UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **April 3, 2010**

OR

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

For the transition period from__________ to__________

Commission file number 1-1043

Brunswick Corporation

(Exact name of registrant as specified in its charter)

Delaware	**36-0848180**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1 N. Field Court, Lake Forest, Illinois 60045-4811

(Address of principal executive offices, including zip code)

(847) 735-4700

(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of Common Stock ($0.75 par value) of the registrant outstanding as of May 3, 2010, was 88,527,610.

BRUNSWICK CORPORATION
INDEX TO QUARTERLY REPORT ON FORM 10-Q
April 3, 2010

TABLE OF CONTENTS

		Page
PART I – FINANCIAL INFORMATION		
Item 1.	Condensed Consolidated Financial Statements	
	Consolidated Statements of Operations for the three months ended April 3, 2010 (unaudited), and April 4, 2009 (unaudited)	1
	Condensed Consolidated Balance Sheets as of April 3, 2010 (unaudited), December 31, 2009, and April 4, 2009 (unaudited)	2
	Condensed Consolidated Statements of Cash Flows for the three months ended April 3, 2010 (unaudited), and April 4, 2009 (unaudited)	4
	Notes to Condensed Consolidated Financial Statements (unaudited)	5
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	29
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	45
Item 4.	Controls and Procedures	45
PART II – OTHER INFORMATION		
Item 1A.	Risk Factors	46
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	46
Item 5.	Submission of Matters to a Vote of Security holders	46
Item 6.	Exhibits	46

PART I – FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

BRUNSWICK CORPORATION
Consolidated Statements of Operations
(unaudited)

(in millions, except per share data)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Net sales	**$ 844.4**	$ 734.7
Cost of sales	**665.8**	643.5
Selling, general and administrative expense	**138.8**	155.2
Research and development expense	**22.3**	23.9
Restructuring, exit and impairment charges	**7.4**	39.6
Operating earnings (loss)	**10.1**	(127.5)
Equity loss	**(0.1)**	(3.2)
Other income (expense), net	**1.0**	(1.4)
Earnings (loss) before interest, loss on early extinguishment of debt and income taxes	**11.0**	(132.1)
Interest expense	**(24.3)**	(18.2)
Interest income	**0.9**	0.5
Loss on early extinguishment of debt	**(0.3)**	—
Loss before income taxes	**(12.7)**	(149.8)
Income tax provision	**0.3**	34.4
Net loss	**$ (13.0)**	$ (184.2)
Loss per common share:		
Basic	**$ (0.15)**	$ (2.08)
Diluted	**$ (0.15)**	$ (2.08)
Weighted average shares used for computation of:		
Basic loss per common share	**88.6**	88.4
Diluted loss per common share	**88.6**	88.4

The Notes to Condensed Consolidated Financial Statements are an integral part of these consolidated statements.

BRUNSWICK CORPORATION
Condensed Consolidated Balance Sheets

(in millions)	April 3, 2010 (unaudited)	December 31, 2009	April 4, 2009 (unaudited)
Assets			
Current assets			
Cash and cash equivalents, at cost, which approximates market	**$ 552.4**	$ 526.6	$ 359.1
Accounts and notes receivable, less allowances of $45.1, $47.7 and $39.6	**440.1**	332.4	381.9
Inventories			
Finished goods	**237.2**	234.4	371.7
Work-in-process	**178.4**	174.3	232.6
Raw materials	**89.0**	76.2	97.0
Net inventories	**504.6**	484.9	701.3
Deferred income taxes	**19.8**	79.3	13.3
Prepaid expenses and other	**31.0**	35.5	48.8
Current assets	**1,547.9**	1,458.7	1,504.4
Property			
Land	**93.8**	100.0	106.8
Buildings and improvements	**672.0**	678.3	677.2
Equipment	**1,070.8**	1,078.9	1,137.6
Total land, buildings and improvements and equipment	**1,836.6**	1,857.2	1,921.6
Accumulated depreciation	**(1,221.3)**	(1,221.8)	(1,163.2)
Net land, buildings and improvements and equipment	**615.3**	635.4	758.4
Unamortized product tooling costs	**80.8**	88.9	117.4
Net property	**696.1**	724.3	875.8
Other assets			
Goodwill	**290.6**	292.5	287.8
Other intangibles, net	**72.6**	75.6	83.4
Investments	**53.2**	56.7	70.9
Other long-term assets	**97.7**	101.6	114.3
Other assets	**514.1**	526.4	556.4
Total assets	**$ 2,758.1**	$ 2,709.4	$ 2,936.6

The Notes to Condensed Consolidated Financial Statements are an integral part of these consolidated statements.

BRUNSWICK CORPORATION
Condensed Consolidated Balance Sheets

(in millions, except share data)	April 3, 2010 (unaudited)	December 31, 2009	April 4, 2009 (unaudited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term debt, including current maturities of long-term debt	**$ 10.2**	$ 11.5	$ 2.4
Accounts payable	**320.6**	261.2	238.2
Accrued expenses	**589.3**	633.9	653.7
Current liabilities	**920.1**	906.6	894.3
Long-term liabilities			
Debt	**844.2**	839.4	728.1
Deferred income taxes	**62.7**	10.1	48.6
Postretirement and postemployment benefits	**537.6**	535.7	518.7
Other	**201.8**	207.3	199.6
Long-term liabilities	**1,646.3**	1,592.5	1,495.0
Shareholders' equity			
Common stock; authorized: 200,000,000 shares, $0.75 par value; issued: 102,538,000 shares	**76.9**	76.9	76.9
Additional paid-in capital	**415.7**	415.1	404.6
Retained earnings	**492.3**	505.3	911.7
Treasury stock, at cost: 14,088,000; 14,275,000 and 14,371,000 shares	**(410.2)**	(412.2)	(415.1)
Accumulated other comprehensive loss, net of tax	**(383.0)**	(374.8)	(430.8)
Shareholders' equity	**191.7**	210.3	547.3
Total liabilities and shareholders' equity	**$ 2,758.1**	$ 2,709.4	$ 2,936.6

The Notes to Condensed Consolidated Financial Statements are an integral part of these consolidated statements.

BRUNSWICK CORPORATION
Condensed Consolidated Statements of Cash Flows
(unaudited)

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Cash flows from operating activities		
Net loss	**$ (13.0)**	$ (184.2)
Depreciation and amortization	**35.1**	41.6
Pension expense, net of funding	**9.0**	22.5
Deferred income taxes	**0.3**	35.0
Other long-lived asset impairment charges	**0.5**	4.0
Loss on early extinguishment of debt	**0.3**	—
Changes in certain current assets and current liabilities	**(111.6)**	79.4
Income taxes	**107.5**	69.1
Other, net	**—**	(16.9)
Net cash provided by operating activities	**28.1**	50.5
Cash flows from investing activities		
Capital expenditures	**(8.6)**	(7.2)
Investments	**(0.3)**	(1.4)
Proceeds from the sale of property, plant and equipment	**1.0**	0.9
Other, net	**—**	(0.2)
Net cash used for investing activities	**(7.9)**	(7.9)
Cash flows from financing activities		
Net payments of short-term debt	**(0.6)**	(0.7)
Net proceeds from issuance of long-term debt	**10.0**	—
Payments of long-term debt including current maturities	**(3.5)**	(0.3)
Payment of premium on early extinguishment of debt	**(0.3)**	—
Net cash provided by (used for) financing activities	**5.6**	(1.0)
Net increase in cash and cash equivalents	**25.8**	41.6
Cash and cash equivalents at beginning of period	**526.6**	317.5
Cash and cash equivalents at end of period	**$ 552.4**	$ 359.1

The Notes to Condensed Consolidated Financial Statements are an integral part of these consolidated statements.

BRUNSWICK CORPORATION
Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1 – Significant Accounting Policies

Interim Financial Statements. The unaudited interim consolidated financial statements of Brunswick Corporation (Brunswick or the Company) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Therefore, certain information and disclosures normally included in financial statements and related notes prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. Certain previously reported amounts have been reclassified to conform to the current period presentation.

These financial statements should be read in conjunction with, and have been prepared in conformity with, the accounting principles reflected in the consolidated financial statements and related notes included in Brunswick's 2009 Annual Report on Form 10-K (the 2009 Form 10-K). These interim results include, in the opinion of management, all normal and recurring adjustments necessary to present fairly the financial position of Brunswick as of April 3, 2010, December 31, 2009, and April 4, 2009, the results of operations for the three months ended April 3, 2010, and April 4, 2009, and the cash flows for the three months ended April 3, 2010, and April 4, 2009. Due to the seasonality of Brunswick's businesses, the interim results are not necessarily indicative of the results that may be expected for the remainder of the year.

The Company maintains its financial records on the basis of a fiscal year ending on December 31, with the fiscal quarters spanning thirteen weeks and ending on the Saturday closest to the end of that thirteen-week period. The first quarter of fiscal year 2010 ended on April 3, 2010, and the first quarter of fiscal year 2009 ended on April 4, 2009.

Recent Accounting Pronouncements. In June 2009, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 166, "Accounting for Transfers of Financial Assets" (SFAS 166) (codified within the FASB Accounting Standards Codification (ASC) 860 "Transfers and Servicing"). SFAS 166 amends the derecognition guidance in SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (SFAS 140). SFAS 166 is effective for fiscal years beginning after November 15, 2009. The adoption of this statement did not have a material impact on the Company's consolidated results of operations and financial condition.

In June 2009, the FASB issued SFAS No. 167, "Amendments to FASB Interpretation No. 46(R)" (SFAS 167) (codified within ASC 810 "Consolidation"). SFAS 167 amends the consolidation guidance applicable to variable interest entities and affects the overall consolidation analysis under FASB Interpretation No. 46(R). SFAS 167 is effective for fiscal years beginning after November 15, 2009. The adoption of this statement resulted in the Company expanding its disclosures as reflected in **Note 11 – Financial Services**.

In October 2009, the FASB issued ASU No. 2009-13, "Multiple Deliverable Revenue Arrangements - a consensus of the FASB Emerging Issues Task Force" (ASU 2009-13) (codified within ASC Topic 605 "Revenue Recognition"). ASU 2009-13 addresses the accounting for multiple-deliverable arrangements to enable vendors to account for products or services (deliverables) separately rather than as a combined unit. ASU 2009-13 is effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with early adoption permitted. The Company is currently evaluating the impact that the adoption of the amendments to the FASB Accounting Standards Codification resulting from ASU 2009-13 may have on the Company's consolidated financial statements.

In January 2010, the FASB issued ASU No. 2010-06, "Improving Disclosures about Fair Value Measurements" (ASU 2010-06) (codified within ASC 820 "Fair Value Measurements and Disclosures" (ASC 820)). ASU 2010-06 improves disclosures originally required under SFAS No. 157, "Fair Value Measurements," (codified under ASC 820) ASU 2010-06 is effective for interim and annual periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those years. The adoption of this ASU resulted in the Company expanding its disclosures, as reflected in **Note 4 – Fair Value Measurements**.

In February 2010, the FASB issued ASU No. 2010-09, "Amendments to Certain Recognition and Disclosure Requirements" (ASU 2010-09) (codified within ASC 855 "Subsequent Events"). ASU 2010-09 amended SFAS No. 165, "Subsequent Events" (codified within ASC 855 "Subsequent Events") to resolve conflicts with SEC reporting requirements. The adoption of this ASU did not have a material impact on the Company's consolidated results of operations and financial condition.

Note 2 – Restructuring Activities

In November 2006, Brunswick announced restructuring initiatives to improve the Company's cost structure, better utilize overall capacity and improve general operating efficiencies. These initiatives reflected the Company's response to a difficult marine market. As the marine market continued to decline, Brunswick expanded its restructuring activities during 2007, 2008, 2009 and 2010 in order to improve performance and better position the Company for current market conditions and longer-term profitable growth. These initiatives have resulted in the recognition of restructuring, exit and impairment charges in the Statement of Operations during 2009 and 2010.

The nature of the costs incurred under these initiatives include:

Restructuring Activities – These amounts primarily relate to:

- Employee termination and other benefits
- Costs to retain and relocate employees
- Consulting costs
- Consolidation of manufacturing footprint

Exit Activities – These amounts primarily relate to:

- Employee termination and other benefits
- Lease exit costs
- Inventory write-downs
- Facility shutdown costs

Asset Disposition Actions – These amounts primarily relate to sales of assets and definite-lived asset impairments of:

- Fixed assets
- Tooling
- Patents and proprietary technology
- Dealer networks

BRUNSWICK CORPORATION
Notes to Condensed Consolidated Financial Statements
(unaudited)

Impairments of definite-lived assets are recognized when, as a result of the restructuring activities initiated, the carrying amount of the long-lived asset is not expected to be fully recoverable, in accordance with ASC 360, "Property, Plant, and Equipment." The impairments recognized were equal to the difference between the carrying amount of the asset and the fair value of the asset, which was determined using observable inputs, including the use of appraisals from independent third parties, when available, and, when observable inputs were not available, based on the Company's assumptions of the data that market participants would use in pricing the asset or liability, based on the best information available in the circumstances. Specifically, the Company used discounted cash flows to determine the fair value of the asset when observable inputs were unavailable.

The Company has reported restructuring and exit activities based on the specific driver of the cost and reflected the expense in the accounting period when the cost has been committed or incurred. The Company considers actions related to the sale of certain Baja boat business assets, the closure of its bowling pin manufacturing facility, the sale of the Valley-Dynamo and Integrated Dealer Systems businesses and the divestiture of MotoTron, to be exit activities. All other actions taken are considered to be restructuring activities.

The following table is a summary of the expense associated with the restructuring, exit and impairment activities for the three months ended April 3, 2010, and April 4, 2009. The 2010 charge consists of expenses related to actions initiated in 2010, 2009 and 2008:

	Three Months Ended	
(in millions)	**April 3, 2010**	**April 4, 2009**
Restructuring activities:		
Employee termination and other benefits	**$ 3.8**	$ 19.4
Current asset write-downs	—	2.6
Transformation and other costs:		
Consolidation of manufacturing footprint	**3.2**	12.4
Retention and relocation costs	—	0.1
Consulting costs	—	0.3
Exit activities:		
Employee termination and other benefits	—	0.1
Current asset write-downs	—	0.6
Transformation and other costs:		
Consolidation of manufacturing footprint	—	0.7
Asset disposition actions:		
Definite-lived asset impairments	**0.4**	3.4
Total restructuring, exit and impairment charges	**$ 7.4**	$ 39.6

The Company anticipates it will incur approximately $23 million of additional restructuring charges in 2010. Approximately $5 million of this amount relates to known restructuring activities that will be initiated in 2010, and approximately $18 million relates to restructuring activities initiated in 2009 and 2008. The Company expects most of these charges will be incurred in the Boat and Marine Engine segments. Further reductions in demand for the Company's products, or further opportunities to reduce costs, may result in additional restructuring, exit or impairment charges in 2010.

Actions Initiated in 2010 and 2009

There were no significant restructuring activities initiated in 2010. During 2009, the Company continued its restructuring activities by reducing the Company's global workforce, consolidating manufacturing operations and disposing of non-strategic assets. During the third quarter of 2009, the Company announced plans to reduce excess manufacturing capacity by relocating inboard and sterndrive production to Fond du Lac, Wisconsin and closing its Stillwater, Oklahoma plant. This plant consolidation effort is expected to occur through 2011. In connection with this action, the Company's hourly union workforce in Fond du Lac ratified a new collective bargaining agreement on August 31, 2009, which resulted in net restructuring charges as a result of incentives and changes to employees' current and postretirement benefits. The Company continued to consolidate the Boat segment's manufacturing footprint in 2009 and began marketing for sale certain previously closed boat production facilities in the fourth quarter of 2009, including the previously mothballed plants in Navassa and Swansboro, North Carolina, and its Riverview plant in Knoxville, Tennessee. The Company also recorded impairments during 2009 on tooling, its Cape Canaveral, Florida and Little Falls, Minnesota properties, and on a marina in St. Petersburg, Florida, to record these assets at their fair value. These actions in the Company's marine businesses are expected to provide long-term cost savings by reducing its fixed-cost structure.

The restructuring, exit and impairment charges recorded in the first quarter of 2010 and 2009, related to actions initiated in 2010 and 2009 for each of the Company's reportable segments, are summarized below:

	Three Months Ended	
(in millions)	**April 3, 2010**	**April 4, 2009**
Marine Engine	**$ 2.4**	$ 9.7
Boat	**2.7**	6.4
Fitness	—	1.0
Bowling & Billiards	**0.2**	0.1
Corporate	**0.3**	0.7
Total	**$ 5.6**	$ 17.9

The following is a summary of the charges by category associated with the 2010 and 2009 restructuring activities:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Restructuring activities:		
Employee termination and other benefits	**$ 3.8**	$ 12.9
Current asset write-downs	—	0.3
Transformation and other costs:		
Consolidation of manufacturing footprint	**1.8**	2.8
Retention and relocation costs	—	0.1
Consulting costs	—	0.3
Exit activities:		
Asset disposition actions:		
Definite-lived asset impairments	—	1.5
Total restructuring, exit and impairment charges	**$ 5.6**	$ 17.9

The restructuring charges related to actions initiated in 2010 and 2009, for each of the Company's reportable segments in the first quarter of 2010, are summarized below:

(in millions)	Marine Engine	Boat	Bowling & Billiards	Corporate	Total
Employee termination and other benefits	$ 1.3	$ 2.0	$ 0.2	$ 0.3	**$ 3.8**
Transformation and other costs	1.1	0.7	—	—	**1.8**
Total restructuring, exit and impairment charges	$ 2.4	$ 2.7	$ 0.2	$ 0.3	**$ 5.6**

The restructuring charges related to actions initiated in 2009, for each of the Company's reportable segments in the first quarter of 2009, are summarized below:

(in millions)	Marine Engine	Boat	Fitness	Bowling & Billiards	Corporate	Total
Employee termination and other benefits	$ 6.2	$ 5.3	$ 1.0	$ 0.1	$ 0.3	**$ 12.9**
Current asset write-downs	—	0.3	—	—	—	**0.3**
Transformation and other costs	2.7	0.1	—	—	0.4	**3.2**
Asset disposition actions	0.8	0.7	—	—	—	**1.5**
Total restructuring, exit and impairment charges	$ 9.7	$ 6.4	$ 1.0	$ 0.1	$ 0.7	**$ 17.9**

The following table summarizes the 2010 charges recorded for restructuring, exit and impairment charges related to actions initiated in 2010 and 2009 and the related status as of April 3, 2010. The accrued amounts remaining as of April 3, 2010 represent cash expenditures needed to satisfy remaining obligations. The majority of the accrued costs is expected to be paid by the end of 2010 and is included in Accrued expenses in the Condensed Consolidated Balance Sheets.

(in millions)	**Accrued Costs as of Jan. 1, 2010**	**Costs Recognized in 2010**	**Net Cash Payments**	**Accrued Costs as of Apr. 3, 2010**
Employee termination and other benefits	$ 8.5	$ 3.8	$ (5.8)	**$ 6.5**
Transformation and other costs:				
Consolidation of manufacturing footprint	2.0	1.8	(1.7)	**2.1**
Total restructuring, exit and impairment charges	$ 10.5	$ 5.6	$ (7.5)	**$ 8.6**

Actions Initiated in 2008

During the first quarter of 2008, the Company continued its restructuring activities by: closing its bowling pin manufacturing facility in Antigo, Wisconsin; announcing that it would close its boat plant in Bucyrus, Ohio, in anticipation of the proposed sale of certain assets relating to its Baja boat business; ceasing boat manufacturing at one of its facilities in Merritt Island, Florida; and closing its Swansboro, North Carolina, boat plant.

The Company announced additional actions in June 2008 as a result of the prolonged downturn in the U.S. marine market. The plan was designed to improve performance and better position the Company for current market conditions. The plan resulted in significant changes in the Company's organizational structure, most notably by reducing the complexity of its operations and further shrinking its North American manufacturing footprint. Specifically, the Company announced: the closure of its production facility in Newberry, South Carolina, due to its decision to cease production of its Bluewater Marine brands, including Sea Pro, Sea Boss, Palmetto and Laguna; its intention to close four additional boat plants; and the write-down of certain assets of the Valley-Dynamo coin-operated commercial billiards business.

During the third quarter of 2008, the Company accelerated its previously announced efforts to resize the Company in light of extraordinary developments within global financial markets that affected the recreational marine industry. Specifically, the Company announced the closure of its boat production facilities in Cumberland, Maryland; Pipestone, Minnesota; Roseburg, Oregon; and Arlington, Washington. The Company also decided to mothball its plant in Navassa, North Carolina. The Company completed the Cumberland, Roseburg, Arlington and Navassa facility shutdowns in the fourth quarter of 2008, and completed the Pipestone facility shutdown in the first quarter of 2009.

The restructuring, exit and impairment charges recorded in 2010 and 2009 related to actions initiated in 2008 for each of the Company's reportable segments, are summarized below:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Marine Engine	**$ —**	$ 2.0
Boat	**1.4**	18.6
Bowling & Billiards	**—**	0.7
Corporate	**0.4**	0.4
Total	**$ 1.8**	$ 21.7

The following is a summary of the total expense by category associated with the 2008 restructuring initiatives recognized during the first quarter of 2010 and 2009:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Restructuring activities:		
Employee termination and other benefits	**$ —**	$ 6.5
Current asset write-downs	**—**	2.3
Transformation and other costs:		
Consolidation of manufacturing footprint	**1.4**	9.6
Exit activities:		
Employee termination and other benefits	**—**	0.1
Current asset write-downs	**—**	0.6
Transformation and other costs:		
Consolidation of manufacturing footprint	**—**	0.7
Asset disposition actions:		
Definite-lived asset impairments	**0.4**	1.9
Total restructuring, exit and impairment charges	**$ 1.8**	$ 21.7

The restructuring charges related to actions initiated in 2008, for each of the Company's reportable segments in the first quarter of 2010, are summarized below:

(in millions)	Boat	Corporate	Total
Transformation and other costs	$ 1.4	$ —	**$ 1.4**
Asset disposition actions	—	0.4	**0.4**
Total restructuring, exit and impairment charges	$ 1.4	$ 0.4	**$ 1.8**

The restructuring charges related to actions initiated in 2008, for each of the Company's reportable segments in the first quarter of 2009, are summarized below:

(in millions)	Marine Engine	Boat	Bowling & Billiards	Corporate	Total
Employee termination and other benefits	$ 0.6	$ 5.5	$ 0.1	$ 0.4	**$ 6.6**
Current asset write-downs	0.7	1.6	0.6	—	**2.9**
Transformation and other costs	0.7	9.6	—	—	**10.3**
Asset disposition actions	—	1.9	—	—	**1.9**
Total restructuring, exit and impairment charges	$ 2.0	$ 18.6	$ 0.7	$ 0.4	**$ 21.7**

The following table summarizes the 2010 charges recorded for restructuring, exit and impairment charges related to actions initiated in 2008 and the related status as of April 3, 2010. The accrued amounts remaining as of April 3, 2010, represent cash expenditures needed to satisfy remaining obligations. The majority of the accrued costs is expected to be paid by the end of 2010 and is included in Accrued expenses in the Consolidated Balance Sheets.

(in millions)	Accrued Costs as of Jan. 1, 2010	Costs Recognized in 2010	Non-cash Charges	Net Cash Payments	Accrued Costs as of Apr. 3, 2010
Employee termination and other benefits	$ 1.2	$ —	$ —	$ (0.7)	**$ 0.5**
Transformation and other costs:					
Consolidation of manufacturing footprint	1.9	1.4	—	(1.6)	**1.7**
Asset disposition actions:					
Definite-lived asset impairments	—	0.4	(0.4)	—	**—**
Total restructuring, exit and impairment charges	$ 3.1	$ 1.8	$ (0.4)	$ (2.3)	**$ 2.2**

Note 3 – Financial Instruments

The Company operates globally, with manufacturing and sales facilities in various locations around the world. Due to the Company's global operations, the Company engages in activities involving both financial and market risks. The Company utilizes normal operating and financing activities, along with derivative financial instruments to minimize these risks.

Derivative Financial Instruments. The Company uses derivative financial instruments to manage its risks associated with movements in foreign currency exchange rates, interest rates and commodity prices. Derivative instruments are not used for trading or speculative purposes. For certain derivative contracts, on the date a derivative contract is entered into, the Company designates the derivative as a hedge of a forecasted transaction (cash flow hedge). The Company formally documents its hedge relationships, including identification of the hedging instruments and the hedged items, as well as its risk management objectives and strategies for undertaking the hedge transaction. This process includes linking derivatives that are designated as hedges to specific forecasted transactions. The Company also assesses, both at the inception and monthly thereafter, whether the derivatives used in hedging transactions are highly effective in offsetting the changes in the anticipated cash flows of the hedged item. There were no material adjustments as a result of ineffectiveness to the results of operations for the quarters ended April 3, 2010, and April 4, 2009. If the hedging relationship ceases to be highly effective, or it becomes probable that a forecasted transaction is no longer expected to occur, gains and losses on the derivative are recorded in Cost of sales or Interest expense as appropriate. The fair market value of derivative financial instruments is determined through market-based valuations and may not be representative of the actual gains or losses that will be recorded when these instruments mature due to future fluctuations in the markets in which they are traded. The effects of derivative and financial instruments are not expected to be material to the Company's financial position or results of operations when considered together with the underlying exposure being hedged.

Fair Value Hedges. During 2010 and 2009, the Company entered into foreign currency forward contracts to manage foreign currency exposure related to changes in the value of assets or liabilities caused by changes in the exchange rates of foreign currencies. The change in the fair value of the foreign currency derivative contract and the corresponding change in the fair value of the asset or liability of the Company are both recorded through earnings (loss), each period as incurred.

