

Columbus McKinnon Corporation
Board of Directors
General Corporate Governance Policy

The Board of Directors first adopted this General Corporate Governance Policy on November 14, 1995 and last amended it on March 25, 2008.

The Board's Goals

The Board's goals are to build long-term value for the Company's stockholders and to assure the vitality of the Company for its customers, employees and the other individuals and organizations who depend on it.

Principal Responsibilities

The overriding responsibility of the Board of Directors is to offer guidance and the benefits of experience to help management understand the risks confronting, and opportunities available to, the Company. More specifically, this is accomplished by:

- Selecting, evaluating and advising the CEO and other executive officers;
- Monitoring the development, timeliness and implementation of an appropriate management succession plan;
- Monitoring the development, timeliness and implementation of an appropriate strategic plan for the Company;
- Monitoring the Company's financial, operational and strategic performance;
- Providing situational support and advice.

While some of the Board's responsibilities are carried out through Committee activity and some by the Board as a whole, the policies, which will be reviewed by the Board, as needed, at least annually, to be followed by the Board in support of the successful accomplishment of these responsibilities, are as follows:

Members

The Board of Directors should consist of at least six, but no more than nine, members—no more than two of whom are insiders (not independent). The objective is to have the majority of members serving on the Board qualify as independent under the NASDAQ Rules. At least one Director will possess the skills and experience of a financial expert and will serve on the Audit Committee.

Terms

Directors elected by the shareholders at an annual meeting or appointed by the Board will serve until the succeeding annual meeting, at which time they may stand for re-election. Unless waived by the Board, no Director may stand for election after his/her 72nd birthday. Inside Members, upon termination of their employment with the Company, will automatically tender their resignation for consideration by the Board.

Change in Circumstances

An independent Board Member who has a material change in employment circumstance (i.e., retires, changes location, position or employer) or has materially less time available will automatically tender his/her resignation for consideration by the Board. An independent Board Member who is promoted or otherwise changes positions within the company for whom he or she is employed, need not automatically tender a resignation for consideration by the Board, but shall report that change in circumstance to the Chairman of the Board and the Company's CEO for consideration and discussion as to whether that Board Member will continue to have sufficient time available for service on the Board.

Indemnification

All Directors will be indemnified by the Company to the full extent allowed by law as set forth in individual indemnification agreements for each Member. In connection therewith, the Company will maintain Director and Officer Insurance in the amount of at least \$15 million.

Meetings

Generally, regular meetings of the Board are scheduled as follows: Monday of the fourth week following the end of each interim fiscal quarter, Monday of the seventh week following the end of the fiscal year, the last Monday before March 31, and before and after the Annual Shareholders Meeting on the last Monday in July—total of five regular meetings per year—or such other times as set by the Board. Special meetings may be called by either the President of the Company or the Chairman of the Board, as needed. Committee meetings are scheduled as needed, generally to coincide with Board meeting dates.

Executives, management representatives, third party service providers and others, as needed and requested by the Board, may attend the general and executive session portions of each meeting. However, it is the Board's intent to maintain regular executive sessions at which executives, management representatives, third party service providers and other non-Board members generally will be excluded. Such executive sessions of Board or Committee meetings, with or without inside Board Members or management, are called as needed. A preliminary agenda for the meetings will be prepared by the CEO and submitted to the Chairman of the Board for review and approval. The proceedings at the meetings will be documented in minutes of the meeting to be prepared and retained by the Corporate Secretary, as well as distributed to all Board members.

Evaluation of Board Members

An assessment of the performance of the Board and of each Committee thereof will be carried out annually by the Members of the Board and Members of the respective Committees. The results will be summarized and discussed with each Member by the Chairperson of the Board or Committee or his/her designee.

Education of Board Members

Each Member will be responsible for keeping current on matters of general applicability and of pertinence to his/her business focus. From time to time, resources that deal with specific subjects pertinent to the Company will be recommended by the Company or other Members.

Committees

The Board currently has three standing Committees—the Audit Committee, the Compensation and Succession Committee, and the Corporate Governance and Nomination Committee—each comprising at least three independent Directors and no inside Directors. The Chairmanship and membership of the various committees are recommended by the Chairperson of the Governance and Nomination Committee

after consultation with the Chairman of the Board and the CEO. As part of this process, the rotation of the position of Chairperson for each Committee will be evaluated and a recommendation made to the Board in this regard. Members are then appointed by the Board, one appointed Member is designated Chairperson of the Committee, to serve until the succeeding annual organizational meeting (generally held immediately following Annual Meeting of Shareholders). Other standing or ad hoc Committees are established by the Board as needed.

