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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):

July 20, 2006

Columbia Sportswear Company

(Exact name of registrant as specified in its charter)

Oregon
(State or other jurisdiction of
incorporation)

0-23939
(Commission File Number)

93-0498284
(I.R.S. Employer Identification No.)

**14375 Northwest Science Park Drive
Portland, Oregon 97229**
(Address of principal executive offices)

(503) 985-4000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 8.01 OTHER EVENTS

On July 20, 2006, the Compensation Committee of the Board of Directors of Columbia Sportswear Company approved and adopted amendments to the form of non-statutory stock option agreement for awards under the Columbia Sportswear Company 1997 Stock Incentive Plan (the “Plan”). The amendments provide:

- An optionee who ceases to be employed by the Company, other than because of death or total disability, has 90 days after the date of termination to exercise the portion of the option that was exercisable on the date of termination.
- If the Board of Directors determines that an optionee’s conduct is or has been in violation of the Company’s Code of Business Conduct and Ethics, it may terminate the option or a portion of the option. If the President of the Company reasonably believes an optionee has violated the Code of Business Conduct and Ethics, he may temporarily suspend the optionee’s ability to exercise the option for a period of up to 45 days to allow the Board of Directors to determine whether the option or a portion of the option should be terminated.

The form of non-statutory stock option agreement, as amended, is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On July 20, 2006, the Compensation Committee also adopted a form of restricted stock unit award agreement (the “RSU Agreement”) and form of performance-based restricted stock unit award agreement (the “Performance RSU Agreement”) for awards under the Plan, which forms of agreement are filed as Exhibits 99.2 and 99.3 to this Current Report on Form 8-K and are incorporated herein by reference. Awards issued under the RSU Agreement vest over time, contingent on the recipient’s continued employment. Awards issued under the Performance RSU Agreement vest if specified performance criteria are met and only if the Recipient is continuously employed, except for approved leaves, during the performance period and for one year thereafter. A portion of the award is forfeited if the recipient fails to meet annual performance review criteria and a portion of the award is subject to increase or forfeiture if the Company achieves or fails to achieve specified levels of cumulative income from operations and return on invested capital over the performance period. The form of RSU Agreement is filed as Exhibit 99.2 and the form of Performance RSU Agreement is filed as Exhibit 99.3 to this Current Report on Form 8-K and each is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits.

Exhibit 99.1	Form of Non-Statutory Stock Option Agreement, as amended
Exhibit 99.2	Form of Restricted Stock Unit Award Agreement
Exhibit 99.3	Form of Performance-Based Restricted Stock Unit Award Agreement

SIGNATURE

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 hereunto duly authorized.

Columbia Sportswear Company

Date: July 26, 2006

By: /s/ PETER J. BRAGDON

Name: Peter J. Bragdon

Title: Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Form of Non-Statutory Stock Option Agreement, as amended
99.2	Form of Restricted Stock Unit Award Agreement
99.3	Form of Performance-Based Restricted Stock Unit Award Agreement

COLUMBIA SPORTSWEAR COMPANY
STOCK OPTION AGREEMENT

Non-Statutory Stock Option

This STOCK OPTION AGREEMENT is made between COLUMBIA SPORTSWEAR COMPANY, an Oregon corporation (the "Company"), and «Name» (the "Optionee"), pursuant to the Company's 1997 Stock Incentive Plan (the "Plan") as amended. The Company and the Optionee agree as follows:

1. Option Grant. The Company hereby grants to the Optionee on the terms and conditions of this Agreement the right and the option (the "Option") to purchase all or any part of «Options» shares of the Company's Common Stock at a purchase price of \$_____ per share. The terms and conditions of the Option grant set forth in the attached Exhibit A are hereby incorporated into and made a part of this Agreement. The Option is not intended to be an Incentive Stock Option, as defined in Section 422A of the Internal Revenue Code of 1986, as amended (the "Code"), and therefore is a Non-Statutory Stock Option.
 2. Grant Date. The Grant Date for this Option is **2006**. The Option shall continue in effect until the date ten years after the Grant Date (the "Expiration Date") unless earlier terminated as provided in Sections 1 or 4 of Exhibit A.
 3. Exercise of Option. No portion of the Option will be exercisable during the first twelve months following the Grant Date. The Option shall become exercisable over a four-year period as follows: (1) 25 percent of the Option shares shall become exercisable on the first day of the first full month after the first anniversary of the Grant Date and (2) the remaining 75 percent of the Option shares shall vest ratably over a 36-month period following the date the Option first becomes exercisable.
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COLUMBIA SPORTSWEAR COMPANY
EXHIBIT A TO STOCK OPTION AGREEMENT

1. Termination of Service.

1.1. Unless otherwise determined by the Board of Directors of the Company, if the Optionee's employment by or service with the Company terminates for any reason other than because of total disability or death, the Option may be exercised at any time prior to the Expiration Date or the expiration of 90 days after the date of the termination, whichever is the shorter period, but only if and to the extent the Optionee was entitled to exercise the Option at the date of termination.