Cash Flow Hedges. Certain derivative instruments qualify as cash flow hedges under the requirements of ASC 815, "Derivatives and Hedging." The Company executes both forward and option contracts, based on forecasted transactions, to manage foreign exchange exposure mainly related to inventory purchase and sales transactions. The Company also enters into commodity swap agreements, based on anticipated purchases of aluminum and natural gas, to manage risk related to price changes. In prior periods, the Company entered into forward starting interest rate swaps to hedge the interest rate risk associated with the anticipated issuance of debt.

A cash flow hedge requires that as changes in the fair value of derivatives occur, the portion of the change deemed to be effective is recorded temporarily in Accumulated other comprehensive income (loss), an equity account, and reclassified into earnings (loss) in the same period or periods during which the hedged transaction affects earnings. As of April 3, 2010, the term of derivative instruments hedging forecasted transactions ranged from one to 21 months.

Foreign Currency. The Company enters into forward and option contracts to manage foreign exchange exposure related to forecasted transactions, and assets and liabilities that are subject to risk from foreign currency rate changes. These include product costs; revenues and expenses; associated receivables and payables; intercompany obligations and receivables; and other related cash flows.

Forward exchange contracts outstanding at April 3, 2010, and December 31, 2009, had notional contract values of $73.0 million and $101.9 million, respectively. Option contracts outstanding at April 3, 2010, and December 31, 2009, had notional contract values of $111.8 million and $103.7 million, respectively. The forward and options contracts outstanding at April 3, 2010, mature during 2010 and 2011 and primarily relate to the Euro, Mexican peso, Canadian dollar, British pound, Japanese yen, New Zealand dollar and Australian dollar. As of April 3, 2010, the Company estimates that during the next 12 months, it will reclassify approximately $1.6 million in net gains (based on current rates) from Accumulated other comprehensive income (loss) to Cost of sales.

Interest Rate. As of April 3, 2010, and December 31, 2009, the Company had $4.6 million and $4.8 million, respectively, of net deferred gains associated with all forward starting interest rate swaps included in Accumulated other comprehensive income (loss). These amounts include gains deferred on $250.0 million of forward starting interest rate swaps terminated in July 2006 and losses deferred on $150.0 million of notional value forward starting swaps, which were terminated in August 2008. There were no forward starting interest rate swaps outstanding at April 3, 2010. For the three months ended April 3, 2010, the Company recognized $0.2 million of net amortization gains in Interest expense related to all settled forward starting interest rate swaps.

Commodity Price. The Company uses commodity swaps to hedge anticipated purchases of aluminum and natural gas. Commodity swap contracts outstanding at April 3, 2010, and December 31, 2009, had notional values of $14.5 million and $15.5 million, respectively. The contracts outstanding mature throughout 2010 to 2011. The amount of gain or loss associated with these instruments are deferred in Accumulated other comprehensive income (loss) and are recognized in Cost of sales in the same period or periods during which the hedged transaction affects earnings. As of April 3, 2010, the Company estimates that during the next 12 months, it will reclassify approximately $3.1 million in net gains (based on current prices) from Accumulated other comprehensive income (loss) to Cost of sales.

As of April 3, 2010, the fair values of the Company's derivative instruments were:

(in millions)

	Derivative Assets		Derivative Liabilities	
Instrument	**Balance Sheet Location**	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Foreign exchange contracts	Prepaid Expenses and Other	$ 2.7	Accrued Expenses	$ 0.9
Commodity contracts	Prepaid Expenses and Other	4.6	Accrued Expenses	0.2
Total		$ 7.3		$ 1.1

As of December 31, 2009, the fair values of the Company's derivative instruments were:

(in millions)

	Derivative Assets		Derivative Liabilities	
Instrument	**Balance Sheet Location**	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Foreign exchange contracts	Prepaid Expenses and Other	$ 1.8	Accrued Expenses	$ 1.4
Commodity contracts	Prepaid Expenses and Other	6.4	Accrued Expenses	—
Total		$ 8.2		$ 1.4

The effect of derivative instruments on the Consolidated Statement of Operations for the three months ended April 3, 2010, was:

(in millions)

Fair Value Hedging Instruments	**Location of Gain/(Loss) Recognized in Income on Derivatives**	**Amount of Gain/(Loss) Recognized in Income on Derivatives**
Foreign exchange contracts	Cost of Sales	$ 1.3

Cash Flow Hedge Instruments	**Amount of Gain/(Loss) Recognized on Derivatives in Accumulated other comprehensive loss (Effective Portion)**	**Location of Gain/(Loss) Reclassified from Accumulated other comprehensive loss into Income (Effective Portion)**	**Amount of Gain/(Loss) Reclassified from Accumulated other comprehensive loss into Income (Effective Portion)**
Interest rate contracts	$ —	Interest Expense	$ 0.2
Foreign exchange contracts	1.9	Cost of Sales	(0.4)
Commodity contracts	(2.9)	Cost of Sales	(0.3)
Total	$ (1.0)		$ (0.5)

The effect of derivative instruments on the Consolidated Statement of Operations for the three months ended April 4, 2009, was:

(in millions)

Fair Value Hedging Instruments	Location of Gain/(Loss) Recognized in Income on Derivatives	Amount of Gain/(Loss) Recognized in Income on Derivatives
Foreign exchange contracts	Cost of Sales	$ (0.1)

Cash Flow Hedge Instruments	Amount of Gain/(Loss) Recognized on Derivatives in Accumulated other comprehensive loss (Effective Portion)	Location of Gain/(Loss) Reclassified from Accumulated other comprehensive loss into Income (Effective Portion)	Amount of Gain/(Loss) Reclassified from Accumulated other comprehensive loss into Income (Effective Portion)
Interest rate contracts	$ —	Interest Income	$ 0.2
Foreign exchange contracts	2.9	Cost of Sales	5.9
Commodity contracts	(1.8)	Cost of Sales	(3.8)
Total	$ 1.1		$ 2.3

Fair Value of Other Financial Instruments. The carrying values of the Company’s short-term financial instruments, including cash and cash equivalents, accounts and notes receivable and short-term debt, approximate their fair values because of the short maturity of these instruments. At April 3, 2010, the fair value of the Company’s long-term debt was approximately $807.4 million as estimated using quoted market prices or discounted cash flows based on market rates for similar types of debt. The carrying value of long-term debt, including current maturities, was $845.9 million as of April 3, 2010.

Note 4 – Fair Value Measurements

Fair value is defined under ASC 820, "Fair Value Measurements and Disclosures" (ASC 820) as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard established a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable.

- Level 1 - Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets.

- Level 2 - Inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. These are typically obtained from readily available pricing sources for comparable instruments.

- Level 3 - Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity's own assumptions of the data that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

The following table summarizes Brunswick's financial assets and liabilities measured at fair value on a recurring basis in accordance with ASC 820 as of April 3, 2010:

(in millions)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Cash equivalents	$ 381.0	$ —	$ —	**$ 381.0**
Other short-term investments	0.8	—	—	**0.8**
Long-term investments	3.1	—	—	**3.1**
Derivatives	—	7.3	—	**7.3**
Total assets	$ 384.9	$ 7.3	$ —	**$ 392.2**
Liabilities:				
Derivatives	$ —	$ 1.1	$ —	**$ 1.1**

The following table summarizes Brunswick's financial assets and liabilities measured at fair value on a recurring basis in accordance with ASC 820 as of December 31, 2009:

(in millions)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:				
Cash Equivalents	$ 350.0	$ —	$ —	**$ 350.0**
Other short-term investments	0.8	—	—	**0.8**
Long-term investments	4.3	—	—	**4.3**
Derivatives	—	8.2	—	**8.2**
Total Assets	$ 355.1	$ 8.2	$ —	**$ 363.3**
Liabilities:				
Derivatives	$ —	$ 1.4	$ —	**$ 1.4**

Refer to **Note 3 – Financial Instruments** for additional information related to the fair value of derivative assets and liabilities by class. In addition to the items shown in the table above, refer to Note 15 in the Company's 2009 Form 10-K for further discussion surrounding the fair value measurements associated with the Company's postretirement benefit plans.

During the first quarter of 2010 and 2009, the Company undertook various restructuring activities, as discussed in **Note 2 – Restructuring Activities**. The restructuring activities required the Company to perform fair value measurements, on a non-recurring basis, on certain asset groups to test for potential impairments. Certain of these fair value measurements indicated that the asset groups were impaired and, therefore, the assets were written down to fair value. Once an asset has been impaired, it is not remeasured at fair value on a recurring basis; however, it is still subject to fair value measurements to test for recoverability of the carrying amount. Other than the assets measured at fair value on a recurring basis, as shown in the table above, the asset balances shown in the Condensed Consolidated Balance Sheets that were measured at fair value on a non-recurring basis were \$3.5 million, \$29.7 million and \$3.7 million at April 3, 2010, December 31, 2009, and April 4, 2009, respectively, and relate primarily to assets no longer being used. Fair value for these asset balances was determined using a market approach and other Level 2 inputs, including third-party appraisals of comparable property.

Note 5 – Share-Based Compensation

Under the 2003 Stock Incentive Plan (Plan), the Company may grant stock options, stock appreciation rights (SARs), nonvested stock and other types of share-based awards to executives and other management employees. Under the Plan, the Company may issue up to 13.1 million shares, consisting of treasury shares and authorized, but unissued shares of common stock. As of April 3, 2010, 1.8 million shares were available for grant. Prior to 2005, the Company primarily issued share-based compensation in the form of stock options and had not issued any SARs. Since the beginning of 2005, the Company has issued stock-settled SARs and has not issued any stock options.

SARs

During the three months ended April 3, 2010, and April 4, 2009, the Company granted 2.2 million and 0.8 million SARs, respectively. In the three months ended April 3, 2010, and April 4, 2009, there was \$2.6 million and \$0.0 million of total expense, respectively, after adjusting for forfeitures, due to amortization of SARs granted.

The weighted average fair values of individual SARs granted were \$5.63 and \$2.16 during the first quarters of 2010 and 2009, respectively. The Company estimated the fair value of each grant on the date of grant using the Black-Scholes-Merton pricing model utilizing the following weighted average assumptions for 2010 and 2009:

	2010	**2009**
Risk-free interest rate	**2.8%**	3.0%
Dividend yield	**0.7%**	1.9%
Volatility factor	**53.0%**	73.9%
Weighted average expected life	**5.8 – 6.6 years**	5.7 – 6.3 years

Non-vested Stock Awards

During the three months ended April 3, 2010, and April 4, 2009, the Company granted 0.1 million and 0.0 million stock awards, respectively. The Company recognizes the cost of non-vested stock awards on a straight-line basis over the requisite service period. During the three months ended April 3, 2010, $0.5 million was charged to compensation expense from the amortization of previous grants. As a result of reversing the amortization of certain awards, the Company recognized income of $0.2 million in the first quarter of 2009.

As of April 3, 2010, there was $2.5 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements granted under the Plan. That cost is expected to be recognized over a weighted average period of 1.4 years.

Director Awards

The Company issues stock awards to directors in accordance with the terms and conditions determined by the Nominating and Corporate Governance Committee of the Board of Directors. One-half of each director's annual fee is paid in Brunswick common stock, the receipt of which may be deferred until a director retires from the Board of Directors. Each director may elect to have the remaining one-half paid either in cash, in Brunswick common stock distributed at the time of the award, or in deferred Brunswick common stock units with a 20 percent premium. Prior to May 2009, each non-employee director also received an annual grant of restricted stock units, which is deferred until the director retires from the Board.

Note 6 – Earnings (Loss) per Common Share

The Company calculates earnings (loss) per common share in accordance with ASC 260, "Earnings per Share." Basic earnings (loss) per common share is calculated by dividing net earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share is calculated similarly, except that the calculation includes the dilutive effect of stock options and SARs, collectively "options," and non-vested stock awards. Common stock equivalents continue to have an anti-dilutive effect on the net losses from operations and are not included in the diluted earnings (loss) per share computation in either 2010 or 2009.

Basic and diluted loss per common share for the three months ended April 3, 2010, and April 4, 2009, were calculated as follows:

(in millions, except per share data)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Net loss	**$ (13.0)**	$ (184.2)
Weighted average outstanding shares – basic	**88.6**	88.4
Dilutive effect of common stock equivalents	—	—
Weighted average outstanding shares – diluted	**88.6**	88.4
Basic loss per common share	**$ (0.15)**	$ (2.08)
Diluted loss per common share	**$ (0.15)**	$ (2.08)

As of April 3, 2010, there were 10.4 million options outstanding, of which 4.3 million were exercisable. This compares with 6.3 million options outstanding, of which 3.5 million were exercisable as of April 4, 2009. During the three months ended April 3, 2010, and April 4, 2009, there were 5.3 million and 6.3 million weighted average shares of options outstanding, respectively, for which the exercise price, based on the average price, was greater than the average market price of the Company's shares for the period then ended. These options were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive. As common stock equivalents have an anti-dilutive effect on the Company's net loss, the equivalents were not included in the computation of diluted earnings (loss) per common share for the three months ended April 3, 2010, and April 4, 2009.

Note 7 – Commitments and Contingencies

Financial Commitments

The Company has entered into guarantees of indebtedness of third parties, primarily in connection with customer financing programs. Under these arrangements, the Company has guaranteed customer obligations to the financial institutions in the event of customer default, generally subject to a maximum amount which is less than total obligations outstanding. The Company has also extended guarantees to third parties that have purchased customer receivables from Brunswick and, in certain instances, has guaranteed secured term financing of its customers. Potential payments in connection with these customer financing arrangements generally extend over several years. The potential cash payments associated with these customer financing arrangements as of April 3, 2010, and April 4, 2009, were:

(in millions)	Single Year Obligation April 3, 2010	Single Year Obligation April 4, 2009	Maximum Obligation April 3, 2010	Maximum Obligation April 4, 2009
Marine Engine	**$ 6.2**	$ 31.2	**$ 6.2**	$ 31.2
Boat	**4.6**	3.2	**4.6**	3.2
Fitness	**30.3**	26.9	**36.6**	37.2
Bowling & Billiards	**7.1**	10.5	**15.7**	25.3
Total	**$ 48.2**	$ 71.8	**$ 63.1**	$ 96.9

The reduction in potential obligations in the Marine Engine segment is a result of the Company's discontinuance of its sale of receivables program in May of 2009. See **Note 11 – Financial Services** for further details.

In most instances, upon repurchase of the debt obligation, the Company receives rights to the collateral securing the financing. The Company's risk under these arrangements is mitigated by the value of the collateral that secures the financing. The Company had $3.9 million accrued for potential losses related to recourse exposure at April 3, 2010.

The Company has also entered into arrangements with third-party lenders where it has agreed, in the event of a default by the customer, to repurchase from the third-party lender Brunswick products repossessed from the customer. These arrangements are typically subject to a maximum repurchase amount. The amount of collateral the Company could be required to purchase as of April 3, 2010, and April 4, 2009, was:

(in millions)	Single Year Obligation April 3, 2010	Single Year Obligation April 4, 2009	Maximum Obligation April 3, 2010	Maximum Obligation April 4, 2009
Marine Engine	**$ 2.9**	$ 3.7	**$ 2.9**	$ 3.7
Boat	**79.7**	118.4	**99.7**	155.2
Bowling & Billiards	**0.5**	1.9	**0.5**	1.9
Total	**$ 83.1**	$ 124.0	**$ 103.1**	$ 160.8

The Company had $6.6 million accrued for potential losses related to repurchase exposure at April 3, 2010. The Company's risk under these repurchase arrangements is mitigated by the value of the products repurchased as part of the transaction. The Company's repurchase accrual represents the expected losses on obligations to repurchase products, after giving effect to proceeds anticipated to be received from the resale of those products to alternative dealers.

Based on historical experience and current facts and circumstances, and in accordance with ASC 460, "Guarantees," the Company has recorded the fair value of its estimated net liability associated with losses from these guarantee and repurchase obligations on its Condensed Consolidated Balance Sheets. Historical cash requirements and losses associated with these obligations have not been significant, but could increase if dealer defaults increase as a result of the difficult market conditions.

Financial institutions have issued standby letters of credit and surety bonds conditionally guaranteeing obligations on behalf of the Company totaling $97.9 million as of April 3, 2010. A large portion of these standby letters of credit and surety bonds are related to the Company's self-insured workers' compensation program as required by its insurance companies and various state agencies. The Company has recorded reserves to cover liabilities associated with these programs. In addition, the Company has provided a letter of credit to GE Commercial Distribution Finance Corporation (GECDF) as a guarantee of the Company's obligations to GECDF and affiliates under various agreements. Under certain circumstances, such as an event of default under the Company's revolving credit facility, or, in the case of surety bonds, a ratings downgrade below investment grade, the Company could be required to post collateral to support the outstanding letters of credit and surety bonds. As the Company's current long-term debt ratings are below investment grade, the Company has posted letters of credit totaling $12.7 million as collateral against $13.5 million of outstanding surety bonds as of April 3, 2010.

In addition to the guarantee arrangements discussed above, the Company has accounts receivable sale arrangements with certain third parties. In accordance with ASC 860, "Transfers and Servicing," the Company treats the sale of receivables in which the Company retains an interest as a secured obligation as these arrangements do not meet the requirements of a "true sale." Accordingly, the current portion of $48.0 million and $46.1 million was recorded in Accounts and notes receivable and Accrued expenses as of April 3, 2010, and December 31, 2009, respectively, related to these arrangements. Further, the long-term portion of these arrangements of $45.4 million and $46.3 million as of April 3, 2010, and December 31, 2009, respectively, was recorded in Other long-term assets and Other long-term liabilities.

Product Warranties

The Company records a liability for product warranties at the time revenue is recognized. The liability is estimated using historical warranty experience, projected claim rates and expected costs per claim. The Company adjusts its liability for specific warranty matters when they become known and the exposure can be estimated. The Company's warranty reserves are affected by product failure rates as well as material usage and labor costs incurred in correcting a product failure. If these estimated costs differ from actual costs, a revision to the warranty reserve would be required.

The following activity related to product warranty liabilities was recorded in Accrued expenses during the three months ended April 3, 2010, and April 4, 2009:

	Three Months Ended	
(in millions)	**April 3, 2010**	**April 4, 2009**
Balance at beginning of period	**$ 139.8**	$ 145.4
Payments made	**(19.5)**	(22.5)
Provisions/additions for contracts issued/sold	**19.4**	19.9
Aggregate changes for preexisting warranties	**(0.3)**	0.8
Balance at end of period	**$ 139.4**	$ 143.6

Additionally, customers may purchase a contract from the Company that extends product protection beyond the standard product warranty period in the Company's Marine Engine, Boat and Fitness segments. For certain extended warranty contracts in which the Company retains the warranty obligation, a deferred liability is recorded based on the aggregate sales price for contracts sold. The deferred liability is reduced and revenue is recognized over the contract period as costs are expected to be incurred. Deferred revenue associated with contracts sold by the Company that extend product protection beyond the standard product warranty period, not included in the table above, was $36.6 million as of April 3, 2010.

Legal and Environmental

The Company accrues for litigation exposure based upon its assessment, made in consultation with counsel, of the likely range of exposure stemming from the claim. In light of existing reserves, the Company's litigation claims, when finally resolved, will not, in the opinion of management, have a material adverse effect on the Company's consolidated financial position. If current estimates for the cost of resolving any claims are later determined to be inadequate, results of operations could be adversely affected in the period in which additional provisions are required.

There were no significant changes to the legal and environmental commitments that were discussed in Note 11 to the consolidated financial statements in the 2009 Form 10-K.

Note 8 – Segment Data

Brunswick is a manufacturer and marketer of leading consumer brands, and operates in four reportable segments: Marine Engine, Boat, Fitness and Bowling & Billiards. The Company's segments are defined by management reporting structure and operating activities.

The Company evaluates performance based on business segment operating earnings. Operating earnings of segments do not include the expenses of corporate administration, earnings from equity affiliates, other expenses and income of a non-operating nature, interest expense and income, loss on early extinguishment of debt or provisions for income taxes.

Corporate/Other results include items such as corporate staff and administrative costs as well as the financial results of the Company's joint venture, Brunswick Acceptance Company, LLC, which is discussed in further detail in **Note 11 – Financial Services**. Corporate/Other total assets consist primarily of cash and marketable securities, deferred and prepaid income tax balances and investments in unconsolidated affiliates. Marine eliminations are eliminations between the Marine Engine and Boat segments for sales transactions consummated at established arm's length transfer prices.

The following table sets forth net sales and operating earnings (loss) of each of the Company's reportable segments for the three months ended April 3, 2010, and April 4, 2009:

	Net Sales		Operating Earnings (Loss)	
	Three Months Ended		Three Months Ended	
(in millions)	**April 3, 2010**	**April 4, 2009**	**April 3, 2010**	**April 4, 2009**
Marine Engine	**$ 445.7**	$ 343.9	**$ 26.5**	$ (50.6)
Boat	**243.6**	205.3	**(26.7)**	(72.3)
Marine eliminations	**(55.8)**	(33.0)	—	—
Total Marine	**633.5**	516.2	**(0.2)**	(122.9)
Fitness	**119.0**	118.6	**9.5**	0.3
Bowling & Billiards	**91.9**	99.9	**14.9**	10.6
Corporate/Other	—	—	**(14.1)**	(15.5)
Total	**$ 844.4**	$ 734.7	**$ 10.1**	$ (127.5)

The following table sets forth total assets of each of the Company's reportable segments:

	Total Assets	
(in millions)	**April 3, 2010**	**December 31, 2009**
Marine Engine	**$ 758.5**	$ 649.4
Boat	**482.9**	476.5
Total Marine	**1,241.4**	1,125.9
Fitness	**542.9**	564.7
Bowling & Billiards	**283.0**	288.8
Corporate/Other	**690.8**	730.0
Total	**$ 2,758.1**	$ 2,709.4

Note 9 – Investments

The Company has certain unconsolidated international and domestic affiliates that are accounted for using the equity method. See **Note 11 – Financial Services** for more details on the Company's joint venture, Brunswick Acceptance Company, LLC (BAC). Refer to Note 8 to the consolidated financial statements in the 2009 Form 10-K for further detail relating to the Company's investments.

Note 10 – Comprehensive Loss

The Company reports certain changes in equity during a period in accordance with ASC 220, "Comprehensive Income." Accumulated other comprehensive loss includes prior service costs and net actuarial gains and losses for defined benefit plans; foreign currency cumulative translation adjustments; unrealized derivative gains and losses; and investment gains and losses, all net of tax. Changes in the components of other comprehensive income (loss) for the three months ended April 3, 2010, and April 4, 2009, were as follows:

(in millions)	Three Months Ended	
	April 3, 2010	**April 4, 2009**
Net loss	**$ (13.0)**	$ (184.2)
Other comprehensive income (loss):		
Foreign currency cumulative translation adjustment	**(12.8)**	(17.1)
Net change in unrealized gains (losses) on investments	**(1.1)**	0.2
Net change in unamortized prior service cost	**(1.2)**	2.0
Net change in unamortized actuarial loss	**5.5**	17.0
Net change in accumulated unrealized derivative gains (losses)	**1.4**	(0.6)
Total other comprehensive income (loss)	**(8.2)**	1.5
Comprehensive loss	**$ (21.2)**	$ (182.7)

Note 11 – Financial Services

The Company, through its Brunswick Financial Services Corporation (BFS) subsidiary, owns a 49 percent interest in a joint venture, Brunswick Acceptance Company, LLC (BAC). CDF Ventures, LLC (CDFV), a subsidiary of GE Capital Corporation (GECC), owns the remaining 51 percent. BAC commenced operations in 2003 and provides secured wholesale inventory floor-plan financing to Brunswick's boat and engine dealers. BAC also purchased and serviced a portion of Mercury Marine's domestic accounts receivable relating to its boat builder and dealer customers. This program was terminated and replaced in May 2009 with a new facility discussed below and in **Note 14 - Debt**.

The term of the joint venture extends through June 30, 2014. The joint venture agreement contains provisions allowing for the renewal or purchase at the end of its term. Alternatively, either partner may terminate the agreement at the end of its term. Concurrent with finalizing the amended and restated asset-based revolving credit facility (Revolving Credit Facility), as described in Note 14 to the consolidated financial statement in the Company's 2009 Form 10-K, in the fourth quarter of 2008, the Company and CDFV amended the joint venture agreement to conform the financial covenant contained in that agreement to the minimum fixed-charge coverage ratio test contained in the Revolving Credit Facility. Compliance with the fixed-charge coverage ratio test under the joint venture agreement is only required when the Company's available, unused borrowing capacity under the Revolving Credit Facility is below $60 million. As available unused borrowing capacity under the Revolving Credit Facility was above $60 million at April 3, 2010, the Company was not required to meet the minimum fixed-charge test.

BAC is funded in part through a $1.0 billion secured borrowing facility from GE Commercial Distribution Finance Corporation (GECDF), which is in place through the term of the joint venture, and with equity contributions from both partners. BAC also sells a portion of its receivables to a securitization facility, the GE Dealer Floorplan Master Note Trust, which is arranged by GECC. The sales of these receivables meet the requirements of a "true sale" under ASC 860 "Transfers and Servicing," and are therefore not retained on the financial statements of BAC. The indebtedness of BAC is not guaranteed by the Company or any of its subsidiaries. In addition, BAC is not responsible for any continuing servicing costs or obligations with respect to the securitized receivables. BFS and GECDF have an income sharing arrangement related to income generated from the receivables sold by BAC to the securitization facility. The Company records this income in Other income (expense), net, in the Consolidated Statements of Operations.

BFS's investment in BAC is accounted for by the Company under the equity method and is recorded as a component of Investments in its Condensed Consolidated Balance Sheets. The Company records BFS's share of income or loss in BAC based on its ownership percentage in the joint venture in Equity earnings (loss) in its Consolidated Statements of Operations. BFS's equity investment is adjusted monthly to maintain a 49 percent interest in accordance with the capital provisions of the joint venture agreement. The Company funds its investment in BAC through cash contributions and reinvested earnings. BFS's total investment in BAC at April 3, 2010, and December 31, 2009, was $16.5 million and $16.2 million, respectively.