Responsibilities Regarding Specific Actions

While it is expected that all matters of Company importance have and will continue to be brought to the attention of the Board of Directors, the following matters require the formal approval of the Board prior to implementation.

Annual Budget: Each year, an operating budget is prepared for the ensuing year, presented to the Board, discussed and, ultimately, approved by the Board. It may not be published until such approval is given.

Operating Forecasts: Periodically throughout the year as economic and other conditions change, operating forecasts are prepared that update essential parts of the annual budget to support required operational changes. While such operating forecasts do not require approval by the Board, any significant shifts in outlook must be reported to the Board on a timely basis. However, any forecasts of this nature that are to be released outside of the Company must be approved by the Board.

Management Variable Compensation Plan Targets: Certain elements of the Company's Management Variable Compensation Plan may contain provisions for the establishment of targets and/or funds. Such targets and funds must be approved by the Compensation and Succession Committee of the Board either at the time the operating budget is approved or during the year when the need arises.

Capital Expenditure Budget: Each year, a capital expenditure budget is prepared for the ensuing year, presented to the Board, discussed, and ultimately approved by the Board. No capital expenditures may be made in connection therewith until such approval has been given.

Capital Account Transactions: Any discretionary change in the Company's capital accounts requires prior Board approval. All dividends can only be declared by the Board. All stock options, restricted stock, or other equity interest can only be approved by the Board or the Compensation and Succession Committee of the Board.

In addition to the foregoing, the Board policy defining the responsibilities and authority of the Board and of management regarding specific actions of certain monetary and/or financial impact is set forth in **Exhibit A** hereto.

Legal Compliance and Business Ethics

The Company's policy on this subject is described in the Legal Compliance & Business Ethics Manual. The Board will ascertain that the Manual and the overall program has been reviewed and updated as needed in order to comply with all applicable laws, rules and regulations, including the Sarbanes-Oxley Act of 2002 and any amendments thereto, that appropriate training has been carried out, that procedures exist whereby all Associates are able to report any violations of the policy, and that appropriate statements are received from all Associates periodically that they have read and understood the policy.

Reports on these matters and any significant violations will be made to the Board as needed, at least annually.

Environmental Compliance

The Board will ascertain that the Company's written Environmental Compliance policy has been reviewed and updated as needed, that it has been complied with, that an appropriate degree of general awareness exists, and that a trained team within the Company exists to carry out the policy. Reports on these matters and any significant violations of the policy will be made to the Board as needed, at least annually.

Communication Policy

The Board will ascertain that a plan has been developed and is current which covers appropriate and effective communications with the investment community and other Company stakeholders; it will review the plan and its implementation as needed, at least annually.

Directors' Compensation and Benefits

Executive Directors will receive neither cash compensation nor benefits as Directors. Non-executive Directors will receive cash compensation in the form of a combination of cash and equity retainer for each term that they serve, as well as certain benefits as set forth below:

Annual Cash Retainer

Board Member	\$50,000
Non-Executive Chairman of the Board	40,000
Audit Committee Chair	16,000
Compensation and Succession Committee Chair	10,000
Other Committee Chairs	6,000
Committee Member	None

The Annual Cash Retainer for Board Members will be paid in equal quarterly installments, with the first installment to be paid immediately following the Annual Meeting of Shareholders.

Annual Equity Retainer

An annual equity retainer of \$30,000 equivalent of Company stock to be granted immediately following the Annual Meeting of Shareholders and to be based on the closing price of the Company's stock on the day of the Annual Meeting of Shareholders on which the grant is made.

1,200 Restricted Stock Units with a 50%-25%-25% three year vesting schedule to be awarded immediately following the Annual Meeting of Shareholders and to be based on the closing price of the Company's stock on the day of the Annual Meeting of Shareholders on which the grant is made.

Benefits

The Company will maintain Travel Accident insurance coverage in the amount of \$500,000 for each non-executive Member while on Company business.

Equity Ownership

Board Members are asked to own at least 8,000 shares of the Company's voting common stock within five (5) years of joining the Board, or by April 1, 2010, whichever occurs later. Any Restricted Stock Units granted to a Director pursuant to the Columbus McKinnon Corporation 2006 Long Term Incentive Plan or any successor plan shall be included in determining the number of shares owned by such Director.

Expense Reimbursement

The Company will reimburse Members for all reasonable out-of-pocket costs associated with travel for Company business, as follows:

Air travel – Actual round trip fare (first class is anticipated)

Surface travel – Actual cost; for use of a private automobile, the then current IRS published mileage allowance will be used

Lodging – Actual cost

Meals – Actual cost

Exhibit A – Policy Regarding Actions Required.