1.2. If the Optionee's employment by or service with the Company terminates because of death or total disability (as defined in Section 6(a)(iv)(B) and (C) of the Plan), the Option may be exercised at any time prior to the Expiration Date or the expiration of 12 months after the date of termination, whichever is the shorter period, but only if and to the extent the Optionee was entitled to exercise the Option at the date of termination. If the Optionee's employment or service is terminated by death, the Option shall be exercisable only by the person or persons to whom the Optionee's rights under the Option pass by the Optionee's will or by the laws of descent and distribution of the state or country of the Optionee's domicile at the time of death.

2. Method of Exercise of Option.

2.1 Unless the Board of Directors determines otherwise, to exercise the Option, the Optionee must give written notice to the Company stating the Optionee's intention to exercise, specifying the number of shares as to which the Optionee desires to exercise the Option and the date on which the Optionee desires to complete the transaction. Delivering a notice of intent to exercise by itself does not constitute exercise of the option; the Optionee must also deliver payment for the shares set forth in the notice of intent to exercise. Unless the Board of directors determines otherwise, on or before the date specified for completion of the purchase of shares pursuant to the Option, the Optionee must pay the Company the full purchase price of such shares in cash or, in whole or in part, in Common Stock of the Company valued at fair market value. No shares shall be issued until full payment for the shares has been made.

2.2 After exercise of all or a part of the Option, the Optionee shall immediately upon notification of the amount due, if any, pay to the Company in cash the amount necessary to satisfy any applicable federal, state and local tax withholding requirements. If additional withholding is or becomes required beyond any amount deposited before delivery of the certificates for the Option shares, the Optionee shall pay such amount to the Company on demand. If the Optionee fails to pay the amount

demand, the Company may withhold that amount from other amounts payable by the Company to the Optionee, including salary or compensation, subject to applicable law.

3. Nontransferability of Option. The Option may not be assigned or transferred by the Optionee, either voluntarily or by operation of law, except by will or by the laws of descent and distribution of the state or country of the Optionee's domicile at the time of death.

4. Changes in Capital Structure.

4.1 Stock Splits; Stock Dividends. If the outstanding Common Stock of the Company is hereafter increased or decreased or changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any stock split, combination of shares or dividend payable in shares, recapitalization or reclassification, appropriate adjustment shall be made by the Board of Directors in the number and kind of shares as to which the Option, or portions thereof then unexercised, shall be exercisable. Adjustments shall be made without change in the total price applicable to the unexercised portion of the Option and with a corresponding adjustment in the Option price per share and shall neither (i) make the ratio, immediately after the event, of the Option price per share to the fair market value per share more favorable to the Optionee than that ratio immediately before the event nor (ii) make the aggregate spread, immediately after the event, between the fair market value of shares as to which the Option is exercisable and the Option price of such shares more favorable to the Optionee than that aggregate spread immediately before the event. The Board of Directors shall have no obligation to effect any adjustment that would or might result in the issuance of fractional shares, and any fractional shares resulting from any adjustment may be disregarded or provided for in any manner determined by the Board of Directors. Any such adjustments made by the Board of Directors shall be conclusive.

4.2 Mergers, Reorganizations, Etc. In the event of a merger, consolidation or plan of exchange to which the Company is a party or a sale of all or substantially all of the Company's assets (each, a "Transaction"), the Board of Directors shall, in its sole discretion and to the extent possible under the structure of the Transaction, select one of the following alternatives for treating the Option:

4.2-1 The Option shall remain in effect in accordance with its terms.

4.2-2 The Option shall be converted into an option to purchase stock in the corporation that is the surviving or acquiring corporation in the Transaction. The amount, type of securities subject thereto and exercise price of the converted option shall be determined by the Board of Directors of the Company, taking into account the relative values of the companies involved in the Transaction and the exchange rate, if any, used in determining shares of the surviving corporation to be issued to holders of shares of the Company. Conversions shall be made without change in the total price applicable to the unexercised portion of the Option and with a corresponding adjustment in the Option price per share and shall neither (i) make

the ratio, immediately after the event, of the Option price per share to the fair market value per share more favorable to the Optionee than that ratio immediately before the event nor (ii) make the aggregate spread, immediately after the event, between the fair market value of shares as to which the Option is exercisable and the Option price of such shares more favorable to the Optionee than that aggregate spread immediately before the event. Unless otherwise determined by the Board of Directors, the converted option shall be exercisable only to the extent that the exercisability requirements relating to the Option have been satisfied.

4.2-3 The Board of Directors shall provide a 30-day period before the consummation of the Transaction during which the Option may be exercised to the extent then exercisable, and, upon the expiration of such 30-day period, the Option shall immediately terminate to the extent not exercised. The Board of Directors may, in its sole discretion, accelerate the exercisability of the Option so that it is exercisable in full during such 30-day period.

4.3 Dissolution of the Company. In the event of the dissolution of the Company, Options shall be treated in accordance with Section 4.2-3.