The Company's maximum loss exposure relating to BAC is detailed as follows:

(in millions)	April 3, 2010	December 31, 2009
Investment	**$ 16.5**	$ 16.2
Repurchase and recourse obligations (A)	**72.3**	72.3
Liabilities (B)	**(5.3)**	(8.4)
Total maximum loss exposure	**$ 83.5**	$ 80.1

(A) Repurchase and recourse obligations are off-balance obligations provided by the Company for the Boat and Marine Engine segments, respectively, and are included within the Maximum Potential Obligation of **Note 7 - Commitments and Contingencies**. Repurchase and recourse obligations are primarily related to a global repurchase agreement with GE and could be reduced by repurchase activity occurring under other similar repurchase agreements with GECDF and affiliates. The Company's risk under these repurchase arrangements is mitigated by the value of the products repurchased as part of the transaction.

(B) Represents accrued amounts for potential losses related to repurchase and recourse exposure.

BFS recorded income related to the operations of BAC in Equity earnings (loss) and amounts under the aforementioned income sharing agreement under Other income (expense), the net of which resulted in BFS recording income of $0.9 million and $1.1 million as of April 3, 2010, and April 4, 2009, respectively. Amounts recorded exclude discount expense paid by the Company in 2009 on the sale of Mercury Marine's accounts receivable to the joint venture as noted below.

There were no accounts receivable sold to BAC in the first quarter of 2010 due to the replacement of the program in May 2009. Accounts receivable totaling $114.3 million were sold to BAC in the first quarter of 2009. Discounts of $1.0 million for the first quarter of 2009, have been recorded as an expense in Other income (expense), net, in the Consolidated Statements of Operations. Pursuant to the joint venture agreement, BAC reimbursed Mercury Marine $0.6 million in the first quarter of 2009, for the related credit, collection and administrative costs incurred in connection with the servicing of such receivables. In May 2009, the Company entered into an asset-based lending facility (Mercury Receivables ABL Facility) with GECDF to replace the Mercury Marine accounts receivable sale program the Company had with BAC. See **Note 14 – Debt** for more details on the Company's Mercury Receivables ABL Facility. Concurrent with entering into the Mercury Receivables ABL Facility, the Company repurchased $84.2 million of accounts receivable from BAC in May 2009. Therefore, there was no outstanding balance of receivables sold to BAC as of April 3, 2010, or December 31, 2009.

Note 12 – Income Taxes

The Company would ordinarily recognize a tax benefit on operating losses; however, due to the Company's recent cumulative losses for book purposes and the uncertainty of the realization of certain deferred tax assets, the Company continues to adjust its valuation allowances accordingly as the deferred tax assets increase or decrease resulting in effectively no recorded federal tax benefit. The Company is in a similar situation in certain state and foreign taxing jurisdictions, but an income tax provision or benefit is still required for those entities that are not in cumulative loss positions. The Company recognized an income tax provision of $0.3 million for the three months ended April 3, 2010, which included a tax provision of $2.4 million related to state and foreign locations where the Company is not in a cumulative loss position, partially offset by a $2.1 million benefit related to the reassessment of tax reserves. The effective tax rate, which is calculated as the income tax provision as a percent of pretax losses, for the three months ended April 3, 2010, was (2.4) percent.

The Company recognized an income tax provision for the three months ended April 4, 2009, despite losses before taxes. The provision was primarily due to uncertainty concerning the realization of certain state and foreign net deferred tax assets, as prescribed by ASC 740, "Income Taxes." A valuation allowance of $36.6 million was recorded during the first quarter of 2009 to reduce certain state and foreign net deferred tax assets to their anticipated realizable value. The remaining realizable value was determined by evaluating the potential to recover the value of these assets through the utilization of loss carrybacks. The effective tax rate, for the three months ended April 4, 2009, was (23.0) percent.

As of April 3, 2010, and December 31, 2009, the Company had $35.3 million and $45.9 million of gross unrecognized tax benefits, including interest, respectively. The Company believes it is reasonably possible that the total amount of gross unrecognized tax benefits, as of April 3, 2010, could decrease by approximately $6.4 million in the next 12 months due to settlements with taxing authorities. Due to the various jurisdictions in which the Company files tax returns and the uncertainty regarding the timing of the settlement of tax audits, it is possible that there could be other significant changes in the amount of unrecognized tax benefits in 2010, but the amount cannot be estimated.

The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. As of April 3, 2010, and December 31, 2009, the Company had approximately $5.3 million and $6.0 million accrued for the payment of interest, respectively. There were no amounts accrued for penalties at April 3, 2010, or December 31, 2009.

The Company is regularly audited by federal, state and foreign tax authorities. The Company's taxable years 2004 through 2008 are currently open for IRS examination. The IRS has completed its field examination and has issued its Revenue Agents Report for 2004 and 2005 and all open issues have been resolved. The IRS examination for 2006, 2007 and 2008 is currently in process. Primarily as a result of filing amended tax returns, which were generated by the closing of federal income tax audits, the Company is still open to state and local tax audits in major tax jurisdictions dating back to the 2003 taxable year. With the exception of Germany, where the Company is currently undergoing a tax audit for taxable years 1998 through 2007, the Company is no longer subject to income tax examinations by any other major foreign tax jurisdiction for years prior to 2003. As a result of the German tax audit for the years 1998 through 2001, the Company's German subsidiary received a proposed audit adjustment in the fourth quarter of 2009, which is being contested by the Company, related to the shutdown of the subsidiary's pinsetter manufacturing operation and sale of the subsidiary's pinsetter assets to a related subsidiary.

Note 13 – Pension and Other Postretirement Benefits

The Company has defined contribution plans, qualified and nonqualified pension plans, and other postretirement benefit plans covering substantially all of its employees. The Company's contributions to its defined contribution plans are largely discretionary and are based on various percentages of compensation, and in some instances are based on the amount of the employees' contributions to the plans. See Note 15 to the consolidated financial statements in the 2009 Form 10-K for further details regarding these plans.

Pension and other postretirement benefit costs included the following components for the three months ended April 3, 2010, and April 4, 2009:

	Pension Benefits		**Other Postretirement Benefits**	
	Three Months Ended		**Three Months Ended**	
(in millions)	**April 3, 2010**	**April 4, 2009**	**April 3, 2010**	**April 4, 2009**
Service cost	**$ 0.3**	$ 2.9	**$ 0.1**	$ 0.5
Interest cost	**16.2**	16.5	**1.0**	1.5
Expected return on plan assets	**(12.3)**	(12.5)	**—**	—
Amortization of prior service costs (credits)	**0.1**	1.0	**(1.0)**	(0.3)
Amortization of net actuarial loss	**5.5**	12.6	**—**	—
Curtailment loss	**—**	2.8	**—**	—
Net pension and other benefit costs	**$ 9.8**	$ 23.3	**$ 0.1**	$ 1.7

Employer Contributions. During the three months ended April 3, 2010, and April 4, 2009, the Company contributed $0.8 million and $0.8 million, respectively, to fund benefit payments to its nonqualified pension plan. The Company did not make any contributions to the qualified pension plans during the three months ended April 3, 2010, and April 4, 2009. Company contributions are subject to changes in the plan's funded position and Company discretion.

Note 14 – Debt

Short-term debt at April 3, 2010, and December 31, 2009, consisted of the following:

(in millions)	April 3, 2010	December 31, 2009
Mercury Receivables ABL Facility	**$ –**	$ –
Current maturities of long-term debt	**1.7**	1.8
Other short-term debt	**8.5**	9.7
Total short-term debt	**$ 10.2**	$ 11.5

In May 2009, the Company entered into the Mercury Receivables ABL Facility with GE Commercial Distribution Finance Corporation (GECDF) to replace the Mercury Marine accounts receivable sale program the Company had with Brunswick Acceptance Company, LLC (BAC) as described in **Note 11 – Financial Services**. The Mercury Receivables ABL Facility agreement provides for a base level of borrowings of $100.0 million and is secured by the domestic accounts receivable of Mercury Marine, a division of the Company, at a borrowing rate, set at the beginning of each month, equal to the one-month LIBOR rate plus 4.25 percent, provided, however, that the one-month LIBOR rate shall not be less than 1.0 percent. Borrowings under the Mercury Receivables ABL Facility can be adjusted to $120.0 million to accommodate seasonal increases in accounts receivable from May to August. Borrowing availability under this facility is subject to a borrowing base consisting of Mercury Marine domestic accounts receivable, adjusted for eligibility requirements, with an 85 percent advance rate. The Company had the capacity to borrow an additional $21.5 million in excess of the borrowing base according to the over-advance feature through November 2009. The over-advance amount declines ratably each month through November 2010. Borrowings under the Mercury Receivables ABL Facility are further limited to the lesser of the total amount available under the Mercury Receivables ABL Facility or the Mercury Marine receivables, excluding certain accounts, pledged as collateral against the Mercury Receivables ABL Facility. The Mercury Receivables ABL Facility also includes a financial covenant, which corresponds to the minimum fixed-charge coverage ratio covenant included in the Company's revolving credit facility and the BAC joint venture agreement described in **Note 11 – Financial Services**. The Mercury Receivables ABL Facility's term will expire concurrently with the termination of BAC, by the Company with 90 days notice or by GECDF upon the Company's default under the Mercury Receivables ABL Facility, including failure to comply with the facility's financial covenant. Initial borrowings under the Mercury Receivables ABL Facility were $81.1 million, but have since been repaid and the Company had no borrowings outstanding at April 3, 2010, and December 31, 2009. The amount of borrowing capacity available under this facility at April 3, 2010, and December 31, 2009 was $65.1 million and $42.2 million, respectively.

Long-Term Debt at April 3, 2010, and December 31, 2009, consisted of the following:

(in millions)	April 3, 2010	December 31, 2009
Senior notes, currently 11.25%, due 2016, net of discount of $9.5 and $9.9	**$ 340.5**	$ 340.1
Notes, 7.125% due 2027, net of discount of $0.8 and $0.8	**199.2**	199.2
Senior notes, currently 11.75%, due 2013	**150.4**	153.4
Debentures, 7.375% due 2023, net of discount of $0.4 and $0.4	**124.6**	124.6
Loan with Fond du Lac County Economic Development Corporation, 2.0% due 2021, net of discount of $5.5 and $3.8	**24.5**	16.2
Notes, 1.82% to 4.0% payable through 2015	**6.5**	7.5
Notes, 5.0% due 2011	**0.2**	0.2
	845.9	841.2
Current maturities of long-term debt	**(1.7)**	(1.8)
Long-term debt	**$ 844.2**	$ 839.4

On December 23, 2009, the Company entered into a $50 million loan agreement with the Fond du Lac County Economic Development Corporation (FDL-EDC). Initial borrowings under this loan were $20.0 million at a 2.0 percent interest rate, due 2021. This loan is part of a $50.0 million appropriation made to the FDL-EDC by the County of Fond du Lac, Wisconsin, to provide financial assistance to encourage and enable the Company's Mercury Marine division to remain headquartered in Fond du Lac. See **Note 2 – Restructuring Activities** for further discussion. Additional borrowings of $10.0 million were obtained during March 2010, and the Company anticipates borrowing an additional $10.0 million in the third quarter of 2010 and an additional $10.0 million in the first quarter of 2011, all under the same terms described above. Principal payments under the FDL-EDC loan are due in equal annual installments beginning December 23, 2012. Likewise, interest accrues on the loan and is payable at the date of the first principal payment, and is due annually thereafter. Under the terms of the FDL-EDC loan, up to approximately 43 percent of the principal due under this loan is forgivable if the Company achieves certain employment target levels as outlined in the agreement. The amount of loan forgiveness is based on average employment levels at the end of the previous four quarters. The FDL-EDC loan is secured by facilities and machinery and equipment located in Fond du Lac. The carrying value of this debt at April 3, 2010, includes a $5.5 million discount calculated using a blended market based interest rate of 3.79 percent rather than the stated interest rate of 2.0 percent as the stated interest rate is viewed as a below market interest rate.

In February 2010, the Company repurchased $3.0 million of its 11.75 percent Senior notes due 2013, and recorded $0.3 million of loss in the quarter ending April 3, 2010, in Loss on early extinguishment of debt on the Consolidated Statements of Operations. See Note 14 to the consolidated financial statements in the 2009 Form 10-K for further details regarding the Company's debt.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements in Management's Discussion and Analysis are based on non-GAAP financial measures. Specifically, the discussion of the Company's cash flows includes an analysis of free cash flows, net debt and total liquidity. GAAP refers to generally accepted accounting principles in the United States. A "non-GAAP financial measure" is a numerical measure of a registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of operations, balance sheet or statement of cash flows of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. Operating and statistical measures are not non-GAAP financial measures.

The Company includes non-GAAP financial measures in Management's Discussion and Analysis, as Brunswick's management believes that these measures and the information they provide are useful to investors because they permit investors to view Brunswick's performance using the same tools that management uses and to better evaluate the Company's ongoing business performance.

Certain statements in Management's Discussion and Analysis are forward-looking as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations that are subject to risks and uncertainties. Actual results may differ materially from expectations as of the date of this filing because of factors discussed in Item 1A – Risk Factors in Brunswick's 2009 Annual Report on Form 10-K (2009 Form 10-K).

Overview and Outlook

General

The Company continued to maintain strong liquidity during the first quarter of 2010, increasing its cash balances and reducing its net debt (defined as total debt, less Cash and cash equivalents) position. Management continues to believe that the Company has adequate sources of liquidity to meet its short-term and long-term needs and expects that the Company's interim cash requirements will be met out of existing cash balances and cash flow.

Net sales during the first quarter of 2010 increased 15 percent to $844.4 million from $734.7 million in the first quarter of 2009, which was driven by the Company's Marine Engine and Boat segments, partially offset by declines in the Company's Bowling & Billiards segment. Increasing sales when compared with the prior year in the marine businesses were a result of increased production and wholesale shipments as boat builders increased their production rates and dealers began to replenish their inventories in advance of the retail selling season. While the Company believes that retail sales of powerboats in the United States will continue to decline in 2010 from the height of the market in 2005, it expects the rate of decline to decrease significantly when compared to rates of decline experienced during 2009. Additionally, the Company expects its marine wholesale shipments in 2010 to more closely match marine retail demand, whereas 2009 wholesale shipments were significantly lower than retail unit sales. The Company also experienced international sales growth in all of its segments during the first quarter of 2010 when compared with 2009, with every segment, except for the Boat segment, seeing international sales growth outpace domestic sales growth.

Quarterly operating earnings were $10.1 million with an operating margin of 1.2 percent. These results included $7.4 million of restructuring, exit and impairment charges recorded during the first quarter of 2010. In the three months ended April 4, 2009, the Company recorded a quarterly operating loss of $127.5 million, with a negative operating margin of 17.4 percent, which included restructuring, exit and impairment charges of $39.6 million. The improvement in operating earnings during the first quarter of 2010 when compared with the first quarter of 2009 was primarily the result of higher overall unit sales discussed above and improved fixed-cost absorption from the increased production levels, as well as lower discounts provided to facilitate retail boat sales. Additionally, operating earnings in the first quarter of 2010 benefited from lower restructuring, exit and impairment charges, cost reductions from successful cost-reduction initiatives, and lower pension and bad debt expense.

During the three months ended April 3, 2010, the Company recognized a tax provision of $0.3 million, despite a loss of $12.7 million before taxes. The Company would ordinarily recognize a tax benefit on operating losses; however, due to the Company's recent cumulative losses for book purposes and the uncertainty of the realization of certain deferred tax assets, the Company continues to adjust its valuation allowances accordingly as the deferred tax assets increase or decrease resulting in effectively no recorded federal tax benefit. The Company is in a similar situation in certain state and foreign taxing jurisdictions, but an income tax provision or benefit is still required for those entities that are not in cumulative loss positions. The tax provision of $0.3 million for the three months ended April 3, 2010 included a tax provision of $2.4 million related to state and foreign locations where the Company is not in a cumulative loss position, partially offset by a $2.1 million benefit related to the reassessment of tax reserves.

During the three months ended April 4, 2009, the Company recognized a tax provision of $34.4 million, despite incurring a loss of $149.8 million before taxes. As described above, the Company would typically recognize a tax benefit on losses before income taxes; however, due to the uncertainty of the realization of certain state and foreign net deferred tax assets, $36.6 million of special tax charges were recognized primarily to reduce certain state and foreign net deferred tax assets to their anticipated realizable value.

Restructuring Activities

In November 2006, Brunswick announced restructuring initiatives to improve the Company's cost structure, better utilize overall capacity and improve general operating efficiencies. These initiatives reflected the Company's response to a difficult marine market. As the marine market continued to decline, Brunswick expanded its restructuring activities during 2007, 2008, 2009 and 2010 in order to improve performance and better position the Company for current market conditions and longer-term growth. The Company began to see savings related to these initiatives in 2008 and 2009, and expects savings to continue in 2010.

The restructuring, exit and impairment charges recorded during 2010 and 2009 for each of the Company's reportable segments are summarized below:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009
Marine Engine	**$ 2.4**	$ 11.7
Boat	**4.1**	25.0
Fitness	—	1.0
Bowling & Billiards	**0.2**	0.8
Corporate	**0.7**	1.1
Total	**$ 7.4**	$ 39.6

See **Note 2 – Restructuring Activities** in the Notes to Condensed Consolidated Financial Statements for further details. The Company anticipates it will incur approximately $23 million of additional charges in 2010 related to known restructuring activities that will be initiated in 2010 or have been previously initiated.

Matters Affecting Comparability

The following events have occurred during the three months ended April 3, 2010, and April 4, 2009, which the Company believes affect the comparability of the results of operations:

Restructuring, exit and impairment charges. Brunswick announced initiatives to improve the Company's cost structure, better utilize overall capacity and improve general operating efficiencies. During the first quarter of 2010, the Company recorded a charge of $7.4 million related to restructuring activities as compared with $39.6 million in the first quarter of 2009. See **Note 2 – Restructuring Activities** in the Notes to Condensed Consolidated Financial Statements for further details.

Tax Items. The tax provision of $0.3 million for the three months ended April 3, 2010 included a tax provision of $2.4 million related to state and foreign locations where the Company is not in a cumulative loss position, partially offset by a $2.1 million benefit related to the reassessment of tax reserves. During the three months ended April 4, 2009, the Company recognized a tax provision of $34.4 million, despite incurring a loss of $149.8 million before taxes. The Company would typically recognize a tax benefit on losses before income taxes; however, due to the uncertainty of the realization of certain state and foreign net deferred tax assets, $36.6 million of special tax charges were recognized primarily to reduce certain state and foreign net deferred tax assets to their anticipated realizable value.

Results of Operations

Consolidated

The following table sets forth certain amounts, ratios and relationships calculated from the Consolidated Statements of Operations for the three months ended:

	Three Months Ended		2010 vs. 2009 Increase/(Decrease)	
(in millions, except per share data)	**April 3, 2010**	**April 4, 2009**	**$**	**%**
Net sales	**$ 844.4**	$ 734.7	$ 109.7	14.9 %
Gross margin [A]	**$ 178.6**	$ 91.2	$ 87.4	95.8 %
Restructuring, exit and impairment charges	**$ 7.4**	$ 39.6	$ (32.2)	(81.3)%
Operating earnings (loss)	**$ 10.1**	$ (127.5)	$ 137.6	NM
Net loss	**$ (13.0)**	$ (184.2)	$ (171.2)	(92.9)%
Diluted loss per share	**$ (0.15)**	$ (2.08)	$ (1.93)	(92.8)%
Expressed as a percentage of Net sales:				
Gross margin	**21.2 %**	12.4 %		880 bpts
Selling, general and administrative expense	**16.4 %**	21.1 %		(470) bpts
Research and development expense	**2.6 %**	3.3 %		(70) bpts
Restructuring, exit and impairment charges	**0.9 %**	5.4 %		(450) bpts
Operating margin	**1.2 %**	(17.4)%		NM

bpts = basis points
NM = not meaningful

(A) Gross margin is defined as Net sales less Cost of sales as presented in the Consolidated Statements of Operations.

The increase in net sales was primarily due to increased wholesale shipments to meet customer inventory requirements in the Company's Marine Engine and Boat segments as well as the favorable result of foreign currency translation. This increase was partially offset by a modest decline in the Company's Bowling & Billiards segment and relatively flat sales at its Fitness segment. Despite the increase in the Company's net sales, there continues to be uncertainty in the global economy and continued credit constraints, which have limited the Company's retail and other customers' purchasing power and have curtailed retail activity. As a result of the prolonged decline in marine retail demand and tighter credit markets, a number of the Company's dealers have filed for bankruptcy or voluntarily ceased operations. If additional dealers file for bankruptcy or cease operations, the Company's net sales and earnings may be unfavorably affected as a result of lower market coverage and the associated decline in sales. Net sales in the Bowling & Billiards segment and the domestic business of the Fitness segment declined during the three months ended April 3, 2010, when compared with the three months ended April 4, 2009, as operators in these industries continue to experience reduced access to capital and remained cautious about making capital purchases. International sales for the Company increased 23 percent in the first quarter of 2010 when compared with the first quarter of 2009. Increases in international sales were realized by each of the Company's segments.

The increase in gross margin percentage in the first quarter of 2010 compared with the same period last year was primarily due to higher fixed-cost absorption and increased efficiencies due to increased production rates as a result of increased customer demand in the marine businesses, as well as decreased dealer retail incentive programs, lower pension expense and the realization of successful cost-reduction efforts.

Selling, general and administrative expense declined by $16.4 million to $138.8 million in the first quarter of 2010. The decrease was primarily a result of successful cost-reduction efforts, reduced pension and bad debt expense, and a favorable recovery against an insurance policy.

During the first quarter of 2010, the Company incurred fewer restructuring charges than in the first quarter of 2009. Restructuring activities during the first quarter of 2010 included the continued consolidation of the Company's marine engine production from its Stillwater, Oklahoma plant to its Fond du Lac, Wisconsin plant, as well as continuing plant closure costs associated with the Company's Boat segment. Costs incurred during the first quarter of 2009 included continued headcount reductions throughout the Company and additional programs to realign the Company's marine manufacturing footprint. See **Note 2 – Restructuring Activities** in the Notes to Condensed Consolidated Financial Statements for further details.

Equity loss decreased $3.1 million to a loss of $0.1 million in the first quarter of 2010, from a loss of $3.2 million in the first quarter of 2009. The decrease in equity loss was primarily the result of improved financial results from the Company's marine joint ventures in the first quarter of 2010 compared with the first quarter of 2009.

Interest expense increased $6.1 million in the first quarter of 2010 compared with the same period in 2009, primarily as a result of higher outstanding debt levels in 2010 and increased borrowing rates resulting from refinancing activities in August 2009. Interest income increased $0.4 million in the first quarter of 2010 compared with the same period in 2009, as increased investment balances more than offset a decline in interest returns on investments.

During the three months ended April 3, 2010, the Company recognized a tax provision of $0.3 million, despite a loss of $12.7 million before taxes. The Company would ordinarily recognize a tax benefit on operating losses; however, due to the Company's recent cumulative losses for book purposes and the uncertainty of the realization of certain deferred tax assets, the Company continues to adjust its valuation allowances accordingly as the deferred tax assets increase or decrease resulting in effectively no recorded federal tax benefit. The Company is in a similar situation in certain state and foreign taxing jurisdictions, but an income tax provision or benefit is still required for those entities that are not in cumulative loss positions. The tax provision of $0.3 million for the three months ended April 3, 2010 included a tax provision of $2.4 million related to state and foreign locations where the Company is not in a cumulative loss position, partially offset by a $2.1 million benefit related to the reassessment of tax reserves.

During the three months ended April 4, 2009, the Company recognized a tax provision of $34.4 million, despite incurring a loss of $149.8 million before taxes. As described above, the Company would typically recognize a tax benefit on losses before income taxes; however, due to the uncertainty of the realization of certain state and foreign net deferred tax assets, $36.6 million of special tax charges were recognized primarily to reduce certain state and foreign net deferred tax assets to their anticipated realizable value.

Operating loss, Net loss and diluted loss per share decreased in the first quarter of 2010 when compared to the same period in 2009 primarily due to the same factors discussed above.

Marine Engine Segment

The following table sets forth Marine Engine segment results for the three months ended:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009	2010 vs. 2009 Increase/(Decrease) $	2010 vs. 2009 Increase/(Decrease) %
Net sales	**$ 445.7**	$ 343.9	$ 101.8	29.6 %
Restructuring, exit and impairment charges	**$ 2.4**	$ 11.7	$ (9.3)	(79.5)%
Operating earnings (loss)	**$ 26.5**	$ (50.6)	$ 77.1	NM
Operating margin	**5.9 %**	(14.7)%		NM
Capital expenditures	**$ 3.2**	$ 2.5	$ 0.7	28.0 %

____

NM = not meaningful

Net sales recorded by the Marine Engine segment increased by 29.6% to $445.7 million in the first quarter of 2010 when compared with the first quarter of 2009. The increase was primarily due to increased wholesale shipments to meet customer inventory requirements across all of the segment's operations except for the marine service, parts and accessories businesses, which experienced a low single-digit percentage decline in sales during the quarter. In addition to the increased sales volume, net sales increased as a result of favorable foreign currency translation in the three months ended April 3, 2010. International sales represented 47% of the segment's sales during the first quarter of 2010.

The restructuring, exit and impairment charges recognized during the first quarter of 2010 were primarily related to severance charges and other restructuring activities associated with the Company's consolidation of its engine production as discussed in **Note 2 – Restructuring Activities** in the Notes to Condensed Consolidated Financial Statements.

Marine Engine segment operating earnings (loss) increased in the first quarter of 2010 as a result of higher sales volumes and fixed-cost absorption, along with fixed-cost savings from successful cost reduction efforts, lower restructuring, exit and impairment charges, reduced pension and bad debt expense, and a favorable recovery against an insurance policy.

Capital expenditures in the first quarters of 2010 and 2009 were primarily related to profit-maintaining investments.

