

**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: January 24, 2006
(Date of earliest event reported)

APOGEE ENTERPRISES, INC.

(Exact name of registrant as specified in its charter)

Commission File Number: 0-6365

Minnesota
(State or other jurisdiction
of incorporation)

41-0919654
(IRS Employer
Identification No.)

**7900 Xerxes Avenue South, Suite 1800,
Minneapolis, Minnesota 55431**
(Address of principal executive offices, including zip code)

(952) 835-1874
(Registrant's telephone number, including area code)

Not Applicable
(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 1.01 Entry into a Material Definitive Agreement.

Apogee Enterprises, Inc. (“Apogee”) has had in place severance agreements with its executive officers since 1999. In October 2004, Apogee’s Compensation Committee approved new severance agreements for Apogee’s executive officers. On January 5, 2005, each of the following executive officers executed a new severance agreement, the form of which was filed with the Securities and Exchange Commission as Exhibit 10.1 to Apogee’s Current Report on Form 8-K filed on January 7, 2005 (the “2005 Severance Agreements”), which was effective as of January 1, 2005:

<u>Name</u>	<u>Title</u>
Russell Huffer	Chairman, President and Chief Executive Officer
Michael B. Clauer	Executive Vice President
Patricia A. Beithon	Secretary and General Counsel
James S. Porter	Chief Financial Officer
Gary R. Johnson	Vice President and Treasurer

The American Jobs Creation Act of 2004 became effective during 2005, which among other things, amended the Internal Revenue Code to add new Section 409A (“Section 409A”), which imposes certain excise taxes upon many forms of “deferred compensation” unless they comply with the requirements of Section 409A. In order to comply with Section 409A, on January 24, 2006, Apogee and each of the executive officers listed above entered into an amendment to their 2005 Severance Agreement (the “First Amendment to the 2005 Severance Agreement”). The First Amendment to the 2005 Severance Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated by reference herein, contains changes to the definition of “termination of employment.” In addition, the First Amendment to the 2005 Severance Agreement provides that, if the executive officer is a “key employee” (as defined in Section 409A), payment of certain deferred benefits under the Amended and Restated 1987 Apogee Enterprises, Inc. Partnership Plan, as amended, will not be made before the date that is six months after the employment termination date.

On January 24, 2006, Apogee’s Board of Directors also approved a revised form of severance agreement that complies with Section 409A (the “2006 Severance Agreement”). Consistent with the 2005 Severance Agreement, the 2006 Severance Agreement is designed to retain the executive officers and provide for continuity of management in the event of an actual or threatened change in control of Apogee (as “change in control” is defined in the 2006 Severance Agreement). The 2006 Severance Agreement provides that, in the event of a change in control of Apogee, each executive officer would have specific rights and receive specified benefits if the executive officer is terminated without cause or the executive officer voluntarily terminates his or her employment for “good reason” (as defined in the 2006 Severance Agreement) within two years after the change in control. In these circumstances, executive officers will each receive a severance payment equal to either one or two times the executive officer’s annual salary plus the executive’s targeted annual bonus (as calculated under the terms of the 2006 Severance Agreement). The form of 2006 Severance Agreement is attached hereto as Exhibit 10.2 and is incorporated by reference herein.

Also on January 24, 2006, Apogee and Daniel Mayleben, Apogee’s Chief Information Officer, executed a 2006 Severance Agreement. Mr. Mayleben’s agreement provides that, in the circumstances described above, Mr. Mayleben will receive a severance payment equal to two times his annual salary plus his targeted annual bonus (as calculated under the terms of Mr. Mayleben’s agreement).

Item 1.02 Termination of a Material Definitive Agreement.

The Apogee Enterprises, Inc. 1997 Omnibus Stock Incentive Plan (the “1997 Plan”) was approved by Apogee’s shareholders at the 1997 Annual Meeting of Shareholders. Shares of Apogee’s common stock remained available for issuance with respect to possible future awards that could be made under the 1997 Plan. Because Apogee’s Compensation Committee determined that it would not be making any further awards under the 1997 Plan, on January 24, 2006, the Board of Directors approved the termination of the 1997 Plan, effective immediately. In accordance with Section 8(a) of the 1997 Plan, all currently outstanding awards previously made under the 1997 Plan will remain outstanding in accordance with their respective terms and the terms of the 1997 Plan governing such

outstanding awards. In addition, the 225,526 remaining shares of Apogee's common stock that were previously reserved for future issuance under the 1997 Plan have been released from such reservation and are available for other corporate purposes. All other shares previously reserved for future issuance with respect to any awards previously made under the 1997 Plan that are forfeited after the date hereof will not be deemed reserved after the date of such forfeiture and may be used for other corporate purposes thereafter.