5. Conditions on Obligations. The Company shall not be obligated to issue shares of Common Stock upon exercise of the Option if the Company is advised by its legal counsel that such issuance would violate applicable state or federal laws, including securities laws. The Company will use its best efforts to take steps required by state or federal law or applicable regulations in connection with issuance of shares upon exercise of the Option.

6. Termination of Option on Violation of Code of Business Conduct and Ethics. Optionee acknowledges that compliance with the Company's Code of Business Conduct and Ethics is a condition to the receipt, vesting and exercise of the Option. If, during the term of the Option, the Board of Directors (or a committee of directors designated by the Board of Directors) determines in good faith that Optionee's conduct is or has been in violation of the Company's Code of Business Conduct and Ethics, then the Board of Directors or designated committee may terminate the Option, with the date of termination determined by the Board of Directors or committee. If the Option is terminated in accordance with this paragraph, Optionee will have no further right to acquire shares of Company stock under this Agreement. If the President of the Company reasonably believes that the Optionee has violated the Code of Business Conduct and Ethics and that the Board of Directors or its committee should consider the termination of the Option, the President may temporarily suspend the Optionee's right to exercise the Option, for a period of up to 45 days, in order for the Board of Directors or its committee to make a determination about Optionee's conduct and the potential termination of the Option.

7. Withholding. Upon notification of the amount due, if any, and prior to or concurrently with delivery of the certificates representing the shares for which the Option was exercised, Optionee shall pay to the Company amounts necessary to satisfy any applicable federal, state, and local withholding tax requirements. If additional withholding

becomes required beyond any amount deposited before delivery of the certificates, Optionee shall pay such amount to the Company on demand. If Optionee fails to pay any amount demanded, the company shall have the right to withhold that amount from other amounts payable by the Company to Optionee, including salary, subject to applicable law.

8. Successors of Company. This Agreement shall be binding upon and shall inure to the benefit of any successor of the Company but, except as provided herein, the Option may not be assigned or otherwise transferred by the Optionee.

9. Notices. Any notices under this Agreement must be in writing and will be effective when actually delivered or, if mailed, three days after deposit into the United States mails by registered or certified mail, postage prepaid. Mail shall be directed to the addresses stated on the face page of this Agreement or to such address as a party may certify by notice to the other party.

10. No Right to Employment or Service. Nothing in the Plan or this Agreement shall (i) confer upon the Optionee any right to be employed or to continue in the employment of or service to the Company; (ii) interfere in any way with the right of the Company to terminate the Optionee's employment or service with the Company at any time for any reason, with or without cause, or to decrease the Optionee's compensation or benefits; or (iii) confer upon the Optionee any right to continuation, extension, renewal, or modification of any compensation, contract or arrangement with or by the Company.

11. Interpretation of the Plan and the Agreement. The Board of Directors, or a committee of the Board responsible for administering the Plan, shall have the sole authority to interpret the provisions of this Agreement and the Plan, and all determinations by it shall be final and conclusive.

12. Governing Law, Venue and Jurisdiction. This Agreement and the Plan will be interpreted under the laws of the state of Oregon, exclusive of choice of law rules. Venue and jurisdiction will be in the state or federal courts in Washington County, Oregon, and nowhere else.

13. Consent to Transfer Personal Data. By signing this Agreement, the Optionee voluntarily acknowledges and consents to the collection, use, processing and transfer of personal data as described in this paragraph. The Optionee is not obliged to consent to such collection, use, processing and transfer of personal data. However, failure to provide the consent may affect the Optionee's ability to participate in the Plan. The Company and its subsidiaries hold certain personal information about the Optionee, including name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, vested, unvested or outstanding in the Optionee's favor, for the purpose of managing and administering the Plan ("Data"). The Company and/or its subsidiaries will transfer Data amongst themselves as necessary for the purpose

of implementation, administration and management of participation in the Plan, and the Company and/or any of its subsidiaries may each further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area, or elsewhere throughout the world, such as the United States. The Optionee authorizes them to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Optionee's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of stock on the Optionee's behalf to a broker or other third party with whom the Optionee may elect to deposit any shares of stock acquired pursuant to the Plan. The Optionee may, at any time, review Data, require any necessary amendments to it or withdraw the consents herein in writing by contacting the Company; however, withdrawing consent may affect the Optionee's ability to participate in the Plan.

14. Acknowledgement of Discretionary Nature of the Plan; No Vested Rights. The Optionee acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of stock options under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of stock options or benefits in lieu of stock options in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of options, vesting provisions, and the exercise price.

15. Termination Indemnities. Participation in the Plan is voluntary. The value of the Option is an extraordinary item of compensation outside the scope of the Optionee's employment contract, if any. As such, the Option is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments. Rather, the awarding of a stock option under the Plan represents a mere investment opportunity.

**RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award Agreement (the "Agreement") is entered into as of July __, 2006 (the "Award Date") by and between Columbia Sportswear Company, an Oregon corporation (the "Company"), and _____ (the "Recipient"), for the award of restricted stock units with respect to the Company's Common Stock ("Common Stock").

