

SCHEDULE 14A  
(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES  
EXCHANGE ACT OF 1934 (AMENDMENT NO. )

Filed by the registrant ☒ [X]

Filed by a party other than the registrant ☐ [ ]

Check the appropriate box:

☐ [ ] Preliminary proxy statement ☐ [ ] Confidential, for Use of the  
Commission Only (as permitted by  
Rule 14a-6(e)(2))

☒ [X] Definitive proxy statement

☐ [ ] Definitive additional materials

☐ [ ] Soliciting material pursuant to Rule 14a-11(c) or Rule 14a-12  
BRUNSWICK CORPORATION

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(Name of Registrant as Specified in Its Charter)  
BRUNSWICK CORPORATION  
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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of filing fee (Check the appropriate box):

☐ [ ] \$125 per Exchange Act Rule 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(i)(2)  
or Item 22(a)(2) of Schedule 14A.

☐ [ ] \$500 per each party to the controversy pursuant to Exchange Act Rule  
14a-6(i)(3).

☐ [ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and  
0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:  
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(3) Per unit price or other underlying value of transaction computed  
pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee  
is calculated and state how it was determined):  
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(4) Proposed maximum aggregate value of transaction:  
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(5) Total fee paid:  
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☐ [ ] Fee paid previously with preliminary materials.  
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Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid  
previously. Identify the previous filing by registration statement number, or  
the form or schedule and the date of its filing.

(1) Amount previously paid:  
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(2) Form, schedule or registration statement no.:  
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(3) Filing party:  
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(4) Date filed:  
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Brunswick Corporation

March 24, 1998

Dear Shareholder:

You are cordially invited to attend the 1998 Annual Meeting of Brunswick Shareholders to be held on Wednesday, April 22, 1998 at 3:00 P.M. at Brunswick's World Headquarters, 1 N. Field Ct., Lake Forest, Illinois. Brunswick's World Headquarters is on Route 60, just east of the Tri-State Tollway.

The formal Notice of Annual Meeting and Proxy Statement accompanying this letter describe the business to be acted on at the meeting.

It is important that your shares be represented at the meeting.

Therefore, I urge that you MARK, SIGN, DATE and RETURN PROMPTLY the enclosed PROXY in the envelope furnished for that purpose. If you are present at the meeting, you may, if you wish, revoke your proxy and vote in person. I am looking forward to seeing you at the meeting.

Sincerely,

/s/ PETER N. LARSON  
PETER N. LARSON  
Chairman

#### NOTICE OF ANNUAL MEETING

The Annual Meeting of Shareholders of Brunswick Corporation will be held at Brunswick's World Headquarters, 1 N. Field Ct., Lake Forest, Illinois, on Wednesday, April 22, 1998 at 3:00 P.M. for the following purposes:

- (1) To elect directors,
- (2) To ratify the appointment of Arthur Andersen LLP as auditors,  
and
- (3) To consider such other business as may properly come before the meeting.

Brunswick shareholders of record at the close of business on February 24, 1998 will be entitled to notice of and to vote at the meeting and any adjournment thereof.

By order of the Board of Directors,

/s/ MARY D. ALLEN  
MARY D. ALLEN  
Secretary

Lake Forest, Illinois  
March 24, 1998

Brunswick Corporation

#### PROXY STATEMENT

This proxy statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Brunswick Corporation (the "Company") which will be voted at the Annual Meeting of Shareholders to be held on April 22, 1998 and at any adjournment thereof. This statement and form of proxy were first mailed to shareholders on or about March 24, 1998. Any shareholder submitting a proxy may revoke it at any time before it is voted. If a shareholder is participating in the Company's Dividend Reinvestment Plan or Employee Stock Investment Plan, any proxy given by such shareholder will also govern the voting of all shares held for the shareholder's account under those plans, unless contrary instructions are received.

Only holders of the Company's 99,504,103 shares of Common Stock outstanding as of the close of business on February 24, 1998, the record date, will be

entitled to vote at the meeting. Each share of Common Stock is entitled to one vote. The representation in person or by proxy of a majority of the outstanding shares of Common Stock is necessary to provide a quorum at the Annual Meeting. Abstentions are counted as present in determining whether the quorum requirement is satisfied, but they have no other effect on voting for election of directors. Abstentions are the same as a vote against on other matters. In instances where brokers are prohibited from exercising discretionary authority for beneficial owners who have not returned a proxy ("broker nonvotes"), those shares will be counted for quorum purposes. The broker nonvotes will not be included in the vote totals for a proposal and therefore will have no effect on the vote for the proposal.

## ELECTION OF DIRECTORS

The Company's Certificate of Incorporation provides that the Board of Directors shall be divided into three classes, each consisting, as nearly as may be possible, of one-third of the total number of directors. At the meeting, four directors are to be elected. The Board of Directors has nominated Nolan D. Archibald, Jeffrey L. Bleustein, and Kenneth Roman for election as directors to serve for terms expiring at the 2001 Annual Meeting and until their respective successors shall have been elected and qualified. The Board of Directors has nominated Bettye Martin Musham for election as a director to serve for a term expiring at the 1999 Annual Meeting and until her successor shall have been elected and qualified. Jack F. Reichert and George D. Kennedy are retiring from the Board at the 1998 Annual Meeting.

It is intended that votes will be cast, pursuant to authority granted by the enclosed proxy, for the election of the nominees named below as directors of the Company, except as otherwise specified in the proxy. Directors shall be elected by a plurality of the votes present in person or represented by proxy at the Annual Meeting and entitled to vote on the election of directors. In

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the event any one or more of such nominees shall be unable to serve, votes will be cast, pursuant to authority granted by the enclosed proxy, for such person or persons as may be designated by the Board of Directors. Biographical information follows for each person nominated and each person whose term of office will continue after the Annual Meeting.

## NOMINEES FOR ELECTION FOR TERMS EXPIRING AT THE 2001 ANNUAL MEETING

NOLAN D. ARCHIBALD Director since 1995

Chairman of the Board, President and Chief Executive Officer of The Black & Decker Corporation, a consumer and commercial products company, since 1986; director of ITT Corporation; age 54

JEFFREY L. BLEUSTEIN Director since 1997

President and Chief Executive of Harley-Davidson, Inc., a motorcycle manufacturer, since 1997; President and Chief Operating Officer of the Motorcycle Division of Harley-Davidson, Inc., 1993-1997; Executive Vice President of Harley-Davidson, Inc., 1991-1997; director of Harley-Davidson, Inc.; age 58

KENNETH ROMAN Director since 1995

Independent Consultant since 1991; Executive Vice President, American Express Company, a major financial services company, 1989-1991; Chairman and Chief Executive Officer of The Ogilvy Group, a leading advertising and marketing group, 1988-1989 (and of Ogilvy and Mather Worldwide, 1985-1989); director of Compaq Computer Corporation and PennCorp Financial Group, Inc.; age 67

NOMINEE FOR ELECTION FOR TERM EXPIRING AT THE 1999 ANNUAL MEETING

BETTYE MARTIN MUSHAM Director since 1993

President and Chief Executive Officer of Gear Holdings, Inc., a design, marketing and communications firm, since 1977; director of Footstar, Inc. and Gear Holdings, Inc.; age 65

