of Initial Shares, the non-defaulting Underwriters shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(b) if the number of Defaulted Securities exceeds 10% of the number of Initial Shares, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a

termination of this Agreement, either the Representatives or the Company shall have the right to postpone Closing Time for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representatives c/o \_\_\_\_\_, \_\_\_\_\_, attention of \_\_\_\_\_; notices to the Company shall be directed to

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it at 1 N. Field Ct., Lake Forest, Illinois 60045-4811, attention of Robert T. McNaney, General Counsel.

SECTION 12. Parties. This Agreement and the Price Determination Agreement shall each inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement or the Price Determination Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or the Price Determination Agreement or any provision herein or therein contained. This Agreement and the Price Determination Agreement and all conditions and provisions hereof and thereof are intended to be for the sole and exclusive benefit of the Underwriters and the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of any Shares from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 13. Governing Law and Time. This Agreement and the Price Determination Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in said State. Except as otherwise set forth herein, specified times of day refer to New York City time.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Company in accordance with its terms.

Very truly yours,

BRUNSWICK CORPORATION

By:

-----

Name:

Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

By \_\_\_\_\_  
Name:  
Title:

For themselves and as Representatives of the  
other Underwriters named in Schedule A  
attached to the Purchase Agreement.

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SCHEDULE A

<TABLE>  
<CAPTION>

Name of Underwriter	Number of Securities
_____	_____
<S>	<C>

Total .....	=====
	SHARES
	=====

</TABLE>

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Exhibit A

BRUNSWICK CORPORATION  
(a Delaware corporation)

[EQUITY]  
PRICE DETERMINATION AGREEMENT

\_\_\_\_\_, 199\_

- \_\_\_\_\_  
- \_\_\_\_\_

As Representatives of the several Underwriters

Ladies and Gentlemen:

Reference is made to the Purchase Agreement, dated \_\_\_\_\_,  
199\_\_ (the "Purchase Agreement"), between Brunswick Corporation, a Delaware  
corporation (the "Company"), and the several Underwriters named in Schedule A  
thereto or hereto (the "Underwriters"), for whom \_\_\_\_\_ and  
\_\_\_\_\_ are acting as representatives (the "Representatives"). The  
Purchase Agreement provides for the purchase by the Underwriters from the  
Company, subject to the terms and conditions set forth therein, of an aggregate  
of \_\_\_\_\_ shares (the "Initial Shares") of [the Company's common stock,  
par value \$.75 per share,] [the Company's preferred stock, par value \$.75 per  
share,] [certain depositary shares representing shares of its preferred stock,

par value \$.75 per share, of the Company]. This Agreement is the Price Determination Agreement referred to in the Purchase Agreement.

Pursuant to Section 2 of the Purchase Agreement, the undersigned agree with the Representatives [as set forth in Schedule I hereto] [as follows:

1. The initial public offering price per share for the Initial Shares shall be \$\_\_\_\_\_.

2. The purchase price per share for the Initial Shares to be paid by the several Underwriters shall be \$\_\_\_\_\_ representing an amount equal to the initial public offering price set forth above, less \$\_\_\_\_\_ per share.]

The Company represents and warrants to each of the Underwriters that the representations and warranties of the Company set forth in Section I(a) of the Purchase Agreement are accurate as though expressly made at and as of the date hereof.

As contemplated by Section 2 of the Purchase Agreement, attached as Schedule A is a completed list of the several Underwriters, which shall be a part of this Agreement and the Purchase Agreement.

This Agreement shall be governed by the law of the State of New York.

If the foregoing is in accordance with your understanding of the agreement between the Underwriters and the Company, please sign and return to the Company a counterpart hereof, whereupon this instrument along with all counterparts and together with the Purchase Agreement shall be a binding agreement between the Underwriters and the Company in accordance with its terms and the terms of the Purchase Agreement.

Very truly yours,

BRUNSWICK CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

By: \_\_\_\_\_  
Name:  
Title:

For themselves and as Representatives of the other Underwriters named in Schedule A attached to the Purchase Agreement.

#### SCHEDULE I

TITLE OF DESIGNATED PREFERRED STOCK (DEPOSITARY SHARES):

STATED VALUE PER SHARE:

NUMBER OF SHARES OF DESIGNATED PREFERRED STOCK (DEPOSITARY SHARES):

NUMBER OF SHARES OF FIRM PREFERRED STOCK (DEPOSITARY SHARES):

MAXIMUM NUMBER OF OPTIONAL PREFERRED SHARES (DEPOSITARY SHARES):

[NUMBER OF SHARES OF DESIGNATED PREFERRED STOCK REPRESENTED BY EACH DESIGNATED DEPOSITARY SHARE:]

LIQUIDATION VALUE:

INITIAL OFFERING PRICE TO PUBLIC:

[\$ per (Depositary) Share][Formula]

PURCHASE PRICE BY UNDERWRITERS:

[\$ per (Depositary) Share][Formula]

COMMISSION PAYABLE TO UNDERWRITERS:

[\$        per (Depository) Share]

DIVIDEND RATE:

[Formula]

DIVIDEND PAYMENT DATES:

[months and dates]

VOTING RIGHTS:

REDEMPTION PROVISIONS:

[No provisions for redemption.]

[The Designated Preferred Stock (Depository Shares) may be redeemed in whole or in part at the option of the Company, on or after        ,  
at the following redemption prices:

Year	Price
------	-------

Redemption

and thereafter at \$        per share, together in each case with dividends for the then-current dividend period.]

[on any dividend payment date falling on or after        ,  
at the election of the Company, at a redemption price equal to the stated amount thereof, plus accrued dividends to the date of redemption.]

[Other redemption provisions:]

[Other terms and conditions:]

CONVERSION PROVISIONS:

[No provisions for conversion.]

[The Designated Preferred Stock (Depository Shares) may be converted in whole or in part at the option of [the Holder] [or of the Company], on or after        , at the following conversion ratio: [conversion formula]

[Other conversion provisions:]

[Other terms and conditions:]

DATE OF BOARD OR COMMITTEE RESOLUTION ESTABLISHING THE TERMS AND CONDITIONS OF THE DESIGNATED PREFERRED STOCK (DEPOSITARY SHARES):

FIRST TIME OF DELIVERY:

SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

CLOSING LOCATION:

NAMES AND ADDRESSES OF REPRESENTATIVES:

Designated Representatives:

Address for Notices, etc:

OTHER TERMS:\*

- -----  
\* A description of particular tax, accounting or other unusual features of the Securities should be set forth, or referenced to an attached and accompanying description, if necessary to an understanding of the transaction contemplated. Such a description might appropriately be in the form in which such features will be described in the Prospectus Supplement for the offering.

Exhibit 1.2

BRUNSWICK CORPORATION

(a Delaware corporation)

Debt Securities

UNDERWRITING AGREEMENT

\_\_\_\_\_, 199\_

To the [Underwriter[s] named in Schedule I]  
[Representatives named in Schedule II  
of the Underwriters named in Schedule I]

Ladies and Gentlemen:

Brunswick Corporation, a Delaware corporation (the "Company"), proposes to issue and sell to the underwriter or underwriters named in Schedule I attached hereto (collectively, the "Underwriters," which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom you are acting as representatives (the "Representatives"), certain of its debt securities (the "Securities") specified in Schedule II attached hereto, on the terms and conditions stated herein and in Schedule II. The Securities will be issued under an Indenture, dated as of March 15, 1987, as amended and supplemented by the Supplemental Indenture, dated \_\_\_\_\_, 1996 (the "Indenture"), between the Company and \_\_\_\_\_, as successor to Continental Bank, National Association, as trustee (the "Trustee"). If the firm or firms listed in Schedule I hereto include only the firm or firms listed in Schedule II hereto, the terms "Underwriter" and "Representatives" shall each be deemed to refer to such firm or firms.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 333- \_\_\_\_\_), including a basic prospectus, relating to certain of its securities, including the Securities, and the offering thereof from time to time, in accordance with Rule 415 under the Securities Act of 1933, as amended (the "1933 Act"), and has filed such amendments thereto as may have been required to the date hereof. Such registration statement, as amended, has been declared effective by the Commission, and the Indenture has been qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"). As provided in Section 3(a), a prospectus supplement reflecting the terms of the Securities, the terms of the offering thereof and the other matters set forth therein has been prepared and will be filed pursuant to Rule 424 under the 1933 Act. Such prospectus supplement, in the form first filed on or after the date hereof pursuant to Rule 424, is herein referred to as the "Prospectus Supplement." Such registration statement, as amended at the date hereof, including the exhibits thereto and the documents incorporated by reference therein, is herein called the "Registration Statement," and the basic prospectus included therein relating to all offerings of securities under the Registration Statement, as supplemented by the Prospectus Supplement, is herein called the "Prospectus," except that, if such basic prospectus is amended or supplemented on or prior to the date on which the Prospectus Supplement is first filed pursuant to Rule 424, the term "Prospectus" shall refer to the basic prospectus as so amended or supplemented and as supplemented by the Prospectus Supplement, in either case including the documents filed by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "1934 Act"), that are incorporated by reference therein. All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is or is deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement or the Prospectus shall



be deemed to mean and include the filing of any document under the 1934 Act which is or is deemed to be incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

You have advised us that you and the other Underwriters, acting severally and not jointly, desire to purchase the Securities and that you have been authorized by the other Underwriters to execute this Agreement on their behalf.

#### Section 1. Representations and Warranties.

(a) The Company represents and warrants to and agrees with each Underwriter as follows:

(i) At the time the Registration Statement became effective (the "Effective Time") and at the date hereof the Registration Statement and the Prospectus complied in all material respects with the requirements of the 1933 Act, the rules and regulations of the Commission thereunder (the "1933 Act Regulations"), the 1939 Act and the rules and regulations of the Commission thereunder (the "1939 Act Regulations"); at the Effective Time and at the date hereof, the Registration Statement did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to

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make the statements therein not misleading; at the Effective Time and at the Closing Time, the Indenture did or will conform in all material respects to the applicable requirements of the 1939 Act and the 1939 Act Regulations; and the Prospectus, at the Effective Time, at the date hereof and at the Closing Time, did not or will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification of the Trustee on Form T-1 under the 1939 Act ("Form T-1") or to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by the Trustee or any Underwriter through the Representatives expressly for use in the Registration Statement or Prospectus or any amendment or supplement thereto.

(ii) The accountants who certified the financial statements and supporting schedules included in the Registration Statement are independent public accountants as required by the 1933 Act and the 1933 Act Regulations.

(iii) The financial statements included in the Registration Statement and the Prospectus present fairly the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations for the periods specified; except as otherwise stated in the Registration Statement, said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis; and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein.

(iv) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business and (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise.

(v) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with corporate power and authority to own, lease and operate its

properties and to conduct its business as

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described in the Prospectus and to enter into and perform its obligations under this Agreement and the Indenture; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(vi) Each subsidiary of the Company which is a significant subsidiary (a "Subsidiary") as defined in Rule 405 of the 1933 Act Regulations has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each such Subsidiary has been duly authorized and validly issued, is fully paid and nonassessable and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(vii) The Indenture and each supplement thereto, if any, to the date hereof have been duly authorized, executed and delivered by the Company, has been duly qualified under the 1939 Act, and, assuming due authorization, execution and delivery by the Trustee, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be subject to (A) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally, and (B) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law); and the Indenture conforms in all material respects to the description thereof contained in the Prospectus.

(viii) When executed, authenticated, issued and delivered in the manner provided for in the Indenture and sold and paid for as provided herein, the Securities will constitute legal, valid and binding obligations of the Company, entitled to the benefits of the Indenture and enforceable against the Company in accordance with their terms, except as enforcement thereof may be

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subject to (A) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally, and (B) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law); and the Securities conform in all material respects to the description thereof contained in the Prospectus.

(ix) Neither the Company nor any of the Subsidiaries is in violation of its charter or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject; and the execution, delivery and

performance of this Agreement and the Indenture, the issuance and delivery of the Securities and the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder have been duly authorized by all necessary corporate action and will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of the Subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company or any of the Subsidiaries under any applicable law, administrative regulation or administrative or court decree.

(x) Other than as disclosed in the Registration Statement, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its Subsidiaries, which is required to be disclosed in the Registration Statement, or which might result in any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospectus of the Company and its subsidiaries considered as one enterprise, or which might materially and adversely affect the properties or assets thereof or which might materially and adversely affect the consummation of this Agreement or the issuance of the Securities pursuant to the Indenture; all pending legal or governmental proceedings to which the Company or any subsidiary is a party or of which any of their respective property or assets is the subject which are not described in the Registration Statement, including ordinary routine litigation incidental to the business, are, considered in the aggregate, not material; and there are no

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contracts or documents of the Company or any of its subsidiaries which are required to be filed as exhibits to the Registration Statement by the 1933 Act or by the 1933 Act Regulations which have not been so filed.

(xi) The Company and the Subsidiaries own or possess, or can acquire on reasonable terms, the patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names (collectively, "patent and proprietary rights") presently employed by them in connection with the business now operated by them, and neither the Company nor any of the Subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any patent or proprietary rights, or of any facts which would render any patent and proprietary rights invalid or inadequate to protect the interest of the Company or any of the Subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, would result in any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xii) No authorization, approval or consent of any court or governmental authority or agency is necessary in connection with the offering, issuance or sale of the Securities hereunder, except such as may be required under the 1933 Act, the 1933 Act Regulations, the 1939 Act, the 1939 Act Regulations or state securities laws.

(xiii) The Company and the Subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, and neither the Company nor any of the Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would materially and adversely affect the condition, financial or otherwise, or the earnings,

business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xiv) This Agreement has been duly executed and delivered by the Company.