The award of restricted stock units to the Recipient is made pursuant to Section 7 of the 1997 Stock Incentive Plan (the "Plan") and the Recipient desires to accept the award subject to the terms and conditions of this Agreement.

IN CONSIDERATION of the mutual covenants and agreements set forth in this Agreement, the parties agree to the following.

1. Award and Terms of Restricted Stock Units. The Company awards to the Recipient under the Plan ### restricted stock units (the "Award"), subject to the restrictions, terms and conditions set forth in this Agreement.

(a) *Rights under Restricted Stock Units.* A restricted stock unit (a "RSU") represents the unfunded, unsecured right to require the Company to deliver to the Recipient one share of Common Stock for each RSU. The number of shares of Common Stock deliverable with respect to each RSU is subject to adjustment as determined by the Board of Directors of the Company as to the number and kind of shares of stock deliverable upon any merger, reorganization, consolidation, recapitalization, stock dividend, spin-off or other change in the corporate structure affecting the Common Stock generally.

(b) *Vesting Dates.* The RSUs awarded under this Agreement shall initially be 100% unvested and subject to forfeiture. Subject to this Section 1(b), the RSUs shall vest as follows: (1) 25% of the Award vests one year from the Award Date; (2) 25% of the Award vests two years from the Award Date; and (3) 50% of the Award vests three years from the Award Date. Each date on which RSUs vest is referred to as a "vesting date." The RSUs shall become vested on a respective vesting date only to the extent the Recipient is an employee of the Company continuously from the Award Date to such vesting date. If a vesting date falls on a weekend or any other day on which the Nasdaq Stock Market ("NSM") or any national securities exchange on which the Common Stock then is principally traded (the "Exchange") is not open, affected RSUs shall vest on the next following NSM or Exchange business day, as the case may be.

(c) *Acceleration on Death or Total Disability.* If the Recipient ceases to be an employee of the Company by reason of the Recipient's death or physical disability, outstanding but unvested RSUs shall become immediately vested. The term "total disability" means a medically determinable mental or physical impairment that is expected to result in death or has lasted or is expected to last for a continuous period of 12 months or more and that, in the opinion of the Company and two independent physicians selected by the Company, causes the Recipient to be unable to perform his or her duties as an employee, director, officer or consultant of the Company and unable to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the two independent physicians selected by the Company have furnished their written opinion of total disability to the Company and the Company has determined the Recipient is totally disabled.

(d) *Forfeiture of RSUs.*

(1) *Forfeiture of RSUs on Termination of Service.* If the Recipient ceases to be an employee of the Company for any reason that does not result in acceleration of vesting pursuant to Section 1(c), the Recipient shall immediately forfeit all outstanding but unvested RSUs awarded pursuant to this Agreement and the Recipient shall have no right to receive the related Common Stock. In addition, absence on leave approved by the Company (or, if the Recipient is an executive officer of the Company, by the Board of Directors), shall not be deemed a termination or interruption of employment or service. Unless otherwise determined by the Company or the Board of Directors in its sole discretion, (i) vesting of RSUs shall continue during a medical, family or military leave of absence, whether paid or unpaid, and (ii) vesting of RSUs shall be suspended during, and the number of shares deliverable at the vesting date shall be proportionately reduced as a result of, any other unpaid leave of absence.

(2) *Forfeiture of RSUs on Violation of Code of Business Conduct and Ethics.* Recipient acknowledges that compliance with the Company's Code of Business Conduct and Ethics is a condition to the receipt and vesting of the RSUs. If, during the term of this Agreement, the Board of Directors (or a committee of directors designated by the Board of Directors) determines in good faith that the Recipient's conduct is or has been in violation of the Company's Code of Business Conduct and Ethics, then the Board of Directors or committee may cause the Recipient to immediately forfeit all or a portion of the unvested RSUs granted pursuant to this Agreement and the Recipient shall have no right to receive the related Common Stock.

(e) *Restrictions on Transfer and Delivery on Death.* The Recipient may not sell, transfer, assign, pledge or otherwise encumber or dispose of the RSUs subject to this Agreement. If the Recipient dies before the delivery date, the shares will be delivered to the Recipient's estate.

(f) *Voting Rights and Dividend Equivalents.* The Recipient shall have no rights as a shareholder with respect to the RSUs or the Common Stock underlying the RSUs until the vesting date for the relevant RSUs. The Recipient will not be entitled to receive a cash payment equal to any cash dividends paid with respect to the Common Stock underlying the RSUs awarded under this Agreement that are declared prior to the particular vesting date for the relevant RSUs.

(g) *Physical Delivery of Share Certificates.* As soon as practicable following any particular vesting date (including any accelerated vesting date pursuant to Section 1(c)), provided that the Recipient has satisfied its tax withholding obligations as specified under Section 1(h) and the Recipient has completed, signed and returned any documents and taken any additional action the Company deems appropriate, the Company shall deliver the shares of Common Stock represented by vested RSUs to the Recipient (the date of delivery of such shares is referred to as a "delivery date"), rounded to the nearest whole share. No fractional shares of Common Stock shall be issued. The shares of Common Stock will be issued in the Recipient's name or, in the event of the Recipient's death or total disability, to the Recipient's beneficiary or executor.