The purpose of the 1997 Plan was to promote the interests of Apogee and its shareholders by aiding Apogee in attracting and retaining management personnel and non-employee directors capable of providing strategic direction to, and assuring the future success of, Apogee, to offer such personnel and directors and other employees incentives to put forth maximum efforts for the success of Apogee's business, and to afford such personnel and directors an opportunity to acquire a proprietary interest in Apogee, thereby aligning the interests of such personnel and directors with Apogee's shareholders. The 1997 Plan permitted the granting of a variety of different types of awards, including stock options, stock appreciation rights (SARs), restricted stock and restricted stock units, performance awards and other awards valued in whole or in part by reference to Apogee's common stock.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Because of the cost savings and administrative efficiencies associated with uncertificated shares, on January 24, 2006, Apogee's Board of Directors determined that it was in Apogee's best interest to authorize Apogee's transfer agent to issue uncertificated shares for Apogee's common stock on a going-forward basis, and to record shareholders' positions in Apogee's common stock using the "Direct Registration Statement System," or the "DRS System," so that certificated shares would no longer be issued for Apogee's common stock, except for restricted shares of common stock and upon request by a recordholder or beneficial owner for certificated shares. In connection with this determination, Apogee's Board of Directors approved amendments to Article IV of Apogee's Amended and Restated Bylaws, effective as of January 24, 2006, authorizing the issuance of uncertificated shares of Apogee's common stock as circumstances permit, except in the case of restricted shares of common stock and upon request by a recordholder or beneficial owner for certificated shares.

Article IV, as amended and restated in its entirety, reads as follows:

ARTICLE IV
CAPITAL STOCK

Section 4.01. Stock Certificates. The shares of the corporation may be either certificated shares or uncertificated shares or a combination thereof. A resolution approved by a majority of the directors may provide that some or all of any or all classes and series of the shares of the corporation will be uncertificated shares. Each holder of duly issued certificated shares of the corporation shall be entitled to a certificate for such shares, to be in such form as shall be prescribed by law and adopted by the Board of Directors. Certificates for such shares shall be numbered in the order in which they shall be issued and shall be signed, in the name of the corporation, by the president, the secretary or any assistant secretary, if there be one, or by such officers as the Board of Directors may designate. If a certificate is signed by a transfer agent or registrar, the signature of any such officer of the corporation may be a facsimile signature. If a person signs or has a facsimile signature placed upon a certificate while an officer, transfer agent or registrar of the corporation, the certificate may be issued by the corporation even if the person has ceased to serve in that capacity before the certificate is issued, with the same effect as if the person had that capacity at the date of its issue. With respect to certificated shares, every certificate surrendered to the corporation or its transfer agent for exchange or transfer shall be canceled, and no new certificate or certificates shall be issued in exchange for any existing certificate until such existing certificate shall have been so canceled, except in cases provided for in Section 4.04.

Section 4.02. Transfer of Shares. The transfer of shares on the stock transfer books of the corporation may be authorized only by the shareholder of record thereof, or by such shareholder's legal representative, who shall furnish proper evidence of authority to transfer, or by such shareholder's duly authorized attorney-in-fact, and, in the case of certificated shares, upon surrender of the certificate or the certificates for such shares to the corporation or its transfer agent duly endorsed.

Section 4.03. Ownership. The corporation may treat as the exclusive owner of shares of the corporation for all purposes, the person or persons in whose name shares are registered on the books of the corporation, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, save as may be expressly provided by applicable law.