(xv) The Company and the Subsidiaries have good and sufficient title to all property described or referred to in the Registration Statement as being owned by them, in each case free

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and clear of all liens, claims, security interests or other encumbrances, with such exceptions as are described or referred to in the Registration Statement or as are not material to the condition, financial or otherwise, or to the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(xvi) The documents incorporated or deemed to be incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission under the 1934 Act (the "1934 Act Regulations"), and, when read together with the other information in the Prospectus, at the time the Registration Statement and any amendments thereto become effective and at the Closing Time, will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) Any certificate signed by any officer of the Company and delivered to you or to counsel for the Underwriters in connection with the offering of the Securities shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

Section 2. Sale and Delivery to Underwriters; Closing. On the basis of the representations and warranties contained herein and subject to the terms and conditions herein set forth:

(a) The Company agrees to sell to each Underwriter, and each Underwriter agrees, severally and not jointly, to purchase from the Company, at the purchase price set forth in Schedule II, the principal amount of the Securities set forth opposite the name of such Underwriter on Schedule I, plus any additional principal amount of the Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) Payment of the purchase price for, and delivery of certificates for, the Securities shall be made at the date, time and location specified in Schedule II (unless postponed in accordance with the provisions of Section 10) or such other date, time and location as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time"). Unless otherwise specified in Schedule II, payment shall be made to the Company by wire transfer of immediately available funds, against delivery to the Representatives for the respective accounts of the Underwriters of certificates for the Securities to be purchased by them. Certificates for the Securities shall be in such denominations and

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registered in such names as the Representatives may request in writing at least two business days prior to the Closing Time. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Securities which it has agreed to purchase. You, individually and not as Representatives of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Securities to be purchased by any

Underwriter whose money has not been received by the Closing Time but such payment shall not relieve such Underwriter from its obligations hereunder. The certificates, which may be in temporary form, for the Securities will be made available for examination and packaging by the Representatives not later than 10:00 A.M. on the last business day prior to the Closing Time.

Section 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) In connection with the offering of the Securities, the Company will prepare a Prospectus Supplement setting forth the principal amount of the Securities covered thereby and their terms not otherwise specified in the Indenture, the names of the Underwriters and the principal amount of the Securities which each severally has agreed to purchase, the name of the Representatives, the price at which the Securities are to be purchased by the Underwriters from the Company, the initial public offering price, the selling concession and reallowance, if any, and such other information as the Representatives and the Company deem appropriate in connection with the offering of the Securities. The Company will promptly transmit copies of the Prospectus Supplement to the Commission for filing pursuant to Rule 424 of the 1933 Act Regulations and will furnish to the Underwriters named therein as many copies of any preliminary prospectus supplement and the Prospectus as the Representatives shall reasonably request.

(b) The Company will notify the Representatives promptly, and confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the mailing or the delivery to the Commission for filing of any supplement to the Prospectus or any document to be filed pursuant to the 1934 Act which will be incorporated by reference into the Prospectus or the Registration Statement, (iii) of the receipt of any comments from the Commission with respect to the Registration Statement or Prospectus, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any order preventing or suspending the use of any Prospectus or the initiation of any proceedings for any such purpose, and (vi) of the suspension of the qualification of the Securities for offering or sale in any

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jurisdiction, or the initiation or threatening of any proceedings for such purpose of which the Company becomes aware. The Company will use all reasonable efforts to prevent the issuance of any stop order or any order preventing or suspending the use of any Prospectus or suspending such qualification, and, in the event of the issuance of a stop order or any order preventing or suspending the use of any Prospectus or suspending such qualifications, to use all reasonable efforts to promptly obtain the lifting thereof.

(c) The Company will give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement or any amendment or supplement to the Prospectus, whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish the Representatives with copies of any such amendment or supplement within a reasonable amount of time prior to such proposed filing, and will not file any such amendment or supplement to which the Representatives or counsel for the Underwriters shall reasonably object.

(d) The Company will deliver to the Representatives \_\_\_\_\_ ( ) signed copies of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and as many conformed copies as the Representatives may reasonably request and will also deliver to the Representatives a conformed copy of the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters.

(e) The Company will furnish to each Underwriter, from time to time during the period when the Prospectus is required to be delivered

under the 1933 Act or the 1934 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request for the purposes contemplated by the 1933 Act or the 1934 Act or the respective applicable rules and regulations of the Commission thereunder.

(f) If any event shall occur as a result of which it is necessary to amend or supplement the Prospectus in order to make the Prospectus not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, or if it shall be necessary to amend the Registration Statement or supplement the Prospectus to comply with the 1933 Act or the 1934 Act or the respective rules and regulations thereunder, the Company will forthwith amend the Registration Statement or supplement the Prospectus, as the case may be (in form and substance reasonably satisfactory to counsel for the Underwriters), so as to correct such statement or omission or effect such compliance and the Company will furnish to the Underwriters a reasonable number of copies of such amendment or supplement.

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(g) The Company will endeavor, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Representatives may designate; provided, however, that the Company shall not be obligated to qualify as a foreign corporation in any jurisdiction in which it is not so qualified or to file a general consent to service of process in any jurisdiction. In each jurisdiction in which the Securities have been so qualified, the Company will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification in effect for a period of not less than one year from the effective date of the Registration Statement.

(h) The Company will make generally available to its security holders as soon as practicable, but not later than 50 days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 of the 1933 Act Regulations) covering a twelve month period beginning not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in said Rule 158) of the Registration Statement relating to such Securities.

(i) The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Prospectus under "Use of Proceeds."

(j) The Company will effect the listing of the Securities on the exchanges, if any, specified in Schedule II.

(k) Until the business day following the Closing Time or such other date as may be specified in Schedule II, the Company will not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell or announce the offering of, or otherwise dispose of, any debt securities of the Company covered by the Registration Statement or any other registration statement filed under the 1933 Act.

(l) The Company, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, will file all documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

Section 4. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the printing and filing of the Registration Statement as originally filed and of each amendment thereto, (ii) the typing, printing and distribution of this Agreement and the Indenture, (iii) the preparation, issuance and delivery of the certificates for the Securities to the

Underwriters, including transfer taxes, if any, payable upon the sale, issuance and delivery to the Underwriters of the Securities, (iv) the fees and disbursements of the Company's counsel and accountants, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(g) hereof, including filing fees and the fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey, (vi) the printing and delivery to the Underwriters of copies of the Registration Statement as originally filed and of each amendment thereto, of each preliminary prospectus, and of the Prospectus and any amendments or supplements thereto, (vii) the printing and delivery to the Underwriters of copies of the Blue Sky Survey, (viii) the fees of rating agencies, (ix) the fees, if any, of the National Association of Securities Dealers, Inc., (x) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Indenture, and (xi) the fees and expenses incurred in connection with the listing of the Securities on the exchanges referred to in Section 3(j) hereof.

If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for such Underwriters.

Section 5. Conditions of Underwriters' Obligations. The obligations of the Underwriters to purchase the Securities hereunder are subject to the accuracy of the representations and warranties of the Company herein contained as of the date hereof and at Closing Time, to the performance by the Company of its obligations hereunder and under the Indenture, and to the following further conditions:

(a) At the Closing Time, (i) no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission and any request on the part of the Commission for additional information shall have been complied with to the satisfaction of counsel for the Underwriters and (ii) the rating assigned by any nationally recognized securities rating agency to any debt securities of the Company as of the date hereof shall not have been lowered since the date hereof and no such agency shall have publicly announced that it has placed any of such debt securities on what is commonly termed a "watch list" for possible downgrading.

(b) At the Closing Time, the Representatives shall have received:

(1) The favorable opinion, dated as of the Closing Time, of Mayer, Brown & Platt, counsel to the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

(i) Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware.

(ii) The Securities have been duly authorized for issuance and sale to the Underwriters, and, when issued and delivered by the Company pursuant to the terms of this Agreement, against payment of the consideration set forth herein, will constitute legal, valid and binding obligations of the Company, entitled to the benefits provided by the Indenture, and be enforceable against the Company in accordance with their terms, subject as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(iii) This Agreement has been duly authorized, executed and delivered by the Company.

(iv) The Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and binding

instrument of the Company, enforceable against the Company in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(v) The Indenture has been duly qualified under the 1939 Act.

(vi) The Registration Statement is effective under the 1933 Act and, to the best of their knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act or proceeding therefor initiated or threatened by the Commission.

(vii) The Securities conform in all material respects to the descriptions thereof in the Prospectus and the Prospectus Supplement and the form of certificate used to evidence the Securities is in due and proper form.

(viii) At the Effective Time and at the date of the execution of this Agreement, the Registration Statement and the Prospectus (other than the financial statements and supporting schedules and other financial or statistical data included therein and in the documents incorporated by reference into the Registration Statement and the Prospectus, as to which no opinion need

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be rendered) complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations.

(ix) To the best of their knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto.

(x) No authorization, approval, consent or order of any court or governmental authority or agency is required in connection with the offering, issuance or sale of the Securities to the Underwriters, except as may be required under the 1933 Act, the 1933 Act Regulations, the 1939 Act, the 1939 Act Regulations or state securities laws.

(xi) To the best of their knowledge and information, the execution, delivery and performance of this Agreement and the Indenture and the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of the Subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of the Subsidiaries is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company, or any applicable law, administrative regulation or administrative or court decree.

(xii) Each document filed pursuant to the 1934 Act (other than the financial statement and supporting schedules and other financial or statistical data included therein, as to which no opinion need be rendered) and incorporated or deemed to be incorporated by reference in the Prospectus complied when so filed as to form in all material respects with the 1934 Act and the 1934 Act Regulations.

(2) The favorable opinion, dated as of the Closing Time, of Robert T. McNaney, General Counsel to the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:



(i) To the best of his knowledge and information, the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to so qualify

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would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(ii) Each Subsidiary has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and, to the best of his knowledge and information, is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction to which such qualification is required, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each Subsidiary has been duly authorized and validly issued, is fully paid and nonassessable and, to the best of his knowledge and information, is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity.

(iii) Other than as disclosed in the Registration Statement, to the best of his knowledge and information, there are no legal or governmental proceedings pending or threatened which are required to be disclosed in the Registration Statement, and all pending legal or governmental proceedings to which the Company or any subsidiary is a party or to which any of their property is subject which are not described in the Registration Statement, including ordinary routine litigation incidental to the business, are, considered in the aggregate, not material.

(iv) To the best of his knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, the descriptions thereof or references thereto are correct, and no default exists in the due performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument so described, referred to, filed or incorporated by reference.

(v) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and to enter

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into and perform its obligations under this Agreement and the Indenture.

(3) The favorable opinion, dated as of the applicable Closing Time, of \_\_\_\_\_, counsel for the Underwriters, with respect to the issuance and sale of the Securities, the Indenture, the Registration Statement, the Prospectus (together with any supplement thereto) and other related matters as the Representatives may reasonably require.

(4) In giving their opinions required by subsections (b)(1), (b)(2) and (b)(3), respectively, of this Section, Mayer, Brown & Platt, Mr. McNaney and \_\_\_\_\_ shall each additionally state that nothing has come to their attention that has caused them to believe that the Registration Statement (except for financial statements and schedules and other financial or statistical data included or incorporated by reference therein, as

to which counsel need make no statement), at the time it became effective or at the date of this Agreement, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus (except for financial statements and schedules and other financial or statistical data included or incorporated by reference therein, as to which counsel need make no statement), at the date of this Agreement or at Closing Time, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) At the Closing Time there shall not have been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement and the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company, dated as of such Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1 hereof are true and correct with the same force and effect as though expressly made at and as of such Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to such Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been initiated or threatened by the Commission.

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(d) At the time of the execution of this Agreement and at the Closing Time, the Representatives shall have received from Arthur Andersen LLP letters, dated such dates, in form and substance satisfactory to the Representatives, to the effect that (i) they are independent public accountants with respect to the Company and its subsidiaries within the meaning of the 1933 Act and the 1933 Act Regulations; (ii) it is their opinion that the financial statements and supporting schedules included in or incorporated by reference into the Registration Statement and covered by their opinions therein comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations and the 1934 Act and 1934 Act Regulations; (iii) based upon limited procedures set forth in detail in such letters, nothing has come to their attention which causes them to believe that (A) any unaudited financial statements and supporting schedules of the Company and its subsidiaries included in or incorporated by reference into the Registration Statement and the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations and the 1934 Act and 1934 Act Regulations or are not presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements included in or incorporated by reference into the Registration Statement and the Prospectus, or (B) at a specified date not more than five days prior to the date of the letters, there has been any change in the capital stock of the Company or any increase in the consolidated long-term debt of the Company and its subsidiaries or any decrease in consolidated net current assets or net assets as compared with the amounts shown in the most recent financial statements included in or incorporated by reference into the Registration Statement or, during the period from the date of the most recent financial statements included in or incorporated by reference into the Registration Statement to a specified date not more than five days prior to the date of the letters, there were any decreases, as compared with the corresponding period in the preceding year, in consolidated revenues, net income or net income per share of the Company and its subsidiaries, except in all instances for changes, increases or decreases which the Registration Statement and the Prospectus disclose have occurred or may occur; and (iv) in addition to the examination referred to in their opinions and the limited procedures referred to in clause (iii) above, they have carried out certain specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included in or incorporated by reference into the Registration Statement and the Prospectus and which are specified by the

Representatives, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company and its subsidiaries identified in such letters.

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(e) At the Closing Time, the Securities sold thereon shall have been approved for listing on the exchanges referred to in Section 3(j) hereof.

(f) At the Closing Time, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities herein contemplated and related proceedings, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to the applicable Closing Time, and such termination shall be without liability of any party to any other party except as provided in Section 4 hereof. Notwithstanding any such termination, the provisions of Sections 6, 7, and 8 hereof shall remain in effect.

#### Section 6. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue

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statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including, subject to section 6(c) hereof, the fees and disbursements of counsel chosen by you to represent the Underwriters), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement does not apply to any loss, liability, claim, damage or expense (x) to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) or to that part of the Registration Statement which shall constitute the Form T-1, or (y) if such untrue statement or omission or alleged untrue statement or omission was contained or made in any preliminary prospectus and corrected in a Prospectus and (i) any such loss, liability, claim, damage or expense suffered or incurred by any Underwriter (or any person who controls any Underwriter) resulted from an action, claim or suit by any person who purchased the Securities which are the subject thereof from such Underwriter in the offering and (ii) such Underwriter failed to deliver or provide a copy of the Prospectus to such person at or prior to the confirmation of the sale of such securities in any case where such delivery is required by the 1933 Act or the 1933 Act Regulations.

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

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(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of any such action. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

Section 7. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 6 hereof is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Company and the Underwriters shall contribute to the aggregate losses, liability, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and one or more of the Underwriters, as incurred, in such proportions that the Underwriters are responsible for that portion represented by the percentage that the underwriting discount hereunder bears to the initial public offering price of the Securities, and the Company is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as the Company.

Section 8. Representations, Warranties and Agreements to Survive

Delivery. All representations, warranties and agreements contained in this Agreement or contained in certificates of officers of the Company submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Company or any Underwriter or controlling person and shall survive delivery of and payment for the Securities.