Notwithstanding the foregoing, (i) the Company shall not be obligated to vest or deliver any shares of Common Stock during any period when the Company determines that the conversion of a RSU or the delivery of shares hereunder would violate any federal, state or other applicable laws and may issue shares with any restrictive legend that, as determined by the Company, is necessary to comply with securities laws or other regulatory requirements, and (ii) a delivery date may be delayed in order to provide the Company such time as it determines appropriate to determine tax withholding

and other administrative matters ; provided, however, that in any event the shares shall be delivered not later than the later to occur of the date that is 2 1/2 months from the end of (i) the Recipient's tax year that includes the applicable vesting date, or (ii) the Company's tax year that includes the applicable vesting date.

(h) *Taxes and Tax Withholding.*

(i) The Recipient acknowledges that under United States federal tax laws in effect on the Award Date, the Recipient will have taxable compensation income at the time of vesting based on the Market Value (as defined below) of the Common Stock on the vesting date. The Recipient shall be responsible for all taxes imposed in connection with the Award, regardless of any action the Company takes with respect to any tax withholding obligations that arise in connection with the Award. The Company makes no representation or undertaking regarding the adequacy of any tax withholding in connection with the grant or vesting of the Award.

(ii) The Company shall be entitled to withhold from any delivery of Common Stock hereunder all domestic or foreign income, employment or other tax withholding obligations, whether national, federal, state or local (the "Tax Withholding Obligation"), arising as a result of any grant, vesting or delivery of Common Stock pursuant to this Award, in amounts determined by the Company. Unless otherwise determined by the Company, the Tax Withholding Obligation will be satisfied by the Company withholding from the vested shares of Common Stock a number of whole shares of Common Stock with an aggregate Market Value (as defined below) equal to the required tax withholding. The Company shall pay to the Recipient, in cash or through its regular payroll process, the amount of any overwithholding. The Recipient shall pay to the Company in cash, upon demand, the amount of any Tax Withholding Obligation that is not satisfied by the withholding of shares described above, and authorizes the Company to withhold from other amounts payable by the Company to the Recipient, including through additional payroll withholding, any amount not so paid.

(i) *No Solicitation.* The Recipient agrees that for 18 months after the Recipient's employment with the Company terminates for any reason, with or without cause, whether by the Company or the Recipient, the Recipient shall not recruit, attempt to hire, solicit, or assist others in recruiting or hiring, any person who is an employee of the Company, or any of its subsidiaries. In addition to other remedies that may be available to the Company, the Recipient shall pay to the Company in cash, upon demand, the net value of any shares of Common Stock, valued as of the vesting date, delivered under this Agreement if the Recipient violates this section 1(i).

(j) *Not a Contract of Employment.* This Agreement shall not be construed as a contract of employment between the Company and the Recipient and nothing contained in this Agreement or in the Plan shall confer upon the Recipient any right to be continued in the employment of the Company or any subsidiary or to interfere in any way with the right of the Company or any subsidiary by whom the Recipient is employed to terminate the Recipient's employment at any time for any reason, with or without cause, or to decrease the Recipient's compensation or benefits.

2. Miscellaneous.

(a) *Entire Agreement.* This Agreement constitutes the entire agreement of the parties with regard to the subjects hereof.

(b) *Interpretation of the Plan and the Agreement.* The Board of Directors, or a committee of the Board of Directors responsible for administering the Plan (the “Administrator”), shall have the sole authority to interpret the provisions of this Agreement and the Plan, and all determinations by it shall be final and conclusive.

(c) *Section 409A.* The Award made pursuant to this Agreement is intended not to constitute a “nonqualified deferred compensation plan” within the meaning of Section 409A the Internal Revenue Code of 1986, as amended, and instead is intended to be exempt from the application of Section 409A. To the extent that the Award is nevertheless deemed to be subject to Section 409A, the Award shall be interpreted in accordance with Section 409A and Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance issued after the grant of the Award. Notwithstanding any provision of the Award to the contrary, in the event that the Administrator determines that the Award is or may be subject to Section 409A, the Administrator may adopt such amendments to the Award or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (i) exempt the Award from the application of Section 409A or preserve the intended tax treatment of the benefits provided with respect to the Award, or (ii) comply with the requirements of Section 409A.

(d) *Market Value.* “Market Value” as of a particular date shall mean (i) the closing sales price per share of Common Stock as reported by the NSM on that date, or (ii) if the shares of Common Stock are not listed or admitted to trading on the NSM, the closing price on the national securities exchange on which such stock is principally traded on that date, or (iii) if the shares of Common Stock are not then listed on the NSM or on a national securities exchange, the average of the highest reported bid and lowest reported asked prices for the shares of Common Stock as reported by the National Association of Securities Dealers, Inc. Automated Quotations (“NASDAQ”) system on that date or (iv) if the shares of Common Stock are not then listed on any securities exchange and prices therefor are not then quoted in the NASDAQ system, such value as determined in good faith by the Board of Directors (or any duly authorized committee thereof) as of that date.

