

**BRIGGS & STRATTON CORPORATION**  
**AUDIT COMMITTEE CHARTER**

**I. Purpose**

The primary functions of the Audit Committee of the Board of Directors shall be to assist Board oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications and independence, and (iv) the performance of the Company's internal audit function and independent auditors. The Committee shall also prepare the report of the Audit Committee that SEC rules require be included in the Company's annual proxy statement.

Management remains responsible for preparing and filing the Company's financial statements as required by the SEC, for conducting investigations, and for assuring the Company operates in accordance with applicable law.

**II. Membership**

The members of the Committee shall consist of three or more directors appointed by the Board. The Committee shall meet the financial expertise and independence requirements, including compensation-related provisions, established by the SEC and New York Stock Exchange.

Unless a chairman is appointed by the Board, the members of the Committee may designate a Chairman by majority vote of the full Committee membership.

The Board shall determine whether a member of the Committee meets the SEC standard for designation as an audit committee financial expert. Designation as an audit committee financial expert does not affect the duties or liability of such member.

**III. Meetings**

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than four times each year, and shall report to the Board at the next meeting of the Board following each such Committee meeting. The Committee may request any employee of the Company or the Company's outside counsel or independent auditor to attend a Committee meeting or meet with the Committee's members or consultants.

#### **IV. Responsibilities and Duties**

The Committee's responsibilities and duties shall include the following:

##### Review Procedures

1. Meet periodically with management to review:
  - (a) Major financial risk exposures and steps management has taken to monitor and control such exposures.
  - (b) Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues regarding the adequacy and effectiveness of the Company's internal controls.
  - (c) Significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
  - (d) The effect of regulatory and accounting initiatives on the financial statements of the Company.
  
2. Review the Company's quarterly financial statements and annual audited financial statements with management and the independent auditor prior to filing or distribution. The reviews shall include without limitation:
  - (a) Major issues regarding accounting and auditing principles and practices.
  - (b) Earnings press releases and financial information and earnings guidance provided to analysts and rating agencies, including any pro forma or adjusted non-GAAP information.
  - (c) With respect to quarterly financial statements, (i) disclosures under the MD&A section, and (ii) management's report on any significant deficiencies in the design or operation of internal controls and procedures and on any fraud that involves management or other employees who have a significant role in the Company's internal controls.
  - (d) With respect to annual audited financial statements, (i) disclosures under the MD&A section, (ii) management's assessment of the effectiveness of internal controls and procedures, (iii) the independent auditor's report on such assessment, (iv) all critical accounting policies and practices to be used, (v) all alternative treatments within GAAP for policies and practices related to material items that the independent auditor has discussed with management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the

independent auditor, and (vi) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

3. Meet periodically with the chief financial officer, the internal audit manager and the independent auditor in separate executive sessions.

#### Oversight of Independent Auditor

1. Appoint the independent auditor, approve in advance all audit and non-audit services to be provided by the independent auditor, and approve the fees to be paid by the Company to the independent auditor. The Audit Committee may delegate pre-approval authority to the Chairman, which if exercised shall be reported to the Committee at its next scheduled meeting.
2. Meet with the independent auditor prior to the annual audit to review the planning and staffing of the audit and a report from the independent auditor regarding the auditor's independence and its internal quality control procedures.
3. Resolve any disagreement between management and the auditor regarding financial reporting, review any special audit steps adopted in light of material control deficiencies, and review with the independent auditor any changes required in the planned scope of the external audit.
4. At the conclusion of the annual audit, discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61. These matters include the auditor's responsibilities under GAAP, significant accounting policies, accounting estimates, significant audit adjustments, other information provided by the auditor in audited financial statements, any disagreements with management about matters that could be significant to the audited financial statements, significant matters that management may have discussed with other auditors, major issues discussed with management prior to retention of the auditor, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.
5. Meet privately with the independent auditor to discuss any matters that the Committee or auditor feels should be discussed, including without limitation the quality of management, financial, accounting and internal audit personnel, and whether any restrictions have been placed by management on the scope of the auditor's examination.

6. Decide whether to retain or terminate the services of the independent auditor.
7. Establish policies to govern hiring by the Company of any employee or former employee of the independent auditor.

#### Review of Internal Audit Department

1. Review the appointment and replacement of the internal audit manager.
2. Review the significant reports to management prepared by the internal audit department and management's responses.
3. Review and approve the internal audit charter that explains the functional and organizational framework for providing services to management and to the Audit Committee, including the purpose, responsibility, authority and reporting relationships of the internal audit functions.
4. Annually review the internal audit plans, budgets, objectives and goals.

#### Other Audit Committee Responsibilities

1. Retain at the Company's expense legal, accounting or other consultants to advise the Committee.
2. Advise the Board whether a Committee member meets the SEC standard for an audit committee financial expert.
3. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting control or auditing matters, and for the confidential anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
4. Review and approve any waiver of any policy in the Company's Business Integrity Manual affecting any director or Board-elected officer.
5. On an annual basis or more often if appropriate:
  - (a) Review a report from management concerning the Company's Integrity Program and compliance with applicable law.
  - (b) Review a report from the Company's General Counsel concerning legal matters that may have a material impact on the financial statements or may involve material reports or inquiries received from regulators or governmental agencies.
  - (c) Prepare the report required by the SEC to be included in the Company's annual proxy statement.