Section 4.04. Lost or Destroyed Certificates. Any shareholder claiming a certificate for shares to be lost, stolen or destroyed shall make an affidavit of that fact in such form as the Board of Directors shall require and shall give the corporation a bond of indemnity in form, in an amount, and with one or more sureties satisfactory to the Board of Directors, to indemnify the corporation against any claim which may be made against it on account of the reissue of such certificate, whereupon a new certificate may be issued in the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

In addition, Apogee's Board of Directors approved amendments to Article III of Apogee's Amended and Restated Bylaws, effective January 24, 2006, replacing gender specific pronouns in such Article with gender neutral titles.

Apogee's Amended and Restated Bylaws are attached as Exhibit 3.1 to this Current Report on Form 8-K and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are being filed with this Current Report on Form 8-K:

- 3.1 Amended and Restated Bylaws of Apogee Enterprises, Inc., as amended through January 24, 2006.
- 10.1 First Amendment to the 2005 Severance Agreement between Apogee Enterprises, Inc. and certain senior executive officers of Apogee Enterprises, Inc., dated as of January 24, 2006.
- 10.2 Form of 2006 Severance Agreement between Apogee Enterprises, Inc. and certain senior executive officers of Apogee Enterprises, Inc.

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.

APOGEE ENTERPRISES, INC.

By: /s/ James S. Porter

James S. Porter
Chief Financial Officer

Date: January 30, 2006

EXHIBIT INDEX

Exhibit Number	Description
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AMENDED AND RESTATED BY-LAWS
OF
APOGEE ENTERPRISES, INC., A MINNESOTA CORPORATION

ARTICLE I

SHAREHOLDERS

Section 1.01. Places of Meetings. Meetings of shareholders entitled to vote shall be held (a) at any place within or without the State of Minnesota which may be designated by resolution of the Board of Directors, or (b) at any place within Hennepin County, Minnesota, when the meeting is called by or at the demand of the corporation's shareholders.

Section 1.02. Regular Meetings. A regular meeting of shareholders entitled to vote shall be held on such date as the Board of Directors shall by resolution establish. At the regular meeting, members of the Board of Directors shall be elected as provided in these By-laws and the Articles of Incorporation, and such other business may be transacted as shall be properly brought before the meeting.

Section 1.03. Special Meetings. Special meetings of the shareholders may be held at any time and for any purpose and may be called by the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, two or more directors or by a shareholder or shareholders holding 10% or more of the voting power of all shares entitled to vote, except that a special meeting for the purpose of considering any action to directly or indirectly facilitate or affect a business combination, including any action to change or otherwise effect the composition of the Board of Directors for that purpose, must be called by 25% or more of the voting power of all shares entitled to vote. A shareholder or shareholders holding the requisite percentage of the voting power of all shares entitled to vote may demand a special meeting of the shareholders by written notice of demand given to the Chairman of the Board, the Chief Executive Officer or the Chief Financial Officer of the corporation and containing the purposes of the meeting. Within 30 days after receipt of demand by one of those officers, the Board of Directors shall cause a special meeting of shareholders to be called and held on notice no later than 90 days after receipt of the demand, at the expense of the corporation. Special meetings shall be held on the date and at the time and place fixed by the Chairman of the Board or the Board of Directors, except that a special meeting called by or at demand of a shareholder or shareholders shall be held in the county where the principal executive office is located. The business transacted at a special meeting shall be limited to the purposes as stated in the notice of the meeting.

Section 1.04. Notice of Meetings. Written notice of the time and place of any meeting of the shareholders entitled to vote thereat shall be sent to their addresses as the same appear on the stock ledger or on the records of the corporation, at least five days prior to the meeting, except that notice of a meeting at which a plan of merger or exchange is to be considered shall be mailed to all shareholders of record, whether entitled to vote or not, at least fourteen days prior thereto. Every notice of any special meeting called pursuant to Section 1.03 hereof shall state the

purpose or purposes for which the meeting has been called, and the business transacted at all special meetings shall be confined to the purposes stated in the notice. The written notice of any meeting at which a plan of merger or exchange is to be considered shall so state such as a purpose of the meeting. A copy or short description of the plan of merger or exchange shall be included in or enclosed with such notice.

Section 1.05. Meetings Without Notice. A shareholder may waive notice of any meeting in writing given either before or after the meeting. By attendance at and participation in any meeting of the shareholders, a shareholder shall be deemed to have waived notice thereof, unless the shareholder properly objects pursuant to Minnesota Statutes §302A.435, Subdivision 4. Whenever all the shareholders entitled to vote shall be present at or consent to or participate in a meeting without objection, such meeting shall be deemed to be a legal meeting, and all the business transacted shall be valid in all respects the same as though such meeting had been regularly called pursuant to proper notice.