Boat Segment

The following table sets forth Boat segment results for the three months ended:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009	2010 vs. 2009 Increase/(Decrease) $	2010 vs. 2009 Increase/(Decrease) %
Net sales	**$ 243.6**	$ 205.3	$ 38.3	18.7 %
Restructuring, exit and impairment charges	**$ 4.1**	$ 25.0	$ (20.9)	(83.6)%
Operating loss	**$ (26.7)**	$ (72.3)	$ (45.6)	(63.1)%
Operating margin	**(11.0)%**	(35.2)%		NM
Capital expenditures	**$ 3.6**	$ 4.0	$ (0.4)	(10.0)%

NM = not meaningful

The increase in Boat segment net sales during the first quarter of 2010 was largely the result of higher wholesale sales volumes of boats to meet customer inventory requirements, which is a direct result of historically low dealer inventories entering 2010. The Boat segment also offered reduced dealer retail incentives in the first quarter of 2010 when compared with 2009. International sales represented 37% of the segment's sales during the first quarter of 2010.

The restructuring, exit and impairment charges recognized during the first quarter of 2010 and 2009 were primarily related to severance charges, additional costs associated with consolidation of the Company's manufacturing footprint and other restructuring activities initiated in 2008 and 2009. See **Note 2 – Restructuring Activities** in the Notes to Condensed Consolidated Financial Statements for further details.

Boat segment operating loss decreased in the first quarter of 2010 as a result of higher sales volumes and fixed-cost absorption, along with fixed cost savings from successful cost reduction efforts, reduced restructuring, exit and impairment charges and reduced dealer retail incentive programs. The favorable impact on the segment's operating loss was partially offset by the unfavorable effects of a change in sales mix towards smaller boats from larger, more profitable boats.

Capital expenditures in the first quarters of 2010 and 2009 were largely related to tooling costs for the production of new models and profit-maintaining investments.

Fitness Segment

The following table sets forth Fitness segment results for the three months ended:

(in millions)	Three Months Ended April 3, 2010	Three Months Ended April 4, 2009	2010 vs. 2009 Increase/(Decrease) $	2010 vs. 2009 Increase/(Decrease) %
Net sales	**$ 119.0**	$ 118.6	$ 0.4	0.3 %
Restructuring, exit and impairment charges	**$ —**	$ 1.0	$ (1.0)	(100.0)%
Operating earnings	**$ 9.5**	$ 0.3	$ 9.2	NM
Operating margin	**8.0 %**	0.3 %		770 bpts
Capital expenditures	**$ 1.1**	$ 0.4	$ 0.7	NM

bpts = basis points
NM = not meaningful

First quarter 2010 Fitness segment net sales were flat when compared to the first quarter of 2009. Modest increases in net sales, primarily due to favorable changes in product mix and currency translation in its international operations, were largely offset by decreases in domestic commercial and consumer sales. International sales represented 52% of the segment's sales during the first quarter of 2010.

Fitness segment operating earnings in the first quarter of 2010 were positively affected by lower material, primarily steel, and freight and logistics costs, and a favorable product mix. Additionally, the decrease in restructuring, exit and impairment charges and the effects of successful cost-reduction initiatives improved operating earnings during the three months ended April 3, 2010, when compared with the same prior year period. The increase in operating earnings was partially offset by decreased unit sales volumes.

Capital expenditures in the first quarters of 2010 and 2009 were limited to profit-maintaining investments.

Bowling & Billiards Segment

The following table sets forth Bowling & Billiards segment results for the three months ended:

	Three Months Ended		2010 vs. 2009 Increase/(Decrease)	
(in millions)	**April 3, 2010**	**April 4, 2009**	**$**	**%**
Net sales	**$ 91.9**	$ 99.9	$ (8.0)	(8.0)%
Restructuring, exit and impairment charges	**$ 0.2**	$ 0.8	$ (0.6)	(75.0)%
Operating earnings	**$ 14.9**	$ 10.6	$ 4.3	40.6 %
Operating margin	**16.2 %**	10.6 %		560 bpts
Capital expenditures	**$ 0.6**	$ 0.3	$ 0.3	100.0 %

---

bpts = basis points
NM = not meaningful

Bowling & Billiards segment net sales were down from the prior year primarily as a result of lower sales from its Billiards and bowling products businesses as bowling center operators and retail billiards customers remained cautious about purchases. Bowling retail equivalent center sales experienced low single-digit declines during the first quarter of 2010 when compared to the first quarter of 2009. International sales represented 20% of the segment's sales during the first quarter of 2010.

The increase in current quarter operating earnings was the result of savings from successful cost-reduction initiatives, lower pension and bad debt expense, as well as reduced restructuring, exit and impairment charges during the first quarter of 2010. This increase was partially offset by the impact of lower sales discussed above.

Capital expenditures in the first quarters of 2010 and 2009 were limited to profit-maintaining investments for existing bowling retail centers.

Cash Flow, Liquidity and Capital Resources

The following table sets forth an analysis of free cash flow for the three months ended:

(in millions)	Three Months Ended April 3, 2010	April 4, 2009
Net cash provided by operating activities	**$ 28.1**	$ 50.5
Net cash provided by (used for):		
Capital expenditures	**(8.6)**	(7.2)
Proceeds from the sale of property, plant and equipment	**1.0**	0.9
Other, net	**—**	(0.2)
Free cash flow*	**$ 20.5**	$ 44.0

* The Company defines "Free cash flow" as cash flow from operating and investing activities (excluding cash used for acquisitions and investments) and excluding financing activities. Free cash flow is not intended as an alternative measure of cash flow from operations, as determined in accordance with generally accepted accounting principles (GAAP) in the United States. The Company uses this non-GAAP financial measure both in presenting its results to shareholders and the investment community and in its internal evaluation and management of its businesses. Management believes that this financial measure and the information it provides are useful to investors because it permits investors to view Brunswick's performance using the same tool that management uses to gauge progress in achieving its goals. Management believes that the non-GAAP financial measure "Free cash flow" is also useful to investors because it is an indication of cash flow that may be available to fund further investments in future growth initiatives.

Brunswick's major sources of funds for investments, acquisitions and dividend payments are cash generated from operating activities, available cash balances and selected borrowings. The Company evaluates potential acquisitions, divestitures and joint ventures in the ordinary course of business.

2010 Cash Flow

In the first quarter of 2010, net cash provided by operating activities totaled $28.1 million. The most significant source of cash provided by operating activities was from net income tax refunds received in the first quarter of $107.5 million. Net income tax refunds included a $109.5 million refund as a result of legislation enacted in November 2009 that allowed the Company to carryback its 2009 federal domestic tax losses up to five years. In addition to the tax refund, earnings adjusted for non-cash expenses contributed to cash from operating activities. Partially offsetting these factors were changes in working capital. Working capital is defined as non-cash and non-income tax current assets less non-debt and non-income tax current liabilities. Accounts and notes receivable increased $107.7 million during the first quarter of 2010, due primarily to increased sales in the Marine Engine and Boat segments. Net inventories increased $19.7 million during the three months ended April 3, 2010, due mostly to the increased production requirements in the Marine Engine segment. The decrease in Accrued expenses of $44.6 million during the first quarter of 2010 was driven primarily by the payment of variable compensation which had been accrued as of December 31, 2009. Partially offsetting these items was an increase in Accounts Payable of $59.4 million, which was a result of increased production in the Company's Marine Engine and Boat segments.

Net cash used for investing activities during the three months ended April 3, 2010 totaled $7.9 million, which included capital expenditures of $8.6 million. The Company continued to limit its capital spending by focusing on non-discretionary, profit-maintaining investments and investments required for new product introductions. Partially offsetting capital expenditures was $1.0 million of proceeds received during the year from the sale of property, plant and equipment in the normal course of business.

Cash flows provided by financing activities were $5.6 million in the first quarter of 2010. The cash inflow was primarily the result of the receipt of $10.0 million in proceeds from the Fond du Lac County Economic Development Council in the form of partially forgivable debt associated with the Company's efforts to consolidate its Marine Engine segment's engine production facilities as discussed in **Note 14 – Debt**. This inflow was partially offset by repayments of short-term and long-term debt.

2009 Cash Flow

In the first quarter of 2009, net cash provided by operating activities totaled $50.5 million. The cash inflow was primarily attributable to improved working capital trends and a tax refund received in 2009 from the carryback of the Company's 2008 tax loss, partially offset by the Company's Net loss adjusted for non-cash charges.

The 2009 decrease in working capital of $79.4 million was primarily the result of reductions in the Company's inventory and accounts receivable partially offset by decreased accounts payable and lower accrued expenses. These declines reflected the Company's efforts to reduce working capital in light of reduced business volumes. In addition, the Company had minimal cash payments related to variable compensation plans, which normally occur in the first quarter. The Company recorded a Net loss of $184.2 million in the first quarter of 2009, which included a non-cash special tax charge of $36.6 million to increase the Company's deferred tax asset valuation allowance.

Cash flows from investing activities included capital expenditures of $7.2 million. The majority of the capital expenditures in the first quarter of 2009 were limited to profit-maintaining activities. The Company's cash investment in Brunswick Acceptance Company, LLC (BAC) increased $1.4 million during the first quarter of 2009 to maintain the Company's required 49 percent equity investment.

Cash flows from financing activities resulted in a $1.0 million use of cash in the first quarter of 2009, primarily due to payments of short-term and long-term debt.

Liquidity and Capital Resources

The following table sets forth an analysis of net debt as of April 3, 2010, December 31, 2009, and April 4, 2009:

(in millions)	**April 3, 2010**	**Dec. 31, 2009**	**April 4, 2009**
Short-term debt, including current maturities of long-term debt	**$ 10.2**	$ 11.5	$ 2.4
Long-term debt	**844.2**	839.4	728.1
Total debt	**854.4**	850.9	730.5
Less: Cash and cash equivalents	**552.4**	526.6	359.1
Net debt (A)	**$ 302.0**	$ 324.3	$ 371.4

(A) The Company defines Net debt as the sum of Short-term and long-term Debt, less Cash and cash equivalents, as presented in the Consolidated Balance Sheets. Net debt is not intended as an alternative measure to debt, as determined in accordance with GAAP in the United States. The Company uses this financial measure, both in presenting its results to shareholders and the investment community and in its internal evaluation and management of its businesses. Management believes that this financial measure and the information it provides are useful to investors because it permits investors to view the Company's performance using the same tool that management uses to gauge progress in achieving its goals. Management believes that the non-GAAP financial measure "Net debt" is also useful to investors because it is an indication of the Company's ability to repay its outstanding debt using its current Cash and cash equivalents.

The following table sets forth an analysis of total liquidity as of April 3, 2010, December 31, 2009, and April 4, 2009:

(in millions)	**April 3, 2010**	**Dec. 31, 2009**	**April 4, 2009**
Cash and cash equivalents	**$ 552.4**	$ 526.6	$ 359.1
Amounts available under its asset-based lending facilities (B)	**124.2**	88.5	123.3
Total liquidity (A)	**$ 676.6**	$ 615.1	$ 482.4

(A) The Company defines Total liquidity as Cash and cash equivalents as presented in the Consolidated Balance Sheets, plus amounts available for borrowing under its asset-based lending facilities. Total liquidity is not intended as an alternative measure to Cash and cash equivalents, as determined in accordance with GAAP in the United States. The Company uses this financial measure, both in presenting its results to shareholders and the investment community and in its internal evaluation and management of its businesses. Management believes that this financial measure and the information it provides are useful to investors because it permits investors to view the Company's performance using the same tool that management uses to gauge progress in achieving its goals. Management believes that the non-GAAP financial measure "Total liquidity" is also useful to investors because it is an indication of the Company's available highly liquid assets and immediate sources of financing.

(B) Represents the sum of (1) $119.1 million, $106.3 million, and $183.3 million of unused borrowing capacity under the Company's Revolving Credit Facility discussed below, reduced by the $60.0 million minimum availability requirement, as of April 3, 2010, December 31, 2009, and April 4, 2009, respectively and (2) the available borrowing capacity of $65.1 million, $42.2 million, and $0.0 million, as of April 3, 2010, December 31, 2009, and April 4, 2009, respectively, under the Company's Mercury Receivables ABL Facility as described below.

Cash and cash equivalents totaled $552.4 million as of April 3, 2010, an increase of $25.8 million from $526.6 million as of December 31, 2009, and an increase of $193.3 million from $359.1 million as of April 4, 2009. Total debt as of April 3, 2010, December 31, 2009, and April 4, 2009, was $854.4 million, $850.9 million and $730.5 million, respectively. As a result, the Company's Net debt was reduced to $302.0 million as of April 3, 2010, from $324.3 million and $371.4 million as of December 31, 2009 and April 4, 2009, respectively. The Company's debt-to-capitalization ratio increased to 81.7% as of April 3, 2010, from 80.2% as of December 31, 2009, and 57.2% as of April 4, 2009, due primarily to the effect of losses on Shareholders' equity and increased debt levels.

In May 2009, the Company entered into the Mercury Receivables ABL Facility with GE Commercial Distribution Finance Corporation (GECDF) to replace the Mercury Marine accounts receivable sale program the Company had with Brunswick Acceptance Company, LLC (BAC) as described in **Note 11 – Financial Services**. The Mercury Receivables ABL Facility agreement provides for a base level of borrowings of $100.0 million that are secured by the domestic accounts receivable of Mercury Marine, a division of the Company, at a borrowing rate, set at the beginning of each month, equal to the one-month LIBOR rate plus 4.25 percent, provided, however, that the one-month LIBOR rate shall not be less than 1.0 percent. Borrowings under the Mercury Receivables ABL Facility can be adjusted to $120.0 million to accommodate seasonal increases in accounts receivable from May to August. Borrowing availability under this facility is subject to a borrowing base consisting of Mercury Marine domestic accounts receivable, adjusted for eligibility requirements, with an 85 percent advance rate. The Company was also able to borrow an additional $21.5 million in excess of the borrowing base according to the over-advance feature through November 2009, which is now declining ratably each month through November 2010. Borrowings under the Mercury Receivables ABL Facility are further limited to the lesser of the total amount available under the Mercury Receivables ABL Facility or the Mercury Marine receivables, excluding certain amounts, pledged as collateral against the Mercury Receivables ABL Facility. The Mercury Receivables ABL Facility also includes a financial covenant, which corresponds to the minimum fixed-charge coverage ratio covenant included in the Company's revolving credit facility and the BAC joint venture agreement described in **Note 11 – Financial Services**. The Mercury Receivables ABL Facility's term will expire concurrently with the termination of BAC, by the Company with 90 days notice or by GECDF upon the Company's default under the Mercury Receivables ABL Facility, including failure to comply with the facility's financial covenant. Initial borrowings under the Mercury Receivables ABL Facility were $81.1 million. The Company has since reduced the borrowings outstanding and at April 3, 2010 and December 31, 2009 had no borrowings under this facility. The amount of borrowing capacity available under this facility at April 3, 2010, and December 31, 2009 was $65.1 million and $42.2 million, respectively.

The Company has a $400.0 million secured, asset based revolving credit facility (Revolving Credit Facility) in place with a group of banks through May 2012, as described in Note 14 to the consolidated financial statements in the 2009 Form 10-K. There were no loan borrowings under the Revolving Credit Facility as of April 3, 2010, December 31, 2009, or April 4, 2009. The Company has the ability to issue up to $150.0 million in letters of credit under the Revolving Credit Facility. The Company pays a facility fee of 75 to 100 basis points per annum, which is based on the daily average utilization of the Revolving Credit Facility.

The Company may borrow amounts under the Revolving Credit Facility equal to the value of the borrowing base, which consists of certain accounts receivable, inventory and machinery and equipment of certain of its domestic subsidiaries. The borrowing base had a value of $202.9 million as of April 3, 2010. The Company had no borrowings outstanding under this facility at April 3, 2010. Letters of credit outstanding under the facility totaled $83.8 million as of April 3, 2010, resulting in unused borrowing capacity of $119.1 million. However, the Company's borrowing capacity is also affected by the facility's minimum fixed-charge coverage ratio covenant. This covenant requires that the Company meet a minimum fixed-charge coverage ratio test only if unused borrowing capacity under the facility falls below $60.0 million. If unused borrowing capacity under the facility exceeds $60.0 million, the Company need not meet the minimum fixed-charge coverage ratio covenant. Due to current operating performance, the Company's fixed-charge coverage ratio was below the minimum requirement at the end of the first quarter of 2010. However, because the Company's unused borrowing capacity under the Revolving Credit Facility exceeded $60.0 million at April 3, 2010, the Company is in compliance with the covenant. Taking into account the minimum availability requirement, the Company's unused borrowing capacity is effectively reduced by $60.0 million to $59.1 million in order to maintain compliance with the covenant. The Company expects unused borrowing capacity under the facility to continue to exceed $60.0 million (and therefore to be in compliance with the minimum fixed-charge coverage ratio covenant) during the remainder of 2010.

Management believes that the Company has adequate sources of liquidity to meet the Company's short-term and long-term needs. The Company has continued to reduce its near-term debt obligations, and its 2013 notes, which totaled $150.4 million at April 3, 2010, represent the only significant long-term debt maturity through 2016. In addition, the Company expects to achieve significant reductions in net losses and restructuring charges in 2010 when compared with 2009 as a result of increasing sales. The Company also plans on maintaining flat net working capital levels by improving inventory and accounts receivable metrics. The Company plans to increase capital expenditures for the full year 2010 to approximately $60 million compared with $33.3 million in 2009 to develop new products in anticipation of improvements in the economy and funding for the Company's marine consolidation activities. For the remainder of 2010, the Company anticipates receiving approximately $23 million of additional funding, primarily from government programs, in connection with its plant consolidation activities in Fond du Lac, Wisconsin.

Continued weakness in the marine marketplace may jeopardize the financial stability of some of the Company's dealers. Specifically, dealer inventory levels may increase to levels higher than desired, inventory may be aged beyond preferred levels and dealers may experience reduced cash flow. These factors may impair a dealer's ability to meet payment obligations to the Company or to third-party financing sources and to obtain financing to purchase new product. If a dealer is unable to meet its obligations to third-party financing sources, Brunswick may be required to repurchase a portion of its own products from these third-party financing sources. See **Note 7 – Commitments and Contingencies** in the Notes to Condensed Consolidated Financial Statements for further details.

The Company contributed $0.8 million and $0.8 million to fund benefit payments in its nonqualified plan in the first quarter of 2010 and 2009, respectively, and expects to contribute an additional $2.0 million to the plan through the remainder of 2010. The Company did not make contributions to its qualified pension plans in the first quarter of 2010 or 2009. The Company expects to contribute approximately $22 million to its qualified pension plans in 2010, compared with $10.0 million of contributions in 2009. Company contributions are subject to change based on market conditions, pension funding regulations and Company discretion.

Financial Services

See **Note 11 – Financial Services** in the Notes to Condensed Consolidated Financial Statements for a discussion on BAC, the Company's joint venture with CDF Ventures, LLC, a subsidiary of GE Capital Corporation.

Off-Balance Sheet Arrangements and Contractual Obligations

The Company's off-balance sheet arrangements and contractual obligations, as of December 31, 2009, are detailed in the 2009 Form 10-K. Other than as described below, there have been no material changes outside the ordinary course of business. The Company periodically evaluates its financing options, and as a result, retired $3.0 million of the 2013 notes and received proceeds in the form of partially forgivable debt from the Fond du Lac County Economic Development Council, as described in **Note 14 – Debt** in the Notes to Condensed Consolidated Financial Statements.

Environmental Regulation

In its Marine Engine segment, Brunswick plans to continue to develop engine technologies to reduce engine emissions to comply with current and future emissions requirements. The costs associated with these activities may have an adverse effect on Marine Engine segment operating margins and may affect short-term operating results. The State of California adopted regulations that required catalytic converters on sterndrive and inboard engines that became effective on January 1, 2008. Other environmental regulatory bodies in the United States and other countries may also impose higher emissions standards than are currently in effect for those regions. The Company expects to comply fully with these regulations, but compliance will increase the cost of these products for the Company and the industry. The Boat segment continues to pursue fiberglass boat manufacturing technologies and techniques to reduce air emissions at its boat manufacturing facilities. The Company does not believe that compliance with federal, state and local environmental laws will have a material adverse effect on Brunswick's competitive position.

Critical Accounting Policies

As discussed in the 2009 Form 10-K, the preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amount of reported assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the periods reported. Actual results may differ from those estimates.

There were no material changes in the Company's critical accounting policies since the filing of its 2009 Form 10-K.

Recent Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 166, "Accounting for Transfers of Financial Assets" (SFAS 166) (codified within the FASB Accounting Standards Codification (ASC) 860 "Transfers and Servicing"). SFAS 166 amends the derecognition guidance in SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (SFAS 140). SFAS 166 is effective for fiscal years beginning after November 15, 2009. The adoption of this statement did not have a material impact on the Company's consolidated results of operations and financial condition.

In June 2009, the FASB issued SFAS No. 167, "Amendments to FASB Interpretation No. 46(R)" (SFAS 167) (codified within ASC 810 "Consolidation"). SFAS 167 amends the consolidation guidance applicable to variable interest entities and affects the overall consolidation analysis under FASB Interpretation No. 46(R). SFAS 167 is effective for fiscal years beginning after November 15, 2009. The adoption of this statement resulted in the Company expanding its disclosures relative to its variable interest entity, as reflected in **Note 11 – Financial Services**.

In October 2009, the FASB issued ASU No. 2009-13, "Multiple Deliverable Revenue Arrangements - a consensus of the FASB Emerging Issues Task Force" (ASU 2009-13) (codified within ASC Topic 605 "Revenue Recognition"). ASU 2009-13 addresses the accounting for multiple-deliverable arrangements to enable vendors to account for products or services (deliverables) separately rather than as a combined unit. ASU 2009-13 is effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with early adoption permitted. The Company is currently evaluating the impact that the adoption of the amendments to the FASB Accounting Standards Codification resulting from ASU 2009-13 may have on the Company's consolidated financial statements.

In January 2010, the FASB issued ASU No. 2010-06, "Improving Disclosures about Fair Value Measurements" (ASU 2010-06) (codified within ASC 820 "Fair Value Measurements and Disclosures" (ASC 820)). ASU 2010-06 improves disclosures originally required under SFAS No. 157, "Fair Value Measurements," (codified within ASC 820). ASU 2010-06 is effective for interim and annual periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those years. The adoption of this ASU resulted in the Company expanding its disclosures, as reflected in **Note 4 – Fair Value Measurements**.

In February 2010, the FASB issued ASU No. 2010-09, "Amendments to Certain Recognition and Disclosure Requirements" (ASU 2010-09) (codified within ASC 855 "Subsequent Events"). ASU 2010-09 amended SFAS No. 165, "Subsequent Events" (codified within ASC 855 "Subsequent Events") to resolve conflicts with SEC reporting requirements. The adoption of this ASU did not have a material impact on the Company's consolidated results of operations and financial condition.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q are forward-looking as defined in the Private Securities Litigation Reform Act of 1995. These statements involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this filing. These risks include, but are not limited to: the effect of (i) the amount of disposable income and credit available to consumers for discretionary purchases, and (ii) the level of consumer confidence on the demand for marine, fitness, billiards and bowling equipment, products and services; the effect of general adverse economic conditions; the ability to successfully complete restructuring efforts within the timeframe and cost anticipated; Brunswick's reliance on third party suppliers for the raw materials, parts and components necessary to assemble Brunswick's products; the effect of higher product prices due to technology changes and added product features and components on consumer demand; the effect of competition from other leisure pursuits on the level of participation in boating, fitness, bowling and billiards activities; the effect of interest rates and fuel prices on demand for marine products; the ability to successfully manage pipeline inventories; the ability to respond to and minimize the negative financial impact of changing legislation; the financial strength and access to capital of dealers, distributors and independent boat builders; the ability to maintain mutually beneficial relationships with dealers, distributors and independent boat builders; the ability to maintain effective distribution and to develop alternative distribution channels without disrupting incumbent distribution partners; the ability to maintain market share, particularly in high-margin products; the success of new product introductions; the ability to maintain product quality and service standards expected by customers; competitive pricing pressures; the ability to develop cost-effective product technologies that comply with regulatory requirements, including environmental regulations regarding marine engines; the ability to transition and ramp up certain manufacturing operations within time and budgets allowed; the ability to successfully develop and distribute products differentiated for the global marketplace; fluctuations in pension funding expenses; shifts in currency exchange rates; the success of global sourcing and supply chain initiatives; the ability to obtain components and raw materials from suppliers in a timely manner; increased competition from Asian competitors; competition from new technologies; the ability to complete environmental remediation efforts and resolve claims and litigation at the cost estimated; the ability to comply with environmental and zoning requirements; the impact of international political instability or civil unrest on manufacturing and business operations and retail demand; and the effect of weather conditions on demand for marine products and retail bowling center revenues. Additional factors are included in the Company's Annual Report on Form 10-K for 2009 and elsewhere in this report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk from changes in foreign currency exchange rates, interest rates and commodity prices. The Company enters into various hedging transactions to mitigate these risks in accordance with guidelines established by the Company's management. The Company does not use financial instruments for trading or speculative purposes. The Company's risk management objectives are described in **Note 3 – Financial Instruments** in the Notes to Condensed Consolidated Financial Statements and Notes 1 and 12 to the consolidated financial statements in the 2009 Form 10-K.

There have been no significant changes to the Company's market risk since December 31, 2009. For a discussion of exposure to market risk, refer to Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," set forth in the Company's 2009 Annual Report on Form 10-K.

Item 4. Controls and Procedures

The Chief Executive Officer and the Chief Financial Officer of the Company (its principal executive officer and principal financial officer, respectively) have evaluated the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this quarterly report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective. There were no changes in the Company's internal control over financial reporting during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1A. Risk Factors

The Company’s operations and financial results are subject to various risks and uncertainties that could adversely affect the Company’s business, financial condition, results of operations, cash flows, and the trading price of the Company's common stock. In addition to the risk factors disclosed by the Company in the 2009 Annual Report on Form 10-K, the Company’s business operations and financial results could be adversely affected by changes in the political and social climates of those places in which it conducts business.