#### DIRECTORS CONTINUING IN OFFICE UNTIL THE 1999 ANNUAL MEETING

PETER HARF

Director since 1996

Chairman and Chief Executive Officer of Joh. A. Benckiser GmbH, an international consumer products company, since 1988 and Chairman and Chief Executive Officer of its U.S.-based international cosmetics business, now called Coty Inc., since 1993; age 51

PETER N. LARSON

Director since 1995

Chairman and Chief Executive Officer of Brunswick since 1995; Executive Officer, Johnson & Johnson, a leading health care company, 1991-1995, where he served as Chairman of the Worldwide Consumer and Personal Care Group and was a member of the Executive Committee

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and the Board of Directors; director of Compaq Computer Corporation, Coty Inc. and CIGNA Corporation; member of the Listed Stock Advisory Committee of the New York Stock Exchange; age 58

JAY W. LORSCH

Director since 1983

Louis E. Kirstein Professor of Human Relations since 1978, Chairman of Doctoral Programs since 1995, Senior Associate Dean and Chairman of Executive Education Programs, 1990-1995, Harvard University Graduate School of Business Administration; age 65

#### DIRECTORS CONTINUING IN OFFICE UNTIL THE 2000 ANNUAL MEETING

MICHAEL J. CALLAHAN

Director since 1991

Executive Vice President and Chief Financial Officer of FMC Corporation, a producer of chemicals and machinery for industry and agriculture, since 1994; Executive Vice President and Chief Financial Officer of Whirlpool Corporation, a manufacturer of major home appliances, 1992-1994; age 59

MANUEL A. FERNANDEZ

Director since 1997

Chairman and Chief Executive Officer of Gartner Group, Inc., an information technology company, since 1995 and President and Chief Executive Officer of Gartner Group, Inc., 1991-1997; age 51

REBECCA P. MARK

Director since 1997

Chairman and Chief Executive Officer of Enron International, the emerging markets arm of Enron Corp., a leading integrated natural gas company, since 1996; Chairman and Chief Executive Officer of Enron Development Corp., an Enron subsidiary which pursues new international markets, 1991-1996; director of Thermatrix, Inc., age 43

ROGER W. SCHIPKE

Director since 1993

Private Investor; Chairman of the Board and Chief Executive Officer of The Sunbeam Corporation, a consumer products firm, 1993-1996; Chairman of the Board and Chief Executive Officer of The Ryland Group, a company engaged in mortgage banking and home building, 1990-1993; director of Legg-Mason, Inc., Oakwood Homes Corporation and The Rouse Company; age 61

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#### COMMITTEES AND MEETINGS

The Board of Directors has Executive, Audit and Finance, Human Resource and Compensation, and Corporate Governance Committees. The Audit and Finance, Human Resources and Compensation and Corporate Governance Committees are composed solely of independent directors.

Members of the Executive Committee are Messrs. Larson (Chairman), Callahan, Kennedy, Lorsch and Schipke.

Members of the Audit and Finance Committee are Messrs. Callahan (Chairman), Bleustein, Reichert and Roman.

Members of the Human Resource and Compensation Committee are Messrs.

Schipke (Chairman), Archibald, Fernandez and Kennedy.

Members of the Corporate Governance Committee are Messrs. Lorsch (Chairman), Harf and Ms. Mark and Ms. Martin Musham.

The Audit and Finance Committee met five times during 1997. The Audit and Finance Committee oversees the Company's accounting procedures and financial reporting practices. It reviews the activities of the internal and external auditors, focusing on the Company's internal controls, and recommends to the Board an external auditor and the terms of this engagement. The Committee reviews transactions of a financial nature which it considers necessary to carry out its primary responsibilities or which are referred to it by the Board, such as legal liabilities, environmental matters, capital investments, financial strategy and pension funding.

The Human Resource and Compensation Committee met seven times during 1997. The Human Resource and Compensation Committee administers the Brunswick Performance Plan, Strategic Incentive Plan, 1991 Stock Plan, 1994 Stock Option Plan for Non-Employee Directors, 1995 Stock Plan for Non-Employee Directors and Supplemental Pension Plan. The Human Resource and Compensation Committee also recommends to the Board of Directors compensation of the Chairman and Chief Executive Officer and other officers of the Company.

The Corporate Governance Committee met seven times during 1997. The Corporate Governance Committee recommends to the Board of Directors nominees for directors of the Company to be elected by the shareholders, evaluates the performance of the Board of Directors and its members and recommends compensation for members of the Board of Directors and its committees except the Corporate Governance Committee. The Corporate Governance Committee administers the 1997 Stock Plan for Non-Employee Directors. The Corporate Governance Committee also recommends to the Board nominees to fill vacancies on the Board of Directors as they occur and considers and makes recommendations to the Board with regard to increases and decreases in the size of the Board. The Corporate Governance Committee will consider nominees recommended by shareholders for submission to the Board of Directors. Shareholders wishing to recommend nominees should send such recommendations to the Secretary of the Company.

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The By-laws provide that nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors. In addition, the By-laws provide a procedure for shareholder nominations. Shareholders intending to nominate director candidates for election must deliver written notice thereof to the Secretary of the Company not later than (i) with respect to an election to be held at an annual meeting of shareholders, 90 days prior to the anniversary date of the immediately preceding annual meeting of shareholders, and (ii) with respect to an election to be held at a special meeting of shareholders, the close of business on the tenth day following the date on which notice of such meeting is first given to shareholders. The notice of nomination shall set forth certain information concerning such shareholder and the shareholder's nominee(s), including their names and addresses, a representation that the shareholder is entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice, a description of all arrangements or understandings between the shareholder and each nominee, such other information as would be required to be included in a proxy statement soliciting proxies for the election of the nominees of such shareholder and the consent of each nominee to serve as a director of the Company if so elected. The chairman of the shareholders' meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

The Board of Directors met nine times during 1997. All directors attended 75% or more of all board meetings and meetings of committees of which they are members during 1997.

#### DIRECTOR COMPENSATION

Directors who are not employees and who are not committee chairpersons are entitled to an annual fee of \$50,000 and the Directors who are Chairmen of the Audit and Finance, Human Resource and Compensation, and Corporate Governance Committees each receive an annual fee of \$57,500 per annum. One-half of such annual fees are paid in Common Stock of the Company, and each director may elect to have the remaining one-half of these fees paid in cash or Common Stock. Receipt of this Common Stock may be deferred until after retirement from the

Board. New non-employee directors receive an award of Common Stock which has a value of \$25,000 at the time they are first elected to the Board.

Non-employee directors at the time of the 1997 Annual Meeting of Shareholders of the Company received options to purchase 3,000 shares of Common Stock each at a price of \$27.625 per share. New non-employee directors receive options to purchase 3,000 shares of Common Stock if they first are elected to the Board of Directors within six months after the most recent annual meeting of shareholders or options to purchase 1,500 shares of Common Stock if they first are elected after six months following the most recent annual meeting of shareholders. The exercise price of these options is 100% of the fair market value of the Common Stock on the date of the award. Options for one-half of these shares become fully exercisable one year after the date of the award, and options for the other one-half become exercisable two years after the date of the award. The options may be exercised at any time after becoming exercisable until the tenth anniversary of the date of the award.

