

**JOHNSON MACHINERY CO.
EMPLOYEES' PROFIT SHARING TRUST
Summary Plan Description**

Covers Associates of:

JOHNSON MACHINERY CO.
JOHNSON POWER SYSTEMS
JOHNSON RENTAL SERVICES
JOHNSON LIFT/HYSTER
EVER-PAC

TO: ALL ASSOCIATES

Following are excerpts from a letter to associates written by W. Ruel Johnson when the Plan was started in 1947. These thoughts are still appropriate today.

Founder's Letter:

"Each year the Company contributes up to 25% of its profits to the trust fund to be credited to the account of each eligible associate up to 5% of his or her annual earnings. The amount credited to each associate will be held in trust by the trustee and will be payable to the associate under the terms of the plan.... An explanation of the trust agreement is made a part of this book for you to read and keep.

Under this plan the Company will be building up a sizable fund for your future benefit. What the Company has aimed at is to give you and your family protection, security, and peace of mind today while you are working and an income later when you reach retirement age.

The benefits of this plan are in addition to benefits you have under the Federal Social Security Act. Furthermore, you will not have to pay any income tax on the payments credited to you until after you receive these funds. If that time should come after you have retired and have no other income, the tax saving should be quite large.

The success of this plan is directly dependent upon the success of our Company, which in turn is directly dependent upon each and all associates doing the work he or she is assigned to do. A careless, indifferent, or inefficient associate can adversely affect the welfare of all associates.

We are in a sound, honest business and have a high percentage of capable, loyal and intelligent people who have taken a real interest in making the business successful. We are way out ahead of competition but the only way we can hold that position is through the continued efforts of all of our associates. We represent the best lines in their respective fields; we have good plant equipment, and a large stock of merchandise. Barring slumps and with efficient operations, we should be able to make a profit and we believe the associates and their families should participate in the profits, in addition to receiving fair wages.

With the passing of the years, I am most hopeful this plan will be a source of comfort and pleasure to you and your families."

Sincerely,

William R. Johnson, Jr.
President

JOHNSON MACHINERY CO. EMPLOYEES' PROFIT SHARING PLAN

Summary Plan Description

This information, together with the balance of this booklet, is a summary plan description of the Profit Sharing Plan:

1. Name of the Plan: Johnson Machinery Co. Employees' Profit Sharing Trust
2. Plan Sponsor: Johnson Machinery Co.
3. Agent for service of legal process and record maintenance location: Johnson Machinery Co.
Human Resources
800 East La Cadena Drive (92507)
P. O. Box 351
Riverside, CA 92502
4. Phone: (951) 686-4560
5. Administrator: Kevin Kelly
6. Employer Identification: 95-075-1700
7. Plan No: 001
8. Plan Trustee: Wells Fargo
Steven Gaglione, Relationship Manager
Institutional Trust
MAC E2818-101
707 Wilshire Blvd., 10th Floor
Los Angeles, CA 90017
(213) 614-7697
9. Contribution: By plan sponsor only
10. Benefits Provided: Profit sharing contribution toward a retirement fund
11. Records: Annual basis ending December 31st
12. Benefit Claims: To be submitted to the Plan Administrator, Human Resources Manager, or Payroll Administrator

JOHNSON MACHINERY COMPANY EMPLOYEES' PROFIT SHARING TRUST

The present "Trustee of the Fund" is Wells Fargo Bank. It is known and maintained in their Trust Department as "Johnson Machinery Co. Employees' Profit Sharing Trust" under Account No.18324100. The Trustee is determined by the plan sponsor, which is the Company and is subject to change.