Instability in locations where the Company maintains a significant presence could adversely impact the Company’s business operations.

The Company has established a global presence, with manufacturing, sales, distribution and retail locations around the world. Changing conditions in those locations, including, but not limited to, political instability, civil unrest and an increase in criminal activity, could have a negative impact on the Company’s local manufacturing and other business operations. Decreased stability in those regions where the Company conducts business poses a risk of business interruption and delays in shipments of materials, components and finished goods, as well as a risk of decreased local retail demand for the Company’s products in those regions.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On May 4, 2005, Company’s Board of Directors authorized a $200.0 million share repurchase program to be funded with available cash. On April 27, 2006, the Board of Directors increased the Company’s remaining share repurchase authorization of $62.2 million to $500.0 million. As of April 3, 2010, the Company’s remaining share repurchase authorization for the program was $240.4 million. The plan has been suspended as the Company intends to retain cash to enhance its liquidity rather than to repurchase shares. There were no share repurchases during the three months ended April 3, 2010.

Item 5. Submission of Matters to a Vote of Security Holders

At the May 5, 2010 Annual Meeting of Shareholders of the Company, Nolan D. Archibald, Jeffrey L. Bleustein, Graham H. Phillips and Lawrence A. Zimmerman were elected as directors of the Company for terms expiring at the 2013 Annual Meeting. The numbers of shares voted with respect to these directors were:

Nominee	For	Withheld
Nolan D. Archibald	70,130,136	2,168,514
Jeffrey L. Bleustein	71,290,163	1,008,487
Graham H. Phillips	71,403,913	894,737
Lawrence A. Zimmerman	71,179,650	1,119,000

At the Annual Meeting, shareholders ratified the Audit Committee’s selection of Ernst & Young, LLP as independent auditors for the Company and its subsidiaries for the year 2010 pursuant to the following vote:

	Number of Shares
For	78,545,821
Against	388,399
Abstain	103,263

Item 6. Exhibits

10.1 2010 Brunswick Performance Plan

10.2 Amendment to Brunswick Corporation 2003 Stock Incentive Plan effective July 2009

10.3 2010 Stock-Settled Stock Appreciation Right Grant Terms and Conditions Pursuant to the Brunswick Corporation 2003 Stock Incentive Plan

10.4 2010 Restricted Stock Unit Grant Terms and Conditions Pursuant to the Brunswick Corporation 2003 Stock Incentive Plan

10.5 Form of Officer Terms and Conditions of Employment effective May 2010

31.1 Certification of CEO Pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of CFO Pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of CEO Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of CFO Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

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

BRUNSWICK CORPORATION
May 7, 2010 By: /s/ ALAN L. LOWE
Alan L. Lowe
Vice President and Controller

*Mr. Lowe is signing this report both as a duly authorized officer and as the principal accounting officer.

BRUNSWICK

Exhibit 10.1

2010 Brunswick Performance Plan (BPP)
Summary Terms and Conditions

Purpose	Reward achievement of annual goals
Eligibility	Key managers and above identified on an individual basis.
Performance Period	Fiscal year.
Performance Measures	Funding based 100% on level of corporate-wide free cash flow as of the end of the performance period. Free Cash Flow ("FCF") ties to GAAP cash flow schedule (excluding financing activities) adjusted for: · Acquisition/sale of "strategic" assets; · Variance from $22 million legal minimum defined benefit pension funding due in 2010, which is contained in the budget; · Impact on FCF of any change in financing; · Change in growth capital outside of +/- $5 million versus budget; and · Impact of cash restructuring activities versus budget. Payments will be capped at 200%
Funding Review and Approval	The following steps will be taken to review and approve funding: ▪ CFO will review actual results quarterly to evaluate established accruals. ▪ CEO will review performance at end of performance period and recommend funding to Human Resources and Compensation Committee as appropriate. ▪ Human Resources and Compensation Committee will review and approve funding as deemed appropriate.
Individual Awards	Individual awards will be determined on a discretionary basis using overall approved funding, evaluation of individual performance for the performance period, target incentives as a percent of salary and covered salary (actual paid for year). Individuals must be employed at the end of the performance period to receive an award, except those terminating due to death or permanent and total disability will be eligible to receive individual awards.
Timing and Form of Award Payments	In 2011 after financial results are confirmed and appropriate approvals are obtained. Payment may be made in cash, shares of Brunswick common stock, or in a combination of cash or stock, as determined by the Committee.

Exhibit 10.2

BRUNSWICK CORPORATION
2003 STOCK INCENTIVE PLAN
(as amended July 27, 2009)

1. Purpose

The purpose of the Brunswick Corporation 2003 Stock Incentive Plan is to provide incentives and rewards to (i) support the execution of the Corporation's business and human resource strategies; (ii) provide for the compensation of Non-Employee Directors and (iii) more closely align the interests of Participants with those of the Corporation's stockholders.

2. Definitions

(a) "Award" includes, without limitation, shares of Stock, stock options, stock-settled stock appreciation rights, restricted and performance shares, restricted and performance units, dividend or equivalent rights, or other awards that are valued in whole or in part by reference to, or are otherwise based on, Stock.

(b) "Award Summary" means a written summary setting forth the terms and conditions of each Award made under this Plan.

(c) "Board" means the Board of Directors of the Corporation.

(d) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(e) "Committee" means the Human Resources and Compensation Committee of the Board, in the case of Awards to Employees, or the Corporate Governance Committee of the Board, in the case of Awards to Non-Employee Directors, or such other committee as the Board may designate from time to time to administer this Plan; provided, however, that the Corporate Governance Committee or such other committee as the Board may designate to administer Awards to Non-Employee Directors shall be comprised solely of Non-Employee Directors.

(f) "Corporation" means Brunswick Corporation, a Delaware corporation.

(g) "Employee" means an employee of the Corporation or a Subsidiary.

(h) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(i) "Fair Market Value" means the closing price on the New York Stock Exchange Composite Transactions Tape on the relevant valuation date or on the next preceding date on which a closing price was quoted.

(j) "Non-Employee Director" means any member of the Board who is not an Employee.

(k) "Participant" means a person who has been granted an Award under this Plan.

(l) "Plan" means this Brunswick Corporation 2003 Stock Incentive Plan.

(m) "Stock" means the common stock, $0.75 par value, of the Corporation.

(n) "Subsidiary" means any corporation or other entity in which the Corporation has a proprietary interest of more than 50 percent by reason of stock ownership or otherwise.

3. Eligibility

Employees and Non-Employee Directors selected by the applicable Committee are eligible to receive Awards.

4. Plan Administration

(a) Except as otherwise determined by the Board or specifically set forth herein, this Plan shall be administered by the Committee. The Committee shall determine the terms of Awards granted to Employees and Non-Employee Directors. The Committee shall, subject to the terms of this Plan, establish rules and regulations it deems necessary or desirable for Plan administration.

(b) To the extent permitted by applicable law, the Committee may designate others to carry out its responsibilities; provided, however, that neither may delegate its power and authority to others with regard to the selection for participation in this Plan of a person subject to Section 16 of the Exchange Act or decisions concerning the timing, pricing or amount of an Award to such person.

(c) The Committee shall have the authority at any time prior to a Change in Control (as defined in Section 12) to cancel Awards for reasonable cause and to provide for the conditions and circumstances under which Awards shall be forfeited.

(d) The Committee shall have authority to (i) interpret and construe the provisions of this Plan and the Award Summaries, and the application thereof, (ii) subject to Section 8(d), accelerate the vesting or exercisability of, payment for or lapse of restrictions on, Awards, (iii) determine whether, to what extent and under what circumstances Awards may be settled or exercised in cash, shares of Stock, other securities, other Awards or other property, (iv) interpret, administer, reconcile any inconsistency in, correct any default in and/or supply any omission in, the terms and provisions of this Plan and any Award issued under this Plan (and any Award Summary or agreement relating thereto) and (v) make determinations pursuant to this Plan, which determinations shall be final, binding and conclusive on all persons.

(e) The members of the Board, the Committee, and any person to whom the Committee delegates any of its power and authority (i) shall not be liable for any action, omission, determination, interpretation or construction made in connection with this Plan in good faith, and (ii) shall be entitled to indemnification and reimbursement to the full extent permitted by applicable law, except as otherwise may be provided in the Corporation's Certificate of Incorporation and/or By-Laws, as each may be amended from time to time, and under any directors' and officers' liability insurance that may be in effect from time to time.

5. Stock Subject To Provisions Of This Plan

Subject to adjustment as provided in Section 10, the Stock subject to the provisions of this Plan shall be:

(a) 13,000,000 shares of Stock, which may be either authorized but unissued Stock or Stock held as treasury stock;

(b) Shares of Stock available, as of the effective date of this Plan, for future grants of awards under the Brunswick Corporation 1991 Stock Plan (the "1991 Plan"), which shares upon the effectiveness of this Plan shall no longer be available under the 1991 Plan; and

(c) Shares of Stock represented by Awards under this Plan, awards under the 1991 Plan or awards under the Corporation's 1997 Stock Plan for Non-Employee Directors (the "1997 Plan") which are cancelled, forfeited, surrendered, terminated, paid in cash (in whole or in part) or expire unexercised, or which are underlying an Award that is exercised or settled for fewer than the total number of shares of Stock underlying the Award.

The Committee may determine that Awards may be outstanding that relate to more shares of Stock than the aggregate remaining available under this Plan so long as Awards will not in fact result in delivery of shares of Stock in excess of the number then available under this Plan. Notwithstanding the foregoing, no shares of Stock that are surrendered or tendered to the Corporation in payment of the exercise price of an Award or any taxes required to be withheld in respect of an Award shall again become available to be delivered pursuant to Awards under this Plan.

The total number of shares of Stock with respect to which Awards other than stock options and stock-settled stock appreciation rights may be granted under this Plan shall not exceed twenty-five percent (25%) of the number of shares of Stock identified in Sections 5(a) and 5(b). The maximum number of shares of Stock with respect to which stock options or stock-settled stock appreciation rights, or any combination thereof, may be granted under this Plan during any calendar year to any person shall be 1,000,000. Upon exercise of a stock option or stock-settled stock appreciation right, each share of Stock with respect to which such stock option or stock-settled stock appreciation right is exercised shall be counted as one share of Stock against the maximum aggregate number of shares of Stock that may be delivered pursuant to Awards granted under this Plan as provided above, regardless of the number of shares of Stock actually delivered upon settlement of such stock option or stock-settled stock appreciation right.

6. Awards Under This Plan

In addition to shares of Stock, the following types of Awards and other stock-based Awards may be granted under this Plan on a stand alone, combination or tandem basis:

(a) *Stock Option.* A right to buy a specified number of shares of Stock at a fixed exercise price during a specified time, provided that the exercise price of any option shall not be less than 100 percent of the Fair Market Value of the Stock on the date of grant of the option. The exercise price of any option granted under this Plan may not be reduced or otherwise adjusted other than as provided in Section 10. No option shall be exercisable after the tenth anniversary of the date the option is granted.

(b) *Stock-Settled Stock Appreciation Rights.* A right to receive shares of Stock with a Fair Market Value equal to the difference between the Fair Market Value of a specified number of shares of Stock on the exercise date and the base price of the stock appreciation right, provided that the base price of a stock appreciation right may not be less than 100 percent of the Fair Market Value of the Stock on the date of grant of the stock appreciation right. The base price of any stock appreciation right granted under this Plan may not be reduced or otherwise adjusted other than as provided in Section 10. No stock appreciation right shall be exercisable after the tenth anniversary of the date the stock appreciation right is granted.

(c) *Restricted And Performance Shares.* A transfer of Stock to a Participant, subject to such restrictions on transfer or other incidents of ownership, or subject to specified performance standards for specified periods of time.

(d) *Restricted And Performance Share Unit.* A fixed or variable share or dollar denominated unit subject to conditions of vesting, performance and time of payment, which unit may be paid in Stock, cash or a combination of both.

(e) *Other Stock-Based Awards.* Other Stock-based Awards which are related to or serve a similar function to those Awards set forth in this Section 6.

In addition to granting Awards for purposes of incentive compensation, Awards may also be made in tandem with or in lieu of current or deferred compensation.

No Stock shall be issued pursuant to any Award unless consideration at least equal to the par value of the Stock has been received by the Corporation in the form of cash, services rendered or property.

7. Award Summaries

Each Award under this Plan shall be evidenced by an Award Summary. Delivery of an Award Summary to each Participant shall constitute an agreement, subject to Section 4(d) and Section 9 of this Plan, between the Corporation and the Participant as to the terms and conditions of the Award.

8. Other Terms and Conditions

(a) *Assignability.* No Award shall be assignable or transferable except by will, by the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code or in accordance with guidelines established by the Committee, provided that no Award shall be assignable or transferable for value without approval of the Corporation's stockholders.

(b) *Rights As A Stockholder.* A Participant shall have no rights as a stockholder with respect to shares of Stock covered by an Award until the date the Participant or his nominee, guardian or legal representative is the holder of record. No adjustment will be made for dividends or other rights for which the record date is prior to such date. For the avoidance of doubt, except as specifically set forth in Section 10, in no event may any stock option or stock-settled stock appreciation right granted pursuant to this Plan provide the holder thereof with the right to receive any dividends or equivalent rights, whether payable on a current or deferred basis.

(c) *Withholding.* Except as otherwise provided by the Committee, (i) the deduction of withholding and any other taxes required by law will be made from all amounts paid in cash and (ii) in the case of payments of Awards in shares of Stock, the Participant shall be required to pay in cash the amount of any taxes required to be withheld prior to receipt of such Stock, or alternatively, a number of shares of Stock the Fair Market Value of which equals the amount required to be withheld may be deducted from the payment, in each case, as determined in the Committee's discretion; provided, however, that the number of shares of Stock so deducted may not have an aggregate Fair Market Value in excess of the amount determined by applying the minimum statutory withholding rate.

(d) *Vesting Policy.* The following vesting policy shall apply to Awards under this Plan:

i. Any stock option or stock appreciation right may not become exercisable, in whole or in part, until the first anniversary of the date of grant.

ii. Any Award, other than an Award of stock options or stock appreciation rights, that contains performance standards, may not vest, in whole or in part, before the first anniversary of the date of grant.

iii. Any Award, other than an Award of stock options or stock appreciation rights that does not contain performance standards, may not vest faster than ratably over a three-year period commencing with the date of grant.

iv. Vesting provisions established with respect to an Award will not be modified following the grant date except in accordance with sub-section (v) of this Section 8(d) below.

v. The vesting provisions set forth in sub-sections (i) through (iv) of this Section 8(d) shall not apply to Awards to any Participant in lieu of a cash payment that would otherwise be paid to such Participant without vesting or performance conditions. This Section 8(d) also shall not preclude any Award under this Plan from providing for the acceleration of vesting or exercisability or the deemed satisfaction of performance conditions in connection with a Change in Control, or the death, disability or retirement of the Participant. The Committee may also accelerate or provide in the applicable Award Summary for the accelerated vesting of an Award in circumstances not contemplated by the preceding sentence or provide for a vesting schedule that is shorter than the minimum schedule contemplated by sub-sections (i) through (iv) in such circumstances as it may deem appropriate; provided, however, that in no event shall more than 10% of the total shares of Stock available for Awards to be granted pursuant to this Plan, as set forth in Section 5, be treated in such a manner.

9. Amendments

The Board or the Committee may alter, amend, suspend or discontinue this Plan at any time or at any time prior to a Change in Control (as defined in Section 12) alter or amend any or all Award Summaries granted under this Plan to the extent permitted by law. Any such action may be taken without the approval of the Corporation's stockholders, but only to the extent that such stockholder approval is not required by applicable law or regulation, including, without limitation, applicable stock exchange rules. Notwithstanding anything to the contrary in this Plan, no option or stock appreciation right may (i) be amended to decrease the exercise or base price thereof, (ii) be cancelled at a time when its exercise or base price exceeds the Fair Market Value of the underlying shares of Stock if the holder thereof is legally entitled, at the time of cancellation, to receive any Award, award under any other equity-compensation plan or any cash payment as a replacement for the cancelled option or stock appreciation right or (iii) be subject to any action that would be treated, for accounting purposes, as a "repricing" of such option or stock appreciation right, unless such amendment, cancellation, or action is approved by the Corporation's stockholders. For the avoidance of doubt, an adjustment to the exercise price or base price of an option or stock appreciation right that is made in accordance with Section 10 below shall not be considered a reduction in exercise price or base price or "repricing" of such option or stock appreciation right.

10. Recapitalization and Corporate Transactions

In the event of any increase or decrease in the number of issued shares of Stock resulting from a subdivision or consolidation of shares or other capital adjustment, or the payment of a stock dividend or other increase or decrease in shares, effected without receipt of consideration by the Corporation, or other change in corporate or capital structure, the number and class of securities available under this Plan, the maximum number of securities available for Awards under this Plan, the number and class of securities subject to each outstanding stock option or stock appreciation right and the purchase price per security, the maximum number of securities with respect to which stock options or stock appreciation rights may be granted during any calendar year to any person, the number and class of securities subject to each outstanding Award, and the terms of each outstanding Award shall be appropriately adjusted by the Committee, such adjustments to be made in the case of outstanding options and stock appreciation rights without an increase in the aggregate purchase price; provided, however, that any fractional shares resulting from any such adjustment shall be eliminated. In furtherance of this authorization, with respect to outstanding Awards, upon the occurrence of an event constituting an "equity restructuring" as defined under Statement of Financial Accounting Standards No. 123R with respect to shares of Stock, each Participant shall have a legal right to the equitable adjustment of the Participant's outstanding Awards, with the manner of such adjustment to be determined by the Committee as provided in this Section 10.

In the event that the Committee determines that any Change in Control, reorganization, merger, consolidation, combination, repurchase or exchange of shares of Stock or other securities of the Corporation, issuance of warrants or other rights to purchase shares of Stock or other securities of the Corporation, or other similar corporate transaction or event affects the Stock such that an adjustment is determined by the Committee in its discretion to be appropriate or desirable, then, in addition to the adjustments described above, the Committee may (a) make provision for a cash payment to the holder of an outstanding Award in consideration for the cancellation of such Award, including, in the case of an outstanding option or stock appreciation right, a cash payment to the holder of such option or stock appreciation right in consideration for the cancellation of such option or stock appreciation right in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the shares of Stock subject to such option or stock appreciation right over the aggregate exercise price of such option or stock appreciation right, and (b) cancel and terminate any option or stock appreciation right having a per share exercise or base price equal to, or in excess of, the Fair Market Value of a share of Stock subject to such option or stock appreciation right without any payment or consideration therefor.

The decision of the Committee regarding any such adjustment or cancellation shall be final, binding and conclusive.

11. No Right To Participation or Employment

No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to be retained in the employ or service of the Corporation or a Subsidiary. Further, the Corporation and each Subsidiary expressly reserve the right at any time to dismiss a Participant free from any liability or claim under this Plan, except as provided herein or in any Award Summary issued hereunder.

12. Change In Control

The term "Change in Control" of the Corporation means a change in the beneficial ownership of the Corporation's voting stock or a change in the composition of the Board which occurs as follows:

i. any Person other than a trustee or other fiduciary of securities held under an employee benefit plan of the Corporation or any of its subsidiaries, is or becomes a beneficial owner, directly or indirectly, of stock of the Corporation representing 25 percent or more of the total voting power of the Corporation's then outstanding stock and securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in Clause (A) of paragraph (iii), below;

ii. individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”), cease for any reason to constitute a majority thereof; provided, however, that any individual becoming a director whose election, or nomination for election by the Corporation’s stockholders, was approved by a vote of at least 75 percent of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

iii. there is consummated a merger or consolidation of the Corporation (or any direct or indirect subsidiary of the Corporation) with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Corporation outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 75 percent of the combined voting power of the stock and securities of the Corporation or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Corporation (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of stock and securities of the Corporation representing more than 25 percent of the combined voting power of the Corporation’s then outstanding stock and securities; or

iv. the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation or there is consummated an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation’s assets other than a sale or disposition by the Corporation of all or substantially all of the assets to an entity at least 75 percent of the combined voting power of the stock and securities which is owned by Persons in substantially the same proportions as their ownership of the Corporation’s voting stock immediately prior to such sale.

As used in this Section 12, “Person” shall mean any person (as defined in Section 3(a)(9) of the Exchange Act, as such term is modified in Section 13(d) and 14(d) of the Exchange Act) other than (1) any employee plan established by the Corporation, (2) the Corporation or any of its affiliates (as defined in Rule 12b-2 promulgated under the Exchange Act), (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by stockholders of the Corporation in substantially the same proportions as their ownership of the Corporation. “Beneficial Owner” shall mean beneficial owner as defined in Rule 13d-3 under the Exchange Act.

13. Governing Law

To the extent that federal laws do not otherwise control, this Plan shall be construed in accordance with and governed by the law of the State of Illinois.

14. Supplemental Plans

The Board shall have the authority to adopt plans, supplemental to this Plan, covering Participants residing outside the United States.

15. Savings Clause

This Plan is intended to comply in all aspects with applicable law and regulation. In case any one or more of the provisions of this Plan shall be held invalid, illegal or unenforceable in any respect under applicable law and regulation, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provision shall be deemed null and void; however, to the extent permissible by law, any provision which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Plan to be construed in compliance with all applicable laws so as to foster the intent of this Plan.

16. Section 409A

It is intended that the provisions of this Plan comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Notwithstanding any provision of this Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Corporation reserves the right to make amendments to any Award as the Corporation deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code. In any case, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on such Participant or for such Participant's account in connection with an Award (including any taxes and penalties under Section 409A of the Code), and neither the Corporation nor any of its affiliates shall have any obligation to indemnify or otherwise hold such Participant harmless from any or all of such taxes or penalties.

17. Effective Date and Term

This Plan was submitted to the stockholders of the Corporation for approval and was approved by the affirmative vote of a majority of the shares of Stock present in person or represented by proxy at the Corporation's 2003 annual meeting of stockholders. This Plan became effective as of the date of such approval. An amendment to this Plan was subsequently submitted to the stockholders of the Corporation for approval and was approved by the affirmative vote of a majority of the shares of Stock present in person or represented by proxy at the Corporation's 2006 annual meeting of stockholders. The amendment to this Plan to increase the number of shares of Stock authorized to be issued hereunder to the number set forth in Section 5(a) above will become effective upon approval of such increase by the affirmative vote of a majority of the votes cast on the proposed increase, provided that the total votes cast on the proposed increase represents over 50% in interest of all shares entitled to vote on the proposed increase. This Plan shall remain in effect until terminated by the Board.

BRUNSWICK

Exhibit 10.3

February 2010 Stock-Settled Stock Appreciation Right Grant Terms and Conditions
Pursuant to the Brunswick Corporation 2003 Stock Incentive Plan (the "Plan")

Purpose

To promote Brunswick's long term financial interests and growth.

Stock-Settled Stock Appreciation Right

The right to receive a payment in Brunswick Stock (as defined in the Plan) equal to the excess of the Stock's Fair Market Value (as defined in the Plan) at exercise over the exercise prices as established on the date of grant attributable to the number of underlying Stock-Settled Stock Appreciation Rights ("Stock-Settled SARs") granted.

By exercising Stock-Settled SARs, you agree to the terms and conditions of the grant.

Exercise Price

$ Closing price as reported on the New York Stock Exchange Composite Transactions Tape on the date of grant.

Vesting

Stock-Settled SARs vest and become exercisable upon the earliest of:

- One-fourth of the Stock-Settled SARs granted on each of the first, second, third, and fourth anniversaries of the date of grant, so long as employment by Brunswick or its designated affiliates continues on each such anniversary date;
- In the case of a termination of employment (other than for "cause" (willful misconduct in the performance of duties) or due to death or permanent disability (as defined below)) on or after (i) the first anniversary of the date of grant and (ii) the date at which age plus years of service equal 70 or more or age is 62 or more, vesting will continue on the normal vesting schedule described immediately above;
- In the case of a termination of employment (other than for cause or due to death or permanent disability) (i) prior to the first anniversary and (ii) on or after the date at which age plus years of service equals 70 or more or age is 62 or more, a pro-rata portion of the award will vest on each anniversary of the date of grant pursuant to the normal vesting schedule described above. For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (x) the number of shares underlying the Stock-Settled SAR award that would have vested on the applicable anniversary of the date of grant pursuant to the normal vesting schedule and (y) a fraction, the numerator of which is the number of days that have elapsed since the date of grant through the date of termination of the recipient's employment, and the denominator of which is 365. All remaining shares will be forfeited;
- Termination due to death or permanent disability; or,
- A Change in Control (as defined in the Plan).

Grant Term

Vested Stock-Settled SARs will remain exercisable as follows:

- Last day of employment, if involuntarily terminated for cause, or
- Based on eligibility as of the last day employed, the latest of the following:
  - 30 days after voluntary termination;
  - One year after involuntary termination without cause (for example, reductions-in-force or reorganization), or if your employer ceases to be a Subsidiary (as defined in the Plan) of Brunswick, unless the Committee (as defined in the Plan) provides otherwise;
  - Two years after termination following a Change in Control (as defined in the Plan);
  - Five years after termination due to death or permanent disability (as defined below); or
  - Five years after termination of employment (other than for cause or due to death or permanent disability), provided that such termination occurs on or after the date at which your age plus years of service equals 70 or more or age is 62 or more,
- But, in no event later than ten years from the date of grant.

Exercise Settlement-Payment / Tax Withholding

On exercise, the number of shares of Brunswick Stock delivered will be determined as follows:

- The difference between the Fair Market Value on date of exercise and the per share exercise price will be determined.
- This difference will be multiplied by the number of Stock-Settled SARs being exercised to determine the total dollar gain.
- The total dollar gain will be divided by the Fair Market Value on date of exercise.