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Directors may purchase engines, boats, fitness equipment and billiard tables from the Company at the Company's dealers' net cost. Each director also may use one Company boat for up to two years. Directors may receive up to \$1,500 of the Company's other products annually. The value of the products is included in the directors' taxable income, and the Company makes the directors whole with respect to any taxes due.

In the event of a change in control of the Company (as defined on page 18), the Company will be obligated to continue to provide to retired directors insurance and benefit programs equivalent to those provided at the time of the change in control of the Company.

#### SHAREHOLDERS

As of February 2, 1998, each director, each executive officer listed in the summary compensation table, and all directors and executive officers as a group owned the number of shares of Brunswick Common Stock set forth in the following table:

<TABLE>

<CAPTION>

Name of Individual or Persons in Group	Number of Shares Beneficially Owned as of February 2, 1998	Percent of Class
<S>	<C>	<C> <C>
Nolan D. Archibald	5,820(1)	*
Jeffrey L. Bleustein	1,272(1)	*
Michael J. Callahan	23,537(1)	*
Manuel A. Fernandez	2,471(1)	*
Peter Harf	27,007(1)	*
George D. Kennedy	32,227(1)	*
Peter N. Larson	841,728(2)	*
Jay W. Lorsch	29,804(1)	*
Rebecca P. Mark	2,211(1)	*
Bettye Martin Musham	20,120(1)	*
Jack F. Reichert	476,172(1)(3)	*
Kenneth Roman	18,406(1)	*
Roger W. Schipke	25,165(1)	*
Peter B. Hamilton	136,405(2)	*
William J. Barrington	134,223(2)	*
Frederick J. Florjancic, Jr.	144,520(2)	*
Jim W. Dawson	121,283(2)	*
All directors and executive officers as a group	2,366,152(1)(2)(3)	2.4%

</TABLE>

\* Less than 1%

(1) Includes the following shares of stock issued to the directors, receipt of which has been deferred: Messrs. Archibald 3,320 shares, Bleustein 1,272 shares, Callahan 12,996 shares, Fernandez 2,471 shares, Harf 4,507 shares, Kennedy 17,338 shares, Lorsch 16,187 shares, Reichert 2,460 shares, Roman 2,758 shares, and Schipke 13,565 shares, Ms. Mark 2,211 shares, Ms. Martin Musham 7,399 shares, and 86,484 shares for all directors as a group. Also includes the following shares of common stock issuable pursuant to currently

exercisable stock options: 2,500 shares for each of Messrs. Archibald, Harf and Roman; 8,100 shares for each of

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Messrs. Callahan, Kennedy, Lorsch and Schipke and Ms. Martin Musham; 128,950 shares for Mr. Reichert; and 176,950 shares for all directors as a group.

(2) Includes 262,404 shares for Mr. Larson, receipt of which has been deferred and of which 60,213 shares were restricted, and includes the following shares of restricted stock: Messrs. Barrington 9,000 shares, Florjancic 12,500 shares, Dawson 9,700 shares and all executive officers as a group 100,613 shares. Also includes the following shares of common stock issuable pursuant to currently exercisable stock options: Messrs. Larson 577,353 shares, Hamilton 93,000 shares, Barrington 94,200 shares, Florjancic 90,400 shares, Dawson 89,240 shares, and all executive officers as a group 1,168,933 shares.

(3) Includes 32,600 shares held by the Jack F. Reichert Foundation for which Mr. Reichert has shared dispositive power and shared voting power.

The only shareholders known to the Company to own beneficially more than 5% of the outstanding voting securities of the Company are:

<TABLE>

<CAPTION>

Title of Class	Name and Address of Beneficial Owner	Shares Beneficially Owned as of December 31, 1997	Percent of Class
<S>	<C>	<C>	<C>
Common Stock	Pioneering Management Corporation 60 State Street Boston, MA 02109	6,871,900(1)	6.91%
Common Stock	Lazard Freres & Co. 30 Rockefeller Plaza New York, New York 10020	5,127,325(2)	5.15%

</TABLE>

(1) Pioneering Management Corporation has sole voting power and sole dispositive power for all of these shares.

(2) Lazard Freres & Co. has sole voting power for 3,991,125 of these shares and sole dispositive power for all of these shares.

#### REPORT OF THE HUMAN RESOURCE AND COMPENSATION COMMITTEE

The Human Resource and Compensation Committee of the Board of Directors (the "Committee") is comprised entirely of independent, non-employee directors who are responsible for administering all compensation plans in which the Chairman and Chief Executive Officer and the Senior Executives of the Company participate. For 1997, "Senior Executives" include all Group Presidents and all Senior Corporate Executives in the Company.

#### EXECUTIVE COMPENSATION PLANS

We welcome the opportunity to share with our shareholders the details of our executive compensation plans and the philosophy that has been followed in developing these plans. At the root of our compensation systems is a belief that the corporation with the best employee talent will be the market leader. The purposes of the plans are to attract and retain outstanding key

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employees and to encourage an ownership commitment through Stock Ownership Guidelines facilitated by our incentive compensation programs. Our mix of base and incentive pay plans has been designed to place a substantial amount of compensation at risk. Brunswick recognizes past performance and expected future contributions through a combination of competitive base salaries, the annual Brunswick Performance Plan, the Strategic Incentive Plan and the 1991 Stock

Plan. These plans motivate our executives by providing incentives for the successful implementation of the Company's tactical and strategic initiatives.

Our independent consultant provides extensive information regarding the compensation practices of comparable companies with revenues similar to Brunswick and/or the competitors of our business units for the purpose of reviewing and establishing salary levels. Because of their smaller size, some of the companies included in our industry peer group on page 12 are not included in the list of comparable companies for the determination of salary ranges for the Senior Executives. Our competition for executive talent includes a broad array of corporations providing consumer product manufacturing and services.

During 1997, Brunswick's executive compensation plans included competitive base salaries plus incentives for short, mid-term and long-term performance. The size of the individual awards in the plans increased based upon the level of responsibility of the Senior Executive. In this way, a greater opportunity for incentive compensation is provided for those executives whose responsibilities are deemed to have the largest impact on the long-term success of the Company. In its administration of the plans the Committee has in the past and may in the future use judgment and discretion, as described below:

ANNUAL BASE SALARIES, including the Chief Executive's, have been targeted at levels generally in the third quartile of the marketplace for similar positions for defensive and retention reasons. For salary administration, "salary band ranges" have been developed to establish internal equity for like positions, while also supporting a broad cross-organizational career development process. Survey data provided by our independent consultant provides an external assessment of the market pricing for our positions. We believe that this combination of internal and external comparisons provides the best overall measure for salary administration. Our consultant's study will be updated every other year. Executives whose salaries are above the market data at the 75th percentile for their comparative positions will be scheduled for salary reviews every two years; all other executives' salaries will be reviewed annually.