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Section 9. Termination.

(a) The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the applicable Closing Time (i) if there has been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement and the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or elsewhere or any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which is such as to make it, in the judgment of the Representatives, impracticable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended by the Commission, or if trading generally on either the American Stock Exchange or the New York Stock Exchange has been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by either of said exchanges or by order of the Commission or any other governmental authority, or if a banking moratorium has been declared by either federal or New York authorities.

(b) If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party, except to the extent provided in Section 4 hereof. Notwithstanding any such termination, the provisions of Section 6, 7 and 8 hereof shall remain in effect.

Section 10. Default by One or More of the Underwriters. If one or more of the underwriters shall fail at Closing Time to purchase the Securities that it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(a) if aggregate principal amount of Defaulted Securities does not exceed 10% of the aggregate principal amount of the Securities to be purchased pursuant to this Agreement, the non-defaulting Underwriters shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations under this Agreement bear to the

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underwriting obligations of all such non-defaulting Underwriters, or

(b) if the aggregate principal amount of Defaulted Securities exceeds 10% of the aggregate principal amount of the Securities to be purchased pursuant to this Agreement, this Agreement shall terminate, without any liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a

termination of this Agreement, either the Representatives or the Company shall have the right to postpone Closing Time for a period not exceeding seven days in order to effect any required changes in the Registration Statement, the Prospectus, the applicable Prospectus Supplement or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

Section 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representatives c/o \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, attention of \_\_\_\_\_, \_\_\_\_\_; notices to the Company shall be directed to it at 1 North Field Ct., Lake Forest, Illinois 60045, attention of Robert T. McNaney, General Counsel.

Section 12. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters named therein and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters named therein and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters named therein and the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representative(s), and for the benefit of no other person, firm or corporation. No purchaser of any of the Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

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Section 13. Governing Law and Time. This Agreement shall be governed by and construed in accordance with the laws of the state of New York applicable to agreements made and to be performed in said State. Except as otherwise set forth herein, specified times of day refer to New York City time.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Company in accordance with its terms.

Very truly yours,

BRUNSWICK CORPORATION

By:

-----  
Name:  
Title:

CONFIRMED AND ACCEPTED,  
as of the date first above written:

-----  
Name:  
Title:

For itself and as Representatives of the other Underwriter named in Schedule I attached to the Underwriting Agreement.

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SCHEDULE I

<TABLE>  
<CAPTION>

Underwriters -----	Principal Amount of Securities to Be Purchased -----
<S>	<C>
	\$
Total . . . . .	\$ =====

</TABLE>

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SCHEDULE II

Underwriting Agreement dated

Registration Statement No. 333-

Representative(s):

Title, Purchase Price and Description of Securities;

Title:

Principal amount:

Current ratings:

Interest rate:

Interest payment dates:

Date of maturity:

Price to public:

Commission:

Purchase price to Underwriters:

Sinking fund provisions:

Redemption provisions:

Other provisions:

Closing Date, Time and Location:

Type of funds payable at Closing: Wire transfer of immediately available funds

Wire Transfer Instructions:

Delayed Delivery Arrangements:

Listing requirements:

Other:



BRUNSWICK CORPORATION

STANDARD [COMMON/PREFERRED] STOCK WARRANT  
AGREEMENT PROVISIONS

\_\_\_\_\_, 1996

From time to time, Brunswick Corporation, a Delaware corporation (the "Company"), may enter into one or more warrant agreements that provide for the issuance and sale of warrants ("Warrants") to purchase shares of the Company's [common stock, \$.75 par value (the "Common Stock")/specify preferred stock, \$.75 par value (the "Preferred Stock")] (such shares are hereinafter referred to as the "Shares" and, where appropriate, such term shall also mean the other securities or property purchasable upon the exercise of the Warrants upon the happening of certain events as provided for herein, and such [Common/Preferred] Stock is hereinafter referred to as the "Stock"). The standard provisions set forth herein may be included or incorporated by reference in any such warrant agreement (a "Warrant Agreement"). The Warrant Agreement, including the provisions incorporated therein by reference, is herein referred to as this "Agreement." The person named as the "Warrant Agent" in the first paragraph of the Warrant Agreement is herein referred to as the "Warrant Agent." Unless otherwise defined in this Agreement or in the Warrant Agreement, as the case may be, terms defined in the Warrant Agreement are used herein as therein defined and terms defined herein are used in the Warrant Agreement as herein defined.

SECTION 1. Number of Warrants Unlimited; Issuable from Time to Time. The number of Warrants which may be issued and delivered under this Agreement is unlimited.

There shall be established in or pursuant to a resolution of the Board of Directors of the Company or established in one or more warrant agreements supplemental hereto, prior to the issuance of any Warrants:

- (a) the offering price,
- (b) the designation and terms of such Warrants and the Stock purchasable upon exercise of such Warrants,
- (c) the date on which the right to exercise such Warrants shall commence,
- (d) if the Warrants are issued together as a unit with any other securities of the Company, the date after which the Warrants shall be freely tradeable separately from such other securities (the "Distribution Date") and if the Company may at its option or under circumstances described therein provide for an earlier Distribution Date,
- (e) the Expiration Date pursuant to Section 6,
- (f) the Exercise Price and any form of consideration other than lawful money of the United States of America by

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which the Exercise Price may be paid pursuant to Section 6,

- (g) the Call Price, Call Date and Call Terms pursuant to Section 7,
- (h) the limitations, if any, upon the Reduced Exercise Price and the Reduced Exercise Price Period pursuant to Section 8,
- (i) the circumstances, if any, under which the Exercise Price and

the number of Shares purchasable upon the exercise of each Warrant and the number of Warrants outstanding are subject to adjustment and the manner of making any such adjustment.

SECTION 2. Form of Warrant Certificates. The certificates evidencing the Warrants (the "Warrant Certificates") to be delivered pursuant to this Agreement shall be in registered form only. The Warrant Certificates shall be in substantially such form or forms as shall be established by the Company from time to time pursuant to one or more resolutions of the Board of Directors of the Company or in one or more warrant agreements supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Agreement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Warrants, as evidenced by their execution of the Warrants.

SECTION 3. Execution of Warrant Certificates. Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, a Vice President or its Treasurer and attested by its Secretary or Assistant Secretary, under its corporate seal. Each such signature upon the Warrant Certificates may be in the form of a facsimile signature of the current or any future Chairman of the Board, Chief Executive Officer, President, Vice President, Treasurer, Secretary or Assistant Secretary and may be imprinted or otherwise reproduced on the Warrant Certificates and for that purpose the Company may adopt and use the facsimile signature of any person who shall have been Chairman of the Board, Chief Executive Officer, President, Vice President, Treasurer, Secretary or Assistant Secretary, notwithstanding the fact that at the time the Warrant Certificates shall be countersigned and delivered or disposed of such person shall have ceased to hold such office. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

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If any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned by the Warrant Agent or disposed of by the Company, such Warrant Certificates nevertheless may be countersigned and delivered or disposed of as though such person had not ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Warrant Certificate, shall be a proper officer of the Company to sign such Warrant Certificate, although at the date of the execution of this Agreement any such person was not such officer.

SECTION 4. Registration and Countersignature. Warrant Certificates shall be manually countersigned and dated the date of countersignature by the Warrant Agent and shall not be valid for any purpose unless so countersigned. The Warrants shall be numbered and shall be registered in a register (the "Warrant Register") to be maintained by the Warrant Agent.

The Company and the Warrant Agent may deem and treat the registered holder of a Warrant Certificate as the absolute owner thereof (notwithstanding any notation of ownership or other writing thereon made by anyone), for the purpose of any exercise thereof or any distribution to the holder thereof and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

SECTION 5. Registration of Transfers and Exchanges. The Warrant Agent shall from time to time register the transfer of any outstanding Warrant Certificates in the Warrant Register, upon surrender of such Warrant Certificates, duly endorsed, and accompanied by a written instrument or instruments of transfer in form satisfactory to the Warrant Agent, duly signed by the registered holder or holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by (a) a bank or trust company, (b) a broker or dealer that is a member of the National Association of Securities Dealers, Inc. (the "NASD") or

(c) a member of a national securities exchange. Upon any such registration of transfer, a new Warrant Certificate shall be issued to the transferee.

Warrant Certificates may be exchanged at the option of the holder or holders thereof, when surrendered to the Warrant Agent at its offices or agency maintained for the purpose of exchanging, transferring and exercising the Warrants (a "Warrant Agent Office") or at the offices of any successor Warrant Agent as provided in Section 19 hereof, for another Warrant Certificate or other Warrant Certificates of like tenor representing in the aggregate a like number of Warrants.

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The Warrant Agent is hereby authorized to countersign, in accordance with the provisions of this Section 5 and of Section 4, and deliver the new Warrant Certificates required pursuant to the provisions of this Section, and for the purpose of any distribution of Warrant Certificates contemplated by Section 14.

No service charge shall be made for any exchange or registration of transfer of Warrant Certificates, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection with any such exchange or registration of transfer. Whenever any Warrant Certificates are surrendered for exchange or registration of transfer, an authorized officer of the Warrant Agent shall mutually countersign and deliver to the person or persons entitled thereto a Warrant Certificate or Warrant Certificates duly authorized and executed by the Company, as so requested. The Warrant Agent shall not be required to effect any exchange or registration of transfer that will result in the issuance of a Warrant Certificate evidencing a fraction of a Warrant or a number of full Warrants and a fraction of a Warrant. All Warrant Certificates issued upon any exchange or registration of transfer of Warrant Certificates shall be the valid obligations of the Company, evidencing the same obligations and entitled to the same benefits under this Agreement as the Warrant Certificates surrendered for such exchange or registration of transfer.

#### SECTION 6. Duration and Exercise of Warrants.

(a) The Warrants shall expire on (a) the close of business on the date set forth pursuant to Section 1, or (b) such later date as shall be determined in the sole discretion of the Company, in a written statement to the Warrant Agent and with notice to registered holders of Warrants in the manner provided for in Section 16 (such date of expiration being herein referred to as the "Expiration Date"). On and after the Distribution Date, each Warrant may be exercised on any business day on or prior to the close of business on the Expiration Date. After the close of business on the Expiration Date, the Warrants will become void and of no value.

(b) Subject to the provisions of this Agreement, including Section 14, the holder of each Warrant shall have the right to purchase from the Company (and the Company shall issue and sell to such holder of a Warrant) one fully paid and nonassessable Share at the price set forth pursuant to Section 1 (such price, as may be adjusted from time to time as provided in Section 14, being the "Exercise Price") upon depositing with the Warrant Agent at a Warrant Agent Office the Warrant Certificate evidencing such Warrant, with the form of election to purchase on the reverse thereof duly completed and signed by the registered holder or holders thereof or by the duly appointed legal representative

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thereof or by a duly authorized attorney, such signature to be guaranteed by a bank or trust company, by a broker or dealer which is a member of NASD or by a member of a national securities exchange, and upon payment of the Exercise Price for the number of Shares in respect of which such Warrant is being exercised. Unless otherwise provided pursuant to Section 1, payment of the aggregate Exercise Price shall be made in lawful money of the United States of

America. If the Warrant Agent receives moneys in payment of the purchase price for Warrants, the Warrant Agent shall deposit all funds received by it in the account of the Company maintained with it for such purpose. If the Warrant Agent receives consideration other than moneys for Warrants, the Warrant Agent shall deliver such consideration directly to the Company. In either case, the Warrant Agent shall advise the Company by telex or telecopy at the end of each day as to the Warrant Certificates that have been exercised and the amount of moneys deposited to its account or the type and amount of other consideration to be delivered to it.

(c) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company of (i) the number of Warrants exercised, (ii) the instructions of each holder of the Warrant Certificates evidencing such Warrants with respect to delivery of the Shares to which such holder is entitled upon such exercise, (iii) delivery of Warrant Certificates evidencing the balance, if any, of the Warrants remaining after such exercise and (iv) such other information as the Company shall reasonably require.

(d) Subject to Section 10, upon such surrender of a Warrant Certificate and payment of the Exercise Price, the Warrant Agent shall requisition from the Company's Stock transfer agent (the "Transfer Agent") for issuance and delivery to or upon the written order of the registered holder of such Warrant Certificate and in such name or names as such registered holder may designate, a certificate or certificates for the Share or Shares issuable upon the exercise of the Warrant or Warrants evidenced by such Warrant Certificate(s). Such certificate or certificates shall be deemed to have been issued and any person so designated to be named therein shall be deemed to have become the holder of record of such Share or Shares as of the date of the surrender of such Warrant Certificate duly executed and payment of the Exercise Price. The Warrants evidenced by a Warrant Certificate shall be exercisable, at the election of the registered holder thereof, either as an entirety or from time to time for a portion of the number of Warrants specified in the Warrant Certificate. If less than all of the Warrants evidenced by a Warrant Certificate surrendered upon the exercise of Warrants are exercised at any time prior to the date of expiration for the Warrants, a new Warrant Certificate or Certificates shall be issued for the remaining number of Warrants evidenced by the Warrant Certificate so surrendered, and the Warrant Agent is hereby authorized to countersign the required new

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Warrant Certificate or Certificates pursuant to the provisions of Section 5 and this Section 6.

SECTION 7. Call of Warrants by the Company. If so provided in the Warrant Agreement, the Company shall have the right to call and repurchase any or all Warrants at the price (the "Call Price") and on or after the date (the "Call Date") and upon the terms (the "Call Terms") as shall be set forth pursuant to Section 1. Notice of such Call Price, Call Date and Call Terms shall be given to registered holders of Warrants in the manner provided in Section 16.

SECTION 8. Optional Reduction of Exercise Price. Subject to the limits, if any, set forth pursuant to Section 1, the Company shall have the right, at any time or from time to time, voluntarily to reduce the then current Exercise Price to such amount (the "Reduced Exercise Price") and for such period or periods of time, which may be through the close of business on the Expiration Date (the "Reduced Exercise Price Period") as may be deemed appropriate by the Company. Notice of any such Reduced Exercise Price and Reduced Exercise Price Period shall be given to registered holders of Warrants in the manner provided in Section 16. After the termination of the Reduced Exercise Price Period, the Exercise Price shall be such Exercise Price that would have been in effect, as adjusted pursuant to the provisions of Section 14, had there been no reduction in the Exercise Price pursuant to the provisions of this Section 8. No reduction of the then current Exercise Price pursuant to the provisions of this Section 8 shall be deemed for the purposes of Section 14 hereof to alter or adjust the Exercise Price.