(e) *Electronic Delivery.* The Recipient consents to the electronic delivery of any prospectus and any other documents relating to this Award in lieu of mailing or other form of delivery.

(f) *Rights and Benefits.* The rights and benefits of this Agreement shall inure to the benefit of and be enforceable by the Company’s successors and assigns and, subject to the restrictions on transfer of this Agreement, be binding upon the Recipient’s heirs, executors, administrators, successors and assigns.

(g) *Further Action.* The parties agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

(h) *Governing Law, Venue and Jurisdiction; Attorneys’ Fees.* This Agreement and the Plan will be interpreted under the laws of the state of Oregon, exclusive of choice of law rules. Venue and jurisdiction will be in the state or federal courts in Washington County, Oregon, and nowhere else. In the event either party institutes litigation hereunder, the prevailing party shall be entitled to reasonable attorneys’ fees to be set by the trial court and, upon any appeal, the appellate court.

(i) *Consent to Transfer Personal Data.* By signing this Agreement, the Recipient voluntarily acknowledges and consents to the collection, use, processing and transfer of personal data as described in this paragraph. The Recipient is not obliged to consent to such collection, use, processing and transfer of personal data. However, failure to provide the consent may affect the Recipient's ability to participate in the Plan. The Company and its subsidiaries hold certain personal information about the Recipient, including name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all entitlement to shares of stock awarded, canceled, purchased, vested, unvested or outstanding in the Recipient's favor, for the purpose of managing and administering the Plan ("Data"). The Company and/or its subsidiaries will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Plan, and the Company and/or any of its subsidiaries may each further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area, or elsewhere throughout the world, including the United States. The Recipient authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Recipient's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of stock on the Recipient's behalf to a broker or other third party with whom the Recipient may elect to deposit any shares of stock acquired pursuant to the Plan. The Recipient may, at any time, review Data, require any necessary amendments to it or withdraw the consents herein in writing by contacting the Company; however, withdrawing consent may affect the Recipient's ability to participate in the Plan.

(j) *Acknowledgement of Discretionary Nature of the Plan; No Vested Rights.* The Recipient acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The award of RSUs under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of RSUs or benefits in lieu of RSUs in the future. Future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any award, the number of RSUs and vesting provisions.

(k) *Character of Award.* Participation in the Plan is voluntary. The value of the Award is an extraordinary item of compensation outside the scope of the Recipient's employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments

(l) *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

COLUMBIA SPORTSWEAR COMPANY

By: _____
Authorized Officer

Recipient

**FORM OF PERFORMANCE-BASED RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award Agreement (the “**Agreement**”) is entered into as of ____ (the “**Award Date**”) by and between Columbia Sportswear Company, an Oregon corporation (the “**Company**”), and ____ (the “**Recipient**”), for the award of restricted stock units with respect to the Company’s Common Stock (“**Common Stock**”).

The award of restricted stock units to the Recipient is made pursuant to Section 9 of the 1997 Stock Incentive Plan (the “**Plan**”) and the Recipient desires to accept the award subject to the terms and conditions of this Agreement.

IN CONSIDERATION of the mutual covenants and agreements set forth in this Agreement, the parties agree to the following.

1. **Award and Terms of Restricted Stock Units.** The Company awards to the Recipient under the Plan ____ restricted stock units (the “**Award**”), subject to forfeiture or increase as provided in Section 1(b) of this Agreement and to the restrictions, terms and conditions set forth in this Agreement.

(a) *Rights under Restricted Stock Units.* A restricted stock unit (a “**RSU**”) represents the unfunded, unsecured right to require the Company to deliver to the Recipient one share of Common Stock for each RSU. The number of shares of Common Stock deliverable with respect to each RSU is subject to adjustment (1) as provided in Section 1(c) of this Agreement and (2) as determined by the Board of Directors of the Company as to the number and kind of shares of stock deliverable upon any merger, reorganization, consolidation, recapitalization, stock dividend, spin-off or other change in the corporate structure affecting the Common Stock generally.

(b) *Vesting Date.* The RSUs not forfeited pursuant to Section 1(c) of this Agreement shall vest on the first anniversary of the last day of the Performance Period, as defined below (the “**vesting date**”) provided that the Recipient has been employed by the Company continuously from the Award Date to the vesting date. If the vesting date falls on a weekend or any other day on which the Nasdaq Stock Market (“**NSM**”) or any national securities exchange on which the Common Stock then is principally traded (the “**Exchange**”) is not open, affected RSUs shall vest on the next following NSM or Exchange business day, as the case may be.