THE BRUNSWICK PERFORMANCE PLAN is an annual bonus plan which in 1997 provided opportunities for bonuses to be earned by Senior Executives and other management employees of the Company. Under the Plan, bonus pools were generated based upon the achievement of specified annual financial targets and written objectives which were reviewed by the Committee. For 1997, 60% of the bonus for Group executives was based on their pre-tax earnings goals, 20% was based on working capital targets and the remaining 20% was based on clearly established organizational development objectives central to the continued strength of their business. For Corporate executives 80% of the bonus was based on our earnings per share goal and 20% on specific organizational development objectives. Awards under this Plan for Senior Executives can range

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from zero to 100% of their base salaries in effect at the beginning of the Plan year. Bonuses earned by Senior Executives under the Plan for 1997 were reviewed and approved by the Committee based upon an assessment of performance against assigned goals. In addition, for certain of the Senior Executives, the bonus earned was paid up to 50% in Brunswick stock and 50% in cash if he or she had not met the Stock Ownership Guidelines as described below. If the guidelines have been met, the payment form is at the election of the Senior Executive. Any cash or stock payment may be deferred at the Senior Executive's election.

The purpose of the STRATEGIC INCENTIVE PLAN is to provide a mid-term incentive for the successful implementation of the Company's strategic plans by defining the contribution necessary from each business unit to achieve Brunswick's overall plan. For the three-year performance period concluding in 1997, the Strategic Incentive Plan had been a long-term bonus plan providing for cash bonuses to Senior Executives of up to 75% of their base salary at the beginning of the performance period. Participation included all Senior Executives and various key management employees who may have a significant impact on the achievement of the Company's strategic goals. Specific written goals to be completed during the three-year performance period of the Plan were submitted to the Committee. These included, among others, goals related to sales volume, profitability levels, opportunities for growth, global expansion, employee development, improvements in quality and customer satisfaction, market share gains, the generation of cash and cost reduction measures. The goals were specific to each operating unit and in some cases to a specific market, such as international. Amounts earned under the Plan have been based upon the percentage of the assigned strategic goals which were achieved multiplied by the maximum bonus which could have been paid to each participant as determined at the



beginning of the performance period. Bonuses for Group Presidents for the 1995-97 performance period were determined by measuring the level of achievement of goals assigned to their individual business units. Senior Corporate Executives earned bonuses based upon the weighted percentage of the total of all assigned goals achieved by the Groups, multiplied by their maximum potential bonus as determined at the beginning of the performance period. Actual bonuses paid under this Plan to all Senior Executives were approved by the Committee. The bonuses were paid all in cash for this cycle.

The performance period for the Strategic Incentive Plan beginning January 1, 1996, was two years. The goals for the 1996-1997 performance period are specified financial targets for pre-tax earnings and cash flow results. Bonuses for Senior Executives under the Plan were based upon a combination of business unit performance and overall Company performance. Senior Executives may earn from zero to 100% of base salary or zero to 75% of base salary in effect at the beginning of the performance period depending upon their position. From 75% to 100% of the maximum awards were denominated in stock units at the beginning of the performance period using the January 2, 1996, closing price of the Company's Common Stock. Similar to the annual bonus plan, a portion of the final payout was made in common stock for those Senior Executives who had not reached the Stock Ownership Guidelines. Any stock payments may be deferred.

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THE 1991 STOCK PLAN, the Company's long-term incentive plan, provides the opportunity to grant stock options. The Company feels strongly that stock and stock options are an integral part of a Senior Executive's total annual compensation package. It has long been the belief of the Company that Senior Executives who own significant amounts of Company stock are more inclined to focus on its long-term growth, make decisions which are in the best interests of all shareholders and contribute to higher levels of shareholder value.

The Company has a formal policy regarding Stock Ownership Guidelines. Under the Guidelines, as approved by the Committee, Senior Executives of the Company are expected to own specific minimum amounts of Company stock depending upon their position, calculated as a multiple of their base salaries, and ranging from 5 times annual salary for the Chairman and Chief Executive to 2-3 times base salary for Senior Executives. In the case of a new hire or promotion to a Senior Executive position, the individual will be expected to reach the targeted amount required under the policy within five years.

In July 1997, the Committee approved the annual grant award of options. The exercise price was set at 100% of the fair market value on the date of grant. The awards were approximately 80% of the number of options granted in July 1996, yet the total value of options granted in 1997 was 100% of the value of the 1996 awards as calculated using the Black-Scholes pricing model. These values were up to 100% of the base salary of the Senior Executives. Options will fully vest in three years; however, vesting may be accelerated based upon the achievement of specific thresholds for earnings per share or stock price. The size of the two previous option grants were taken into consideration when determining the amount and number of the 1997 option grants.

#### COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

In February 1997, a one-year contract extension of Mr. Larson's Employment Agreement was completed. It provided for a special award of 100,000 options, granted at the then fair market value and vesting over the contract period; in addition, his salary was frozen for the entire Agreement term. His performance will continue to be reviewed annually by the Board, taking into account such financial and non-financial factors as the Board determines to be pertinent. Also, approximately six months through each annual performance cycle, the Board shall review Mr. Larson's performance, with the interim review focusing primarily on non-financial factors which are believed to be essential for his successful leadership of the Company.

Mr. Larson participates in an annual bonus plan which provides for a maximum of 200% of his annual salary based upon the achievement of specific financial and leadership goals established by the Board. After considering Mr. Larson's accomplishments of his assigned goals, the Committee recommended, and the Board of Directors approved, a bonus of \$843,200 for 1997, a portion of which was deferred by Mr. Larson.

Mr. Larson participates in the Strategic Incentive Plan under which he may earn a maximum of 100% of base salary per year in each cycle depending on the

achievement of performance goals which have been approved by the Board (for the 1996-1997 cycle his maximum is 200%). One

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hundred percent of the award is denominated in stock units at the beginning of the performance period using the closing price of the Company's Common Stock on the first day of the performance period. In recognition of Mr. Larson's achievement of specific strategic goals, the Committee recommended and the Board approved an award to Mr. Larson of \$1,599,742, 77.1% of his maximum award, which he has deferred.

The Strategic Incentive Plan cycle of 1995-97 provided for discretionary awards for executives who contributed to Brunswick's achievements for a substantial period of the cycle but who were not employed when the cycle began. The Committee recommended and the Board approved a discretionary award to Mr. Larson of \$350,000 for his contributions during 33 of the 36 months of the cycle, which he has deferred.

In July 1997, at the time the other Senior Executives were awarded options, Mr. Larson was awarded options to purchase 100,000 shares of the Company's Common Stock at its then current market value with the vesting provisions similar to those options awarded all other senior executives.

#### OMNIBUS BUDGET RECONCILIATION ACT OF 1993

The Company has reviewed its executive compensation plans in response to the Omnibus Budget Reconciliation Act of 1993 (the "Act"), which established a million dollar tax deduction limitation in August, 1993 for the taxable years beginning on or after January 1, 1994. The limitation applies to compensation in excess of \$1 million paid to any executive who is employed by the Company on December 31 and named in the summary compensation table, with certain exceptions. Mr. Larson and all other senior executives will defer receipt of compensation, to the extent it is not deductible by the Company, under the terms of a new automatic deferral plan established for this purpose.