SECTION 9. Cancellation of Warrant Certificates. Any Warrant Certificate surrendered for exercise, registration of transfer or exchange

shall, if surrendered to the Company, be delivered to the Warrant Agent, and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly canceled by the Warrant Agent and shall not be reissued and, except as expressly permitted by this Agreement, no Warrant Certificate shall be issued hereunder in lieu thereof. The Warrant Agent shall deliver to the Company from time to time, or otherwise dispose of, canceled Warrant Certificates in a manner satisfactory to the Company.

SECTION 10. Payment of Taxes. The Company will pay all documentary stamp taxes attributable to the initial issuance of Warrants and of Shares upon the exercise of Warrants; provided, however, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Warrant Certificates or any certificates for Shares in a name other than the registered holder of a Warrant Certificate surrendered upon the exercise of a Warrant, and the Company shall not be required to issue or deliver such certificates

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unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

SECTION 11. Lost, Stolen, Mutilated or Destroyed Warrant Certificates. Upon receipt by the Company and the Warrant Agent of evidence reasonably satisfactory to them of the ownership and the loss, theft, destruction or mutilation of the Warrant Certificate, and of indemnity reasonably satisfactory to them, and, in the case of mutilation, upon surrender thereof to the Warrant Agent for cancellation, then, in the absence of notice to the Company or the Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser, the Company shall execute, and an authorized officer of the Warrant Agent shall manually countersign and deliver, in exchange for or in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of the same tenor and for a like number of Warrants. Upon the issuance of any new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expense (including the fees and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall constitute an additional contractual obligation of the Company, whether or not the lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant Certificates duly executed and delivered hereunder. The provisions of this Section are exclusive and shall preclude (to the extent lawful) any and all other rights or remedies with respect to the replacement of mutilated, lost, stolen or destroyed Warrant Certificates.

SECTION 12. Reservation of Shares. For the purpose of enabling it to satisfy any obligation to issue Shares upon exercise of Warrants, the Company will at all times through the close of business on the Expiration Date, reserve and keep available, free from preemptive rights and out of its aggregate authorized but unissued or treasury shares of Stock, the number of Shares deliverable upon the exercise of all outstanding Warrants, and the Transfer Agent for such Stock is hereby irrevocably authorized and directed at all times to reserve such number of authorized and unissued or treasury shares of Stock as shall be required for such purpose. The Company will keep a copy of this Agreement on file with such Transfer Agent and with every transfer agent for any shares of the Company's capital stock issuable upon the exercise of Warrants pursuant to Section 14. The Warrant Agent is hereby irrevocably authorized to requisition from time to time from such Transfer Agent Stock certificates issuable upon exercise of

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outstanding Warrants, and the Company will supply such Transfer Agent with duly

executed Stock certificates for such purpose.

Before taking any action that would cause an adjustment pursuant to Section 14 reducing the Exercise Price below the then par value (if any) of the Shares issuable upon exercise of the Warrants, the Company will take any corporate action that may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and nonassessable Shares at the Exercise Price as so adjusted.

The Company covenants that all Shares issued upon exercise of the Warrants, will, upon issuance in accordance with the terms of this Agreement, be fully paid and nonassessable and free from all taxes, liens, charges and security interests created by or imposed upon the Company with respect to the issuance and holding thereof.

SECTION 13. Obtaining of Governmental Approvals and Stock Exchange Listings. The Company will from time to time take all action that may be necessary (a) to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and to make filings under federal and state securities acts and laws, which may be or become requisite in connection with the issuance, sale, transfer and delivery of the Warrant Certificates, the exercise of the Warrants and the issuance, sale, transfer and delivery of the Shares issued upon exercise of Warrants, and (b) to have the shares of Stock, immediately upon their issuance upon exercise of Warrants, (i) listed on each national securities exchange on which the Stock is then listed or (ii) if the Stock is not then listed on any national securities exchange, listed for quotation on the NASD Automated Quotations System ("NASDAQ") National Market System ("NASDAQ/NMS") or such other over-the-counter quotation system on which the Stock may then be listed.

SECTION 14. Adjustment of Exercise Price and Number of Shares Purchasable or Number of Warrants. Except as may be otherwise provided in accordance with Section 1, the Exercise Price, the number of Shares purchasable upon the exercise of each Warrant and the number of Warrants outstanding are subject to adjustment from time to time upon the occurrence of the events enumerated in this Section 14.

(a) If the Company shall (i) pay a dividend on its capital stock (including Stock) in shares of Stock, (ii) subdivide its outstanding shares of Stock, (iii) combine its outstanding shares of Stock into a smaller number of shares of Stock or (iv) issue any shares of its capital stock in a reclassification of the Stock (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing corporation), the number of Shares purchasable upon exercise of

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each Warrant immediately prior thereto shall be adjusted so that the holder of each Warrant shall be entitled to receive the kind and number of Shares or other securities of the Company which such holder would have owned or have been entitled to receive after the happening of any of the events described above, had such Warrant been exercised immediately prior to the happening of such event or any record date with respect thereto. An adjustment made pursuant to this paragraph (a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

(b) In the event of any capital reorganization or any reclassification of the Stock (except as provided in paragraph (a) above or paragraph (h) below), any holder of Warrants upon exercise thereof shall be entitled to receive, in lieu of the Stock to which he would have become entitled upon exercise immediately prior to such reorganization or reclassification, the shares (of any class or classes) or other securities or property of the Company that he would have been entitled to receive at the same aggregate Exercise Price upon such reorganization or reclassification if his Warrants had been exercised immediately prior thereto; and in any such case, appropriate provision (as determined in good faith by the Board of Directors of the Company, whose determination shall be conclusive and shall be evidenced by a resolution filed with the Warrant Agent) shall be made for the application of this Section 14 with respect to the rights and interests thereafter of the holders of Warrants (including the allocation of the adjusted Exercise Price

between or among shares of classes of capital stock), to the end that this Section 14 (including the adjustments of the number of shares of Stock or other securities purchasable and the Exercise Price thereof) shall thereafter be reflected, as nearly as reasonably practicable, in all subsequent exercises of the Warrants for any shares or securities or other property thereafter deliverable upon the exercise of the Warrants.

(c) Except for adjustments required by paragraph (h) hereof, no adjustment in the number of Shares purchasable hereunder shall be required unless such adjustment would require an increase or decrease of at least one percent (1%) in the number of Shares purchasable upon the exercise of each Warrant; provided, however, that any adjustments which by reason of this paragraph (c) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations shall be made to the nearest cent and to the nearest one-hundredth of a Share, as the case may be.

(d) Whenever the number of Shares purchasable upon the exercise of each Warrant is adjusted as herein provided (whether or not the Company then or thereafter elects to issue additional Warrants in substitution for an adjustment in the number of Shares as provided in paragraph (f)), the Exercise Price payable upon

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exercise of each Warrant shall be adjusted by multiplying such Exercise Price immediately prior to such adjustments by a fraction, of which the numerator shall be the number of Shares purchasable upon the exercise of each Warrant immediately prior to such adjustment, and the denominator shall be the number of Shares so purchasable immediately thereafter.

(e) For the purpose of this Section 14, the term "shares of stock" shall mean (i) the class of stock designated as the [Common/specify preferred stock] Stock of the Company at the date of this Agreement, or (ii) any other class of stock resulting from successive changes or reclassification of such shares consisting solely of changes in par value, of from par value to no par value, or from no par value to par value. If at any time, as a result of an adjustment made pursuant to paragraph (a) or (b) above, the holders of Warrants shall become entitled to purchase any shares of the Company other than shares of Stock, thereafter the number of shares so purchasable upon exercise of each Warrant and the Exercise Price of such shares shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Shares contained in paragraph (a) through (d), inclusive, above, and the provisions of Sections 5, 10, 12, 13(a) and 16, with respect to the Shares, shall apply on like terms to any such other shares.

(f) The Company may elect, on or after the date of any adjustment required by paragraphs (a) or (b) of this Section 14, to adjust the number of Warrants in substitution for an adjustment in the number of Shares purchasable upon the exercise of a Warrant. Each of the Warrants outstanding after such adjustment of the number of Warrants shall be exercisable for the same number of Shares as immediately prior to such adjustment. Each Warrant held of record prior to such adjustment of the number of Warrants shall become that number of Warrants (calculated to the nearest hundredth) obtained by dividing the Exercise Price in effect prior to adjustment of the Exercise Price by the Exercise Price in effect after the adjustment of the Exercise Price. The Company shall notify the holders of Warrants in the same manner as provided in the first paragraph of Section 16, of its election to adjust the number of Warrants, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Exercise Price is adjusted or any day thereafter. Upon each adjustment of the number of Warrants pursuant to this paragraph (f) the Company shall, as promptly as practicable, cause to be distributed to holders of record of Warrants on such record date Warrant Certificates evidencing, subject to Section 15, the additional Warrants to which such holders shall be entitled as a result of such adjustment, or, at the option of the Company, shall cause to be distributed to such holders of record in substitution and replacement for the Warrant Certificates held by such holders prior to the date of adjustment,

and upon surrender thereof, if required by the Company, new Warrant Certificates evidencing all the Warrants to be issued, executed and registered in the manner specified in Sections 4 and 5 (and which may bear, at the option of the Company, the adjusted Exercise Price) and shall be registered in the names of the holders of record of Warrant Certificates on the record date specified in the notice.

(g) Except as provided in paragraph (a) of this Section 14, no adjustment in respect of any dividends shall be made during the term of a Warrant or upon the exercise of a Warrant.

(h) In case of any consolidation of the Company with or merger of the Company into another corporation or in case of any sale or conveyance to another corporation of the property of the Company as an entirety or substantially as an entirety, the Company or such successor or purchasing corporation, as the case may be, shall execute with the Warrant Agent an agreement that each holder of a Warrant shall have the right thereafter upon payment of the Exercise Price in effect immediately prior to such action to purchase upon exercise of each Warrant the kind and amount of shares and other securities and property which he would have owned or have been entitled to receive after the happening of such consolidation, merger, sale or conveyance had such Warrant been exercised immediately prior to such action. The Company shall mail by first class mail, postage prepaid, to each holder of a Warrant, notice of the execution of any such agreement. Such agreement shall provide for adjustments, which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 14. The provisions of this paragraph (h) shall similarly apply to successive consolidations, mergers, sales or conveyances. The Warrant Agent shall be under no duty or responsibility to determine the correctness of any provisions contained in any provisions contained in any such agreement relating either to the kind or amount of shares of stock or other securities or property receivable upon exercise of Warrants or with respect to the method employed and provided therein for any adjustments and shall be entitled to rely upon the provisions contained in any such agreement.

(i) Irrespective of any adjustments in the Exercise Price or the number or kind of shares purchasable upon the exercise of the Warrants, Warrants theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in the Warrants initially issuable pursuant to this Agreement.

#### SECTION 15. Fractional Warrants and Fractional Shares.

(a) The Company shall not be required to issue fractions of Warrants on any distribution of Warrants to holders of Warrant Certificates pursuant to Section 14(f) or to distribute Warrant

Certificates that evidence fractional Warrants. In lieu of such fractional Warrants there shall be paid to the registered holders of the Warrant Certificates with regard to which such fractional Warrants would otherwise be issuable, an amount in cash equal to the same fraction of the current market value of a full Warrant. For purposes of this Section 15(a), the current market value of a Warrant shall be the closing price of one Warrant (as determined pursuant to paragraph (c) below) for the trading day immediately prior to the date on which such fractional Warrant would have been otherwise issuable.

(b) Notwithstanding any adjustment pursuant to Section 14 in the number of Shares purchasable upon the exercise of Warrant, the Company shall not be required to issue fractions of Shares upon exercise of the Warrants or to distribute certificates which evidence fractional Shares. In lieu of fractional Shares, there shall be paid to the registered holders of Warrant Certificates at the time such Warrant Certificates are exercised as herein provided an amount in cash equal to the same fraction of the current market



value of a share of Stock. For purposes of this Section 15(b), the current market value of a share of Stock shall be the closing price of a share of Stock (as determined pursuant to paragraph (c) below) for the trading day immediately prior to the date of such exercise.

(c) The closing price for each day shall be the last sale price, regular way, or, if no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such day, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Warrants or Stock, as the case may be, is not listed or admitted to trading on such exchange, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Warrants or Stock, respectively, is listed or admitted to trading, or if the Warrants or Stock, as the case may be, is not listed or admitted to trading on any national securities exchange, as reported on NASDAQ/NMS or, if the Warrants or Stock, as the case may be, is not listed or admitted to trading on NASDAQ/NMS, as reported on NASDAQ.

SECTION 16. Notices to Warrantholders. Upon any adjustment of the number of Shares purchasable upon exercise of each Warrant, the Exercise Price or the number of Warrants outstanding pursuant to Section 14, the Company within 20 calendar days thereafter shall (i) cause to be filed with the Warrant Agent a certificate of a firm of independent public accountants of recognized standing selected by the Company (who may be the regular auditors of the Company) setting forth the Exercise Price and either the number of Shares purchasable upon exercise of each Warrant or the additional number of Warrants to be issued for each previously outstanding Warrant, as the case may be, after such adjustment and setting

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forth in reasonable detail the method of calculation and the facts upon which such adjustment was made, which certificate shall be conclusive evidence of the correctness of the matters set forth therein, and (ii) cause to be given to each of the registered holders of the Warrant Certificates at such holder's address appearing on the Warrant Register written notice of such adjustments by first class mail, postage prepaid. Where appropriate, such notice may be given in advance and included as a part of the notice required to be mailed under the other provisions of this Section 16.

Pursuant to Sections 1, 6, 7 and 8, the Company shall cause written notice of such later Distribution Date, such later Expiration Date, such Call Price, Call Date and Call Terms and such Reduced Exercise Price and Reduced Exercise Price Period, as the case may be, to be given as soon as practicable to the Warrant Agent and to each of the registered holders of the Warrant Certificates by first class mail, postage prepaid, at such holder's address appearing on the Warrant Register. In addition to the written notice referred to in the preceding sentence, the Company shall make a public announcement in a daily morning newspaper of general circulation in New York City and in Chicago of such earlier Distribution Date, such later Expiration Date, such Call Price, Call Date and Call Terms and such Reduced Exercise Price and Reduced Exercise Price Period, as the case may be, at least once a week for two successive weeks prior to the implementation of such terms.