Should you elect to have the required tax withholding satisfied by delivery of shares, then the ultimate Stock delivered will be reduced by an amount necessary to accommodate the required tax withholding.

Tax withholding liability (to meet required FICA, federal, state, and local withholding) can be paid in any combination of the following:

- Reduction in shares delivered to accommodate the required minimum tax withholding, or by
- Cash or check.

Additional Terms and Conditions

Grants are subject to the terms of the Plan. To the extent any provision herein conflicts with the Plan, the Plan will govern. The Committee administers the Plan. The Committee may interpret the Plan and adopt, amend and rescind administrative guidelines and other rules as deemed appropriate. Committee determinations are binding.

The rule of 70/age 62 provisions do not apply for grants made to residents of the European Union.

Permanent disability means the inability, by reason of a medically determinable physical or mental impairment, to engage in any substantial gainful activity, which condition, in the opinion of a physician selected by the Committee, is expected to have a duration of not less than 120 days.

The Plan may be amended, suspended or terminated at any time. The Plan will be governed by the laws of the State of Illinois, without regard to the conflict of law provisions of any jurisdiction.

BRUNSWICK

Exhibit 10.4

2010 Stock-Settled Restricted Stock Unit Grant Terms and Conditions
Pursuant to the Brunswick Corporation 2003 Stock Incentive Plan (the "Plan")

Purpose	To encourage retention of key managers so as to support the execution of business strategies and achieve future goals.
Restricted Stock Units	Restricted Stock Units valued on the same basis as Brunswick Corporation common stock where one unit equals one share. Dividend equivalents will be reinvested in additional restricted stock units. There are no voting rights attached to restricted stock units.
Vesting	Restricted stock units will vest and be distributed the earlier of: ▪ Three years from date of grant, subject to continued employment; ▪ In the case of a termination of employment (other than for "cause" (willful misconduct in the performance of duties) or due to death or permanent disability (as defined below)) on or after (i) the first anniversary of the date of grant and (ii) the date at which age plus years of service equal 70 or more or age is 62 or more, all the award will be distributed three years from date of grant; ▪ In the case of a termination of employment (other than for cause or due to death or permanent disability) (i) prior to the first anniversary of the date of grant and (ii) on or after the date at which age plus years of service equals 70 or more or age is 62 or more, a pro-rata portion of the award will be distributed three years from date of grant. For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (x) the number of restricted stock units awarded that would have vested on the normal vesting date and (y) a fraction, the numerator of which is the number of days that have elapsed since the date of grant through the date of termination of the recipient's employment, and the denominator of which is 365. All remaining restricted stock units will be forfeited; ▪ On a Change in Control (as defined in the Plan), however, for those whose age and years of service could equal 70 or more or age will be 62 or more, in either case prior to January 1, 2012, the definition of Change in Control shall have the meaning ascribed to such term under Internal Revenue Code Section 409A and applicable regulations issued thereunder; provided, however, in no event shall an acquisition of assets under Treasury Regulation §1.409A-3(i)(5)(vii) constitute a change in control event, unless such event is also a sale or disposition of all or substantially all of the Company's assets; or, ▪ On death or termination due to permanent disability.
Termination of Employment	Forfeiture of restricted stock units in the event employment terminates prior to vesting, except if age and years of service equals 70 or more or age is 62 or more (the Rule of 70/age 62 provisions do not apply for grants made to residents of the European Union).
Timing of Distribution	Distributions will occur as soon as practical, but no later than 2-½ months after the distribution date provided above (and, in no event later than March 15, 2013), except that in the case of any "specified employee" (as such term is defined under Code Section 409A) who (i) could meet the Rule of 70 or will reach age 62, in either case prior to January 1, 2012, and (ii) experiences a separation from service, the distribution will not be made before 6 months after separation from service (or, if earlier, death, termination due to permanent disability or three years from date of grant).
Tax Withholding	For those meeting the Rule of 70 or age 62 prior to the year of scheduled distribution, tax withholding liability to meet required FICA must be paid via payroll or participant check by the end of the year of meeting the Rule of 70 or reaching age 62, except that the FICA taxes on amounts vesting during the first December after grant for those who have met the Rule of 70 or age 62 during the year of grant will be collected during the next calendar quarter. Subsequent Federal, State and local income tax withholding must be paid via share reduction upon distribution. For all others, tax withholding liability (to meet required FICA, federal, state, and local withholding) must be paid via share reduction upon distribution.
Form of Distribution	Shares will be deposited to your existing Dividend Reinvestment Plan account or, if one is not currently on record, deposited into a newly created account. Stock certificates will be issued on request.
Additional Terms and Conditions	Grants are subject to the terms of the Plan. To the extent any provision herein conflicts with the Plan, the Plan shall govern. The Human Resources and Compensation Committee of the Board administers the Plan. The Committee may interpret the Plan and adopt, amend and rescind administrative guidelines and other rules as deemed appropriate. Committee determinations are binding. Permanent disability means the inability, by reason of a medically determinable physical or mental impairment, to engage in any substantial gainful activity, which condition, in the opinion of a physician selected by the Committee, is expected to have a duration of not less than 120 days; provided, however, that for recipients who could meet the Rule of 70 or will reach age 62, in either case prior to January 1, 2012, permanent disability means that the recipient is "disabled" within the meaning of Treasury Regulation §1.409A-3(i)(4). The Plan may be amended, suspended or terminated at any time. The Plan will be governed by the laws of the

State of Illinois, without regard to the conflict of law provisions of any jurisdiction.

BRUNSWICK CORPORATION

These TERMS AND CONDITIONS OF EMPLOYMENT (the "Agreement") made in Lake County, Illinois, as of [date], 20___ (the "Effective Date"), between Brunswick Corporation, a Delaware corporation with its headquarters at 1 N. Field Court, Lake Forest, Illinois, 60045 (the "Company"), and [ ] (the "Executive").

WITNESSETH:

A. WHEREAS, since [date], the Executive has been employed by the Company; and

B. WHEREAS, the Company desires to be assured of the Executive's experience, skills, knowledge, and background for the benefit of the Company, and the efficient achievement of the long-term strategy of the Company, and is therefore willing to employ the Executive upon the terms and conditions, and in consideration of the compensation and benefits, provided herein; and

C. WHEREAS, as is the case with many publicly held corporations, a change in control might occur and such possibility may result in the departure or distraction of key management personnel to the detriment of the Company and its stockholders; and

D. WHEREAS, the Company desires to take appropriate steps to reinforce and encourage the continued attention and dedication of members of management, including the Executive, to their assigned duties without distraction arising from the possibility of a change in control of the Company; and

E. WHEREAS, the Company desires to have the Executive agree to provisions relating to noncompetition and nonsolicitation and certain other provisions contained herein, and the Executive is willing to agree to such provisions in consideration for the additional severance benefits to which [he/she] may become entitled under the terms of this Agreement.

F. THEREFORE, in consideration of the foregoing and the agreements of the parties described below, the parties agree that:

1. Definitions. For purposes of this Agreement, capitalized terms used in this Agreement shall have the meanings indicated in Appendix I to this Agreement.

2. Employment and Duties.

(a) Position. The Company hereby agrees to employ the Executive, and the Executive hereby agrees to serve the Company, under the title of [title]. The Executive shall have such authority, duties, and responsibilities as are commensurate with such position on the terms and conditions set forth in this Agreement, and shall directly report to the Chief Executive Officer.

(b) Performance of Duties. Subject to the provisions of Section 6, below, Executive shall diligently perform [his/her] duties as [title] or as may otherwise be directed by the Chief Executive Officer, and agrees to use [his/her] reasonable best efforts to perform [his/her] duties faithfully and efficiently.

(c) Other Duties; Related Companies. The Executive agrees to serve, as requested, as an officer or director of any Related Company, and shall receive no additional compensation for such service.

3. Agreement Term. The term of this Agreement (the "Term") shall begin on the Effective Date and shall continue until terminated in accordance with Section 14 below. The Company shall employ the Executive for a period of time beginning on the Effective Date and continuing for as long as the Executive retains the confidence of the Chief Executive Officer, it being the express understanding that the Executive is an "employee at will," subject only to the protections provided by the specific terms of this Agreement. Subject to the terms and conditions set forth in this Agreement, the Chief Executive Officer may remove the [title] and assign [him/her] to other duties within the Company or terminate [his/her] employment.

4. Executive's Compensation and Benefits. As remuneration to the Executive for [his/her] services to the Company hereunder, the Company shall compensate the Executive as provided in this Section 4 during the Term. Executive acknowledges and agrees that Section 15 of this Agreement is expressly applicable to any form of compensation or benefit provided to Executive.

(a) Base Salary. The Executive's annual base salary ("Base Salary") shall be [_] commencing on the Effective Date and, except as it may be modified in accordance with this Section 4 by action of the Committee, continuing throughout the Term. The Base Salary shall be payable in conformity with the Company's then-current payroll practices, as modified from time to time. The Base Salary will be reviewed annually during the Term in accordance with Company's usual salary review process for executive officers. Effective as of the date of any adjustment in the Executive's Base Salary, the Base Salary as so adjusted shall be considered the new Base Salary for all purposes of this Agreement. Any adjustments in Base Salary shall be determined by the Committee and communicated by memorandum to the Executive from the Chief Executive Officer. Each such memorandum shall be included in Appendix II of this Agreement and shall form a part of the Agreement.

(b) Brunswick Performance Plan. For each calendar year during the Term, the Executive shall be eligible to participate in the Brunswick Performance Plan ("BPP") and any and all successor or replacement plans as may be determined by the Board or the Committee ("Annual Bonus"). During the Term, the Executive's target Annual Bonus for each full calendar year shall be determined by the Committee in accordance with the terms of the BPP, as in effect from time to time ("Target Annual Bonus"). During the Term, the performance goals to be achieved, and the extent to which those goals have been achieved for purposes of calculating the amount of the actual payment as a percentage of the Target Annual Bonus, will be determined by the Committee or as delegated to the Chief Executive

Officer. The amount of any award under BPP shall be reviewed and approved by the Committee and communicated by memorandum to the Executive from the Chief Executive Officer, and shall be paid to the Executive in accordance with the terms of the BPP. Each such memorandum shall be included in Appendix II of this Agreement and shall form a part of the Agreement. Executive acknowledges and agrees that the payment of the Annual Bonus is subject to the Company's stock ownership guidelines for corporate officers, as in effect from time to time, pursuant to which Executive is currently required to own 17,500 shares of Company stock.

(c) [Reserved]

(d) Equity-Based Awards. For each calendar year during the Term, the Executive shall be eligible to participate in and receive equity-based awards under the Company's 2003 Stock Incentive Plan, and any and all successor or replacement plans as may be determined by the Board or the Committee (collectively, "Incentive Plan"). Any such future awards when made will be set forth in a memorandum to the Executive from the Chief Executive Officer. Each such memorandum shall be included in Appendix II of this Agreement and shall form a part of the Agreement.

(e) [Reserved]

(f) Health and Welfare Benefits. The Executive shall be entitled to participate in all Company-sponsored health and welfare benefits offered to similarly situated senior executives, including health, dental, vision, term life insurance and annual executive physical examination, and any and all successor or replacement benefits as may be determined by the Board or the Committee.

(g)[Reserved]

(h) Vacation. The Executive shall earn pro rata [(#)] weeks of paid vacation each calendar year, to be earned and taken as generally provided for other similarly situated senior executives of the Company. Earned but unused vacation shall be paid within 30 days after termination of the Executive's employment. The Executive shall also be entitled to such personal days and paid holidays as are generally available to other similarly situated senior executives of the Company.

(i) Deferred Compensation Plans. The Executive shall be entitled to participate in the Brunswick Rewards Plan, its 2005 Elective Deferred Incentive Compensation Plan, and its Restoration Plan, and any and all successor or replacement plans as may be determined by the Board or the Committee. Furthermore, to the extent the Executive receives compensation that is subject to deferral pursuant to the Company's 2005 Automatic Deferred Compensation Plan (or any successor or replacement plans as may be determined by the Board or the Committee), such compensation shall be deferred automatically thereunder.

(j) [Reserved]

(k) Expenses. The Executive shall be entitled to receive prompt reimbursement for all reasonable and necessary expenses incurred by the Executive in connection with the performance of [his/her] duties hereunder, in accordance with Company policies for similarly situated senior executives.

(l) Product Programs. During the period of the Executive's employment hereunder, the Executive shall be entitled to obtain Company products under the Executive Product Program and make purchases through the Employee Purchase Program, in accordance with the terms and conditions in effect from time to time.

5. Restrictive Covenants. The Executive acknowledges that during employment with the Company or a Related Company, the Executive has and will acquire, develop and have access to confidential and proprietary information that belongs to the Company or the Related Company. This information takes years and extensive resources to develop, is valuable to the Company or the Related Company and provides the Company or the Related Company with a competitive edge. In consideration of employment or continued employment, Executive knowingly and voluntarily agrees to the following restrictions and further acknowledges and agrees that they are reasonably designed to protect the Company or the Related Company interests and good will, and will not unduly restrict Executive's post-employment activities.

(a) Noncompetition; Nonsolicitation; Nondisparagement. The following provisions shall apply:

(i) During the Executive's employment and during the eighteen (18) month period immediately following termination of Executive's employment (unless such termination follows a Change in Control, in which case this Section 5(a)(i) and Section 5 (a)(ii) shall not apply), without the prior written consent of the Company, (i) the Executive shall not directly or indirectly be employed or retained by, or render any services for, or be financially interested in any manner, in any person, firm or corporation engaged in any business which is then materially competitive in any way with any business in which the Company or any Related Company was engaged (including any program of development or research) (a "Competitive Activity") during the Executive's employment; (ii) the Executive shall not divert or attempt to divert any business from the Company or a Related Company; (iii) the Executive shall not disturb or attempt to disturb any business relationships of the Company or any Related Company; and (iv) the Executive shall not assist any person in any way to do, or attempt to do, anything prohibited by the preceding clauses (i), (ii) and (iii).

(ii) In furtherance of Section 5(a)(i) above, the Executive shall promptly notify the Company through the Company's Chairman of the Board and Chief Executive Officer and the Chief Human Resources Officer (or their respective representatives), in advance in writing (which shall include a description of the proposed activity) of [his/her] intention to engage in any activity which could reasonably be deemed to be subject to the noncompetition provision set forth in Section 5(a)(i). The Company's Chairman of the Board and Chief Executive Officer or the Chief Human Resources Officer (or one of their respective representatives) shall respond to the Executive in writing within thirty (30) calendar days indicating its approval or objections to the Executive's engagement in the activity; provided, however, that if the Company's Chairman of the Board and Chief Executive Officer or the Chief Human Resources Officer (or one of their respective representatives) does not respond to or request additional information from the Executive within such thirty (30) day period, the Company's approval shall be deemed to be granted. If the Executive fails to notify the Company of [his/her] intended activity in advance, the Company shall retain all its rights of objections. Nothing in this Agreement shall be construed as preventing the Executive from investing [his/her] personal assets in any business that competes with the Company, in such form or manner as will not require any services on the part of the Executive in the operation or affairs of the business in which such investments are made, but only if the Executive does not own or control more than two percent of any class of the outstanding stock of such business.

(iii) For the eighteen (18) month period following termination of Executive's employment with the Company, the

Executive shall not, without the prior written consent of the Company, (A) solicit, recruit or hire any individual who is employed by the Company or any Related Company (or who was so employed within 180 calendar days of the Executive's solicitation, recruitment or hiring), (B) solicit or encourage any employee of the Company or any Related Company to terminate or refrain from renewing or extending such employment or to become employed by or become a consultant to any other individual or entity other than the Company or a Related Company, or (C) initiate discussion with any such employee for any such purposes or authorize or knowingly cooperate with the taking of any such actions by any other individual or entity; provided, however, that nothing herein shall prohibit the Executive from generally advertising for personnel not specifically targeting any executive or other personnel of the Company.

(iv) During the Executive's employment with the Company and thereafter, Executive will not make any comment or statement or engage in any other behavior that in any way disparages or is otherwise detrimental to the reputation and goodwill of the Company, any Related Company, or any director, officer, executive, or agent of the Company or any Related Company; provided, however, that nothing herein shall be interpreted as prohibiting Executive from making truthful statements, including statements of opinion, to Company directors, officers, auditors or regulators or when required by a court or other body having jurisdiction to require such statements.

(b) Confidentiality. The following provisions shall apply:

(i) Except as may be required by the lawful order of a court or agency of competent jurisdiction, or except to the extent that the Executive has express written authorization from the Company, [he/she] will keep secret and confidential all Confidential Information (as defined below), and not disclose the same, either directly or indirectly, to any other person, firm, or business entity, or use it in any way. The Executive agrees that, to the extent that any court or agency seeks to have the Executive disclose Confidential Information, [he/she] shall promptly inform the Company, and [he/she] shall take such reasonable steps to prevent disclosure of Confidential Information until the Company has been informed of such required disclosure, and the Company has an opportunity to respond to such court or agency. To the extent that the Executive obtains information on behalf of the Company or a Related Company that may be subject to attorney-client privilege as to the Company or an affiliate's attorneys, the Executive shall take reasonable steps to maintain the confidentiality of such information and to preserve such privilege.

(ii) Upon [his/her] termination of employment with the Company for any reason, the Executive shall promptly return to the Company any keys, credit cards, passes, confidential documents and material, or other property belonging to the Company, and shall return all writings, files, records, correspondence, notebooks, notes and other documents and things (including any copies or electronic versions thereof) containing Confidential Information or relating to the business or proposed business of the Company or any Related Company or containing any trade secrets relating to the Company or any Related Company, except any personal diaries, calendars, rolodexes or personal notes or correspondence.

(iii) For purposes of this Agreement, the term "Confidential Information" means all non-public information concerning the Company and any Related Company that was acquired by or disclosed to the Executive during the course of [his/her] employment with the Company or a Related Company, or during discussions between the Executive and the Company or any Related Company following [his/her] termination of employment arising out of [his/her] employment or this Agreement, including, without limitation: (A) all of the Company's or any Related Company's "trade secrets" as that term is used in the Illinois Trade Secrets Act (or, if that Act is repealed, the Uniform Trade Secrets Act upon which the Illinois Trade Secrets Act is based); (B) any non-public information regarding the Company's or a Related Company's directors, officers, employees, customers, equipment, processes, costs, operations and methods, whether past, current or planned, as well as knowledge and data relating to business plans, marketing and sales information originated, owned, controlled or possessed by the Company or a Related Company; and (C) information regarding litigation and threatened litigation involving or affecting the Company or a Related Company.

(c) Assistance with Claims. The Executive agrees that, consistent with the Executive's business and personal affairs, during and after [his/her] employment by the Company, [he/she] will assist the Company and any Related Company in the defense of any claims or potential claims that may be made or threatened to be made against any of them in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), and will assist the Company and any Related Company in the prosecution of any claims that may be made by the Company or any Related Company in any Proceeding, to the extent that such claims may relate to the Executive's employment or the period of the Executive's employment by the Company. Executive agrees, unless precluded by law, to promptly inform the Company if Executive is asked to participate (or otherwise become involved) in any Proceeding involving such claims or potential claims. Executive also agrees, unless precluded by law, to promptly inform the Company if Executive is asked to assist in any investigation (whether governmental or private) of the Company or any Related Company (or their actions), regardless of whether a lawsuit has then been filed against the Company or any Related Company with respect to such investigation. The Company agrees to reimburse Executive for all of Executive's reasonable out-of-pocket expenses associated with such assistance, including travel expenses and any attorneys' fees and shall pay a reasonable per diem fee for Executive's service.

(d) The payments, benefits, and other entitlements under this Agreement are being made in consideration of, among other things, the obligations of this Section 5 and, in particular, compliance with Sections 5(a) and (b) of this Agreement; provided, however, that all such payments, benefits, or other entitlements pursuant to Section 6 of the Agreement are subject to and conditioned upon the Executive's entering into the Release and Agreement referred to in Section 6(h) of this Agreement.

(e) Remedies.

(i) The Executive acknowledges that the Company would be irreparably injured by any violation of this Section 5.

(ii) Subject to Section 7, in the event of any material breach by the Executive of the provisions of Sections 5(a) or (b), (A) the Company shall be relieved of all obligations to make any further payments to the Executive pursuant to Sections 4 and 6 of this Agreement or otherwise under any incentive compensation plan of the Company or a Related Company, (B) all outstanding equity-based

awards held by the Executive shall be immediately forfeited, (C) subject to the following provisos, the Executive will be required to pay to the Company, in cash, within five business days after written demand is made therefor by the Company, an amount equal to any payments received by the Executive under Sections 6(a), 6(b) and 6(f) and (D) subject to the following provisos, the Executive will be required to pay the Company, in cash, within five (5) business days after written demand is made therefor by the Company, an amount equal to any gain realized as a result of the exercise or vesting of equity awards during the period commencing twelve months prior to the Executive's termination of employment for any reason and ending on the date of payment; provided, however, that no forfeiture, cancellation, or repayment shall take place with respect to any payments, benefits, or entitlements under this Agreement or any other award agreement, plan, or practice, unless the Company shall have first given the Executive written notice of its intent to so forfeit, cancel, or require repayment and the Executive has not, within thirty (30) calendar days after such notice has been given, ceased such impermissible Competitive Activity or other activity in violation of this Agreement; and provided further, however, that such prior notice procedure shall not be required with respect to (A) a Competitive Activity or violation of Section 5(b) of this Agreement which the Executive initiated after the Company had informed the Executive in writing that it believed such activity violated this Agreement or the Company's noncompetition guidelines, or (B) any Competitive Activity regarding products or services which are part of a line of business which the Executive knew or should have known represented more than five percent (5%) of the Company's consolidated gross revenues for its most recently completed fiscal year at the time the Executive's employment is terminated.

(iii) Executive agrees that (A) the Company, in addition to any other remedies available to it for a breach or threatened breach of Sections 5(a) or (b), shall be entitled to a preliminary injunction, temporary restraining order, or other equivalent relief, restraining the Executive from any actual or threatened breach of this Section 5, and (B) if a bond is required to be posted in order for the Company to secure an injunction or other equitable remedy, the parties agree that said bond need not be more than a nominal sum. If a final and non-appealable judicial determination is made that any of the provisions of this Section 5 constitutes an unreasonable or otherwise unenforceable restriction against the Executive, the provisions of this Section 5 will not be rendered void but will be deemed to be modified to the minimum extent necessary to remain in force and effect for the greatest period and to the greatest extent that such court determines constitutes a reasonable restriction under the circumstances. Moreover, notwithstanding the fact that any provision of this Section 5 is determined not to be specifically enforceable, the Company will nevertheless be entitled to recover monetary damages as a result of the Executive's breach of such provision.

6. Termination Provisions.

(a) Severance Benefits. Prior to a Change in Control, if the Company terminates the Executive's employment for any reason other than Long-Term Disability or Cause, or if the Executive resigns for Good Reason, subject to Section 6(h), the Executive shall be entitled to:

(i) Severance payments in an aggregate amount equal to the sum of (x) one and one-half (1.5) times Executive's then-current Base Salary (disregarding any reduction in salary made in contemplation of such termination of employment), (y) one and one-half (1.5) times the Company's profit-sharing, 401(k) match and other Company contributions made on behalf of the Executive to the Company's tax-qualified and nonqualified defined contribution plans during the twelve (12) month period prior to the date of termination, and (z) such amount, if any, as may be determined by the Chief Executive Officer in his sole discretion based on the Executive's Target Annual Bonus under the BPP ("Total Severance Payment"). In the event that the Total Severance Payment becomes due to the Executive under this Agreement, subject to Section 7, such payment shall be made in equal installments, in accordance with the Company's regular payroll practices and procedures, as if it were to be paid over the eighteen (18) month period following the date that the release described in Section 6(h) becomes effective and irrevocable (the "Release Effective Date"); provided, however, that all unpaid portions of the Total Severance Payment shall be distributed to the Executive in a lump sum on the payroll date immediately preceding March 15 of the calendar year following the calendar year in which the date of termination occurs. Notwithstanding anything to the contrary in this paragraph, in the event that the Executive will attain age 65 prior to the eighteen (18) month anniversary of the date of termination, the Total Severance Payment shall be reduced to a level determined by multiplying the amount of such payment by a fraction, the numerator of which shall be the number of full months between the date of termination and the date the Executive will attain age 65 (and the numerator will not be reduced to reflect any six (6) month delay in payment that may be required pursuant to Section 7), and the denominator of which shall be eighteen (18). In addition, the period during which the Executive will receive installment payments with respect to the Total Severance Payment will also be reduced accordingly.

(ii) If such termination occurs prior to the payment of the Executive's Annual Bonus payable with respect to the immediately preceding calendar year, payment of such Annual Bonus for such period, in the amount, and at such time, as [he/she] would otherwise have been entitled under the terms of the BPP had employment not terminated.

(iii) All outstanding stock options, stock appreciation rights, restricted stock units, restricted shares and other equity-based awards (the "Equity Incentives") held by the Executive shall be governed by the terms and conditions of the equity compensation plans and award agreements pursuant to which they were granted.

(iv) The Executive shall be entitled to Company-provided continuation of medical, dental, vision and prescription coverage, but not Long-Term Disability coverage (the "Benefits") (on either an insured or a self-insured basis, in the sole discretion of the Company) for the Executive and [his/her] "Eligible Dependents" (as determined under the terms of the Company's health and welfare benefit plans in effect as of the date of termination), on substantially the same terms of such coverage that are in existence immediately prior to the Executive's date of termination (subject to commercial availability of such coverage), until the earlier of: (A) the date on which the Executive becomes employed by another employer, or (B) the eighteen (18) month anniversary of the Executive's date of termination; provided, however, that such coverage shall run concurrently with any coverage available to the Executive and [his/her] Eligible Dependents under COBRA; and provided further, however, that the Executive shall immediately notify the Company if [he/she] or [his/her] Eligible Dependents become covered under Medicare or another employer's group health plan, at which time the Company's provision of medical coverage for the Executive and/or [his/her] Eligible Dependents, as applicable, will cease. The Executive shall not be entitled to any other perquisites (except as otherwise explicitly provided in the applicable perquisite plan or policy or in this Agreement). Notwithstanding anything to the contrary in this Section 6(a)(iv), in the event the Executive attains age 65 prior to the eighteen (18) month anniversary of his date of termination, the benefits provided for in this Section 6(a)(iv) shall cease on the date the Executive attains age 65; and provided further, however, that if the commencement of benefits under this Section 6(a)(iv) is delayed by six (6) months as a result of Section 7, the Executive shall continue to receive the benefits under this Section 6(a)(iv) following attainment of age 65 solely during the period necessary to avoid a reduction in benefits as a result of the six (6) month delay.