Submitted by Members of the Human Resource and Compensation Committee of the Board of Directors.

R.W. Schipke, Chairman  
N.D. Archibald  
M.A. Fernandez  
G.D. Kennedy

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#### COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN AMONG BRUNSWICK, S&P 500 INDEX, PEER GROUP AND FORMER PEER GROUP

<TABLE>

<CAPTION>

Measurement Period (Fiscal Year Covered)	Brunswick	Peer Group	S&P 500 Index	Former Peer Group
<S>	<C>	<C>	<C>	<C>
1992	100.00	100.00	100.00	100.00
1993	113.60	120.70	110.10	145.50
1994	122.00	157.40	111.50	124.80
1995	158.70	162.10	153.40	173.40
1996	162.00	163.60	188.90	203.10
1997	208.40	173.30	251.80	172.90

</TABLE>

The basis of comparison is a \$100 investment at December 31, 1992 in each of Brunswick, the S&P 500 Index, a peer group of six recreation manufacturing companies (Coleman Company, Inc., Cybex International, Inc., Huffy Corporation, Johnson Worldwide Associates, Inc., K2, Inc., and Polaris Industries, Inc.) and a former peer group of two recreation manufacturing companies (Johnson Worldwide Associates, Inc. and K2, Inc.) weighted by the beginning of the year market value of each company. All dividends are reinvested. Last year the former peer group also included Outboard Marine Corporation ("OMC"), but OMC is no longer a public company. The four additional companies were added to the revised peer group to replace OMC and to add recreation companies which compete with Brunswick's new camping, cooler, bicycle and exercise equipment businesses.

## SUMMARY COMPENSATION TABLE

The following table sets forth the compensation of the Chief Executive Officer and each of the four other most highly paid executive officers for each of the last three years.

&lt;TABLE&gt;

&lt;CAPTION&gt;

Name/Position	Year	Annual Compensation		Long-Term Compensation					All Other Compensation(4)	Total Compensation(5)
		Salary	Other Annual Compensation Bonus	Awards		Payouts				
				Restricted Stock(2)	Securities Underlying Award(3)	Long-Term Incentive Option(#)	Long-Term Incentive Payouts			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Peter N. Larson/Chairman and Chief Executive Officer	1997	\$800,000	\$ 843,200	\$ 63,036	0	200,000	\$1,949,742	\$ 229,716		
	1996	800,000	1,387,063	115,197	790,400	162,255	0	3,223		
	1995	600,000	983,721	116,505	720,000	500,000	0	3,000,215		
Peter B. Hamilton/Sr. Vice President and Chief Financial Officer(1)	1997	\$400,000	\$ 374,080	\$ 479	0	30,000	\$ 587,531	\$ 84,224		
	1996	354,110	350,000	11,085	0	90,000	0	43,410		
	1995	29,726	0	250	0	50,000	0	465,000		
William J. Barrington/President, Sea Ray Group	1997	\$385,000	\$ 331,639	0	0	30,000	\$ 665,769	\$ 74,569		
	1996	362,055	360,000	0	0	88,000	210,600	71,970		
	1995	334,849	192,000	\$ 2,678	94,375	10,000	213,750	67,296		
Frederick J. Florjancic, Jr./Corporate Vice President and President, Brunswick Indoor Recreation Group	1997	\$360,000	\$ 341,208	\$246,474	0	25,000	\$ 593,792	\$ 24,049		
	1996	348,384	288,320	0	0	75,400	172,462	21,768		
	1995	340,000	35,402	250	113,250	12,000	188,100	22,547		
Jim W. Dawson/Corporate Vice President and President, Brunswick Outdoor Recreation Group	1997	\$343,397	\$ 203,184	0	0	30,000	\$ 258,679	\$ 40,597		
	1996	303,288	160,000	0	0	80,000	141,000	41,187		
	1995	262,301	131,300	\$ 278	98,150	10,400	156,750	42,123		

&lt;/TABLE&gt;

(1) Mr. Hamilton joined the Company as Senior Vice President and Chief Financial Officer in December 1995.

(2) Includes for Mr. Larson \$79,746 and \$80,715 for his use of the Company's aircraft for authorized non-corporate purposes in 1996 and 1995, respectively, and for Mr. Florjancic amounts reimbursed for payment of taxes and \$75,146 for relocation allowances which were in addition to amounts generally paid in 1997.

(3) The amounts shown in this column are the value of the restricted shares as of the date of grant. The total number and value of restricted stock holdings as of December 31, 1997 for the named officers are as follows: Messrs. Larson 60,213 shares, \$1,825,207; Barrington 11,250 shares, \$341,016; Florjancic 14,625 shares, \$443,320; and Dawson 11,950 shares, \$362,234. Mr. Larson was awarded 30,802 shares in February, 1996 based on the Company's financial performance for 1995, and these shares become fully vested on April 1, 1998. Mr. Larson was awarded 29,411 shares in February, 1997 based on the Company's financial performance for 1996, and these shares became fully vested on February 15, 1998. Receipt of Mr. Larson's shares is deferred until his retirement. Dividends are paid quarterly on all shares of restricted stock.

(4) The Long-Term Incentive Payouts for 1997 include payouts for two performance periods as a result of the restructuring of the performance cycles.

(5) All Other Compensation for 1997 for the named officers is comprised of the following: (i) Company contributions to the Brunswick Retirement Savings Plan for Messrs. Larson \$2,090; Hamilton \$2,090; Barrington \$1,694; Florjancic \$2,090; and Dawson \$2,090; (ii) Company contributions to the Brunswick Employee Stock Ownership Plan for Messrs. Larson \$334; Hamilton

Plan and Supplemental Profit Sharing Plan for Mr. Barrington of \$56,120, and (iv) the value of split dollar life insurance premiums paid by the Company on behalf of the named executive officers. This value represents the cost of term life insurance provided during the year as well as the present value of the potential cash surrender value attributable to this year's premium payment. This present value is determined by assuming an interest free loan to the named executives until the Company is reimbursed for its portion of the premiums. These amounts are: Messrs. Larson \$227,292; Hamilton \$81,800; Barrington \$16,362; Florjancic \$21,625; and Dawson \$38,291.

#### OPTION GRANTS IN 1997

<TABLE>  
<CAPTION>

Executive	Individual Grants(1)				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term			
	Number of Securities Underlying Options	% of Total Options Granted to Employees in 1997(4)	Exercise Price	Expiration Date				
	Granted				0%	5%	10%	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Peter N. Larson(2).....	100,000	5.83%	\$25.5000	02/03/07	0	\$1,603,681	\$4,064,043	
	100,000	5.83%	\$32.1875	07/29/07	0	\$2,024,255	\$5,129,859	
Peter B. Hamilton(3).....	30,000	1.75%	\$32.1875	07/29/07	0	\$607,276	\$1,538,958	
William J. Barrington(3).....	30,000	1.75%	\$32.1875	07/29/07	0	\$607,276	\$1,538,958	
Frederick J. Florjancic, Jr.(3).....	25,000	1.46%	\$32.1875	07/29/07	0	\$506,064	\$1,282,465	
Jim W. Dawson(3).....	30,000	1.75%	\$32.1875	07/29/97	0	\$607,276	\$1,538,958	
All Optionees(5).....	1,717,198	100%	\$31.3690	Various	0	\$33,876,531	\$85,849,781	
All Shareholders(6).....	N/A	N/A	N/A	N/A	0	\$1,962,529,347	\$4,973,434,685	
Optionee's Gain as % of All Shareholders' Gain.....	N/A	N/A	N/A	N/A	0	1.73%	1.73%	

</TABLE>

(1) Non-qualified stock options awarded during 1997 were granted at 100% of the closing fair market value on the date of grant with a ten year option term. When exercising options, an option holder may deliver previously acquired shares of Common Stock or may request that shares be withheld to satisfy the required withholding taxes.