(c) *Adjustment of RSUs.*

(1) *Forfeiture of RSUs on Termination of Service.* If the Recipient ceases to be an employee of the Company for any reason prior to the vesting date, the Recipient shall immediately forfeit all outstanding RSUs awarded pursuant to this Agreement and the Recipient shall have no right to receive the related Common Stock. Absence on leave approved by the Company (or, if the Recipient is an executive officer of the Company, by the Board of Directors), shall not be deemed a termination or interruption of employment or service. Unless otherwise determined by the Company or the Board of Directors in its sole discretion, (i) vesting of RSUs shall continue during a medical, family or military leave of absence, whether paid or unpaid, and

(ii) vesting of RSUs shall be suspended during, and the number of shares deliverable at the vesting date shall be proportionately reduced as a result of, any other unpaid leave of absence.

(2) *Forfeiture of RSUs on Violation of Code of Business Conduct and Ethics.* Recipient acknowledges that compliance with the Company's Code of Business Conduct and Ethics is a condition to the receipt and vesting of the RSUs. If, during the term of this Agreement, the Board of Directors (or a committee of directors designated by the Board of Directors) determines in good faith that the Recipient's conduct is or has been in violation of the Company's Code of Business Conduct and Ethics, then the Board of Directors or committee may cause the Recipient to immediately forfeit all or a portion of the unvested RSUs granted pursuant to this Agreement and the Recipient shall have no right to receive the related Common Stock.

(3) *Forfeiture or Increase of RSUs Based on Performance.* For the period beginning ____ and ending ____ (the "**Performance Period**"), the Award shall be adjusted as follows.

(i) 20% of the Award (the "**Individual Performance Component**") shall be subject to forfeiture, and if forfeited the Recipient shall have no right to receive the related Common Stock, based on individual performance ratings. One-third of the Individual Performance Component shall be forfeited each time the Recipient receives less than "exceeds expectations" on any of the Recipient's three annual evaluations in the Performance Period.

(ii) 80% of the Award (the "**Company Performance Component**") is subject to increase or forfeiture (and if forfeited the Recipient shall have no right to receive the related Common Stock) based on the Cumulative Operating Income and the Average ROIC of the Company in the Performance Period, in each case as defined below. The Company Performance Component will be adjusted by multiplying it by the percentage set forth at the intersection of the Cumulative Operating Income and Average ROIC in the following matrix. If results are between data points, the percentage of the Award payable shall be determined by interpolation between data points.

		Cumulative Operating Income (\$ millions)					
Average ROIC	At least						
	—%	0%	25%	55%	70%	85%	100%
	—%	25%	55%	80%	100%	115%	130%
	—%	55%	80%	100%	120%	135%	150%
	—%	70%	100%	120%	135%	155%	170%
	—%	85%	115%	135%	150%	170%	200%

"**Cumulative Operating Income**" means the sum of the annual income from operations for each of the fiscal years in the Performance Period as set forth in the audited consolidated financial statements of the Company.

“**Average ROIC**” means the average annual percentage return on invested capital in the Performance Period. The return on invested capital is calculated as follows.

$$\text{ROIC} = \frac{(\text{net operating profit after taxes})}{(\text{total assets}) - (\text{excess cash}) - (\text{non-interest-bearing current liabilities})}$$

(d) *Restrictions on Transfer and Delivery on Death.* The Recipient may not sell, transfer, assign, pledge or otherwise encumber or dispose of the RSUs subject to this Agreement. If the Recipient dies before the delivery date, the shares will be delivered to the Recipient’s estate.

(e) *Voting Rights and Dividend Equivalents.* The Recipient shall have no rights as a shareholder with respect to the RSUs or the Common Stock underlying the RSUs until the vesting date for the relevant RSUs. The Recipient will not be entitled to receive a cash payment equal to any cash dividends paid with respect to the Common Stock underlying the RSUs awarded under this Agreement that are declared prior to the particular vesting date for the relevant RSUs.

(f) *Physical Delivery of Share Certificates.* As soon as practicable following the vesting date, provided that the Recipient has satisfied its tax withholding obligations as specified under Section 1(g) and the Recipient has completed, signed and returned any documents and taken any additional action the Company deems appropriate, the Company shall deliver the shares of Common Stock represented by vested RSUs to the Recipient (the date of delivery of such shares is referred to as a “**delivery date**”), rounded to the nearest whole share. No fractional shares of Common Stock shall be issued.

Notwithstanding the foregoing, (i) the Company shall not be obligated to vest or deliver any shares of Common Stock during any period when the Company determines that the conversion of a RSU or the delivery of shares hereunder would violate any federal, state or other applicable laws and may issue shares with any restrictive legend that, as determined by the Company, is necessary to comply with securities laws or other regulatory requirements, and (ii) a delivery date may be delayed in order to provide the Company such time as it determines appropriate to determine tax withholding and other administrative matters; provided, however, that in any event the shares shall be delivered not later than the later to occur of the date that is 2 1/2 months from the end of (i) the Recipient’s tax year that includes the vesting date, or (ii) the Company’s tax year that includes the vesting date.

(g) *Taxes and Tax Withholding.*

(i) The Recipient acknowledges that under United States federal tax laws in effect on the Award Date, the Recipient will have taxable compensation income at the time of vesting based on the Market Value (as defined below) of the Common Stock on the vesting date. The Recipient shall be responsible for all taxes imposed in connection with the Award, regardless of any action the Company takes with respect to any tax withholding obligations that arise in connection with the Award. The Company makes no representation or undertaking regarding the adequacy of any tax withholding in connection with the grant or vesting of the Award.

