

**BRIGGS & STRATTON CORPORATION  
STOCK OWNERSHIP GUIDELINES**

Briggs & Stratton’s Board of Directors has adopted these stock ownership guidelines to align the interests of the company’s directors and executives with the interests of stockholders and to promote its commitment to sound corporate governance.

**Guidelines for Directors**

Each non-employee director is required to hold shares of Briggs & Stratton common stock with a value equal to five times the annual cash retainer paid to the director. Compensation for serving as the lead director, a committee chair or a committee member is excluded from this calculation.

Stock grants to non-employee directors vest one year after the grant date, but if the director does not yet meet the stock ownership guidelines the vesting date is automatically deferred until the director retires from the Board.

**Guidelines for Executives**

Stock ownership guidelines for Board-elected officers and managers who participate in the Key Manager Long Term Incentive Award Program (“Key Managers”) are a multiple of the executive’s base salary. The guidelines are:

<u>Executive Position</u>	<u>Multiple of Base Salary</u>
Chief Executive Officer	5X
Chief Operating Officer	4X
Executive and Senior Vice Presidents	3X
Other Elected Officers	2X
Key Managers	1X

Unless the applicable ownership guideline was satisfied as of the most recent measurement date, the executive is required to retain ownership of the following:

- All vested shares of restricted stock, deferred stock and performance shares in excess of those shares sold or withheld to satisfy applicable tax withholding obligations due in connection with such vesting.
- All shares acquired upon the exercise of any stock option in excess of those shares sold or withheld to satisfy applicable tax withholding obligations due in connection with such exercise.
- All shares acquired other than through grants to the executive of restricted stock, deferred stock, performance shares or stock options.

As a reminder, the exercise of stock options for cash (including as described above) or the net exercise of stock options pursuant to the terms and provisions of any company equity incentive plans (including through an automatic exercise on expiration) is permitted. However, the sale of any shares received upon exercise, including the cashless exercise of a stock option through a broker or other financial intermediary, is subject to these stock ownership guidelines.

## **Calculation of Guidelines and Stock Ownership**

### Calculation of Guidelines

Guideline satisfaction is calculated annually as of November 30 for directors and as of June 30 for executives based on current retainers or salaries, as applicable. Guideline satisfaction will also be re-calculated whenever an executive changes his or her position.

### Calculation of Stock Ownership

Shares that count toward achievement of the required stock ownership include:

- Shares owned outright by a director or executive.
- Shares owned by any immediate family member residing in the same household as the director or executive.
- Shares held in trust for the benefit of the director or executive or his or her family.
- Unvested restricted or deferred stock awarded or granted by the company.

Unexercised stock options and unvested performance shares/stock units do not count toward the required stock ownership.

The value of stock owned by a director or executive is calculated using the average of the daily closing price of the company's stock over the six-month period preceding the calculation.

### **Hedging or Pledging Company Stock**

No director, Board-elected officer or Key Manager may engage in any transaction that hedges or locks in the value of his or her company stock holdings. Such transactions allow the holder to own company stock without the full risks and rewards of ownership and potentially separate the holder's interests from those of other company shareholders. Examples of such transactions include acquiring puts, calls, options (other than options granted by the company), short sales, swaps, collars or other derivative securities.

No director, Board-elected officer or Key Manager may pledge, hold in a margin account or otherwise encumber company stock.

### **Reporting and Exceptions**

Stock ownership is measured and reported annually to the Compensation Committee at its January meeting for directors and at its August meeting for executives. The Committee will provide the Board with a report on compliance with the guidelines.

The Committee may in its discretion waive the guidelines for a director or executive, if compliance would create severe hardship or prevent that director or executive from complying with a court order, as in the case of a divorce settlement. It is expected that waivers will be rare.