(2) Options awarded on February 3, 1997 vest in increments of 30%, 30% and 40% on the first three anniversaries of the grant date. Vesting provisions for options awarded July 29, 1997 are as follows: 30% of the options vested when the Company's stock price attained \$35.00; 30% of the options vest on the earliest of (i) the second anniversary of the grant date, (ii) when the Company's stock price attains \$40.00 per share or, (iii) when annual net earnings of the Company exceed \$3.00 per share; and 40% vest on the earliest of (i) the third anniversary of the grant date, (ii) when the Company's stock price attains \$45.00 per share or, (iii) when annual net earnings of the Company exceed \$3.30 per share. Options vest earlier if there is a change in control of the Company.

(3) 30% of the options vested when the Company's stock price attained \$35.00 per share; 30% of the options vest when the Company's stock price attains \$40.00 per share or when annual net earnings of the Company exceed \$3.00 per share; and 40% vest when the Company's stock

price attains \$45.00 per share or when annual net earnings of the Company exceed \$3.30 per share. Any options not vested prior to the third anniversary of the grant date become exercisable on that date. Options vest earlier if there is a change in control of the Company.

(4) Based on 1,717,198 options granted to 457 employees during 1997.

(5) No gain to the optionees is possible without an increase in stock price, which will benefit all stockholders commensurately. A zero percent stock

price appreciation will result in zero dollars for the optionee.

- (6) The potential realizable values for all shareholders were calculated using the weighted average exercise price of option shares awarded during 1997 and the total outstanding shares of Common Stock on December 31, 1997. At 5% and 10% annual appreciation the value of the Common Stock would be approximately \$51.10 per share and \$81.36 per share, respectively, at the end of the 10-year period.

#### OPTION EXERCISES AND YEAR-END VALUE TABLE

<TABLE>

<CAPTION>

Executive	Number of Shares Acquired on Exercise	Number of Securities Underlying the Unexercised Options at 12/31/97		Value of Unexercised, In-the-Money Options Held at 12/31/97(1)	
		Exercisable	Unexercisable	Exercisable	Unexercisable
<S>	<C>	<C>	<C>	<C>	<C>
Peter N. Larson	0	577,353	284,902	\$5,368,511	\$1,782,133
Peter B. Hamilton	0	93,000	77,000	\$ 747,750	\$ 498,500
William J. Barrington	0	94,200	60,200	\$ 930,125	\$ 369,950
Frederick J. Florjancic, Jr.	0	90,400	52,460	\$ 908,921	\$ 324,135
Jim W. Dawson	0	89,240	57,160	\$ 888,745	\$ 349,580

</TABLE>

- (1) Represents the difference between the option exercise price and the fair market value of the Company's Common Stock on December 31, 1997.

#### LONG-TERM INCENTIVE PLAN -- AWARDS DURING 1997

<TABLE>

<CAPTION>

Executive	Number of Shares, Units or Other Rights(1)	Performance or Other Period Until Maturation or Payout	Estimated Future Payouts Under Non-Stock Price-Based Plans	
			Threshold(#)	Maximum(#)
<S>	<C>	<C>	<C>	
Peter N. Larson	67,725	1/2/97 - 12/31/98	33,863	67,725
Peter B. Hamilton	16,932	1/2/97 - 12/31/98	8,466	16,932
William J. Barrington	16,297	1/2/97 - 12/31/98	8,148	16,297
Frederick J. Florjancic, Jr.	15,238	1/2/97 - 12/31/98	7,619	15,238
Jim W. Dawson	14,392	1/2/97 - 12/31/98	7,196	14,392

</TABLE>

- (1) These are awards under the Company's Strategic Incentive Plan. The value and the number of stock units were determined as a percentage of the executive officer's salary on January 2, 1997 based on the price of the Company's Common Stock at that time. The number of the

stock units to which each officer becomes entitled will depend upon the achievement of specified strategic goals for Mr. Larson and specified financial targets for earnings before interest and taxes, operating margin percentage and net earnings per share for the other named officers. Each executive officer may elect to have stock units paid in Common Stock or in cash based on the price of the Common Stock at the end of the performance period.

#### PENSION PLANS

The following table shows the maximum retirement income which may be payable as a straight life annuity pursuant to the Company's salaried pension plans at age 65 under various assumed conditions prior to reduction for Social Security benefits.

<TABLE>

<CAPTION>

Average of the Three Highest	Retirement Income for
---------------------------------	-----------------------

Consecutive Years' Earnings as a Participant	Years of Participating Service			
	15	20	25	30
<S>	<C>	<C>	<C>	<C>
\$ 600,000	\$198,000	\$ 264,000	\$ 330,000	\$ 396,000
800,000	264,000	352,000	440,000	528,000
2,200,000	726,000	968,000	1,210,000	1,452,000
2,600,000	858,000	1,144,000	1,430,000	1,716,000
</TABLE>				

The salaried pension plans are non-contributory plans providing for benefits following retirement under a formula based upon years of participation in the plans up to 30 years, the average of the three highest consecutive years' earnings (salaries, annual bonuses and commissions but excluding bonuses earned under the Strategic Incentive Plan), and age.

The years of service of the officers named in the summary compensation table are: Messrs. Larson 18 years, Hamilton 14 years, Florjancic 12 years and Dawson 30 years. Mr. Barrington does not participate in any salaried pension plan.

If there is a change in control of the Company on or before April 1, 2001 and if there is a termination, merger or transfer of assets of the salaried pension plans during the five years following the change in control of the Company, benefits would be increased so that there would be no excess net assets. Also, in the event of the involuntary termination of employment (other than for cause) of a participant in the salaried pension plans during the five years following such change in control of the Company, the participant's pension would not be reduced as a result of early retirement.

#### EMPLOYMENT AGREEMENTS

The Company has an employment agreement with Mr. Larson which provides for his employment through April 1, 1999 at an annual salary of \$800,000 per year. The agreement will be extended for successive additional one-year terms unless the Company or Mr. Larson elects not to extend the term at least six months before the new term otherwise would begin. The agreement provides for an annual bonus of up to 200% of salary based on the accomplishment of

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specified goals, which will be paid one-half in cash and one-half in Common Stock of the Company. Mr. Larson may elect to have the entire bonus paid in cash if he has satisfied the Company's stock ownership guidelines.