If:

(a) the Company shall declare any dividend payable in any securities upon its shares of Stock or make any distribution (other than a cash dividend) to the holders of its shares of Stock, or

(b) the Company shall offer to the holders of its shares of Stock any additional shares of Stock or securities convertible into shares of Stock or any right to subscribe thereto, or

(c) there shall be a dissolution, liquidation or winding up of the Company (other than in connection with a consolidation, merger or sale of all or substantially all of its property, assets and business as an entirety),

then the Company shall (i) cause written notice of such event to be filed with

the Warrant Agent and shall cause written notice of such event to be given to each of the registered holders of the Warrant Certificates at such holder's address appearing on the Warrant Register, by first class mail, postage prepaid, and (ii) make a public announcement in a daily newspaper of general circulation in New York City and in Chicago of such event, such giving of notice and publication to be completed at least 10 calendar days (or 20

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calendar days in any case specified in clause (c) above) prior to the date fixed as a record date or the date of closing the transfer books for the determination of the stockholders entitled to such dividend, distribution or subscription rights, or for the determination of stockholders entitled to vote on such proposed dissolution, liquidation or winding up. Such notice shall specify such record date or the date of closing the transfer books, as the case may be. The failure to give the notice required by this Section 16 or any defect therein shall not affect the legality or validity of any distribution, right, warrant, dissolution, liquidation or winding up or the vote upon or any other action taken in connection therewith.

SECTION 17. Warrant Agent. The Company hereby appoints the Warrant Agent as the Warrant Agent of the Company in respect of the Warrant Certificates upon the terms and subject to the conditions herein set forth, and the Warrant Agent hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant Certificates and by this Agreement, and such further powers and authority to act on behalf of the Company as the Company may hereafter grant to or confer upon it. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

SECTION 18. Conditions of Warrant Agent's Obligations. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Warrants, by their acceptance thereof, shall be bound:

(a) The statements contained herein and in the Warrant Certificates shall be taken as statements of the Company, and the Warrant Agent assumes no responsibility for the correctness of any of the same except such as describe the Warrant Agent or action taken or to be taken by it. Except as herein otherwise provided, the Warrant Agent assumes no responsibility with respect to the execution, delivery or distribution of the Warrant Certificates.

(b) The Warrant Agent shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Agreement or in the Warrant Certificates to be complied with by the Company nor shall it at any time be under any duty or responsibility to any holder of a Warrant to make or cause to be made any adjustment in the Exercise Price or in the number of Shares issuable upon exercise of any Warrant (except as instructed by the Company), or to determine whether any facts exist which may require any such adjustments, or with respect to the nature or extent of or method employed in making any such adjustments when made.

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(c) The Warrant Agent may consult at any time with counsel satisfactory to it (who may be counsel for the Company) and the Warrant Agent shall incur no liability or responsibility to the Company or any holder of any Warrant Certificate in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or the advice of such counsel.

(d) The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Warrant Certificate for any action taken in reliance on any notice, resolution, waiver, consent, order, certificate or other paper, document or instrument believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(e) The Company agrees to pay to the Warrant Agent reasonable compensation for all services rendered by the Warrant Agent under this Agreement, to reimburse the Warrant Agent upon demand for all expenses, taxes and governmental charges and other charges of any kind and nature incurred by the Warrant Agent in the performance of its duties under this Agreement and to indemnify the Warrant Agent and save it harmless against any and all losses, liabilities and expenses, including judgments, costs and reasonable counsel fees, for anything done or omitted by the Warrant Agent arising out of or in connection with this Agreement except as a result of its negligence or bad faith.

(f) The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense unless the Company or one or more registered holders of Warrant Certificates shall furnish the Warrant Agent with reasonable security and indemnity for any costs or expenses which may be incurred. All rights of action under this Agreement or under any of the Warrants may be enforced by the Warrant Agent without the possession of any of the Warrant Certificates or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent, and any recovery or judgment shall be for the ratable benefit of the registered holders of the Warrants, as their respective rights or interests may appear.

(g) The Warrant Agent, and any stockholder, director, officer or employee thereof, may buy, sell or deal in any of the Warrants or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though they were not the Warrant Agent under this Agreement, or a stockholder, director, officer or employee of the Warrant Agent, as the case may be. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

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(h) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the provisions hereof. The Warrant Agent shall not be liable for anything which it may or do or refrain from doing in connection with this Agreement except for its own negligence or bad faith.

(i) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

(j) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Warrant Certificate (except its countersignature thereof), nor shall the Warrant Agent by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of the Shares to be issued pursuant to this Agreement or any Warrant Certificate or as to whether the Shares will when issued be validly issued, fully paid and nonassessable or as to the Exercise Price or the number of Shares issuable upon exercise of any Warrant.

(k) The Warrant Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer, the Secretary or any Assistant Secretary of the Company, and to apply to such officers for advice or instructions in connection with its duties, and shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer or in good faith reliance upon any statement signed by any one of such officers of the Company with respect to any fact or matter (unless other evidence in respect thereof is herein specifically prescribed) which may be deemed to be

conclusively proved and established by such signed statement.

SECTION 19. Resignation and Appointment of Successor Warrant Agent.

(a) The Company agrees, for the benefit of the holders from time to time of the Warrant Certificates, that at all times there shall be a Warrant Agent hereunder until all the Warrant Certificates are no longer exercisable.

(b) The Warrant Agent may at any time resign as such agent by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become

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effective; provided that such date shall not be less than 60 days after the date on which such notice is given unless the Company agrees to accept less notice. The Warrant Agent may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date when it shall become effective. Such resignation or removal shall take effect upon the appointment by the Company, as hereinafter provided, of a successor Warrant Agent (which shall be a bank or trust company organized and doing business under the laws of the United States of America or of any State, in good standing, and authorized under such laws to exercise corporate trust powers) and the acceptance of such appointment by such successor Warrant Agent. Upon its resignation or removal, the Warrant Agent shall be entitled to the payment by the Company of the compensation agreed to under Section 18(e) hereof for, and to the reimbursement of all reasonable out-of-pocket expenses incurred in connection with, the services rendered hereunder by the Warrant Agent.

(c) If at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or shall file a petition seeking relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy law or similar law or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy or similar law or if any public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified in accordance with the terms of this Agreement, shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment of a successor Warrant Agent and acceptance by the latter of such appointment, the Warrant Agent so superseded shall cease to be the Warrant Agent hereunder.

(d) Any successor Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to

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transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all moneys, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be

merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all the assets and business of the Warrant Agent, provided that it shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 20. Warrantholder Not Deemed a Stockholder. Nothing contained in this Agreement or in any of the Warrant Certificates shall be construed as conferring upon the holders thereof the right to vote or to receive dividends or to consent or to receive notice as stockholders in respect of the meetings of stockholders or for the election of directors of the Company or any other matter, or any rights whatsoever as stockholders of the Company.

SECTION 21. Delivery of Prospectus. If the Company is required under applicable federal or state securities laws to deliver a prospectus upon exercise of Warrants, the Company will furnish to the Warrant Agent sufficient copies of a prospectus, and the Warrant Agent agrees that upon the exercise of any Warrant Certificate by the holder thereof, the Warrant Agent will deliver to such holder, prior to or concurrently with the delivery of the certificate or certificates for the Shares issued upon such exercise, a copy of the prospectus.

SECTION 22. Notices to Company and Warrant Agent. Any notice or demand authorized by this Agreement to be given or made by the Warrant Agent or by any registered holder of any Warrant Certificate to or on the Company shall be sufficiently given or made if sent by mail, first class or registered, postage prepaid, addressed (until another address is filed in writing by the Company with the Warrant Agent), as follows:

Brunswick Corporation  
1 N. Field Ct.  
Lake Forest, Illinois 60045-4811  
Attention: Corporate Secretary

If the Company shall fail to maintain such office or agency or shall fail to give such notice of any change in the location thereof, presentation may be made and notices and demands may be served at the principal office of the Warrant Agent.

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Any notice pursuant to this Agreement to be given by the Company or by any registered holder of any Warrant Certificate to the Warrant Agent shall be sufficiently given if sent by mail, first class or registered, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company) to the Warrant Agent at the address set forth in the Warrant Agreement.

SECTION 23. Supplements and Amendments. The Company and the Warrant Agent may from time to time supplement or amend this Agreement without the approval of any holders of Warrant Certificates in order to designate Warrants pursuant to Section 1, to cure any ambiguity, manifest error or other mistake in this Agreement, or to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and the Warrant Agent may deem necessary or desirable and that shall not adversely affect, alter or change the interests of the holders of the Warrant Certificates.

SECTION 24. Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

SECTION 25. Termination. This Agreement shall terminate at the close of business on the Expiration Date. Notwithstanding the foregoing, this Agreement will terminate on any earlier date when all Warrants have been exercised. The provisions of Section 18 shall survive such termination.

SECTION 26. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any person or corporation other than the Company, the Warrant Agent and the registered holders of the Warrant Certificates any legal or equitable right, remedy or claim under this Agreement, and this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the registered holders of the Warrant Certificates.

SECTION 27. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

SECTION 28. Headings. The headings of sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

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SECTION 29. Inspection of Agreement. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent for inspection by the holder of any Warrant Certificate. The Warrant Agent may require such holder to submit his Warrant Certificate for inspection by it.

SECTION 30. Governing Law. This Agreement and each Warrant Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be construed in accordance with the laws of such State.

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BRUNSWICK CORPORATION

STANDARD DEBT SECURITIES WARRANT  
AGREEMENT PROVISIONS

\_\_\_\_\_, 1996

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From time to time, Brunswick Corporation, a Delaware corporation (the "Company"), may enter into one or more warrant agreements that provide for the issuance and sale of warrants ("Warrants") to purchase debt securities of the Company ("Debt Securities"). The standard provisions set forth herein may be included or incorporated by reference in any such warrant agreement (a "Warrant Agreement"). The Warrant Agreement, including the provisions incorporated therein by reference, is herein referred to as this "Agreement." The person named as the "Warrant Agent" in the first paragraph of the Warrant Agreement is herein referred to as the "Warrant Agent." Unless otherwise defined in this Agreement or in the Warrant Agreement, as the case may be, terms defined in the Warrant Agreement are used herein as therein defined and terms defined herein are used in the Warrant Agreement as herein defined.

SECTION 1. Number of Warrants Unlimited; Issuable from Time to Time. The number of Warrants which may be issued and delivered under this Agreement is unlimited.

There shall be established in or pursuant to a resolution of the Board of Directors of the Company or established in one or more warrant agreements supplemental hereto, prior to the issuance of any Warrants:

- (a) the offering price,
- (b) the designation and terms of such Warrants and the Debt Securities purchasable upon exercise of such Warrants,
- (c) the date on which the right to exercise such Warrants shall commence or,
- (d) if the Warrants are issued together as a unit with any other securities of the Company, the date after which the Warrants shall be freely tradeable separately from such other securities (the "Distribution Date") and if the Company may at its option or under circumstances described therein provide for an earlier Distribution Date,
- (e) the Expiration Date pursuant to Section 6,
- (f) the Exercise Price and any form of consideration other than lawful money of the United States of America by which the Exercise Price may be paid pursuant to Section 6,
- (g) the Call Price, Call Date and Call Terms pursuant to Section 7,
- (h) the limitations, if any, upon the Reduced Exercise Price and the Reduced Exercise Price Period pursuant to Section 8.

SECTION 2. Form of Warrant Certificates. The certificates evidencing the Warrants (the "Warrant Certificates") to be delivered pursuant to this Agreement shall be in registered form only. The Warrant Certificates shall be in substantially such form or forms as shall be established by the Company from time to time pursuant to one or more resolutions of the Board of Directors of the Company or in one or more warrant agreements supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Agreement, and may have such

letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with any rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Warrants, as evidenced by their execution of the Warrants.

SECTION 3. Execution of Warrant Certificates. Warrant Certificates shall be signed on behalf of the Company by its Chairman of the Board, its Chief Executive Officer, its President, a Vice President or its Treasurer and attested by its Secretary or Assistant Secretary, under its corporate seal. Each such signature upon the Warrant Certificates may be in the form of a facsimile signature of the current or any future Chairman of the Board, Chief Executive Officer, President, Vice President, Treasurer, Secretary or Assistant Secretary and may be imprinted or otherwise reproduced on the Warrant Certificates and for that purpose the Company may adopt and use the facsimile signature of any person who shall have been Chairman of the Board, Chief Executive Officer, President, Vice President, Treasurer, Secretary or Assistant Secretary, notwithstanding the fact that at the time the Warrant Certificates shall be countersigned and delivered or disposed of such person shall have ceased to hold such office. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

If any officer of the Company who shall have signed any of the Warrant Certificates shall cease to be such officer before the Warrant Certificates so signed shall have been countersigned by the Warrant Agent or disposed of by the Company, such Warrant Certificates nevertheless may be countersigned and delivered or disposed of as though such person had not ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Warrant Certificate, shall be a proper officer of the Company to sign such Warrant Certificate, although at the date

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of the execution of this Agreement any such person was not such officer.

SECTION 4. Registration and Countersignature. Warrant Certificates shall be manually countersigned and dated the date of countersignature by the Warrant Agent and shall not be valid for any purpose unless so countersigned. The Warrants shall be numbered and shall be registered in a register (the "Warrant Register") to be maintained by the Warrant Agent.

The Company and the Warrant Agent may deem and treat the registered holder of a Warrant Certificate as the absolute owner thereof (notwithstanding any notation of ownership or other writing thereon made by anyone), for the purpose of any exercise thereof or any distribution to the holder thereof and for all other purposes, and neither the Company nor the Warrant Agent shall be affected by any notice to the contrary.

SECTION 5. Registration of Transfers and Exchanges. The Warrant Agent shall from time to time register the transfer of any outstanding Warrant Certificates in the Warrant Register, upon surrender of such Warrant Certificates, duly endorsed, and accompanied by a written instrument or instruments of transfer in form satisfactory to the Warrant Agent, duly signed by the registered holder or holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by (a) a bank or trust company, (b) a broker or dealer that is a member of the National Association of Securities Dealers, Inc. (the "NASD") or (c) a member of a national securities exchange. Upon any such registration of transfer, a new Warrant Certificate shall be issued to the transferee.