In order to save a full explanation each time a reference is made to the principles or method of operation of this trust, certain definitions are outlined below:

- (a) Johnson Machinery Co., the originator of this Trust, will be known or referred to in this document as the "Company" or "Plan Sponsor."
- (b) "Profits" which the associates will share shall be the ordinary net income of the Company, determined in accordance with established accounting principles consistently applied, before payment of Federal Income Tax, but after payment of other taxes. Although contributions to the Fund are an expense to the Company, they will not be deducted in arriving at profits subject to sharing.
- (c) An "Associate" shall mean any person regularly employed by the Company whose customary employment is more than 501 hours per year.
- (d) The "Fiscal Year" for this Trust shall be the same as that of the Company ending on December 31 of each year.
- (e) The term "Committee" shall mean the Advisory Committee, which consists of five members, two of whom are appointed by the Company, and need not be participating associates, and three of whom shall be elected from their own group. Upon expiration of the term of any member or upon the associate's resignation or severance of employment with the Company, a successor shall be appointed or elected, as the case may be, for a term of five years. Members of the Committee may be appointed or elected to succeed themselves.
- (f) "Plan Administrator" is the individual within the Company appointed to administer the terms of the Trust document. The Plan Administrator is the office of the Financial Vice President.

COMPANY CONTRIBUTIONS

At the end of each fiscal year, the Company's profits to be shared will be computed and it will remit to the Trustee up to five percent (5%) of the total of all salaries and wages paid to participating associates divided among the participating associates' accounts as explained under allocation of benefits. The Trustee will proceed to invest the new funds under guidelines set by the "Committee."

PARTICIPATING ASSOCIATES

Each associate shall become a participating associate in the Trust after completing one full calendar year of employment.

Employment shall not be considered severed if an associate has written approval from the Company for a leave of absence for any period if the associate returns to work upon or prior to expiration of such leave.

Also, any associate transferred to another Company or Division designated by the Company to be an "associated company" or any associate laid off for lack of work is to be considered as on approved leave of absence if the associate returns to work at the end of temporary cessation of work.

An associate called to service in the Armed Forces of the United States is considered as being on approved leave of absence if the associate returns to work within the period provided by law.

All doubtful cases of eligibility to participate in this trust are to be resolved by the Committee whose determination in such cases shall be final. Eligibility to participate requires a minimum of 1000 hours of service during the year.

ALLOCATION OF BENEFITS

At the end of the Company's fiscal year, it will deliver to the Trustee a list of all associates eligible to participate as of the last day of the fiscal year, together with the amount of participation each associate earns of the total contribution (including overtime and bonuses and before any deductions) made by the Company for that fiscal year. Each associate's share is determined by the ratio of the associate's annual compensation to the total annual compensation of all participating associates. That percentage times the total contribution represents the associate's total share.

In the event any participants have passed away, become totally disabled, or retired at age 65 or older during any given fiscal year, the compensation they received that year up to the date of leaving the Company will be included in the total compensation on which the contribution is based and they or their heirs will receive their proportionate share as allocated in accordance with the preceding paragraph.

Also, at the end of each fiscal year, the Trustee will advise the Company of any net income or loss of the fund. This figure is determined as the net of any dividends and interest received, realized and unrealized investment gains and realized and unrealized investment losses. The Committee may, however, ask for more frequent revaluations if market conditions so warrant. The Company will apportion any net income or any net loss among the accounts of those who were participants at the beginning of the fiscal year in the same ratio as each such participant's account bore to all such accounts at the beginning of the period.

Forfeitures of associates will be allocated to those who were participants in the Trust at the end of the fiscal year under consideration. Such forfeitures, as they become

available for allocation at the end of each fiscal year, will be distributed by the Committee in the same manner as the Company's contribution will be distributed. In other words, the percentage of each participant's compensation for that period is applied to the total forfeitures to determine the share that is to be distributed to an eligible associate's account.

The associate's share of the Company contribution, earnings or loss, and forfeitures are netted to the balance from the previous year to produce the new associate share in the Trust, subject to the vesting provisions outlined below.

At the end of each fiscal year, within 60 days, each associate will receive a statement of their account showing contributions, forfeitures and any change in market value of investments from the previous period.