The agreement provides that he will participate in the Company's Strategic Incentive Plan beginning with the 1996-1997 performance period and that his maximum award under the Strategic Incentive Plan will be 100% of his salary for the two-year performance period. Awards under this plan are denominated in stock units based on the market value of the Company's Common Stock at the beginning of the performance period. Under the plan Mr. Larson may elect to receive stock or the cash value of the stock units at the time the award is paid, depending in part on whether he has satisfied the Company's stock ownership guidelines.

Mr. Larson is also entitled under the agreement to an annual award of options to purchase Common Stock which are to have a value of \$750,000 using the Black-Scholes pricing model. The agreement also provides that with some exceptions Mr. Larson shall participate in all benefit plans offered to the Company's Senior Executives during the term of the agreement and for two years following termination of the agreement for any reason other than death, incapacity or cause. In addition, the agreement provides that he shall be entitled for six years following the termination of the agreement to coverage under any directors and officers liability insurance policy, indemnification by-law and indemnification agreement then maintained or offered by the Company.

Mr. Larson has agreed to defer receipt of cash or Common Stock compensation under his agreement to the extent it is not deductible by the Company because it exceeds the \$1 million deduction limitation in Section 162(m) of the Internal Revenue Code. He also may elect to defer receipt of additional cash or Common Stock compensation under his agreement. Cash amounts deferred either will be invested or will accrue interest at the prime rate in effect at the First National Bank of Chicago (plus 5% per annum for amounts which are deferred by reason of the \$1 million deduction limitation) or, if greater, at the Company's short term borrowing rate. Dividends on Common Stock which is deferred will be

reinvested in additional shares of Common Stock unless Mr. Larson elects to receive the dividends on a current basis. Life insurance of three-and-one-half times Mr. Larson's base salary is to be maintained for him during the term of the agreement and for two years following termination of the agreement for any reason other than death, incapacity or cause. Mr. Larson may elect to reduce the amount of life insurance provided to him and to receive the premiums which otherwise would have been paid for the insurance.

If Mr. Larson's employment is terminated before completion of the term of his agreement for any reason other than death, incapacity or cause, or if Mr. Larson resigns following a significant change in the nature or scope of his duties, a reduction in his compensation, a reasonable determination by Mr. Larson that as a result of a change in the circumstances regarding his duties, he is unable to exercise his authorities or duties, a change in control of the Company (as defined below), or breach by the Company of the agreement, the agreement provides that he shall receive a lump sum payment equal to (i) his salary for two years following termination at

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the rate in effect as of the date of termination and (ii) annual bonus and strategic incentive awards for the two year period following termination based on performance to date extrapolated through the termination date and that non-performance restrictions on stock options shall lapse, performance restrictions on options shall lapse to the extent authorized by the Board of Directors, and options which are then exercisable or become exercisable because of the lapse of restrictions shall remain exercisable until the earlier of (i) their expiration or (ii) five years following termination of employment. The agreement prohibits competition with the Company by Mr. Larson during the term of the agreement and for two years thereafter and requires confidentiality on the part of Mr. Larson during and after the term of the agreement.

The agreement provides that Mr. Larson will receive a pension from the Company as if he had been employed by the Company for an additional 15 years, reduced by the pension he receives from Johnson & Johnson, his former employer, and reduced by the amount of his Social Security benefit. Mr. Larson may elect to be paid his pension benefits under the Company's supplemental pension plan in a lump sum.

Upon Mr. Larson's request after a change in control of the Company, the Company is required under the agreement to pay Mr. Larson any amount then held for him in a deferred compensation account, and to pay a lump sum pension payment equal to the present value of benefits accrued under the Company's supplemental pension plan. The definition of a change in control includes (i) the ownership of 30% or more of the outstanding voting stock of the Company by any person other than an employee benefit plan of the Company, (ii) a tender offer which has not been negotiated and approved by the Board of Directors of the Company for stock of the Company if (a) the offeror owns or has accepted for payment 25% or more of the outstanding voting stock of the Company or (b) the offer remains open three days before its stated termination date and if the offeror could own 50% or more of the outstanding voting stock of the Company as a result of the offer, or (iii) the failure of the Board of Directors' nominees to constitute a majority of the Board of Directors of the Company following a contested election of directors.

The Company has an employment agreement with Mr. Hamilton which provides for his employment through December 31, 1998 at an annual salary of not less than \$350,000 per year. The agreement provides for an annual bonus of up to 100% of salary, which may be paid in cash and/or Common Stock of the Company.

The agreement provides that he will participate in the Company's Strategic Incentive Plan beginning with the 1996-1997 performance period and that his maximum award under the Strategic Incentive Plan will be 100% of his annual salary at the beginning of the performance period. Awards under this plan are denominated in stock units based on the market value of the Company's Common Stock at the beginning of the performance period. Under the plan Mr. Hamilton may elect to receive stock or the cash value of the stock units at the time the award is paid, depending in part on whether he has satisfied the Company's stock ownership guidelines.

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The agreement also provides that Mr. Hamilton shall participate in all benefit plans offered to the Company's Senior Executives during the term of the agreement and for one year following termination of the agreement for any reason

other than death, incapacity or cause. In addition, the agreement provides that he shall be entitled for six years following the termination of the agreement to coverage under any directors and officers liability insurance policy, indemnification by-law and indemnification agreement then maintained or offered by the Company.

If Mr. Hamilton's employment is terminated before completion of the term of his agreement for any reason other than death, incapacity or cause, or if Mr. Hamilton resigns following a significant change in the nature or scope of his duties, a reduction in his compensation, a reasonable determination by Mr. Hamilton that as a result of a change in the circumstances regarding his duties, he is unable to exercise his authorities or duties, or breach by the Company of the agreement, the agreement provides that he shall receive a lump sum payment equal to (i) his salary for one year following termination at the rate in effect as of the date of termination and (ii) annual bonus and strategic incentive awards for the one year period following termination based on performance to date extrapolated through the termination date. The agreement prohibits competition with the Company by Mr. Hamilton during the term of the agreement and for one year thereafter and requires confidentiality on the part of Mr. Hamilton during and after the term of the agreement.

The agreement provides that Mr. Hamilton will receive a pension from the Company as if he had been employed by the Company for an additional 12.5 years, reduced by the pension he receives from Cummins Engine Company, Inc., his former employer.

Mr. Reichert retired as Chairman of the Board on October 1, 1995. The Company has agreed to provide him until October 1, 2010 with life insurance of three-and-one-half times his former base salary (less the face value of any policy released to him under the Split Dollar Life Insurance Plan). This obligation is being satisfied through the Split Dollar Life Insurance Plan. The Company also has agreed to provide Mr. Reichert with office space and secretarial service until October 1, 2000 as long as he is a director or a consultant to the Company.

The Company also has agreements with Messrs. Hamilton, Barrington, Florjancic and Dawson and certain other officers which provide that after a change in control of the Company each executive will be employed for three years (but not beyond the executive's 65th birthday) during which the executive will be entitled to a salary not less than the executive's annual salary immediately prior to the change in control, with the opportunity for regular increases, and incentive compensation, employee benefits and perquisites equivalent to those provided by the Company to executives with comparable duties, but at least as great as those to which the executive was entitled immediately prior to the change in control. The definition of a change in control in these agreements is the same as the definition in Mr. Larson's agreement described above. Within 60 days after a change in control, the Company is required to pay the executive a lump sum pension payment equal to the present value of benefits accrued under the Company's supplemental pension plan as of the end of the prior year.