Section 1.06. Quorum and Adjourned Meetings. The holders of a majority of the shares of stock entitled to vote, present in person or represented by proxy, shall constitute a quorum at all meetings of shareholders, except as may be otherwise provided by law or by the Articles of Incorporation. In the absence of a quorum, any meeting may be adjourned from time to time or from place to place, and no notice as to such adjourned meeting or the place thereof need be given other than by announcement at the meeting at which the requisite amount of voting stock shall be represented. Any business may be transacted which might have been transacted at the meeting as originally called.

Section 1.07. Voting and Proxies. At each meeting of the shareholders, every shareholder having the right to vote shall be entitled to vote either in person or by proxy. Each shareholder, unless the Articles of Incorporation or applicable law provide otherwise, shall have one vote for each share having voting power registered in such shareholder's name on the books of the corporation. Jointly owned shares may be voted by any joint owner unless the corporation receives written notice from any one of them denying the authority of that person to vote those shares. Upon the demand of any shareholder, the vote upon any question before meeting shall be by ballot. All questions shall be decided by a majority vote of the number of shares entitled to vote and represented at the meeting in person or by proxy at the time of the vote except if otherwise required by applicable law, the Articles of Incorporation, or these By-Laws.

Section 1.08. Record Date. The Board of Directors may fix a time, not exceeding 60 days preceding the date of any meeting of shareholders, as a record date for the determination of the shareholders entitled to notice of and to vote at such meeting, notwithstanding any transfer of shares on the books of the corporation after any record date so fixed.

Section 1.09. Nomination of Directors. Only persons nominated in accordance with the following procedures shall be eligible for election by shareholders as directors. Nominations of persons for election as directors at a meeting of shareholders called for the purpose of electing directors may be made (a) by or at the direction of the Board of Directors or (b) by any shareholder in the manner herein provided. For a nomination to be properly made by a shareholder, the shareholder must give written notice to the Secretary of the corporation so as to

be received at the principal executive offices of the corporation not later than (a) with respect to an annual meeting of shareholders, at least 120 days before the date that is one year after the prior year's regular meeting and (b) with respect to a special meeting of shareholders for the election of directors, the close of business on the seventh day following the date on which the notice of such meeting is first given to shareholders. Each such notice shall set forth (a) the name and address of the shareholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the shareholder is a holder of record of stock of the corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understanding between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; (d) such other information regarding each nominee proposed by such shareholder as would have been required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had each nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the corporation if so elected.

Section 1.10 Shareholder Proposals. To be properly brought before a regular meeting of shareholders, business must be (a) specified in the notice of the meeting, (b) directed to be brought before the meeting by the Board of Directors or (c) proposed at the meeting by a shareholder who (i) was a shareholder of record at the time of giving of notice provided for in these bylaws, (ii) is entitled to vote at the meeting and (iii) gives prior notice of the matter, which must otherwise be a proper matter for shareholder action, the manner herein provided. For business to be properly brought before a regular meeting by a shareholder, the shareholder must give written notice to the Secretary of the corporation so as to be received at the principal executive offices of the corporation at least 120 days before the date that is one year after the prior year's regular meeting. Such notice shall set forth (a) the name and record address of the shareholder and of the beneficial owner, if any, on whose behalf the proposal will be made, (b) the class and number of shares of the corporation owned by the shareholder and beneficially owned by the beneficial owner, if any, on whose behalf the proposal will be made, (c) a brief description of the business desired to be brought before the regular meeting and the reasons for conducting such business and (d) any material interest in such business of the shareholder and the beneficial owner, if any, on whose behalf the proposal is made. The Chair of the meeting may refuse to acknowledge any proposed business not made in compliance with the foregoing procedure.

ARTICLE II

DIRECTORS

Section 2.01. Number and Election. Directors shall be divided into three classes of approximately equal size and, after an initial staggering of director terms, shall be elected at each regular shareholder meeting for three-year terms as provided in the corporation's Articles of Incorporation. The number of directors shall be fixed exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the Board of Directors then in office.