(b) Change in Control Benefits. After a Change in Control, if the Company terminates the Executive's employment for any reason other than Cause or Long-Term Disability, or if the Executive resigns for Good Reason, subject to Section 6(h), the Executive shall be entitled to:

(i) Change in Control payments in a lump sum in an aggregate amount equal to two and one-half (2.5) times the sum of (x) the Executive's then-current Base Salary (disregarding any reduction in salary made after the Change in Control or in contemplation of the Change in Control), (y) the Executive's Target Annual Bonus for the year of termination or, if greater, the Target Annual Bonus for the year in which the Change in Control occurred, and (z) the Company's profit-sharing, 401(k) match and other Company contributions made on behalf of the Executive to the Company's tax-qualified and nonqualified defined contribution plans during the twelve (12) months prior to the date of termination ("Total Change in Control Payment"). Notwithstanding anything to the contrary in this paragraph, in the event that the Executive will attain age 65 prior to the thirty-month anniversary of the date of termination, the Total Change in Control Payment shall be reduced to a level determined by multiplying the amount of such payment by a fraction, the numerator of which shall be the

number of full months between the date of termination and the date the Executive will attain age 65 (and the numerator will not be reduced to reflect any six (6) month delay in payment that may be required pursuant to Section 7), and the denominator of which shall be thirty (30). The Total Change in Control Payment shall be paid on the Release Effective Date.

(ii) If such termination occurs prior to the payment of the Executive's Annual Bonus payable with respect to the immediately preceding calendar year, payment of such Annual Bonus for such period, in the amount, and at such time, as [he/she] would otherwise have been entitled under the terms of the BPP had employment not terminated.

(iii)Notwithstanding the terms and conditions of the equity compensation plans and award agreements pursuant to which outstanding awards were granted, upon termination of the Executive's employment, all Equity Incentives held by the Executive will become fully vested and, if applicable, immediately exercisable, and will remain outstanding pursuant to their terms; provided, however, that the treatment of all awards held by the Executive that are subject to performance-based vesting criteria shall be governed by the terms and conditions of the equity compensation plans and award agreements and/or award terms pursuant to which they were granted.

(iv) The Executive shall be entitled to Company-provided continuation of Benefits (on either an insured or a self-insured basis, in the sole discretion of the Company) for the Executive and [his/her] Eligible Dependents, on substantially the same terms of such coverage that are in existence immediately prior to the Executive's date of termination (subject to commercial availability of such coverage), until the earlier of: (A) the date on which the Executive becomes employed by another employer, or (B) the thirty-month anniversary of the Executive's date of termination; provided, however, that such coverage shall run concurrently with any coverage available to the Executive and [his/her] Eligible Dependents under COBRA; and provided further, however, that the Executive shall immediately notify the Company if [he/she] and [his/her] Eligible Dependents become covered under Medicare or another employer's group health plan, at which time the Company's provision of medical coverage for the Executive and/or [his/her] Eligible Dependents, as applicable, will cease. The Executive shall not be entitled to any other perquisites (except as otherwise explicitly provided in the applicable perquisite plan or policy or in this Agreement). Notwithstanding anything to the contrary in this Section 6(b)(iv), in the event the Executive attains age 65 prior to the thirty-month anniversary of [his/her] date of termination, the benefits provided for in this Section 6(b)(iv) shall cease on the date the Executive attains age 65; provided, however, that if the commencement of benefits under this Section 6(b)(iv) is delayed by six (6) months as a result of Section 7, the Executive shall continue to receive the benefits under this Section 6(b)(iv) following attainment of age 65 solely during the period necessary to avoid a reduction in benefits as a result of the six (6) month delay.

(c) Benefits Upon Termination Due to Death or Long-Term Disability. If, at any time during the Term, the Executive's employment terminates as a result of the Executive's death or Long-Term Disability, the Executive or [his/her] estate (as applicable) shall be entitled to:

(i) Payment of any unpaid Base Salary accrued through the date of termination (to be paid on the scheduled payment date for such Base Salary) and any unreimbursed business expenses incurred through the date of termination.

(ii) Subject to Section 6(h), such amount, if any, as may be determined by the Chief Executive Officer in his sole discretion based on the Executive's Target Annual Bonus under the BPP (to be paid on the Release Effective Date).

(iii) If such termination occurs prior to the payment of the Executive's Annual Bonus payable with respect to the immediately preceding calendar year, payment of such Annual Bonus for such period, in the amount, and at such time, as [he/she] would otherwise have been entitled under the terms of the BPP had employment not terminated.

(iv) Continuation of the ability of the Executive or the Executive's beneficiaries (as applicable) to exercise all outstanding awards granted to the Executive under the Incentive Plan that became vested and exercisable on or prior to such date of termination in accordance with the terms and conditions of such grants.

(d) Termination for Cause. In the event the Executive's employment is terminated for Cause at any time during the Term, the Executive shall not receive any payments, benefits, or other amounts provided by this Agreement, other than payment of any unpaid Base Salary accrued through the date of termination (to be paid on the scheduled payment date for such Base Salary), payment of any unreimbursed business expenses incurred through the date of termination (but shall still be subject to the restrictive covenants set forth in Section 5 of this Agreement). The Executive shall remain entitled to all benefits under the Company's tax-qualified retirement plans and shall remain eligible for certain benefits under other employee benefit plans, in each case subject to, and in accordance with, the terms of such plans. Provided that the activity, facts, or circumstances that precipitated the "for Cause" determination were not (i) the result of Executive's bad faith, or (ii) undertaken without a reasonable belief by the Executive that [he/she] was acting in the best interests of the Company or as required by applicable law, the Executive's employment may not be terminated for Cause prior to advance written notice to the Executive containing reasonable detail of the activity, facts, or circumstances constituting Cause for termination, the actions that the Executive must take to cease such activity or cure such facts and circumstances, and a reasonable amount of time (not to exceed thirty (30) calendar days) for the Executive to effectuate such cure. All determinations relating to a "for Cause" termination shall be made by the Company in its sole discretion.

(e) Termination Due to Voluntary Resignation Without Good Reason. In the event the Executive voluntarily resigns without Good Reason during the Term, the Executive shall not be entitled to any payments, benefits or other amounts under this Agreement, other than payment of any unpaid Base Salary accrued through the date of termination (to be paid on the scheduled payment date for such Base Salary), and for payment of any unreimbursed business expenses incurred through the date of termination (but shall still be subject to the restrictive covenants set forth in Section 5 of this Agreement). The Executive shall remain entitled to all benefits under the Company's tax-qualified retirement plans and shall remain eligible for certain benefits under other employee benefit plans (including, without limitation, any plans providing for Equity Incentives), in each case subject to, and in accordance with, the terms of such plans.

(f) Outplacement. In addition to any rights to which the Executive may be entitled under Sections 6(a) through 6(e), above, in the event that the Executive's employment is terminated during the Term (y) by the Company, and such termination is other than for Cause, death or Long-Term Disability, or (z) by the Executive for Good Reason, subject to Section 6(h), the Executive shall be entitled to the services of a Company-paid and Company-approved outplacement or career transition consultant in accordance with the Company's current practices for senior executives in effect as of the date of termination; provided, however, that commencement of such transition counseling services, if desired, must begin prior to the first (1st) anniversary of the date of termination and must end prior to the last day of the second (2nd) calendar year following the year in which the date of termination occurs.

(g) Notification Requirements for Termination for Good Reason.

(i) In the event the Executive determines that Good Reason exists to terminate [his/her] employment with the Company, the Executive shall notify the Company in writing of the specific event, within sixty (60) calendar days after the date that the

Executive becomes aware of the occurrence of such event, and such notice shall also include the date on which the Executive will terminate employment with the Company, which date shall be no earlier than sixty (60) calendar days after the date of such notice and no later than the second anniversary of the date of the occurrence of the event giving rise to Good Reason; provided, however, that the Chief Executive Officer, in his sole discretion, may relieve the Executive of [his/her] duties effective immediately upon the Company's receipt of notice provided pursuant to this Section 6(g).

(ii) Within thirty (30) calendar days after the Company's receipt of such written notice, the Company shall notify the Executive that it agrees or disagrees with the Executive's determination that the event specified in the Executive's notice constitutes Good Reason. Notwithstanding any other provision of this Agreement, the Company's determination whether it agrees or disagrees with the Executive's determination that the event specified in the Executive's notice constitutes Good Reason shall be reasonable, based on all the relevant facts and circumstances. The arbitrator in any arbitration proceeding initiated pursuant to Section 13 of this Agreement, in which the existence of Good Reason is an issue, shall be expressly empowered and directed to review, de novo, the facts and circumstances claimed by the Executive to constitute Good Reason.

(iii) In the event the Company notifies the Executive that it agrees with the Executive's determination that the event specified in the Executive's notice constitutes Good Reason, the Company, in its sole discretion, shall either (y) undertake to cure the circumstances that gave rise to Good Reason within thirty (30) calendar days of the Company's response to Executive under Section 6(g)(ii), above, or (z) advise the Executive that [his/her] employment with the Company shall terminate on [his/her] date of termination as determined under Section 6(g)(i), above. In the event that the Executive and the Company do not agree that the action undertaken by the Company cures the circumstances that gave rise to Good Reason, the Executive shall be entitled to pursue the arbitration procedures set out in Section 13 of this Agreement. If the Executive's claim in arbitration is ultimately concluded in the Executive's favor, the Executive shall retain the right to receive the payments and benefits under this Agreement. If, during the two-year period following a Change in Control, the Company attempts to cure the circumstances giving rise to Good Reason, the Company shall have the burden of proof to establish that such circumstances have been cured.

(iv) In the event the Company notifies the Executive that it disagrees with the Executive's determination that the event specified in the Executive's notice constitutes Good Reason, the Executive may terminate [his/her] employment on the date specified in the notice (or such earlier date as determined by the Chief Executive Officer in his sole discretion or such later date as the Executive and the Company may mutually agree in writing) or may elect to continue [his/her] employment by so notifying the Company in writing. In either event, the Executive shall be entitled to pursue the arbitration procedures set out in Section 13 of this Agreement. If the Executive's claim in arbitration is ultimately concluded in the Executive's favor, the Executive shall retain the right to receive the payments and benefits under this Agreement. If, during the two-year period following a Change in Control, the Company disputes the existence of Good Reason, the Company shall have the burden of proof to establish that Good Reason does not exist.

(v) Notwithstanding the date on which the Executive's termination occurs following the completion of the steps set forth in this Section 6(g), so long as an event that constitutes Good Reason occurs during the Term and the Executive delivers the written notice of termination for Good Reason to the Company at any time prior to the expiration of the Term, for purposes of the payments, benefits and other entitlements set forth in this Section 6, the termination of the Executive's employment pursuant thereto shall be deemed to be a resignation for Good Reason during the Term.

(h) <u>Conditional Payments</u>. Subject to Section 7, any payments or benefits made pursuant to this Section 6 will be subject to and conditioned upon the Executive's compliance with the provisions, restrictions and limitations of Section 5 of this Agreement, but not otherwise subject to offset or mitigation. In addition, unless (i) effective on the date of termination, the Executive resigns from all offices, directorships and fiduciary positions with the Company and (ii) on or prior to the sixtieth (60th) day following the date of termination, (A) the Executive or the Executive's estate (as applicable) shall have signed, and the Company shall have received, a Release and Agreement releasing the Company, Related Companies, and their respective directors, officers, employees and agents ("Released Parties") from any and all claims and liabilities, and promising to the fullest extent allowed by law, never to sue any of the Released Parties (such Release and Agreement shall be in the form set forth in Appendix III) and (B) such Release and Agreement shall have become irrevocable, (x) no payment shall be paid or made available to the Executive under Section 6(a)(i) or 6(b)(i), (y) no unvested Equity Incentive shall become vested pursuant to Section 6(b)(iii) and instead, all then unvested Equity Incentives shall be immediately forfeited, and (z) (I) the Company shall be relieved of all obligations to make any further payments, or provide or make available any Benefits, to the Executive pursuant to Section 6(a)(iv) or 6(b)(iv) and (II) the Executive shall be required to repay the Company, in cash, within five (5) business days after written demand is made therefor by the Company, an amount equal to the value of any Benefits received by the Executive pursuant to Section 6(a)(iv) or 6(b)(iv).

7. <u>Section 409A of the Code</u>. The provisions of this Section 7 shall apply notwithstanding any provision in this Agreement to the contrary.

(a) <u>Intent to Comply with Section 409A of the Code</u>. It is intended that the provisions of this Agreement comply with Section 409A of the Code, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code.

(b) <u>Six-Month Delay of Certain Payments</u>. If, at the time of the Executive's separation from service (within the meaning of Section 409A of the Code), (i) the Executive shall be a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company shall make a good faith determination that an amount payable under this Agreement or any other plan, policy, arrangement or agreement of or with the Company or any Related Company (this Agreement and such other plans, policies, arrangements and agreements, the "Company Plans") constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six (6)-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company (or a Related Company, as applicable) shall not pay any such amount on the otherwise scheduled payment date but shall instead accumulate such amount and pay it, without interest, on the first day of the seventh (7th) month following such separation from service.

(c) <u>Prohibition of Offsets</u>. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to or for the benefit of the Executive under any Company Plan may not be reduced by, or offset against, any amount owing by the Executive to the Company or any Related Company.

(d) <u>Amendment of Deferred Compensation Plans; Indemnification for Section 409A Taxes</u>. From and after the Effective Date and for the remainder of the Term, (i) the Company shall administer and operate this Agreement and any "nonqualified deferred

compensation plan" (as defined in Section 409A of the Code) (and any other arrangement that could reasonably be expected to constitute such a plan) in which the Executive participates and the Executive's rights and benefits hereunder and thereunder in compliance with Section 409A of the Code and any rules, regulations or other guidance promulgated thereunder as in effect from time to time, (ii) in the event that the Company determines that any provision of this Agreement or any such plan or arrangement does not comply with Section 409A of the Code or any such rules, regulations or guidance and that the Executive may become subject to additional taxes and penalties under Section 409A of the Code ("Section 409A Tax"), the Company shall amend or modify such provision to avoid the application of such Section 409A Tax but only to the minimum extent necessary to avoid the application of such Section 409A Tax and only to the extent that the Executive would not, as a result, suffer (A) any reduction in the total present value of the amounts otherwise payable to the Executive (determined without application of the Section 409A Tax), or the benefits otherwise to be provided to the Executive, by the Company, (B) any material increase in the risk of the Executive not receiving such amounts or benefits which [he/she] would have received without the application of the Section 409A Tax and any amendment pursuant to this Section 7 or (C) unless the Executive otherwise expressly consents in writing, any significant reduction in the Executive's legal rights under this Agreement or any Company Plan, and (iii) in the event that, notwithstanding the foregoing, the Executive is subject to a Section 409A Tax with respect to any such provision, the Company shall indemnify and hold the Executive harmless against all taxes (and any interest or penalties imposed with respect to such taxes) imposed as a result of the Company's failure to comply with clause (i) of this Section 7(d).

(e) Payment Schedules Relating to Tax Indemnification. Any amounts payable to the Executive in respect of indemnification pursuant to Section 7(d) for the Section 409A Tax (each, a "Section 409A Tax Adjustment Payment") shall be paid to the Executive as soon as practicable after the applicable liability is incurred, but in any event not later than the last day of the calendar year after the calendar year in which the Executive remits the applicable taxes, interest or penalties to the applicable taxing authority, in accordance with Treas. Reg. Section 1.409A-3(i)(1)(v) or any successor thereto. Furthermore, any amounts that the Executive becomes entitled to receive in respect of costs and expenses incurred in connection with a contest relating to Section 7(d) shall be paid to the Executive as soon as practicable after the applicable cost is incurred, but in any event not later than the later of (i) the last day of the calendar year after the calendar year in which the Executive remits the underlying taxes to the applicable taxing authority and (ii) the last day of the calendar year after the calendar year in which the applicable contest is concluded.

(i) Notice. The Executive shall notify the Company in writing of any written claim by the IRS that, if successful, would require the payment by the Company of a Section 409A Tax Adjustment Payment or the recalculation of a Section 409A Tax Adjustment Payment. The notification shall apprise the Company of the nature of such claim, including (A) a copy of the written claim from the IRS, (B) the identification of the element of compensation and/or benefit that is the subject of such IRS claim, and (C) the date on which such claim is requested to be paid. Such notification shall be given as soon as practicable, but no later than ten (10) business days after the Executive actually receives notice in writing of such claim. The failure of the Executive to properly notify the Company of the IRS claim (or to provide any required information with respect thereto) shall not affect any rights granted to the Executive under this Section 7, except to the extent that the Company is materially prejudiced in the challenge to such claim as a direct result of such failure.

(ii) Payment. Within ten (10) business days following receipt of such written notification by the Executive of such IRS claim, the Company shall pay to the Executive a Section 409A Tax Adjustment Payment, or the excess of a recalculated Section 409A Tax Adjustment Payment over the initial Section 409A Tax Adjustment Payment, as applicable, related to the element of compensation and/or benefit which is the subject of the IRS claim. Within ten (10) business days following such payment to the Executive, the Executive shall provide to the Company written evidence that [he/she] has paid the claim to the IRS (the United States Treasury).

(iii) Contest. If the Company notifies the Executive in writing, within sixty (60) business days following receipt from the Executive of notification of the IRS claim, that it desires to contest such claim, the Executive shall:

(A) Give the Company any information reasonably requested by the Company relating to such claim;

(B) Take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time including, without limitation, accepting legal representation with respect to such claim by an attorney selected by the Company and reasonably acceptable to the Executive;

(C) Cooperate with the Company in good faith in order to effectively contest such claim; and

(D) Permit the Company to participate in any proceedings relating to such claim if the Company elects not to assume and control the defense of such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold harmless the Executive, on an after-tax basis, for any Section 409A Tax and Income Taxes (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 7, the Company shall have the right, at its sole option, to assume the control of all proceedings in connection with such contest, in which case it may pursue or forego any and all administrative appeals, proceedings, hearings, and conferences with the taxing authority in respect of such claim, and may direct the Executive to sue for a refund or contest the claim in any permissible manner. The Executive agrees to prosecute such contest, as directed by the Company, to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; and provided further, however, that (A) if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis, and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Section 409A Tax or Income Taxes (including interest or penalties) imposed with respect to such advance or with respect to any imputed income in connection with such advance and (B) any extension of the statute of limitations relating to payment of tax for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's rights to assume the control of the contest shall be limited to issues with respect to which a Section 409A Tax Adjustment Payment would be payable hereunder, and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the IRS or any other taxing authority. To the extent that the contest of the IRS claim is successful, the

Section 409A Tax Adjustment Payment related to the element of compensation and/or benefit that was the subject of the claim shall be recalculated in accordance with the provisions of this Section 7(e).

(f) Designation of Installments as Separate Payments. For purposes of Section 409A of the Code, each installment payment to the Executive provided for in this Agreement or any Company Plan shall be deemed to be a "separate payment" within the meaning of Treas. Reg. Section 1.409A-2(b)(iii) or any successor thereto.

(g) Timing of Reimbursement Payments and Other Benefits. Except as specifically permitted by Section 409A of the Code, the benefits and reimbursements, including for legal fees, provided to the Executive under this Agreement and any Company Plan during any calendar year shall not affect the benefits and reimbursements to be provided to the Executive under the relevant section of this Agreement or Company Plan in any other calendar year and the right to such benefits and reimbursements cannot be liquidated or exchanged for any other benefit, in accordance with Treas. Reg. Section 1.409A-3(i)(1)(iv) or any successor thereto. Furthermore, reimbursement payments shall be made to the Executive as promptly as practicable following the date that the applicable expense is incurred, but in any event not later than the last day of the calendar year following the calendar year in which the underlying fee, cost or expense is incurred.

8. Legal Fees. In the event that it shall be necessary or desirable for the Executive to retain legal counsel or incur other costs and expenses in connection with enforcement of the Executive's rights under this Agreement, the Company shall pay (or the Executive shall be entitled to recover from the Company, as the case may be) [his/her] reasonable attorneys' fees and cost and expenses incurred prior to the tenth anniversary of the expiration of the Term in connection with enforcement of [his/her] rights (including the enforcement of any arbitration award in court), (a) if the action relates to the Executive's employment with the Company or a Related Company during a period ending prior to a Change in Control, only if a final decision in connection with a material issue of the litigation (or arbitration) is issued in the Executive's favor by an arbitrator or a court of competent jurisdiction, and (b) if the action relates to the Executive's employment with the Company or a Related Company during a period following a Change in Control or during a period that both precedes and follows a Change in Control, regardless of the final outcome, unless, in the case of this clause (b), the arbitrator or court shall determine that under the circumstances recovery by the Executive of all or a part of any such fees and costs and expenses would be unjust.

9. Indemnification. The Executive shall be entitled to indemnification by the Company under the Indemnification Terms and Conditions described in Appendix IV to this Agreement.

10. Excise Tax. In the event that it is determined (by the reasonable computation by an independent accounting or consulting firm chosen by the Company (the "Firm"), which determination shall be certified by the Firm and set forth in a certificate delivered to the Executive) that the aggregate amount of the payments, distributions, benefits and entitlements of any type paid or provided to the Executive under the terms of this Agreement or under any other plan, program, policy, or other arrangement, either alone or in combination with other elements of compensation and benefits paid or provided to the Executive (including any payment, distribution, benefit or entitlement made by any person or entity effecting a Change in Control), in each case, that could be considered "parachute payments" within the meaning of Section 280G of the Code (such payments, the "Parachute Payments") that, but for this Section 10 would be payable to the Executive, exceeds the greatest amount of Parachute Payments that could be paid to the Executive without giving rise to any liability for any excise tax imposed by Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law, or any interest or penalties with respect to such tax (such tax or taxes, together with any such interest or penalties, being hereafter collectively referred to as the "Excise Tax"), then the aggregate amount of Parachute Payments payable to the Executive shall not exceed the amount which produces the greatest after-tax benefit to the Executive after taking into account any Excise Tax to be payable by the Executive. For the avoidance of doubt, this provision will reduce the amount of Parachute Payments otherwise payable to the Executive, if doing so would place the Executive in a better net after-tax economic position as compared with not doing so (taking into account the Excise Tax payable in respect of such Parachute Payments). The Executive shall be permitted to provide to the Company written notice specifying which of the Parachute Payments will be subject to reduction or elimination; provided, however, that to the extent that the Executive's ability to exercise such authority would cause any Parachute Payment to become subject to any Section 409A Tax, or if the Executive does not provide the Company with any such written notice, the Company shall reduce or eliminate the Parachute Payments by first reducing or eliminating the portion of the Parachute Payments that are payable in cash and then by reducing or eliminating the non-cash portion of the Parachute Payments, in each case in reverse order beginning with payments or benefits which are to be paid the furthest in time from the date of the Firm's determination. Except as set forth in the preceding sentence, any notice given by the Executive pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing the Executive's rights and entitlements to any benefits or compensation.

11. Wage Withholding and Reporting. All taxable payments, reimbursements, benefits, and other amounts payable or provided by the Company pursuant to this Agreement shall be subject to applicable wage withholding of Income Taxes and shall be reported on IRS Form W-2.

12. [Reserved]

13. Dispute Resolution. Except as otherwise provided by Section 5(e) (Remedies) above, any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by arbitration in the City of Chicago in accordance with the laws of the State of Illinois by one arbitrator. The arbitrator shall be appointed pursuant to Rule 11 of the American Arbitration Association's Commercial Arbitration Rules, amended and effective September 15, 2005. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association, Commercial Arbitration Rules. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

14. Termination Provisions. The Term shall automatically terminate upon the Executive's attainment of age 65, and may be terminated at any time by the Company upon six (6) month's advance written notice to the Executive; provided, however, that if a Change in Control occurs prior to the expiration of the Term, the Term shall not terminate prior to the second (2nd) anniversary of the date on which the Change in Control occurs.

15. Company's Reservation of Rights. The Company reserves the right to discontinue or modify its compensation, incentive, benefit, and perquisite plans, programs, and practices at any time and from time to time. Moreover, the brief summaries contained herein are subject to the terms of such plans, programs, and practices. For purposes of any and all employee benefit plans, the definition of compensation is as stated in such plans. The severance benefits payable under Section 6 of this Agreement are in lieu of all other severance benefits which the Executive would otherwise be entitled to receive from the Company and any Related Company, except as may otherwise be provided in a written agreement specifically referencing this Section 15. The Executive acknowledges and agrees that the severance benefits to which the Executive may become entitled under this Agreement are in excess of those which the Executive would be entitled to under the Company's otherwise applicable severance pay plans, and that the Company is agreeing to provide such severance benefits in consideration for the Executive's agreement to the terms and conditions of Section 5 of this Agreement.

16. Entire Agreement; Amendments. This Agreement represents the entire agreement between the Executive and the Company in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations, or warranties, whether oral or written, by any officer, executive, or representative of any party hereto. Except as specifically provided in Section 7, no amendments or modifications to this Agreement may be made except in writing signed by the Company (as authorized by the Board or the Committee) and the Executive.

17. Survivorship. The respective rights and obligations of the parties hereunder shall survive the expiration of the Term and any termination of the Executive's employment to the extent necessary to the intended preservation of such rights and obligations.