If employment is terminated under any of these agreements before completion of the term of employment for any reason other than death, incapacity or cause, or if an executive resigns following a significant change in the nature or scope of the executive's duties, a reduction in total compensation, a reasonable determination by the executive that as a result of a change in the circumstances affecting the executive's position the executive is unable to exercise the authorities and duties attached to the executive's position, or breach by the Company of the agreement, the executive would be paid a lump sum payment equal to (i) his or her salary for three years at the rate in effect as of the date of termination, (ii) a bonus of 50% of salary for each of the three years, and (iii) an additional bonus under the Brunswick Strategic Incentive Plan equal to 50% of salary for each of the three years. If the executive attains age 65 during such three-year period, all of the foregoing payments will be reduced proportionally. If the lump sum payments are paid, the executive shall be treated as though he or she had continued to participate in the Company's incentive compensation and employee benefit plans for the three years, and the executive will receive a lump sum payment equal to the then present value of the additional pension benefit accrued for the three years. The agreements prohibit competition with the Company by the executive for one year after termination of employment and require confidentiality on the part of the executive during and after the term of the agreements. The agreements also provide that if any executive is required to pay any excise tax on payments from the Company by



reason of Section 4999 of the Internal Revenue Code of 1986, the Company will reimburse the executive for such excise tax plus any other taxes owed as a result of such reimbursement.

The agreements provide that each executive may resign during the six months following a change in control of the Company and elect to receive a lump sum payment equal to (i) his or her salary for two years at the rate in effect as of the date of termination, (ii) a bonus of 50% of salary for the two years, and (iii) an additional bonus under the Brunswick Strategic Incentive Plan equal to 50% of salary for the two years. Also, the executive would be treated as though he or she had continued to participate in the Company's incentive compensation and employee benefit plans for the two years, and the executive will receive a lump sum payment equal to the then present value of the additional pension benefit that would have accrued for the two years. If the executive attains age 65 during such two-year period, all of the foregoing payments will be reduced proportionally. Payments to Mr. Hamilton will be reduced by the amount of any payments to him under his employment agreement described above in the event of termination of employment.

#### APPOINTMENT OF INDEPENDENT PUBLIC ACCOUNTANTS

Upon the recommendation of its Audit and Finance Committee, the Board of Directors has appointed Arthur Andersen LLP, independent public accountants, auditors for the Company and its subsidiaries for the year 1998. The Board of Directors recommends to the shareholders that the appointment of Arthur Andersen LLP as auditors for the Company and its subsidiaries be ratified. If the shareholders do not ratify the appointment, the selection of auditors will be reconsidered by the Audit and Finance Committee and the Board of Directors. Representatives of Arthur Andersen LLP will be present at the Annual Meeting of Shareholders with the

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opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions from shareholders.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THIS PROPOSAL.

#### OTHER MATTERS

If any matters other than those referred to in the Notice of Annual Meeting should properly come before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxies held by them in accordance with their best judgment. Management does not know of any business other than that referred to in the Notice which may be considered at the Meeting.

The entire expense of proxy solicitation will be borne by the Company. In addition to solicitation by mail, telephone, facsimile, telegraph and personal contact by its officers and employees, the Company has retained the firm of Georgeson & Co. to assist in the solicitation of proxies. Reasonable out-of-pocket expenses of forwarding the proxy material will be paid by the Company. For its services, Georgeson & Co. will be paid a fee of approximately \$8,000.

#### SHAREHOLDER PROPOSALS

Under the rules of the Securities and Exchange Commission proposals of shareholders to be considered for inclusion in the proxy statement and form of proxy for the 1999 Annual Meeting must be received by the Company at its offices at 1 N. Field Ct., Lake Forest, Illinois 60045-4811, Attention: Secretary, no later than November 24, 1998 and must otherwise meet the requirements of those rules.

In order to assure the presence of the necessary quorum and to vote on the matters to come before the Annual Meeting, please indicate your choices on the enclosed proxy, and date, sign and return it promptly in the envelope provided.

By order of the Board of Directors,

/s/ MARY D. ALLEN  
MARY D. ALLEN  
Secretary

Lake Forest, Illinois

## PROXY

Solicited on behalf of the Board of Directors of  
BRUNSWICK CORPORATION

The undersigned hereby appoints P.N. Larson, P.B. Hamilton, and M.D. Allen, and each of them, as proxies, with power of substitution, and hereby authorizes them to represent and to vote, in accordance with the instructions on the reverse side, all the shares of common stock of Brunswick Corporation which the undersigned may be entitled to vote at the Annual Meeting of Shareholders to be held on April 22, 1998 or any adjournment thereof.

BY SIGNING AND RETURNING THIS FORM, YOU WILL BE INSTRUCTING MELLON BANK N.A., THE TRUSTEE FOR THE BRUNSWICK EMPLOYEE STOCK OWNERSHIP PLAN, BRUNSWICK RETIREMENT SAVINGS PLANS AND SEA RAY EMPLOYEES' STOCK OWNERSHIP AND PROFIT SHARING PLAN, TO VOTE THE SHARES ALLOCATED TO YOUR ACCOUNT IN THESE PLANS. THE TRUSTEE WILL VOTE YOUR SHARES AS YOU DIRECT. IF YOU SIGN AND RETURN THIS FORM WITHOUT MAKING ANY DIRECTION, YOUR SHARES WILL BE VOTED FOR PROPOSALS 1 AND 2. IF YOU DO NOT RETURN THIS FORM BY APRIL 20, 1998, THE TRUSTEE WILL VOTE YOUR SHARES (EXCEPT FOR SHARES ACQUIRED WITH TAX CREDIT CONTRIBUTIONS) IN THE SAME PROPORTION AS IT VOTES SHARES FOR WHICH IT RECEIVES INSTRUCTIONS.

IMPORTANT -- This Proxy must be signed and dated on the reverse side.

BRUNSWICK CORPORATION

PLEASE MARK VOTE IN OVAL IN THE FOLLOWING MANNER USING DARK INK ONLY. /X/

[ ]

<TABLE>

<S><C>

For All

1. Election of Directors - For Withheld Except Vote Withheld for the Nominee(s) Written Below

Nominees: N.D. Archibald, J.L. Bleustein, // // //

B. Martin Musham and K. Roman.

2. Ratification of Auditors. For Against Abstain 3. In their discretion on such other business as  
// // // may properly come before the meeting.

Dated: \_\_\_\_\_, 1998

\_\_\_\_\_  
Signature

NOTE: Please sign exactly as name appears on this proxy, date and mail this proxy promptly in the enclosed return envelope so that it is received prior to the meeting. These confidential voting instructions will be seen only by authorized personnel of the Trustee and its tabulator.

A vote FOR items 1 and 2 is recommended by the Board of Directors

-----  
[FOLD AND DETACH HERE]

PLEASE COMPLETE, DATE, SIGN AND MAIL THIS PROXY PROMPTLY IN THE ENCLOSED POSTAGE-PAID ENVELOPE.

</TABLE>