Section 2.02. Vacancies. Any vacancies in the Board of Directors by reason of an increase in the number of directors, death, disability, resignation, removal or otherwise, shall be filled solely by majority vote of the remaining directors then in office, though less than a quorum, and any such director so elected shall hold office for a term expiring at the regular meeting of shareholders at which the term of office of the class to which the director has been elected, expires.

Section 2.03. Removal. Any director may be removed from office as a director (i) by the affirmative vote of the holders of 80% of the combined voting power of the then outstanding shares of stock of the corporation entitled to vote generally in that election of directors, voting together as single class and only for cause, or (ii) by a majority of the directors then in office with or without cause.

Section 2.04. Place of Meetings. The Board of Directors may meet at such places, in the State of Minnesota or in any State, as the majority may from time to time determine.

Section 2.05. Regular Meetings. The Board of Directors may provide by resolution the date, time and place, either within or without the State of Minnesota, for the holding of meetings of the Board of Directors without other notice than such resolution.

Section 2.06. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, the Chief Executive Officer, the President or by any two directors, by giving at least two days' notice thereof.

Section 2.07. Meetings Without Notice. Any director may in writing either before or after the meeting, waive notice thereof. Without notice, any director by his attendance at any meeting of the Board of Directors, or at any duly constituted committee thereof, shall be deemed to have waived notice thereof, except where the director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate thereafter in the meeting.

Section 2.08. Consent to Action. Any action which might be taken at a meeting of the Board of Directors, or of any duly constituted committee thereof, may be taken without a meeting if done in writing signed by all of the directors, or members of such committees.

Section 2.09. Conference Communications. Any or all directors may participate in any meeting of the Board of Directors, or of any duly constituted committee thereof, by any means of communication through which the directors may simultaneously hear each other during such meeting. For the purposes of establishing a quorum and taking any action at the meeting, such directors participating pursuant to this Section 2.09 shall be deemed present in person at the meeting; and the place of the meeting shall be the place of origination of the conference telephone conversation or other comparable communication technique.

Section 2.10. Quorum and Adjourned Meetings. At all meetings of the Board of Directors, a quorum sufficient for the transaction of business shall consist of a majority of the directors. If, however, such quorum shall not be present at any such meeting, those present thereat shall have power to adjourn the meeting from day to day without notice other than announcement at the meeting, until a quorum shall be present.

Section 2.11. Committees. A resolution approved by the affirmative vote of a majority of the Board of Directors may establish committees having the authority of the Board of Directors in the management of the business of the corporation to the extent provided in the resolution. A committee shall consist of one or more persons, who need not be directors, appointed by affirmative vote of a majority of the directors present. Committees are subject to the direction and control of, and vacancies in the membership thereof shall be filled by, the Board of Directors, except as provided in Section 2.12. A majority of the members of the committee holding office immediately prior to a meeting of the committee shall constitute a quorum for the transaction of business, unless a larger or smaller proportion or number is provided in the resolution establishing the committee.

Section 2.12. Committee of Disinterested Persons. Pursuant to the procedure set forth in Section 2.11, the Board of Directors may establish a committee composed of two or more disinterested directors or other disinterested persons to determine whether it is in the best interests of the corporation to pursue a particular legal right or remedy of the corporation and whether to cause the dismissal or discontinuance of a particular proceeding that seeks to assert a right or remedy on behalf of the corporation. The committee, once established, is not subject to the direction or control of, or termination by, the Board of Directors. A vacancy on the committee may be filled by a majority of the remaining committee members. The good faith determinations of the committee are binding upon the corporation and its directors, officers and shareholders. The committee terminates when it issues a written report of its determination to the Board of Directors.

Section 2.13. Compensation. The Board of Directors may fix the compensation, if any, of directors.