Warrant Certificates may be exchanged at the option of the holder or holders thereof, when surrendered to the Warrant Agent at its offices or agency maintained for the purpose of exchanging, transferring and exercising the Warrants (a "Warrant Agent Office") or at the offices of any successor Warrant Agent as provided in Section 16 hereof, for another Warrant Certificate or other Warrant Certificates of like tenor representing in the aggregate a like number of Warrants.



The Warrant Agent is hereby authorized to countersign, in accordance with the provisions of this Section 5 and of Section 4, and deliver the new Warrant Certificates required pursuant to the provisions of this Section.

No service charge shall be made for any exchange or registration of transfer of Warrant Certificates, but the Company may require payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection with any such exchange or registration of transfer. Whenever any

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Warrant Certificates are surrendered for exchange or registration of transfer, an authorized officer of the Warrant Agent shall mutually countersign and deliver to the person or persons entitled thereto a Warrant Certificate or Warrant Certificates duly authorized and executed by the Company, as so requested. The Warrant Agent shall not be required to effect any exchange or registration of transfer that will result in the issuance of a Warrant Certificate evidencing a fraction of a Warrant or a number of full Warrants and a fraction of a Warrant. All Warrant Certificates issued upon any exchange or registration of transfer of Warrant Certificates shall be the valid obligations of the Company, evidencing the same obligations and entitled to the same benefits under this Agreement as the Warrant Certificates surrendered for such exchange or registration of transfer.

#### SECTION 6. Duration and Exercise of Warrants.

(a) The Warrants shall expire on (i) the close of business on the date set forth pursuant to Section 1, or (ii) such later date as shall be determined in the sole discretion of the Company, in a written statement to the Warrant Agent and with notice to registered holders of Warrants in the manner provided for in Section 13 (such date of expiration being herein referred to as the "Expiration Date"). On and after the Distribution Date, each Warrant may be exercised on any business day on or prior to the close of business on the Expiration Date. After the close of business on the Expiration Date, the Warrants will become void and of no value.

(b) Subject to the provisions of this Agreement, the holder of each Warrant shall have the right to purchase from the Company (and the Company shall issue and sell to such holder of a Warrant) Debt Securities at the price set forth pursuant to Section 1 (such price being the "Exercise Price") upon depositing with the Warrant Agent at a Warrant Agent Office the Warrant Certificate evidencing such Warrant, with the form of election to purchase on the reverse thereof duly completed and signed by the registered holder or holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by a bank or trust company, by a broker or dealer which is a member of NASD or by a member of a national securities exchange, and upon payment of the Exercise Price for the number of Shares in respect of which such Warrant are being exercised. Unless otherwise provided pursuant to Section 1, payment of the aggregate Exercise Price shall be made in lawful money of the United States of America. If the Warrant Agent receives moneys in payment of the purchase price for Warrants, the Warrant Agent shall deposit all funds received by it in the account of the Company maintained with it for such purpose. If the Warrant Agent receives consideration other than moneys for Warrants, the Warrant Agent shall deliver such consideration directly to the Company. In

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either case, the Warrant Agent shall advise the Company by telex or telecopy at the end of each day as to the Warrant Certificates that have been exercised and the amount of moneys deposited to its account or the type and amount of other consideration to be delivered to it.

(c) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company and the Trustee of (i) the number of Warrants

exercised, (ii) the instructions of each holder of the Warrant Certificates evidencing such Warrants with respect to delivery of the Debt Securities to which such holder is entitled upon such exercise, (iii) delivery of Warrant Certificates evidencing the balance, if any, of the Warrants remaining after such exercise and (iv) such other information as the Company or the Trustee shall reasonably require.

(d) A Warrant Certificate may be exercised in part to purchase Debt Securities only in the denominations authorized pursuant to the indenture under which the Debt Securities are issued (the "Indenture").

(e) Subject to Section 10, upon such surrender of a Warrant Certificate and as soon as practicable after receipt of payment of the Exercise Price and the Warrant Certificate properly completed and duly executed at a Warrant Agent Office of the Warrant Agent, the Company shall issue, pursuant to the Indenture, to or upon the order of the holder of such Warrant Certificate, the Debt Securities in authorized denominations to which such holder is entitled, in fully registered form in such name or names as may be directed by such holder. The Warrants evidenced by a Warrant Certificate shall be exercisable, at the election of the registered holder thereof, either as an entirety or from time to time for a portion of the number of Warrants specified in the Warrant Certificate. If less than all of the Warrants evidenced by a Warrant Certificate surrendered upon the exercise of Warrants are exercised at any time prior to the date of expiration for the Warrants and if sufficient time remains prior to the Expiration Date, a new Warrant Certificate or Certificates shall be issued for the remaining number of Warrants evidenced by the Warrant Certificate so surrendered, and the Warrant Agent is hereby authorized to countersign the required new Warrant Certificate or Certificates pursuant to the provisions of Section 5 and this Section 6.

SECTION 7. Call of Warrants by the Company. If so provided in the Warrant Agreement, the Company shall have the right to call and repurchase any or all Warrants at the price (the "Call Price") and on or after the date (the "Call Date") and upon the terms (the "Call Terms") as shall be set forth pursuant to Section 1. Notice of such Call Price, Call Date and Call Terms shall be

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given to registered holders of Warrants in the manner provided in Section 13.

SECTION 8. Optional Reduction of Exercise Price. Subject to the limits, if any, set forth pursuant to Section 1, the Company shall have the right, at any time or from time to time, voluntarily to reduce the then current Exercise Price to such amount (the "Reduced Exercise Price") and for such period or periods of time, which may be through the close of business on the Expiration Date (the "Reduced Exercise Price Period"), as may be deemed appropriate by the Company. Notice of any such Reduced Exercise Price and Reduced Exercise Price Period shall be given to registered holders of Warrants in the manner provided in Section 13. After the termination of the Reduced Exercise Price Period, the Exercise Price shall be such Exercise Price that would have been in effect had there been no reduction in the Exercise Price pursuant to the provisions of this Section 8.

SECTION 9. Cancellation of Warrant Certificates. Any Warrant Certificate surrendered for exercise, registration of transfer or exchange shall, if surrendered to the Company, be delivered to the Warrant Agent, and all Warrant Certificates surrendered or so delivered to the Warrant Agent shall be promptly canceled by the Warrant Agent and shall not be reissued and, except as expressly permitted by this Agreement, no Warrant Certificate shall be issued hereunder in lieu thereof. The Warrant Agent shall deliver to the Company from time to time, or otherwise dispose of, canceled Warrant Certificates in a manner satisfactory to the Company.

SECTION 10. Payment of Taxes. The Company will pay all documentary stamp taxes attributable to the initial issuance of Warrants and of Debt Securities upon the exercise of Warrants; provided, however, that the Company shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issue of any Warrant Certificates or any certificates for Debt Securities in a name other than the registered holder of

a Warrant Certificate surrendered upon the exercise of a Warrant, and the Company shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

SECTION 11. Lost, Stolen, Mutilated or Destroyed Warrant Certificates. Upon receipt by the Company and the Warrant Agent of evidence reasonably satisfactory to them of the ownership and the loss, theft, destruction or mutilation of the Warrant Certificate, and of indemnity reasonably satisfactory to them, and, in the case of mutilation, upon surrender thereof to the Warrant Agent for cancellation, then, in the absence of notice to the Company or the

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Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser, the Company shall execute, and an authorized officer of the Warrant Agent shall manually countersign and deliver, in exchange for or in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of the same tenor and for a like number of Warrants. Upon the issuance of any new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expense (including the fees and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall constitute an additional contractual obligation of the Company, whether or not the lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant Certificates duly executed and delivered hereunder. The provisions of this Section are exclusive and shall preclude (to the extent lawful) any and all other rights or remedies with respect to the replacement of mutilated, lost, stolen or destroyed Warrant Certificates.

SECTION 12. Obtaining of Governmental Approvals. The Company will from time to time take all action that may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and securities acts filings under federal and state laws, which may be or become requisite in connection with the issuance, sale, transfer and delivery of the Warrant Certificates, the exercise of the Warrants, and the issuance, sale, transfer and delivery of the Debt Securities issued upon exercise of the Warrants or upon the expiration of the period during which the Warrants are exercisable.

SECTION 13. Notices to Warrantholders. Pursuant to Sections 1, 6, 7 and 8, the Company shall cause written notice of such later Distribution Date, such later Expiration Date, such Call Price, Call Date and Call Terms and such Reduced Exercise Price and Reduced Exercise Price Period, as the case may be, to be given as soon as practicable to the Warrant Agent and to each of the registered holders of the Warrant Certificates by first class mail, postage prepaid, at such holder's address appearing on the Warrant Register. In addition to the written notice referred to in the preceding sentence, the Company shall make a public announcement in a daily morning newspaper of general circulation in New York City and in Chicago of such earlier Distribution Date, such later Expiration Date, such Call Price, Call Date and Call Terms and such Reduced Exercise Price and Reduced Exercise Period, as the case may be, at least once a week for two successive weeks prior to the implementation of such terms.

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SECTION 14. Warrant Agent. The Company hereby appoints the Warrant Agent as the Warrant Agent of the Company in respect of the Warrant Certificates upon the terms and subject to the conditions herein set forth, and the Warrant Agent hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant

Certificates and by this Agreement, and such further powers and authority to act on behalf of the Company as the Company may hereafter grant to or confer upon it. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

SECTION 15. Conditions of Warrant Agent's Obligations. The Warrant Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Warrants, by their acceptance thereof, shall be bound:

(a) The statements contained herein and in the Warrant Certificates shall be taken as statements of the Company, and the Warrant Agent assumes no responsibility for the correctness of any of the same except such as describe the Warrant Agent or action taken or to be taken by it. Except as herein otherwise provided, the Warrant Agent assumes no responsibility with respect to the execution, delivery or distribution of the Warrant Certificates.

(b) The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained in the Warrant Certificates or the Indenture or in the case of the receipt of any written demand from a holder of a Warrant Certificate with respect to such default, including any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or to make any demand upon the Company.

(c) The Warrant Agent may consult at any time with counsel satisfactory to it (who may be counsel for the Company) and the Warrant Agent shall incur no liability or responsibility to the Company or any holder of any Warrant Certificate in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion or the advice of such counsel.

(d) The Warrant Agent shall incur no liability or responsibility to the Company or to any holder of any Warrant Certificate for any action taken in reliance on any notice, resolution, waiver, consent, order, certificate or other paper, document or instrument believed by it to be genuine and to have been signed, sent or presented by the proper party or parties.

(e) The Company agrees to pay to the Warrant Agent reasonable compensation for all services rendered by the Warrant Agent under

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this Agreement, to reimburse the Warrant Agent upon demand for all expenses, taxes and governmental charges and other charges of any kind and nature incurred by the Warrant Agent in the performance of its duties under this Agreement and to indemnify the Warrant Agent and save it harmless against any and all losses, liabilities and expenses, including judgments, costs and reasonable counsel fees, for anything done or omitted by the Warrant Agent arising out of or in connection with this Agreement except as a result of its negligence or bad faith.

(f) The Warrant Agent shall be under no obligation to institute any action, suit or legal proceeding or to take any other action likely to involve expense unless the Company or one or more registered holders of Warrant Certificates shall furnish the Warrant Agent with reasonable security and indemnity for any costs or expenses which may be incurred. All rights of action under this Agreement or under any of the Warrants may be enforced by the Warrant Agent without the possession of any of the Warrant Certificates or the production thereof at any trial or other proceeding relative thereto, and any such action, suit or proceeding instituted by the Warrant Agent shall be brought in its name as Warrant Agent, and any recovery or judgment shall be for the ratable benefit of the registered holders of the Warrants, as their respective rights or interests may appear.

(g) The Warrant Agent and its officers, directors and employees may act as Trustee under the Indenture and may become the owner of, or acquire any interest in, any Warrant Certificates, with the same rights that it or they would have if it were not the Warrant Agent hereunder, and, to the extent

permitted by applicable law, they may engage or be interested in any financial or other transaction with the Company and may act on, or as depository, trustee or agent for, any committee or body of holders of the Debt Securities or other obligations of the Company as freely as if it were not the Warrant Agent. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other legal entity.

(h) The Warrant Agent shall act hereunder solely as agent for the Company, and its duties shall be determined solely by the provisions hereof. The Warrant Agent shall not be liable for anything which it may or do or refrain from doing in connection with this Agreement except for its own negligence or bad faith.

(i) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Warrant Agent for the carrying out or performing of the provisions of this Agreement.

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(j) The Warrant Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution hereof by the Warrant Agent) or in respect of the validity or execution of any Warrant Certificate (except its countersignature thereof).

(k) The Warrant Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer, the Secretary or any Assistant Secretary of the Company, and to apply to such officers for advice or instructions in connection with its duties, and shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer or in good faith reliance upon any statement signed by any one of such officers of the Company with respect to any fact or matter (unless other evidence in respect thereof is herein specifically prescribed) which may be deemed to be conclusively proved and established by such signed statement.

(l) Except as set forth in the Warrant Agreement, the Warrant Agent shall not be under any liability for interest on any moneys or other consideration at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates.

SECTION 16. Resignation and Appointment of Successor Warrant Agent.

(a) The Company agrees, for the benefit of the holders from time to time of the Warrant Certificates, that at all times there shall be a Warrant Agent hereunder until all the Warrant Certificates are no longer exercisable.

(b) The Warrant Agent may at any time resign as such agent by giving written notice to the Company of such intention on its part, specifying the date on which its desired resignation shall become effective; provided that such date shall not be less than 60 days after the date on which such notice is given unless the Company agrees to accept less notice. The Warrant Agent may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date when it shall become effective. Such resignation or removal shall take effect upon the appointment by the Company, as hereinafter provided, of a successor Warrant Agent (which shall be a bank or trust company organized and doing business under the laws of the United States of America or of any State, in good standing, and authorized under such laws to exercise corporate trust powers) and the acceptance of such appointment by such successor Warrant Agent. Upon its resignation or removal, the Warrant Agent shall be entitled to the payment by the Company of the compensation agreed to under Section 15(e) hereof for, and to the reimbursement of all

reasonable out-of-pocket expenses incurred in connection with, the services rendered hereunder by the Warrant Agent.

(c) If at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or shall file a petition seeking relief under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy law or similar law or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or of all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the Federal Bankruptcy Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy or similar law or if any public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified in accordance with the terms of this Agreement, shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment of a successor Warrant Agent and acceptance by the latter of such appointment, the Warrant Agent so superseded shall cease to be the Warrant Agent hereunder.

