

Partnership Agreement

Harley-Davidson Motor company, the Paper Allied-Industrial Chemical and Energy Workers International Union (PACE)United Paperworkers International Union (UPIU) and the International Association of Machinists and Aerospace Workers (IAM) have committed to jointly develop an interdependent, mutually beneficial partnership to more effectively accomplish the goals of Harley-Davidson and its stakeholders: employees, customers, shareholders, unions, suppliers, and the communities in which we function. We believe this will enhance the philosophies and policies for workplace change fundamental to the IAM and (PACE)UPIU, as well as the Harley-Davidson, Inc. Business Process.

This partnership is based on a commitment to create a new era in labor-management relations. The key goals of the partnership are to improve quality, productivity, participation, flexibility and the financial performance of the Company while enhancing earning opportunities, long-term employment, job satisfaction and safety for employees.

The parties recognize that achieving this partnership will involve people in all parts of the organization in the information exchange, problem-solving, and decision-making processes to a far greater extent than in the past. The IAM, the UPIU(PACE), and Harley-Davidson recognize their collective responsibility to gain commitment from all employees, hourly and salaried, to contribute to the success of the Company and the establishment of a positive work environment which is beneficial.

We will develop, through shared decision-making, approaches to work focused on the development, production and timely distribution of products and services, including administrative support systems required to meet the current and future needs of our customers. These approaches to work will maximize the contribution of skills, knowledge, and information through the ongoing efforts and commitment of people to seek out, learn and apply competence in diverse disciplines

This partnership will help us change together and make this change a benefit in taking actions required to accomplish our shared goals and objectives. We believe this will lead us to secure our employees/ members future through increased market share, expanded workforces, better educated and trained workforces, increased profitability and overall return for shareholders, continued enhancement of wages and benefits – providing increased employment security for all employees.

This partnership we establish together enhances the probability for arriving at the realization of our vision of future work life and a strong Harley-Davidson Motor Company.

/s/ George J. Kourpias

President, International Association of Machinists & Aerospace Workers

/s/ Wayne E. Glenn

Paper Allied-Industrial Chemical and Energy Workers International

/s/ Richard F. Teerlink Chief Executive Office Harley-Davidson, Inc.

/s/ Jeff Bleustein

President Harley-Davidson Motor Company