An accrual of benefits occurs for participation in the company contributions and forfeitures whenever an associate completes (1000) hours or more of service during the year, provided the associate is an active associate on the last day of the Plan Year and has completed one full calendar year of employment.

Benefits under the Plan are not insured. Individual account plans, such as this Profit-Sharing Plan, are exempt from insurance coverage under Title IV of the Employee Retirement Income Security Act of 1974 ("ERISA").

DISTRIBUTIONS OF TRUST FUND

Normal Retirement

For the purpose of this Trust, age sixty-five is considered to be the normal retirement age, however, employment may be continued beyond that age to a later deferred retirement date. During the extended period the associate continues to participate in the Trust the same as before.

Upon attaining age sixty-five or any later deferred retirement date, the Committee will advise the Trustee that the associate has retired from employment and the Trustee will immediately distribute to the associate the amount standing in associate's account.

Disabled

Whenever a participating associate becomes physically unable to perform the full time duties of the normal job or any other full time employment offered by the Company, the associate will be considered permanently and totally disabled and distribution of the account in the Trust will be the same as if associate were retiring.

Early Retirement

Any associate who has attained age fifty-five (55) or older and has been continuously employed by the Company for the previous five years may elect to terminate employment and be entitled to the full amount standing to the associate's credit on the books of the Trust as if full retirement age had been reached.

Rollover

Any associate who is fully vested and attained the age of fifty-nine and one-half (59-1/2) may withdraw their vested funds while continuing employment and still be eligible to receive future contributions to their account. This allows the associate the opportunity to place their retirement savings into an investment, which is not subject to the ups and downs of the market in which the trust assets may be invested by the committee.

Death

In the event of the death of a participant, the Committee will advise the Trustee to immediately pay in one lump sum the full amount standing to associate's credit on the books of the Trust to the beneficiary named by the associate on a form filed with the Trustee. If no beneficiary has been designated by the associate, the distribution will be made to the surviving spouse, or if none, in equal shares to the surviving children of the associate. In the event there is no surviving spouse or children, the distribution will be made to the personal representative of the associate.

VESTING SCHEDULE

If employment is terminated before retirement age, vesting in the individual's fund will be according to the following vesting schedule, and paid out according to the break-in-service schedule.

<u>Completed Years Service</u>	<u>Non-Forfeitable %</u>
Less than 2	0
2	20
3	40
4	60
5	80
6	100

BREAK-IN-SERVICE

A break-in-service for eligibility and vesting purposes occurs whenever plan year closes and the terminated associate did not work 1000 hours. Eligibility for re-entry into the Plan remains until the number of consecutive one-year breaks-in-service equals five years.

During this period, the vested funds due the terminated associate are segregated to a financial institution investment account. Should the associate be rehired prior to a break-in-service, those principal funds and earnings thereon are returned to the Trust and restored to the associate's account and joined with the amount subject to forfeiture.

When the break-in-service does occur, after five years, and the associate was not rehired, the principal and earnings held thereon in the segregated account shall be paid to the associate or their designated Individual Retirement Account by the Trustee.

INALIENABILITY OF BENEFITS

The interest of a participating associate in the Trust is not subject to assignment or transfer nor can it be pledged voluntarily by the participant. The interest is not subject to seizure or execution but may be subject to future attachment by operation of marital law.

CLAIMS PROCEDURE

Benefits are payable under the Plan without the necessity of formal claims. The Employer will furnish the appropriate forms to you when you become entitled to your payment.

If you believe you are entitled to payment of a benefit or disagree with the amount of any benefit paid to you, you may file a written claim with the Employer. The Employer will supply the appropriate claim form. Within ninety (90) days, the Employer will give you its decision and if your claim is denied, the Employer will also give the reasons for the denial of the claim. If, however, special circumstances require an extension of time for processing the claim, the Employer shall provide you with written notice of the extension within the initial ninety (90) day period.