(d) Any successor warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive, all moneys, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all the assets and business of the Warrant Agent, provided that it shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 17. No Rights as Securityholders Conferred by Warrant Certificates. No Warrant Certificate shall entitle the holder thereof to any of the rights of a holder of Debt Securities, including the right to receive the payment of principal of, or interest on, the Debt Securities or to enforce any of the covenants of the Debt Securities or the Indenture except as otherwise provided in the Indenture.

SECTION 18. Delivery of Prospectus. If the Company is required under applicable federal or state securities laws to deliver a prospectus upon exercise of Warrants, the Company will furnish to the Warrant Agent sufficient copies of a prospectus, and the Warrant Agent agrees that upon the exercise of any Warrant Certificate by the holder thereof, the Warrant Agent will deliver to such holder, prior to or concurrently with the delivery of the Debt Securities issued upon such exercise, a copy of the prospectus.

SECTION 19. Notices to Company and Warrant Agent. Any notice or demand authorized by this Agreement to be given or made by the Warrant Agent or by any registered holder of any Warrant Certificate to or on the Company shall be sufficiently given or made if sent by mail, first class or registered, postage prepaid, addressed (until another address is filed in writing by the

Company with the Warrant Agent), as follows:

Brunswick Corporation  
1 N. Field Ct.  
Lake Forest, Illinois 60045-4811  
Attention: Corporate Secretary

If the Company shall fail to maintain such office or agency or shall fail to give such notice of any change in the location thereof, presentation may be made and notices and demands may be served at the principal office of the Warrant Agent.

Any notice pursuant to this Agreement to be given by the Company or by any registered holder of any Warrant Certificate to the Warrant Agent shall be sufficiently given if sent by mail, first class or registered, postage prepaid, addressed (until another address is filed in writing by the Warrant Agent with the Company) to the Warrant Agent at the address set forth in the Warrant Agreement.

SECTION 20. Supplements and Amendments. The Company and the Warrant Agent may from time to time supplement or amend this Agreement without the approval of any holders of Warrant Certificates in order to designate Warrants pursuant to Section 1, to cure any ambiguity, manifest error or other mistake in this Agreement, or to correct or supplement any provision contained herein that may be defective or inconsistent with any other

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provision herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and the Warrant Agent may deem necessary or desirable and that shall not adversely affect, alter or change the interests of the holders of the Warrant Certificates.

SECTION 21. Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Warrant Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

SECTION 22. Termination. This Agreement shall terminate at the close of business on the Expiration Date. Notwithstanding the foregoing, this Agreement will terminate on any earlier date when all Warrants have been exercised. The provisions of Section 15 shall survive such termination.

SECTION 23. Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any person or corporation other than the Company, the Warrant Agent and the registered holders of the Warrant Certificates any legal or equitable right, remedy or claim under this Agreement, and this Agreement shall be for the sole and exclusive benefit of the Company, the Warrant Agent and the registered holders of the Warrant Certificates.

SECTION 24. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

SECTION 25. Headings. The headings of sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 26. Inspection of Agreement. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent for inspection by the holder of any Warrant Certificate. The Warrant Agent may require such holder to submit his Warrant Certificate for inspection by it.

SECTION 27. Governing Law. This Agreement and each Warrant Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be construed in accordance with the laws of such State.





INSTRUMENT OF RESIGNATION, APPOINTMENT AND ACCEPTANCE

This INSTRUMENT OF RESIGNATION, APPOINTMENT AND ACCEPTANCE (this "Instrument"), dated as of May 16, 1996 (the "Execution Date"), by and among Brunswick Corporation, a corporation duly organized and existing under the laws of the State of Delaware (the "Corporation"), First Trust of Illinois, National Association (as the successor to Bank of America Illinois, formerly known as Continental Illinois National Bank and Trust Company of Chicago), an Illinois state banking corporation (the "Resigning Trustee") and Harris Trust and Savings Bank, an Illinois state banking corporation (the "Successor Trustee").

WHEREAS, the Corporation and the Resigning Trustee entered into an indenture, dated as of March 15, 1987 (the "Indenture"), providing for the issuance by the Corporation from time to time of its unsecured debentures, notes and/or other evidences of indebtedness (the "Securities"); and

WHEREAS, the Resigning Trustee has been acting as trustee, paying agent, authenticating agent and registrar under the Indenture; and

WHEREAS, Section 8.10(a) of the Indenture provides that the Trustee may resign and be discharged of the trust created by the Indenture by giving written notice thereof to the Corporation and by mailing notice thereof to the holders of the Securities; and

WHEREAS, the Resigning Trustee hereby gives notice to the Corporation of its resignation to become effective upon the acceptance of appointment by a successor trustee; and

WHEREAS, Section 8.10 of the Indenture provides that in case the trustee shall resign, the Corporation shall promptly appoint a successor trustee by a written instrument executed by order of the Board of Directors; and

WHEREAS, Section 8.11 of the Indenture provides that a successor trustee shall be qualified under the provisions of Section 8.09 of the Indenture; and

WHEREAS, Section 8.11 of the Indenture provides that any successor trustee appointed under the Indenture shall execute, acknowledge and deliver to the Corporation and to its predecessor trustee an instrument accepting such appointment and thereupon the resignation of the Resigning Trustee shall become effective and the Successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of the Resigning Trustee with like effect, as if originally named trustee; and

NOW, THEREFORE, pursuant to the Indenture and in consideration of the covenants herein contained, it is agreed as follows (words and phrases not otherwise defined in this Instrument shall have the meaning given hereto in the Indenture):

THE RESIGNING TRUSTEE

1. Pursuant to the terms of the Indenture, the Resigning Trustee hereby notifies the Corporation that the Resigning Trustee is resigning as trustee under the Indenture effective as of May 22, 1996 (the "Effective Date").

2. Effective as of the Effective Date, the Resigning Trustee hereby assigns, transfers, delivers and confirms to the Successor Trustee all of its rights, powers, duties and obligations of the Resigning Trustee under the Indenture.

3. The Resigning Trustee agrees to execute and deliver such further instruments and shall take such further actions as the Successor Trustee or the Corporation may reasonably request so as to more fully and certainly vest and confirm in the Successor Trustee all the rights, titles, interests, capacities, privileges, duties and responsibilities hereby assigned,

transferred, delivered and confirmed to the Successor Trustee, including without limitation, the execution and delivery of any instruments required to be re-perfect all liens that it may have on the trust in the name of the Successor Trustee.

4. Promptly after the execution and delivery of this Instrument, the Resigning Trustee shall cause notice of the resignation, appointment and acceptance effected hereby to be given as is required pursuant to Section 8.10(a) of the Indenture.

5. Promptly after the Effective Date, the Resigning Trustee shall provide the governing documents to the Successor Trustee.

#### THE CORPORATION

1. Effective as of the Effective Date, the Corporation hereby accepts the resignation of the Resigning Trustee and appoints the Successor Trustee as successor in trust under the Indenture and confirms to the Successor Trustee all of the rights, powers, duties and obligations of the trustee under the Indenture.

2. The Corporation agrees to execute and deliver such further instruments and to take such further action as the Successor Trustee may reasonably request so as to more fully and

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certainly vest and confirm in the Successor Trustee all the rights, powers, duties and obligations hereby assigned, transferred, delivered and confirmed to the Successor Trustee.

3. The Corporation hereby represents and warrants that to the best knowledge of the Corporation there has been no notice of an Event of Default and no event which, after notice or lapse of time or both, would become an Event of Default under the terms of the Indenture, as of the Effective Date.

#### THE SUCCESSOR TRUSTEE

1. Effective as of the Effective Date, the Successor Trustee hereby accepts its appointment as successor trustee under the Indenture and shall be vested with all of the rights, powers, duties and obligations of the trustee under the Indenture.

2. The Successor Trustee hereby represents that it is qualified and eligible under the provisions of Section 8.09 of the Indenture to be appointed successor trustee and hereby accepts the appointment as successor trustee and agrees that upon the signing of this Instrument it shall become vested with all of the rights, powers, duties and obligations of the Resigning Trustee as trustee with respect to all series of Securities with like effect as if originally named as trustee under the Indenture.

3. The Successor Trustee shall perform such functions as paying agent, registrar and transfer agent pursuant to the terms of the Indenture at its Corporate Trust Office in Chicago, Illinois, where notices and demands to or upon the Corporation in respect of the Securities or the Indenture may be served, or the Securities may be presented or surrendered for payment and where the Securities may be surrendered for exchange or registration of transfer.

#### MISCELLANEOUS

1. (a) Notwithstanding the resignation of the Resigning Trustee as trustee under the Indenture, the Company shall remain obligated under the Indenture to compensate, reimburse and indemnify the Resigning Trustee in connection with its trusteeship under the Indenture prior to the date hereof pursuant to the terms of the Indenture.

(b) The Resigning Trustee agrees to indemnify and save the Successor Trustee harmless against any and all costs, claims liabilities, expenses, losses or damages whatsoever (including all reasonable fees, expenses and disbursements of counsel, auditors or other agents or expert(s), which the

Successor Trustee may suffer or incur at any time or times as a result of the Successor Trustee's accepting the appointment and acting as

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successor trustee under the Indenture which may arise out of the Resigning Trustee's willful misconduct, bad faith or negligence during the term of its trusteeship, as determined on the basis of the provisions contained in the Indenture.

(c) The Successor Trustee agrees to indemnify and save the Resigning Trustee harmless from and against any and all costs, claims, liabilities, expenses, losses or damages whatsoever (including all reasonable fees, expenses and disbursements and the reasonable fees, expenses and disbursements of counsel and agents), incurred by the Resigning Trustee which may arise out of the Successor Trustee's willful misconduct, bad faith or negligence during the term of its trusteeship as determined on the basis of the provisions contained in the Indenture.

2. The parties hereto agree that as of the Effective Date, all references to the Resigning Trustee as trustee in the Indenture shall be deemed to refer to the Successor Trustee. After the Effective Date, all notices or payments which were required by the terms of the Indenture to be given or paid to the Resigning Trustee, as trustee, shall be given or paid to:

HARRIS TRUST AND SAVINGS BANK  
311 West Monroe Street  
Attention: Indenture Trust Division  
Chicago, Illinois 60606

3. The resignation, appointment and acceptance effected hereby shall become effective as of the opening of business on the Effective Date.

4. This Instrument shall be governed by and construed in accordance with the laws governing the Indenture.

5. This Instrument may be executed in any number of counterparts, each of which shall be an original, but which counterparts shall together constitute but one and the same instrument.

6. Nothing contained in this Instrument shall in any way affect the obligations or rights of the Corporation, the Resigning Trustee or any holder of the Securities under the Indenture. This Instrument shall be binding upon and inure to the benefit of the Corporation, the Resigning Trustee, the Successor Trustee and their respective successors and assigns.

7. The parties hereby agree that from and after the Effective Date, all fees payable by the Corporation to the trustee under the Indenture shall henceforth be invoiced by and paid to the Successor Trustee at such address and account as

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shall hereafter be provided by the Successor Trustee to the Corporation.

8. Each of the parties hereto hereby represents and warrants for itself that as of the date hereof, the Effective Date:

- a) it has the power and authority to execute and deliver this Instrument and to perform its obligations hereunder, and all such action has been duly and validly authorized by all necessary proceedings on its part; and
- b) this Instrument has been duly authorized, executed and delivered by it, and constitute a legal, valid and binding agreement enforceable against it in accordance with its terms, except as the enforceability of this Instrument may be limited

by bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditor's rights or by general principles of equity limiting the availability of equitable remedies.

IN WITNESS WHEREOF, the parties hereto have caused this Instrument to be duly executed and attested by their duly authorized officers, all as of the date and year first above written.

BRUNSWICK CORPORATION,  
as Corporation

By: /s/ Richard S. O'Brien

Attest: Title: Vice President

/s/ Michael D. Schmitz

Assistant Secretary

FIRST TRUST OF ILLINOIS,  
as Resigning Trustee

By: /s/ E.D. Butler

Attest: Title: Vice President

/s/ Patricia M. Trluk

Assistant Secretary

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HARRIS TRUST AND SAVINGS BANK,  
as Successor Trustee

By: /s/ J. Bartolini

Attest: Title: Vice President

/s/ D.G. Donovan

Assistant Secretary

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NOTICE TO THE HOLDERS  
OF

BRUNSWICK CORPORATION

\$100,000,000 8 1/8% NOTES  
DUE 1997, CUSIP 117043AD1

Notice is hereby given pursuant to Section 8.10 of the Indenture dated as of March 15, 1987 between Brunswick Corporation (the "Issuer") and First Trust of

Illinois, National Association, successor to Bank of America Illinois (the "Trustee") that the Trustee has resigned and the Issuer has appointed Harris Trust and Savings Bank as Successor Trustee (the "Successor Trustee") pursuant to Section 8.10 of the Indenture effective May 22, 1996.

First Trust of Illinois, National Association will cease to act as Trustee and Registrar on the Notes. Inquiries regarding the above issue should continue to be forwarded to the Issuer.

The address and telephone number of the Successor Trustee is as follows:

Harris Trust and Savings Bank  
311 West Monroe  
Chicago, IL 60606  
Attn: Indenture Trust Administration  
(312) 461-2908

By First Trust of Illinois, National Association, resigning Trustee

This notice is given for informational purposes only. No action is required to be taken by the bondholders.

NOTICE TO THE HOLDERS  
OF

BRUNSWICK CORPORATION

\$125,000,000 7 3/8% NOTES  
DUE 2023, CUSIP 117043AE9

Notice is hereby given pursuant to Section 8.10 of the Indenture dated as of March 15, 1987 between Brunswick Corporation (the "Issuer") and First Trust of Illinois, National Association, successor to Bank of America Illinois (the "Trustee") that the Trustee has resigned and the Issuer has appointed Harris Trust and Savings Bank as Successor Trustee (the "Successor Trustee") pursuant to Section 8.10 of the Indenture effective May 22, 1996.

First Trust of Illinois, National Association will cease to act as Trustee, Registrar and Transfer Agent on the Debentures. Inquiries regarding registration and transfer should be directed to Harris Trust and Savings Bank at the address provided below.

The address and telephone number of the Successor Trustee is as follows:

Harris Trust and Savings Bank  
311 West Monroe  
Chicago, IL 60606  
Attn: Indenture Trust Administration  
(312) 461-2908

By First Trust of Illinois, National Association, resigning Trustee

This notice is given for informational purposes only. No action is required to be taken by the bondholders.