ARTICLE III

OFFICERS

Section 3.01. Officers, Qualifications, Authority and Election. Officers shall be chosen by the Board of Directors and shall consist of a Chairman of the Board, a Chief Executive Officer, a President, a Secretary, a Chief Financial Officer, a Treasurer, a Controller and such other officers as the Board of Directors may from time to time deem advisable including one or more Vice Presidents, a Vice Chairman and an Executive Vice President. The Board of Directors may fix the powers, duties and compensation of any of the officers not specifically provided for herein. Officers, other than the Chairman of the Board, the Chief Executive Officer and the President, may or may not be members of the Board of Directors. Any two or more offices may be held by the same person at the same time. Officers shall hold their respective offices at the pleasure of the Board of Directors. Any officer may be removed at any time by the Board of Directors with or without cause. In case of the death, disqualification, absence or inability to act of any officer of the corporation or for any other reason the Board of Directors may deem sufficient, the Board of Directors may delegate the power and/or duties of such officers to any other officer or to any director. Ownership of stock shall not be a qualification necessary to the holding of office.

Section 3.02. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the shareholders and of the directors. The Chairman of the Board shall have such other powers and perform such other duties as the Board of Directors may from time to time prescribe.

Section 3.03. Vice Chairman. In the absence of the Chairman of the Board, the Vice Chairman shall preside at meetings of the shareholders and of the directors.

Section 3.04. Chief Executive Officer. The Chief Executive Officer shall have general and active management of the business under the supervision and direction of the Board of Directors, and shall be responsible for carrying out all orders and resolutions of the Board of Directors. The Chief Executive Officer shall have the general powers and duties usually vested in the office of the chief executive officer of a corporation and shall have such other powers and perform such other duties as the Board of Directors may from time to time prescribe.

Section 3.05. President. The President shall perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

Section 3.06. Inability of the Chief Executive Officer. In the case of the death, disqualification, absence or incapacity of the Chief Executive Officer, the Chairman of the Board or, in the event of his or her death, disqualification, absence or incapacity, the Vice Chairman, shall have all the powers and perform all the duties of the Chief Executive Officer. In case of the death, disqualification, absence or incapacity of the Chief Executive Officer, Chairman of the Board and the Vice Chairman, then the President or, failing such, the Executive Vice President or, failing such, the most senior Vice President, if any, shall have all of the powers and perform all of the duties of the Chief Executive Officer.

Section 3.07. Secretary. The Secretary shall attend all meetings of the Board of Directors and of the shareholders, and shall record all votes and the minutes of all proceedings thereof. The Secretary shall keep the stock books of the corporation and shall have custody of the corporate seal. The Secretary shall give or cause to be given notice of all meetings of the shareholders and of the Board of Directors; provided, however notice given by another shall not be ineffective merely because it was not given by the Secretary. The Secretary shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the Chief Executive Officer.

Section 3.08. Chief Financial Officer. The Chief Financial Officer shall be responsible for all financial operations of the corporation, including, without limitation, raising funds, establishing and maintaining banking relationships, keeping accurate financial records for the corporation, financial administration and maintenance of internal controls. The Chief Financial Officer shall report the financial condition of the corporation at the annual meeting of the shareholders in each year and at all other times when requested by the Board of Directors or the Chief Executive Officer, and shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer.

Section 3.09. Treasurer. The Treasurer shall have the care and custody of the corporate funds and securities, and shall disburse the funds of the corporation as may be ordered from time to time by the Board of Directors of the Chief Executive Officer. The Treasurer shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer.

Section 3.10. Controller. The Controller shall be the chief accounting officer of the corporation. The Controller shall be responsible, under the direction of the Chief Financial Officer, for keeping complete and accurate records of the business, assets, liabilities and transaction of the corporation and for the preparation of such financial statements as may be required by law or are needed for internal management purposes. The Controller shall perform such other duties as may be prescribed by the Board of Directors, the Chief Executive Officer or the Chief Financial Officer.

ARTICLE IV

CAPITAL STOCK

Section 4.01. Stock Certificates. The shares of the corporation may be either certificated shares or uncertificated shares or a combination thereof. A resolution approved by a majority of the directors may provide that some or all of any or all classes and series of the shares of the corporation will be uncertificated shares. Each holder of duly issued certificated shares of the corporation shall be entitled to a certificate for such shares, to be in such form as shall be prescribed by law and adopted by the Board of Directors. Certificates for such shares shall be numbered in the order in which they shall be issued and shall be signed, in the name of the corporation, by the president, the secretary or any assistant secretary, if there be one, or by such officers as the Board of Directors may designate. If a certificate is signed by a transfer agent or registrar, the signature of any such officer of the corporation may be a facsimile signature. If a person signs or has a facsimile signature placed upon a certificate while an officer, transfer agent or registrar of the corporation, the certificate may be issued by the corporation even if the person has ceased to serve in that capacity before the certificate is issued, with the same effect as if the person had that capacity at the date of its issue. With respect to certificated shares, every certificate surrendered to the corporation or its transfer agent for exchange or transfer shall be canceled, and no new certificate or certificates shall be issued in exchange for any existing certificate until such existing certificate shall have been so canceled, except in cases provided for in Section 4.04.