(ii) The Company shall be entitled to withhold from any delivery of Common Stock hereunder all domestic or foreign income, employment or other tax withholding obligations, whether national, federal, state or local (the “**Tax Withholding Obligation**”), arising as a result of any grant,

vesting or delivery of Common Stock pursuant to this Award, in amounts determined by the Company. Unless otherwise determined by the Company, the Tax Withholding Obligation will be satisfied by the Company withholding from the vested shares of Common Stock a number of whole shares of Common Stock with an aggregate Market Value (as defined below) equal to the required tax withholding. The Company shall pay to the Recipient, in cash or through its regular payroll process, the amount of any overwithholding. The Recipient shall pay to the Company in cash, upon demand, the amount of any Tax Withholding Obligation that is not satisfied by the withholding of shares described above, and authorizes the Company to withhold from other amounts payable by the Company to the Recipient, including through additional payroll withholding, any amount not so paid.

(h) *No Solicitation.* The Recipient agrees that for 18 months after the Recipient's employment with the Company terminates for any reason, with or without cause, whether by the Company or the Recipient, the Recipient shall not recruit, attempt to hire, solicit, or assist others in recruiting or hiring, any person who is an employee of the Company, or any of its subsidiaries. In addition to other remedies that may be available to the Company, the Recipient shall pay to the Company in cash, upon demand, the net value of any shares of Common Stock, valued as of the vesting date, delivered under this Agreement if the Recipient violates this section 1(h).

(i) *Not a Contract of Employment.* This Agreement shall not be construed as a contract of employment between the Company and the Recipient and nothing contained in this Agreement or in the Plan shall confer upon the Recipient any right to be continued in the employment of the Company or any subsidiary or to interfere in any way with the right of the Company or any subsidiary by whom the Recipient is employed to terminate the Recipient's employment at any time for any reason, with or without cause, or to decrease the Recipient's compensation or benefits.

2. Miscellaneous.

(a) *Entire Agreement.* This Agreement constitutes the entire agreement of the parties with regard to the subjects hereof.

(b) *Interpretation of the Plan and the Agreement.* The Board of Directors, or a committee of the Board of Directors responsible for administering the Plan (the "**Administrator**"), shall have the sole authority to interpret the provisions of this Agreement and the Plan, and all determinations by it shall be final and conclusive.

(c) *Section 409A.* The Award made pursuant to this Agreement is intended not to constitute a "nonqualified deferred compensation plan" within the meaning of Section 409A the Internal Revenue Code of 1986, as amended, and instead is intended to be exempt from the application of Section 409A. To the extent that the Award is nevertheless deemed to be subject to Section 409A, the Award shall be interpreted in accordance with Section 409A and Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance issued after the grant of the Award. Notwithstanding any provision of the Award to the contrary, in the event that the Administrator determines that the Award is or may be subject to Section 409A, the Administrator may adopt such amendments to the Award or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (i) exempt the Award from the application of Section 409A or preserve the intended tax treatment of the benefits provided with respect to the Award, or (ii) comply with the requirements of Section 409A.

(d) *Market Value.* "**Market Value**" as of a particular date shall mean (i) the closing sales price per share of Common Stock as reported by the NSM on that date, or (ii) if the shares of Common Stock are not listed or admitted to trading on the NSM, the closing price on the national securities exchange on which such stock is principally traded on that date, or (iii) if the shares of Common Stock are not then listed on the NSM or on a national securities exchange, the average of the highest reported bid and lowest reported asked prices for the shares of Common Stock as reported by the National Association of Securities Dealers, Inc. Automated Quotations ("**NASDAQ**") system on that date or (iv) if the shares of Common Stock are not then listed on any securities exchange and prices therefor are not then quoted in the NASDAQ system, such value as determined in good faith by the Board of Directors (or any duly authorized committee thereof) as of that date.

(e) *Electronic Delivery.* The Recipient consents to the electronic delivery of any prospectus and any other documents relating to this Award in lieu of mailing or other form of delivery.

(f) *Rights and Benefits.* The rights and benefits of this Agreement shall inure to the benefit of and be enforceable by the Company's successors and assigns and, subject to the restrictions on transfer of this Agreement, be binding upon the Recipient's heirs, executors, administrators, successors and assigns.

(g) *Further Action.* The parties agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

(h) *Governing Law, Venue and Jurisdiction; Attorneys' Fees.* This Agreement and the Plan will be interpreted under the laws of the state of Oregon, exclusive of conflicts of law rules. Venue and jurisdiction will be in the state or federal courts in Washington County, Oregon, and nowhere else. In the event either party institutes litigation hereunder, the prevailing party shall be entitled to reasonable attorneys' fees to be set by the trial court and, upon any appeal, the appellate court.

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COLUMBIA SPORTSWEAR COMPANY

By: _____

RECIPIENT

By: _____