If you are not satisfied with the denial, you may request a review of the decision and a hearing. You must then give a written statement of your position within sixty (60) days from the time you receive the notice of denial. The Plan Administrator shall decide whether to give you a hearing. The Plan Administrator will render its final decision within sixty (60) days after receipt of the request for processing. If, however, special circumstances require an extension of time for processing the request for review, the Plan Administrator will provide you with written notice of the extension. In no event will the decision be rendered later than one hundred twenty (120) days after receipt of the request for review.

ORGANIZATION & POWERS OF ADVISORY COMMITTEE

The Committee shall appoint from among its members a Chairman and a Secretary. It shall act by majority vote at all meetings and may act otherwise than at a meeting by concurrence in writing of all members. Members of the Committee serve without compensation, but any necessary expenses will be paid by the Company.

The Committee has complete control of the administration of the profit-sharing plan with all powers necessary to carry out its responsibilities in this respect. It has the right and power to resolve all questions arising under the Trust and their decisions are final.

INVESTMENT OF TRUST

Subject to the approval of the Committee, the Trustee or a designated investment firm invests and reinvests the principal and income of the Trust in securities or other types of investment, which after investigation it believes to be sound and profitable investments for the Trust. No portion of the Trust may be loaned to the Company. However, the Trust may finance customer contract documents with full recourse to the Company.

During the life of the Trust, property such as securities may be purchased, sold, transferred or exchanged. The designated investment firm has the power to carry on these transactions, which the Committee consents to give them.

At the end of each fiscal year, the Company renders the Trustee an annual accounting of said Trust setting forth all income, capital gains or losses, forfeitures, company contribution, and any other item that may affect the balance of the Trust.

AMENDMENT OF TRUST

The Company has the right at any time by an instrument in writing delivered to the Trustee to modify or amend this Trust, in whole or in part, or revoke it entirely. However, in no case can the amount standing in the Trust account be affected. No income may revert to the Company, or be diverted to purposes other than for the exclusive benefit of the participating associates.

Should the Trust be revoked or the Company contributions permanently discontinued, the right of each participant to the amount then standing to participant's credit on the books of the Trust, becomes fully vested, regardless of length of service.

TRUST DOCUMENT

The preceding description of the Plan is a very brief summary of the legal wording of it. The Trust Document is the official instrument under which the plan is administered. Any discrepancy between this brief handbook and the Trust Document, which has been officially accepted under the Internal Revenue Code, will be governed by the Trust document.

An associate may request an appointment to review the Trust Document, together with any amendments, at the Payroll Department, 800 E. La Cadena Drive, Riverside (951) 686-4560.

STATEMENT OF RIGHTS UNDER ERISA

As a participant in this Profit-Sharing Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all Plan participants shall be entitled to:

How Can I Receive Information About My Plan Benefits?

You may examine, without charge, at the Plan Administrator’s office, all documents governing the Plan including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor.

You may obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan including insurance contracts, copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

You may also receive a summary of the Plan’s annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Who Are Plan Fiduciaries?

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of this employee benefit plan. The people who operate your Plan, called “Fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one, including your Employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

How Can I Enforce My Rights?

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and to pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal Court. If it should happen that Plan Fiduciaries misuse the Plan’s money or if you are discriminated against for asserting your rights, you may seek assistance

from the U. S. Department of Labor or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Who Can I Contact If I Have Any Questions?

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U. S. Department of Labor, 200 Constitution Avenue N. W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

Plan Administrator

CLAIM FORM

To: Chairman
Johnson Machinery Co.
Employees' Profit Sharing Committee

Subject: **Claim for Benefits**

Dear Mr. Chairman:

I, the undersigned, hereby request a review of my claim under the terms of the *Johnson Machinery Co. Employees' Profit Sharing Plan*. In particular I request the following:

Please respond in writing to:

NAME: _____

ADDRESS: _____

SIGNED: _____

PRINT: _____

DATE: _____