Section 4.02. Transfer of Shares. The transfer of shares on the stock transfer books of the corporation may be authorized only by the shareholder of record thereof, or by such shareholder's legal representative, who shall furnish proper evidence of authority to transfer, or by such shareholder's duly authorized attorney-in-fact, and, in the case of certificated shares, upon surrender of the certificate or the certificates for such shares to the corporation or its transfer agent duly endorsed.

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Section 4.04. Lost or Destroyed Certificates. Any shareholder claiming a certificate for shares to be lost, stolen or destroyed shall make an affidavit of that fact in such form as the Board of Directors shall require and shall give the corporation a bond of indemnity in form, in an amount, and with one or more sureties satisfactory to the Board of Directors, to indemnify the corporation against any claim which may be made against it on account of the reissue of such certificate, whereupon a new certificate may be issued in the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

ARTICLE V

EXECUTION OF CORPORATE CONTRACTS

Except as otherwise provided by the Board of Directors, all contracts of the corporation shall be executed on its behalf by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer, the Controller, an Executive Vice President, a Vice President or such other person or persons as one of these officers may from time to time authorize so to do. Notes given and drafts accepted by the corporation shall be valid only when signed by the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer, the Controller, an Executive Vice President, a Vice President or such other person as one of these officers may from time to time authorize so to do. Checks, drafts, and other evidences of indebtedness to the corporation shall, for the purpose of deposit, discount and collection, be endorsed by these same officers or their delegees. Whenever the Board of Directors shall provide that any contract be executed or any other act be done in any other manner and by any other officer than as specified in these By-Laws, such method of execution or action shall be as equally effective to bind the corporation as specified herein.

ARTICLE VI

FISCAL YEAR

The fiscal year of the corporation shall end with the close of business on the Saturday closest to the last day in February in each year or as otherwise determined by the Board of Directors.

ARTICLE VII

INDEMNIFICATION

The corporation shall indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent as required or permitted by the Minnesota Business Corporation Act, §302A.521, as now enacted or hereafter amended.

ARTICLE VIII

AMENDMENTS

These By-Laws may be altered or amended by majority vote of the entire Board of Directors, subject to the power of the shareholders to adopt, amend or repeal the By-Laws as provided in Minnesota Statutes §302A.181, Subdivision 3.

Amended and Restated By-Laws adopted by the Board of Directors of Apogee Enterprises, Inc. on January 24, 2006.

**FIRST AMENDMENT
TO
SEVERANCE AGREEMENT**

This First Amendment to Severance Agreement (this "Amendment") between Apogee Enterprises, Inc., a Minnesota corporation, with its principal offices at Wells Fargo Financial Center, 7900 Xerxes Avenue South, Suite 1800, Minneapolis, Minnesota 55431 (the "Company") and _____ ("Executive"), residing at _____, is hereby entered into as of January __, 2006.

WHEREAS, the Company and Executive entered into a Severance Agreement, effective as of January 1, 2005 (the "Severance Agreement"); and

WHEREAS, the Company and Executive desire to amend the Severance Agreement in certain respects, as set forth below.

NOW, THEREFORE, for good and valuable consideration, the parties hereto hereby amend the Severance Agreement as follows:

1. Section 4(a)(i) of the Severance Agreement is hereby amended by adding the following sentence as the new last sentence thereof:

"As used in Subsection 4(a)(iii), the term, "termination of employment," and other similar terms used in such Subsection, shall be construed to have the same meaning as is given to the term, "Separation from Service," in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")."

2. Section 4(c) of the Severance Agreement is hereby amended by deleting from the first sentence thereof, the phrase, "the Internal Revenue Code of 1986, as amended (the "Code")," and replacing that phrase with: "the Code".