- (d) Evaluate the performance of the Committee.
- (e) Review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

## **BRIGGS & STRATTON CORPORATION COMPENSATION COMMITTEE CHARTER**

### **I. Purpose**

The primary functions of the Compensation Committee of the Board of Directors shall be to (i) review executive compensation and benefits, set officer salaries and make appropriate recommendations to the Board of Directors; (ii) administer the Corporation's cash bonus and stock plans for management employees and such other benefit plans as may be designated by the Board; and (iii) prepare an annual report to shareholders on executive compensation.

### **II. Membership**

The Committee shall consist of three or more directors who meet the independence standard established by the New York Stock Exchange. The members of the Committee shall be appointed by the Board.

Unless a Chairman is appointed by the Board, the members of the Committee may designate a Chairman by majority vote of the full Committee membership.

### **III. Meetings**

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than once each year, and shall report to the Board at the next meeting of the Board following each such Committee meeting. The Committee may invite the Chairman of the Board, the Chief Executive Officer of the Company or others to attend Committee meetings.

### **IV. Responsibilities and Duties**

The Committee's responsibilities and duties shall include the following:

1. Review and provide counsel to the Chief Executive Officer on the Company's compensation practices.
2. Annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation level based on this evaluation.
3. Annually review the Company's management succession plan with the Chief Executive Officer and the Board.
4. Annually review and set the salaries of corporate officers.

5. Periodically review and as needed recommend to the Board any changes in the annual retainer, meeting fees and stock compensation of Directors.
6. Administer cash bonus, stock incentive, supplemental retirement and investment plans for corporate officers and senior management, including without limitation the Briggs & Stratton Corporation Incentive Compensation Plan, Economic Value Added Incentive Compensation Plan, Premium Option and Stock Award Program, Executive Supplemental Retirement Plan, Supplemental Employee Retirement Plan and Key Employee Savings & Investment Plan.
7. Annually review and approve a report to shareholders that explains the Company's compensation policies and the reasoning behind such policies as required by the U.S. Securities and Exchange Commission, including the factors and criteria on which the Chief Executive Officer's compensation is based and the relationship between the Company's performance and executive compensation.
8. Periodically evaluate with the Chief Executive Officer the competitiveness of the cash and stock compensation programs, benefits and perquisites offered to the Company's officers, and recommend to the Board any changes as appropriate.
9. Review and make recommendations to the Board with respect to amendments to the Company's retirement plans and other benefit plans affecting management employees.
10. Engage independent consultants to report to the Committee and advise it with regard to any of the above matters.
11. Annually evaluate the performance of the Committee.
12. Such other responsibilities and duties as may be assigned to the Committee by the Board or its Chairman or as designated in benefit plan documents.

**BRIGGS & STRATTON CORPORATION**  
**NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

**I. Purpose**

The primary functions of the Nominating and Governance Committee of the Board of Directors shall be to (i) identify individuals qualified to become Board members, review candidates recommended by shareholders for election to the Board, and propose director nominees to the Board; (ii) develop plans regarding the size and composition of both the Board and its committees, and recommend to the Board a set of corporate governance principles; (iii) review management succession plans and the process for evaluating the performance of directors and the Board; and (iv) monitor and make recommendations to the Board concerning corporate governance issues and the Company's Integrity Program.

**II. Membership**

The Committee shall consist of three or more directors who meet the independence standard established by the New York Stock Exchange. The members of the Committee shall be appointed by the Board.

Unless a Chairman is appointed by the Board, the members of the Committee may designate a Chairman by majority vote of the full Committee membership.

**III. Meetings**

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than once each year, and shall report to the Board at the next meeting of the Board following each such Committee meeting. The Committee may invite the Chairman of the Board, the Chief Executive Officer of the Company or others to attend Committee meetings.

**IV. Responsibilities and Duties**

The Committee's responsibilities and duties shall include the following:

Board Candidates and Nominees

1. Develop criteria for selection of new directors and nominees for vacancies on the Board, including procedures for reviewing potential nominees proposed by shareholders.
2. Review and recommend to the Board qualified candidates for the Board, including incumbent directors and candidates proposed by shareholders, who bring knowledge, experience and expertise that would strengthen the Board.



3. Propose to the Board a slate of nominees for election as directors at each annual meeting of shareholders.
4. Propose to the Board director candidates to fill vacancies on the Board in the event of the resignation, death or retirement of directors or a change in Board composition requirements.

The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms.

#### Board and Committees

1. Periodically review the size of the Board and recommend to the Board changes as appropriate.
2. Make recommendations to the Board concerning who are independent directors.
3. Establish and review policies pertaining to the roles, responsibilities, retirement age, tenure and removal of directors.
4. Periodically review all standing or ad hoc Board committees, and recommend to the Board changes in the number, responsibilities, membership and chairpersons of the committees as appropriate.
5. Recommend that the Board establish any special committees of the Board as necessary to properly address ethical, legal or other matters that may arise.
6. Review and recommend to the Board guidelines and procedures to be used in evaluating performance of the Board and individual directors, and evaluate with Board involvement the performance of the Board and directors on a continuing basis.

#### Management

1. Establish and monitor a process for evaluating the performance of the Chief Executive Officer.
2. Periodically review the process for evaluating the performance and potential of senior executive managers who report to the Chief Executive Officer.
3. Make recommendations to the Board concerning elected officer positions.

## General

1. Monitor and make recommendations to the Board concerning corporate governance principles and procedures.
2. Review and make recommendations to the Board regarding proposals of shareholders that relate to corporate governance.
3. Periodically review and make recommendations to the Board concerning the Company's bylaws.
4. Review at least annually the effectiveness of the Company's Integrity Program, and recommend modifications to the program as appropriate if major compliance issues occur.
5. Annually evaluate the performance of the Committee.