Exhibit 5.1

MAYER, BROWN & PLATT  
190 SOUTH LASALLE STREET  
CHICAGO, ILLINOIS 60603

August 12, 1996

Brunswick Corporation  
1 N. Field Ct.  
Lake Forest, Illinois 60045

Ladies and Gentlemen:

We have acted as special counsel to Brunswick Corporation, a Delaware corporation (the "Company"), in connection with the corporate proceedings (the "Corporate Proceedings") taken and to be taken relating to the public offering of the following securities (the "Securities") of the Company having an aggregate initial offering price of up to \$600,000,000: (i) common stock, par value \$.75 per share (the "Common Stock"), of the Company, (ii) preferred stock, par value \$.75 per share (the "Preferred Stock"), of the Company, (iii) depositary shares evidenced by depositary receipts and representing shares of Preferred Stock (the "Depositary Shares"), (iv) debt securities (the "Debt Securities") and (v) warrants to purchase Common Stock, Preferred Stock or Debt Securities (collectively the "Warrants") of the Company.

The Debt Securities are to be issued under an indenture, dated as of March 15, 1987 (the "Indenture"), between the Company and Harris Trust and Savings Bank, as successor to First Trust of Illinois, National Association (as the successor to Bank of America Illinois, formerly known as Continental Illinois National Bank and Trust Company of Chicago), as Trustee. The Preferred Stock is to be issued under the Certificate of Incorporation, as amended (the "Certificate of Incorporation"), of the Company and a certificate of designations (a "Certificate of Designations") to be approved by the Board of Directors of the Company or a committee thereof and filed with the Secretary of State of the State of Delaware (the "Delaware Secretary of State") pursuant to Section 151 of the General Corporation Law of the State of Delaware. The Depositary Shares are to be issued under a deposit agreement (the "Deposit Agreement") to be entered into between the Company and a depositary to be named by the Company. The Common Stock is to be issued under the Certificate of Incorporation. The Warrants are to be issued under one or more warrant agreements (each, a "Warrant Agreement") to be entered into between the Company and warrant agents to be named by the Company.

Brunswick Corporation  
August 12, 1996  
Page 2

Certain terms of the Securities to be issued by the Company from time to time will be approved by the Board of Directors of the Company or a committee thereof as part of the Corporate Proceedings in connection with the issuance of the Securities. We have examined or are otherwise familiar with the Certificate of Incorporation, the By-Laws of the Company, as amended, the Company's Registration Statement on Form S-3 (the "Registration Statement") pursuant to which the Securities are to be registered under the Securities Act of 1933, as amended, the Corporate Proceedings and such other documents, records and instruments as we have deemed necessary or appropriate for the purposes of this opinion.

Based on the foregoing, we are of the opinion that: (i) the Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and binding instrument of the Company, enforceable against the Company in accordance with its terms, and the Debt Securities issuable thereunder will be legal, valid and binding obligations of the Company, entitled to the benefits of the Indenture; (ii) upon the execution and delivery of the Deposit Agreement and the applicable Warrant Agreement, the completion of all Corporate Proceedings, the execution, authentication, issuance and delivery of the Depositary Shares and the Warrants and the payment therefor, respectively,

pursuant to such agreements, such Deposit Agreement or Warrant Agreement, as the case may be, will become a valid and binding instrument of the Company, enforceable against the Company in accordance with its respective terms, and the Securities issuable thereunder will be legal, valid and binding obligations of the Company, entitled to the benefits of the Deposit Agreement or the applicable Warrant Agreement, respectively; (iii) upon the authorization, execution, delivery and filing with, and recording by, the Delaware Secretary of State of the Certificate of Designations, the completion of all Corporate Proceedings, the execution, authentication, issuance and delivery of the Preferred Stock and payment therefor pursuant to such Certificate of Designations, the Preferred Stock will be duly and validly authorized and issued, fully paid and non-assessable; and (iv) upon the authorization of issuance of the Common Stock, the completion of all Corporate Proceedings, the execution, authentication, issuance and delivery of the Common Stock and payment therefor, the Common Stock will be duly and validly authorized and issued, fully paid and non-assessable; including in each case such terms for such Securities as are established pursuant to the Corporate Proceedings in accordance with the respective terms thereof; and, except in each case as enforcement of provisions of such instruments and agreements may be limited by bankruptcy or other laws of general application affecting the enforcement of creditors' rights and by general equity principles.

Brunswick Corporation

August 12, 1996

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We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to being named in the Prospectus relating thereto under the caption "Legal Opinions" with respect to the matters stated therein.

Very truly yours,

MAYER, BROWN & PLATT

## EXHIBIT 12.1

BRUNSWICK CORPORATION  
 COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES  
 (DOLLARS IN MILLIONS)

<TABLE>  
 <CAPTION>

	SIX MONTHS ENDED JUNE 30,		YEAR ENDED DECEMBER 31,					
	1996	1995	1995	1994	1993	1992	1991	
	----	----	----	----	----	----	----	
	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<b>EARNINGS AS ADJUSTED</b>								
Earnings from continuing operations before extraordinary item and cumulative effect of accounting changes .....	116.2	77.3	134.2	129.0	54.5	39.7	(35.0)	
Income tax provision .....	69.7	44.4	73.9	69.4	32.0	22.3	(5.5)	
Interest expense .....	16.0	15.9	32.5	28.5	27.2	29.9	32.0	
Interest portion of rent expense ..	3.6	3.6	7.2	7.1	7.5	7.5	8.0	
Equity in earnings of less-than 50% owned affiliates .....	0.0	0.0	0.1	0.0	0.2	0.2	0.1	
Dividends received from less-than 50% owned affiliates .....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	=====	=====	=====	=====	=====	=====	=====	
	205.5	141.2	247.9	234.0	121.4	99.6	(0.4)	
	=====	=====	=====	=====	=====	=====	=====	
<b>FIXED CHARGES</b>								
Interest expense .....	16.0	15.9	32.5	28.5	27.2	29.9	32.0	
Interest portion of rent expense ..	3.6	3.6	7.2	7.1	7.5	7.5	8.0	
Capitalized interest .....	0.0	0.0	0.0	0.0	0.4	0.8	0.0	
	=====	=====	=====	=====	=====	=====	=====	
	19.6	19.5	39.7	35.6	35.1	38.2	40.0	
	=====	=====	=====	=====	=====	=====	=====	
<b>RATIO OF EARNINGS TO FIXED CHARGES</b>			10.5	7.2	6.2	6.6	3.5	2.6 0.0
	=====	=====	=====	=====	=====	=====	=====	
<b>INADEQUACY OF COVERAGE(a)</b>			0.0	0.0	0.0	0.0	0.0	40.4
	=====	=====	=====	=====	=====	=====	=====	

</TABLE>

(a) The Company's 1991 loss from continuing operations includes litigation charges of \$38.0 million (\$23.6 million after-tax).



EXHIBIT 23.1

[ARTHUR ANDERSEN LLP]

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our reports dated January 30, 1996 included in Brunswick Corporation's Form 10-K for the year ended December 31, 1995 and to all references to our Firm included in this registration statement.

ARTHUR ANDERSEN LLP

Chicago, Illinois,  
August 8, 1996

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM T-1

Statement of Eligibility  
Under the Trust Indenture Act of 1939  
of a Corporation Designated to Act as  
Trustee

Check if an Application to Determine  
Eligibility of a Trustee Pursuant to Section  
305(b)(2) \_\_\_\_\_

HARRIS TRUST AND SAVINGS BANK  
(Name of Trustee)

Illinois 36-1194448  
(State of Incorporation) (I.R.S. Employer  
Identification No.)

111 West Monroe Street, Chicago, Illinois 60603  
(Address of principal executive offices)

Daniel G. Donovan, Harris Trust and Savings Bank,  
111 West Monroe Street, Chicago, Illinois, 60603  
312-461-2908  
(Name, address and telephone number for agent for service)

BRUNSWICK CORPORATION  
(Name of Obligor)

Delaware 36-0848180  
(State of Incorporation) (I.R.S. Employer  
Identification No.)

1 N. Field Ct.,  
Lake Forest, Illinois 60045-4811  
(Address of principal executive offices)

Debt Securities  
(Title of indenture securities)

1. GENERAL INFORMATION. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Commissioner of Banks and Trust Companies, State of Illinois,  
Springfield, Illinois; Chicago Clearing House Association, 164  
West Jackson Boulevard, Chicago, Illinois; Federal Deposit  
Insurance Corporation, Washington, D.C.; The Board of  
Governors of the Federal Reserve System, Washington, D.C.

(b) Whether it is authorized to exercise corporate trust powers.

Harris Trust and Savings Bank is authorized to exercise  
corporate trust powers.

2. AFFILIATIONS WITH OBLIGOR. If the Obligor is an affiliate of the

Trustee, describe each such affiliation.

The Obligor is not an affiliate of the Trustee.

3. thru 15.

NO RESPONSE NECESSARY

16. LIST OF EXHIBITS.

1. A copy of the articles of association of the Trustee as now in effect which includes the authority of the trustee to commence business and to exercise corporate trust powers.

A copy of the Certificate of Merger dated April 1, 1972 between Harris Trust and Savings Bank, HTS Bank and Harris Bankcorp, Inc. which constitutes the articles of association of the Trustee as now in effect and includes the authority of the Trustee to commence business and to exercise corporate trust powers was filed in connection with the Registration Statement of Louisville Gas and Electric Company, File No. 2-44295, and is incorporated herein by reference.

2. A copy of the existing by-laws of the Trustee.

A copy of the existing by-laws of the Trustee was filed in connection with the Registration Statement of C-Cube Microsystems, Inc., File No. 33-97166, and is incorporated herein by reference.

3. The consents of the Trustee required by Section 321(b) of the Act.

(included as Exhibit A on page 2 of this statement)

4. A copy of the latest report of condition of the Trustee published pursuant to law or the requirements of its supervising or examining authority.

(included as Exhibit B on page 3 of this statement)

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, HARRIS TRUST AND SAVINGS BANK, a corporation organized and existing under the laws of the State of Illinois, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago, and State of Illinois, on the 31st day of July, 1996.

HARRIS TRUST AND SAVINGS BANK

By: /s/ D. G. Donovan

-----  
D. G. Donovan  
Assistant Vice President

EXHIBIT A

The consents of the Trustee required by Section 321(b) of the Act.

Harris Trust and Savings Bank, as the Trustee herein named, hereby consents that reports of examinations of said trustee by Federal and State authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

HARRIS TRUST AND SAVINGS BANK

By: /s/ D. G. Donovan  
 -----  
 D.G. Donovan  
 Assistant Vice President

EXHIBIT B

Attached is a true and correct copy of the statement of condition of Harris Trust and Savings Bank as of March 31, 1996, as published in accordance with a call made by the State Banking Authority and by the Federal Reserve Bank of the Seventh Reserve District.

[LOGO]  
 Harris Trust and Savings Bank  
 111 West Monroe Street  
 Chicago, Illinois 60603

of Chicago, Illinois, And Foreign and Domestic Subsidiaries, at the close of business on March 31, 1996, a state banking institution organized and operating under the banking laws of this State and a member of the Federal Reserve System. Published in accordance with a call made by the Commissioner of Banks and Trust Companies of the State of Illinois and by the Federal Reserve Bank of this District.

Bank's Transit Number 71000288

<TABLE>  
 <CAPTION>

ASSETS		THOUSANDS OF DOLLARS
<S>	<C>	<C>
Cash and balances due from depository institutions:		
Non-interest bearing balances and currency and coin . . . . .		\$971,800
Interest bearing balances . . . . .		\$508,198
Securities: . . . . .		
a. Held-to-maturity securities . . . . .		\$0
b. Available-for-sale securities . . . . .		\$2,925,091
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBF's:		
Federal funds sold . . . . .		\$304,450
Securities purchased under agreements to resell . . . . .		\$0
Loans and lease financing receivables:		
Loans and leases, net of unearned income . . . . .		\$7,653,290
LESS: Allowance for loan and lease losses . . . . .		\$97,833
		-----
Loans and leases, net of unearned income, allowance, and reserve (item 4.a minus 4.b) . . . . .		\$7,555,457
Assets held in trading accounts . . . . .		\$107,161
Premises and fixed assets (including capitalized leases)		\$139,122
Other real estate owned . . . . .		\$203
Investments in unconsolidated subsidiaries and associated companies . . . . .		\$200
Customer's liability to this bank on acceptances outstanding . . . . .		\$71,355
Intangible assets . . . . .		\$18,251
Other assets . . . . .		\$474,460
		-----
TOTAL ASSETS		\$13,075,748
		=====

</TABLE>

<TABLE>  
<CAPTION>

LIABILITIES		
<S>	<C>	<C>
Deposits:		
In domestic offices. . . . .		\$4,830,361
Non-interest bearing . . . . .	\$2,390,307	
Interest bearing . . . . .	\$2,440,054	
In foreign offices, Edge and Agreement subsidiaries, and IBF's . . . . .		\$2,990,031
Non-interest bearing . . . . .	\$71,451	
Interest bearing . . . . .	\$2,918,580	
Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBF's:		
Federal funds purchased . . . . .		\$882,146
Securities sold under agreements to repurchase . . . . .		\$2,020,913
Trading Liabilities . . . . .		\$66,711
Other borrowed money: . . . . .		
a. With remaining maturity of one year or less . . . . .		\$897,852
b. With remaining maturity of more than one year . . . . .		\$11,520
Bank's liability on acceptances executed and outstanding . . . . .		\$71,355
Subordinated notes and debentures . . . . .		\$295,000
Other liabilities . . . . .		\$186,774
TOTAL LIABILITIES		\$12,252,663
EQUITY CAPITAL		
Common stock . . . . .		\$100,000
Surplus . . . . .		\$275,000
a. Undivided profits and capital reserves . . . . .		\$470,392
b. Net unrealized holding gains (losses) on available-for-sale securities . . . . .		(\$22,307)
TOTAL EQUITY CAPITAL		\$823,085
Total liabilities, limited-life preferred stock, and equity capital . . . . .		\$13,075,748

</TABLE>

I, Steve Neudecker, Vice President of the above-named bank, do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

STEVE NEUDECKER  
4/30/96

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and, to the best of our knowledge and belief, has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and the Commissioner of Banks and Trust Companies of the State of Illinois and is true and correct.

EDWARD W. LYMAN,  
ALAN G. McNALLY,  
MARIBETH S. RAHE

Directors.