18. Notices. Any notice and all other communications provided for in this Agreement to be given to a party shall be in writing and shall be deemed to have been duly given when delivered in person or two (2) business days after being placed in the United States mails by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently furnish to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt:

If to the Company:

Brunswick Corporation

1 N. Field Court
Lake Forest, IL 60045
Attn: Chief Human Resources Officer

If to the Executive:

at the last address filed with the Company

19. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. If any provision of this Agreement shall be held invalid or unenforceable in part, the remaining portion of such provision, together with all other provisions of this Agreement, shall remain valid and enforceable and continue in full force and effect to the fullest extent consistent with law. In furtherance and not in limitation of the foregoing, should the duration or geographical extent of, or business activities covered by, any provision of this Agreement be in excess of that which is valid and enforceable under applicable law, then such provision shall be construed to cover only that duration, extent, or activities which may be validly enforced.

20. Headings. Headings to Sections hereof are for convenience of reference only and shall not be construed to alter or affect the meaning of any provision of this Agreement.

21. Injunctive Relief. If there is a breach or threatened breach of the provisions of this Agreement, the non-breaching party shall be entitled to an injunction restraining the breaching party from such breach. Nothing herein shall be construed as prohibiting either party from pursuing any other remedies for a breach or threatened breach of this Agreement.

22. No Assignment or Attachment. Except as required by law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge, or hypothecation, or to execution, attachment, levy, or similar process or assignment by operation of law, and any attempt, voluntary or involuntary, to effect any such action shall be null, void, and of no effect; provided, however, that nothing in this Section 22 shall preclude the assumption of such rights by executors, administrators, or other legal representatives of the Executive or [his/her] estate and their assigning any rights hereunder to the person or persons entitled thereto; and provided further, however, that the Company may not assign this Agreement except in connection with an assignment or disposition of all or substantially all of the assets or stock of the Company or the division, subsidiary, or business unit for which the Executive is providing services under this Agreement or by law as a result of a merger or consolidation.

23. Successors, Assumption of Contract. This Agreement shall be binding upon and inure to the benefit of the Company and any successor of the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no succession had taken place. As used in this Agreement, except for purposes of Section 5(a), the term “Company” shall mean the Company as hereinbefore defined and any successor of the Company and any permitted assignee to which this Agreement is assigned.

24. Work For Hire Acknowledgment; Assignment. The Executive acknowledges that all of the Executive’s work on and contributions to the Company’s products (the “Products”) including, without limitation, any and all patterns, designs, and other expressions in any tangible medium (collectively, the “Works”) are within the scope of the Executive’s employment and are a part of the services, duties, and responsibilities of the Executive. All of the Executive’s work on and contributions to the Works will be rendered and made by the Executive for, at the instigation of, and under the overall direction of, the Company, and all of the Executive’s said work and contributions, as well as the Works, are and at all times shall be regarded as “work made for hire” as that term is used in the United States copyright laws. Without curtailing or limiting this acknowledgment, the Executive hereby assigns, grants, and delivers exclusively to the Company, as to work on and contribution to the Products pursuant hereto, all rights, titles, and renewals. The Executive will execute and deliver to the Company, or its successors and assigns, such other and further assignments, instruments, and documents as it from time to time reasonably may request for the purpose of establishing, evidencing, and enforcing or defending its complete, exclusive, perpetual, and worldwide ownership of all rights, titles, and interests of every kind and nature whatsoever, including all copyrights, in and to the Works. The Executive hereby constitutes and appoints the Company as [his/her] agent and attorney-in-fact, with full power of substitution, to execute and deliver said assignments, instruments, or documents as the Executive may fail or refuse to execute and deliver, this power and agency being coupled with an interest and being irrevocable.

25. Governing Law. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the State of Illinois, without regard to its choice of laws provisions, for contracts made and to be performed wholly in such state; provided, however, the rights of the Executive to indemnification under Section 9 shall be governed by the laws of the State of Delaware.

26. Termination of Initial Agreement. From and after the Effective Date, this Agreement shall supersede any other employment agreement, severance agreement, indemnification agreement and change of control agreement between the parties.

27. Counterparts. This Agreement may be executed in two (2) or more counterparts, any one of which shall be deemed the original without reference to the others.

IN WITNESS THEREOF, the Executive has hereunto set [his/her] hand and the Company has caused these presents to be executed in its name and on its behalf, and its corporate seal to be hereunto affixed, all as of the Effective Date.

Executive	Brunswick Corporation
By: ________________________	By: _________________________ Dustan E. McCoy Chief Executive Officer

Appendix I

Definitions.

1. "Annual Bonus" shall have the meaning set forth in Section 4(b) of this Agreement.

2. "Brunswick" shall mean the Company.

3. "Base Salary" shall have the meaning set forth in Section 4(a) of this Agreement.

4. "Benefits" shall have the meaning set forth in Section 6(a)(iv) of this Agreement.

5. "Board" shall mean the Board of Directors of the Company.

6. "BPP" shall have the meaning set forth in Section 4(b) of this Agreement.

7. "Business Relocation Beyond a Reasonable Commuting Distance" shall mean that, as a result of either a relocation of the Company or a reassignment of the Executive, a change occurs in the Executive's principal work location to a location that (i) is more than fifty (50) highway miles from the Executive's principal work location immediately prior to the relocation, and (ii) increases the Executive's commuting distance in highway mileage.

8. "Cause" shall mean the Executive's:

(a) Conviction of a crime, including by a plea of guilty or *nolo contendere*, involving theft, fraud, perjury, or moral turpitude;

(b) Intentional or grossly negligent disclosure of confidential or trade secret information of the Company or a Related Company to anyone not entitled to such information;

(c) Willful omission or dereliction of any statutory or common law duty of loyalty to the Company or a Related Company;

(d) A willful and material violation of the Company's Code of Conduct or any other written Company policy; or

(e) Repeated failure to carry out the material components of the Executive's duties despite specific written notice to do so by the Chief Executive Officer, other than any such failure as a result of incapacity due to physical or mutual illness.

9. "Change In Control" shall mean the happening of any of the following events:

(a) Any individual, entity, or group (within the meaning of Sections 13(d)(3) or 14(d)(2) of the Exchange Act) (an "Entity") becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of either (A) the outstanding shares of common stock of the Company (the "Outstanding Company Common Stock"), or (B) the combined voting power of the outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (1) any acquisition by the Company or any subsidiary, (2) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by, or under common control with, the Company, (3) any acquisition by an underwriter temporarily holding such Outstanding Company Common Stock or Outstanding Company Voting Securities pursuant to an offering of such securities or (4) any acquisition by any corporation pursuant to a transaction which complies with clauses (A), (B), and (C) of paragraph (c) of this definition;

(b) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute a majority thereof; provided, however, that any individual becoming a director whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least 50% of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of an Entity other than the Board;

(c) Consummation of a transaction involving (i) a merger, reorganization or consolidation of the Company or any direct or indirect subsidiary of the Company, or (ii) a sale or other disposition of all or substantially all of the assets of the Company (each, a "Corporate Transaction"); excluding, however, such a Corporate Transaction pursuant to which (A) all or substantially all of the individuals and entities who are the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation or other person which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) (each, a "Continuing Company") in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be (excluding any outstanding voting securities of the Continuing Company that such beneficial owners hold immediately following the consummation of the Corporate Transaction as a result of their ownership prior to such

consummation of voting securities of any corporation or other entity involved in or forming part of the Continuing Company, other than the Company or one of its subsidiaries), (B) no Entity (other than the Company, any employee benefit plan (or related trust) of the Company, or the Continuing Company will beneficially own, directly or indirectly, twenty-five percent (25%) or more of, respectively, the outstanding shares of common stock of the Continuing Company or the combined voting power of the outstanding voting securities of the Continuing Company entitled to vote generally in the election of directors, unless such ownership resulted solely from ownership of securities of the Company prior to the Corporate Transaction, and (C) individuals who were members of the Incumbent Board will, immediately after the consummation of the Corporate Transaction, constitute at least a majority of the members of the board of directors of the Continuing Company; or

(d) The approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

10. "Chief Executive Officer" shall mean the chief executive officer of the Company.

11. "COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

12. "Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder as in effect from time to time.

13. "Committee" shall mean the Human Resources and Compensation Committee of the Board.

14. "Company" shall mean Brunswick Corporation, a Delaware corporation.

15. "Competitive Activity" shall have the meaning set forth in Section 5(a)(i) of this Agreement.

16. "Confidential Information" shall have the meaning set forth in Section 5(b)(iii) of this Agreement.

17. "Effective Date" shall have the meaning set forth in the Preamble of the Agreement.

18. "Eligible Dependents" shall have the meaning set forth in Section 6(a)(iv) of this Agreement.

19. "Equity Incentives" shall have the meaning set forth in Section 6(a)(iii) of this Agreement.

20. "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

21. "Excise Tax" shall have the meaning set forth in Section 10 of this Agreement.

22. "Executive" shall mean the individual identified in the Preamble to this Agreement.

23. "Firm" shall have the meaning set forth in Section 10 of this Agreement.

24. "Good Reason" shall mean the occurrence of any of the following events without the Executive's express written consent:

(a) A material breach by the Company of any provision of this Agreement including, without limitation, the Company's failure to pay any portion of Executive's compensation when due or to include Executive in any bonus or incentive plan that applies to similarly situated senior executives of the Company;

(b) The Company's failure to provide, or continue to provide, Executive with either the perquisites or employee health and welfare benefits (including, without limitation, life insurance, medical, dental, vision, long-term disability and similar benefits), generally provided to similarly situated senior executives of the Company;

(c) A Reduction in Authority or Responsibility of the Executive;

(d) A Reduction in Compensation;

(e) A Business Relocation Beyond a Reasonable Commuting Distance; and

(f) Following a Change in Control, the Company's failure to obtain a satisfactory agreement from any successor to assume and agree to abide by terms of this Agreement.

Whether a Reduction in Authority or Responsibility of the Executive has occurred shall be determined in accordance with the criteria set forth below in the definition of Reduction in Authority or Responsibility; provided, however, that (A) a change in the Executive's reporting relationship to another executive who is within the same reporting level (as that term is used in the Company's Delegation of Authority Policy or any successor policy); or (B) a reduction in the Executive's business unit's budget or a reduction in the Executive's business unit's head count or number of direct reports, by themselves, shall not constitute Good Reason.

25. "Income Taxes" shall mean any tax on personal income (including any employment and payroll tax) that is levied by the federal government of the United States or any by any state or local government within the United States or any foreign government.

26. "Incentive Plan" shall have the meaning set forth in Section 4(d) of this Agreement.

27. "IRS" shall mean the Internal Revenue Service.

28. "Long-Term Disability" shall mean the Executive's mental or physical condition which would render the Executive eligible to

receive disability benefits under the Company's long-term disability plan then in effect.

29. "Parachute Payments" shall have the meaning set forth in Section 10 of this Agreement.

30. "Proceeding" shall have the meaning set forth in Section 5(c) of this Agreement.

31. "Products" shall have the meaning set forth in Section 24 of this Agreement.

32. "Rate of Compensation" shall mean the sum of the Executive's Base Salary and Target Annual Bonus as of the date of termination.

33. "Reduction in Authority or Responsibility" shall mean, during the Term, (i) the assignment to the Executive, during the two-year period after a Change in Control, of any duties that are materially inconsistent in any respect with the Executive's position (which may include status, offices, titles, and reporting requirements), authority, duties, or responsibilities as in effect immediately prior to such assignment, or (ii) prior to a Change in Control or after the second anniversary of a Change in Control, a material diminution in the Executive's authority, duties, or responsibilities, excluding for this purpose (A) an isolated, insubstantial, and inadvertent action taken in good faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive, or (B) any temporary Reduction in Authority or Responsibility while the Executive is absent from active service on any approved disability, or other approved leave of absence.

    It is intended by this definition that a Change in Control by itself, absent a Reduction in Authority or Responsibility as described above, will not constitute Good Reason.

34. "Reduction in Compensation" shall mean (A) if within two (2) years following a Change in Control, (i) a reduction in the Executive's "Total Annual Compensation" (defined as the sum of the Executive's Base Salary and Target Annual Bonus) for any calendar or fiscal year, as applicable, to an amount that is less than the Executive's Total Annual Compensation in effect immediately prior to such reduction ("Compensation Reduction"), (ii) the elimination of any Company incentive compensation plan in which Executive is a participant (including, without limitation, BPP and the Incentive Plan) without the adoption of a substantially comparable replacement plan ("Compensation Plan Elimination"), or (iii) the failure to provide the Executive with equity compensation opportunities or long-term cash incentive compensation opportunities that have a value that is substantially comparable to the value of the equity compensation opportunities provided to the Executive immediately prior to the Change in Control; or (B) if other than within two (2) years following a Change in Control, a Compensation Reduction, a Compensation Plan Elimination or a reduction in equity compensation opportunities that is not applicable to all similarly situated senior executives of the Company.

35. "Related Company" shall mean any subsidiary or affiliate of the Company.

36. "Release Effective Date" shall have the meaning set forth in Section 6(a)(i) of this Agreement.

37. "Released Parties" shall have the meaning set forth in Section 6(h) of this Agreement.

38. "Restoration Plan" shall mean the Brunswick Restoration Plan, as amended from time to time.

39. "Section 409A Tax" shall have the meaning set forth in Section 7 of this Agreement.

40. "Section 409A Tax Adjustment Payment" shall have the meaning set forth in Section 7 of this Agreement.

41. "Target Annual Bonus" shall have the meaning set forth in Section 4(b) of this Agreement.

42. "Term" shall have the meaning set forth in Section 3 of this Agreement.

43. "Total Change in Control Payment" shall have the meaning set forth in Section 6(b)(i) of this Agreement.

44. "Total Severance Payment" shall have the meaning set forth in Section 6(a)(i) of this Agreement.

45. "Works" shall have the meaning set forth in Section 24 of this Agreement.

Changes to Base Salary,
BPP Awards,
And Equity Incentives Awards

Appendix III

GENERAL RELEASE

1. I, [ ], for and in consideration of certain payments to be made and the benefits to be provided to me under the Terms and Conditions of Employment, dated _____________, (the "Agreement") with Brunswick Corporation (the "Company"), and conditioned upon such payments and provisions, do hereby REMISE, RELEASE, AND FOREVER DISCHARGE the Company and each of its part, present and future subsidiaries and affiliates, their past, present and future officers, directors, shareholders, partners, distributees, owners, trustees, representatives, employees and agents, their respective successors and assigns, heirs, executors and administrators (hereinafter collectively included within the term the "Company"), acting in any capacity whatsoever, of and from any and all manner of actions and causes of action, suits, debts, claims, charges, complaints, grievances, liabilities, obligations, promises, agreements, controversies, damages, demands, rights, costs, losses, debts and expenses of any nature whatsoever, in law or in equity, which I ever had, now have, or hereafter may have, or which my heirs, executors or administrators hereafter may have, by reason of any matter, cause or thing whatsoever from the beginning of my employment with Brunswick Corporation, to the date of these presents arising from or relating in any way to my employment relationship, and the terms, conditions and benefits payments resulting therefrom, and the termination of my employment relationship with Brunswick Corporation, including but not limited to, any claims which have been asserted, could have been asserted, or could be asserted now or in the future under any federal, state or local law, statute, rule, ordinance, regulation, or the common law, including, but not limited to, claims or rights arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq., as amended, the Americans With Disabilities Act, 42 U.S.C. 12101 et seq., Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq., as amended, any contracts between the Company and me and my common law claims now or hereafter recognized and all claims for counsel fees and costs; provided, however, that this General Release shall not apply to (i) any entitlements under the terms of the Agreement; (ii) my right to be indemnified by the Company, pursuant to the bylaws of the Company, for any liability, cost or expense for which I would have been indemnified for actions taken on behalf of the Company during the term and within the scope of my employment by the Company; or (iii) any right I may have to challenge that I entered into this General Release knowingly and voluntarily.

2. Subject to the limitations of paragraph 1 above, I expressly waive all rights afforded by any statute which expressly limits the effect of a release with respect to unknown claims. I understand the significance of this release of unknown claims and the waiver of statutory protection against a release of unknown claims.

3. I agree and covenant that neither I, nor any person, organization, or other entity acting on my behalf, has filed in any forum a charge, claim, suit, or cause of action against the Company or its subsidiaries or affiliates relating in any way to my employment relationship with the Company, or the termination thereof. I further agree and acknowledge that the separation pay and benefits the Company is providing to me pursuant to the Agreement shall be the sole relief provided to me for the claims that are released by me in this General Release and that I will not be entitled to recover and agree to waive any monetary benefits or recovery against the Company or its subsidiaries or affiliates in connection with any proceeding, claim, or charge without regard to who has brought such proceeding, claim, or charge.

4. I hereby agree and recognize that my employment by the Company was permanently and irrevocably severed on _______________, and the Company has no obligation, contractual or otherwise to me to hire, rehire or re-employ me in the future. I acknowledge that the terms of the Agreement provide me with payments and benefits which are in addition to any amounts to which I otherwise would have been entitled.

5. I hereby agree and acknowledge that the payments and benefits provided by the Company are to bring about an amicable resolution of my employment arrangements and are not to be construed as an admission of any violation of any federal, state or local law, statute, rule, ordinance, regulation or the common law, or of any duty owed by the Company and that the Agreement and this General Release are made voluntarily to provide an amicable resolution of my employment relationship with the Company and the termination of the Agreement.

6. I hereby certify that I have read the terms of this General Release, that I have been advised by the Company to discuss it with my attorney, and that I understand its terms and effects. I acknowledge, further, that I am executing this General Release of my own volition with a full understanding of its terms and effects and with the intention of releasing all claims recited herein in exchange for the consideration described in the Agreement, which I acknowledge is adequate and satisfactory to me. None of the above-named parties, nor their agents, representatives, or attorneys have made any representations to me concerning the terms or effects of this General Release other than those contained herein.

7. I hereby acknowledge that I have been informed that I have the right to consider this General Release for a period of 21 days prior to execution. I also understand that I have the right to revoke this General Release for a period of seven days following execution by giving written notice to the Company at 1 N. Field Ct., Lake Forest, IL 60045-4811, Attention: Vice President, General Counsel and Secretary.

8. I hereby acknowledge that the provisions of Sections , and of the Agreement shall continue in full force and effect for the balance of the time periods provided therein and that I will abide by and fully perform such obligations.

Intending to be legally bound hereby, I execute the foregoing General Release this _____ day of ________________, 20___.

____________________________________ ____________________________________

Witness

INDEMNIFICATION TERMS AND CONDITIONS

Brunswick Corporation (the "Corporation") shall indemnify Executive (hereinafter, "Indemnitee") against expenses and costs incurred by Indemnitee in connection with any claims, suits or proceedings arising from [his/her] service to the Corporation, to the fullest extent that is lawful in accordance with the following terms and conditions:

1. Acts and Omissions Covered By This Agreement. The Corporation's agreement to indemnify Indemnitee ("Agreement") shall cover any act or omission by an Indemnitee which (i) occurs or is alleged to have occurred by reason of [his/her] being or having been an officer or a director, (ii) occurs or is alleged to have occurred before, during or after the time when the Indemnitee served as an officer or a director and (iii) gives rise to, or is the direct or indirect subject of a claim in any threatened, pending or completed action, suit or proceeding at any time or times whether during or after [his/her] service as an officer or director.

2. Indemnity.

(a) The Corporation hereby agrees to indemnify, and keep indemnified in accordance with, and to the fullest extent permitted by the Corporation's charter and that is lawful, and regardless of any by-law provision to the contrary, Indemnitee, from and against any expenses (including attorney's fees), judgments, fines, taxes, penalties and amounts paid in settlement actually and reasonably incurred by Indemnitee in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that [he/she] is or was an officer or a director of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise and whether or not such action is by or in the right of the Corporation or that other corporation, partnership, joint venture, trust or other enterprise with respect to which the Indemnitee serves or has served.

(b) Despite anything to the contrary in subsection (a), the Corporation agrees to indemnify Indemnitee in a suit or proceeding initiated by the Indemnitee only if the Indemnitee acted with the authorization of the Corporation in initiating that suit or proceeding. However, an arbitration proceeding brought under Section 8 shall not be subject to this subsection (b).

(c) Except as set forth in Section 5 (Advancement of Expenses), the specific amounts that were actually and reasonably incurred shall be indemnified by the Corporation in the amount submitted by the Indemnitee unless the Board of Directors (the "Board") determines that the request is unreasonable or unlawful. If the Board so determines and the Board and the Indemnitee cannot agree, any disagreement they have shall be resolved by a decision of the arbitrator in an arbitration proceeding pursuant to Section 8. For purposes of this Agreement, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

(d) Any indemnification payments made to the Indemnitee shall be made in a manner that does not cause such payments to constitute deferred compensation under Treas. Reg. 1.409A-1(b)(10) and any successor thereto.

3. Burden of Proof. Indemnitee shall be presumed to be entitled to indemnification for any act or omission covered in Section 1 of this Agreement. The burden of proof of establishing that Indemnitee is not entitled to indemnification because of the failure to fulfill some requirement of Delaware law, the Corporation's charter, by-laws, or this Agreement shall be on the Corporation.

4. Notice by Indemnitee. Indemnitee shall notify the Corporation in writing of any matter with respect to which Indemnitee intends to seek indemnification hereunder as soon as reasonably practicable following the receipt by Indemnitee of written threat thereof; provided, however, that failure to so notify the Corporation shall not constitute a waiver by Indemnitee of [his/her] rights hereunder.

5. Advancement of Expenses. In the event of any action, suit or proceeding against Indemnitee which may give rise to a right of indemnification from the Corporation pursuant to this Agreement, following written request to the Corporation by the Indemnitee, the Corporation shall advance to Indemnitee amounts to cover expenses incurred by Indemnitee in defending the action, suit or proceeding in advance of final disposition upon receipt of (i) an undertaking by or on behalf of the Indemnitee to repay the amount advanced in the event that it shall be ultimately determined in accordance with Section 3 of this Agreement that [he/she] is not entitled to indemnification by the Corporation, and (ii) satisfactory evidence as to the amount of such expenses. Indemnitee's written certification together with a copy of the statement paid or to be paid by Indemnitee shall constitute satisfactory evidence unless determined to the contrary in an arbitration proceeding conducted pursuant to Section 8 of this Agreement.

6. Non-Exclusivity of Right of Indemnification. The indemnification rights granted to Indemnitee under this Agreement shall not be deemed exclusive of, or in limitation of, any rights to which Indemnitee may be entitled under Delaware law, the Corporation's charter or By-laws, any other agreement, vote of stockholders or directors or otherwise.

7. Termination of Agreement and Survival of Right of Indemnification.

(a) Subject to subparagraph (b) of this section, this Agreement shall terminate when the Indemnitee's term of office as an officer or a director ends.

(b) The rights granted to Indemnitee hereunder shall continue after termination as provided in Section 1 and shall inure to the

benefit of Indemnitee, [his/her] personal representative, heirs, executors, administrators and beneficiaries, and this Agreement shall be binding upon the Corporation, its successors and assigns.

8. Arbitration of all Disputes Concerning Entitlement. Any controversy or claim arising out of or relating to this Agreement including, without limitation, the Indemnitee's entitlement to indemnification under this Agreement, shall be settled by arbitration in the City of Chicago administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Interest on any judgment shall be assessed at a rate or rates the arbitrator considers just under the circumstances. If it is necessary or desirable for the Indemnitee to retain legal counsel or incur other costs and expenses in connection with enforcement of [his/her] rights under this Agreement, the Corporation shall pay [his/her] reasonable attorneys' fees and costs and expenses incurred prior to the tenth anniversary of the expiration of the "Term" (as defined in the Terms and Conditions of Employment agreement between the Corporation and the Indemnitee, dated as of [date], 20___, in connection with enforcement of [his/her] rights (including the enforcement of any arbitration award in court), regardless of the final outcome, unless the arbitrator determines that under the circumstances recovery by the Indemnitee of all or a part of any such fees and costs and expenses would be unjust.

9. Governing Law. The Corporation's obligations to indemnify Indemnitee under these terms and conditions shall be governed by and interpreted in accordance with the laws of the State of Delaware without regard to its choice of law provisions.

10. Severability. If any provision of this Agreement is determined to be invalid or unenforceable, this invalidity or unenforceability shall not affect the validity or enforceability of any other provisions of this Agreement, and this Agreement shall be interpreted as though the invalid or unenforceable provision was not part of this Agreement.

Exhibit 31.1

Certification of Chief Executive Officer

I, Dustan E. McCoy, certify that:

1. I have reviewed this report on Form 10-Q of Brunswick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2010

By: /s/ DUSTAN E. McCOY
Dustan E. McCoy
Chairman and Chief Executive Officer

Exhibit 31.2

Certification of Chief Financial Officer

I, Peter B. Hamilton, certify that:

1. I have reviewed this report on Form 10-Q of Brunswick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2010

By: /s/ PETER B. HAMILTON
Peter B. Hamilton
Senior Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, Dustan E. McCoy, Chief Executive Officer of Brunswick Corporation, certify that: (i) Brunswick Corporation's report on Form 10-Q for the quarterly period ended April 3, 2010 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in Brunswick Corporation's report on Form 10-Q for the quarterly period ended April 3, 2010 fairly presents, in all material respects, the financial condition and results of operations of Brunswick Corporation.

Date: May 7, 2010

By: /s/ DUSTAN E. McCOY
Dustan E. McCoy
Chairman and Chief Executive Officer

Exhibit 32.2

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, Peter B. Hamilton, Chief Financial Officer of Brunswick Corporation, certify that: (i) Brunswick Corporation's report on Form 10-Q for the quarterly period ended April 3, 2010 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in Brunswick Corporation's report on Form 10-Q for the quarterly period ended April 3, 2010 fairly presents, in all material respects, the financial condition and results of operations of Brunswick Corporation.

Date: May 7, 2010

By: /s/ PETER B. HAMILTON
Peter B. Hamilton
Senior Vice President and Chief Financial Officer