3. Section 4 of the Severance Agreement is hereby amended by adding the following new paragraph as new Section 4(e):

"(e) Notwithstanding any provision of this Agreement to the contrary, if Executive is a "key employee" (as defined in Section 409A of the Code), payment of Executive's benefit otherwise due under Subsections 4(a)(iii) and 4(a)(iv) (but only as to the "Pool B Shares" under the Partnership Plan) hereof shall not be made before the date that is six (6) months after the Employment Termination Date. No later than the third (3rd) business day thereafter, Executive shall receive all payments, without interest, which Executive was entitled to receive under Subsections 4(a)(iii) and 4(a)(iv) (but only as to the "Pool B Shares" under the Partnership Plan) of this Agreement."

4. Except as expressly amended in this Amendment, the Severance Agreement shall continue in full force and effect in accordance with the terms therein.

5. This Amendment may be executed in counterparts, with all such counterparts constituting but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed effective as of the date first written above.

WITNESS:

APOGEE ENTERPRISES, INC.

Warren M. Planitzer
Vice President, Human Resources
Date: January __, 2006

By: _____
Russell Huffer
Its: Chairman and Chief Executive Officer
Date: January __, 2006

EXECUTIVE

January __, 2006

SEVERANCE AGREEMENT

THIS SEVERANCE AGREEMENT is made as of the ___ day of January, 2006, between Apogee Enterprises, Inc., a Minnesota corporation, with its principal offices at Wells Fargo Financial Center, 7900 Xerxes Avenue South, Suite 1800, Minneapolis, Minnesota 55431 (the "Company") and _____ ("Executive"), residing at _____.

WITNESSETH THAT:

WHEREAS, this Agreement is intended to specify the financial arrangements that the Company will provide to Executive upon Executive's separation from employment with the Company and all subsidiaries of the Company (collectively, the "Apogee Entities") under any of the circumstances described herein; and

WHEREAS, this Agreement is entered into by the Company in the belief that it is in the best interests of the Company and its shareholders to provide stable conditions of employment for Executive notwithstanding the possibility, threat or occurrence of certain types of change in control, thereby enhancing the Company's ability to attract and retain highly qualified people.

NOW, THEREFORE, to assure the Company that it will have the continued dedication of Executive notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company, and to induce Executive to remain in the employ of the Apogee Entities, and for other good and valuable consideration, the Company and Executive agree as follows:

1. Term of Agreement. The term of this Agreement shall commence on the date hereof as first written above and shall continue through December 31, 2006; provided that, commencing on January 1, 2007 and each January 1 thereafter, the term of this Agreement shall automatically be extended for one additional year unless, not later than September 30 of the preceding year, the Board of Directors of the Company (a majority of which, at such time, shall be composed of Continuing Directors) shall have authorized, by majority vote, management of the Company to give notice to Executive, and the Company shall have given such notice, that the Company does not wish to extend this Agreement; and provided, further, that, notwithstanding any such notice by the Company not to extend, this Agreement shall continue in effect for a period of 24 months beyond the term provided herein if a Change in Control (as defined in Section 3(a) hereof) shall have occurred during such term.

2. Termination of Employment.

(a) Prior to a Change in Control. Prior to a Change in Control, any Apogee Entity may terminate Executive from employment with such Apogee Entity at will, with or without Cause (as defined in Section 3(c) hereof), at any time. Executive's rights upon termination of employment from all Apogee Entities prior to a Change in Control shall be governed by the employing Apogee Entity's standard employment termination policy applicable to Executive in effect at the time of termination.

(b) After a Change in Control.

(i) From and after the date of a Change in Control during the term of this Agreement, neither the Company nor the Apogee Entity then employing Executive shall terminate Executive from employment with the Company or any Apogee Entity except as provided in this Section 2(b) or as a result of Executive's Disability (as defined in Section 3(d) hereof) or his death.

(ii) From and after the date of a Change in Control during the term of this Agreement, the Company (or the other Apogee Entity then employing Executive) shall have the right to terminate Executive from employment with the Apogee Entities at any time during the term of this Agreement for Cause, by written notice to Executive, specifying the particulars of the conduct of Executive forming the basis for such termination, such notice to be effective on the 30th day following delivery thereof to Executive if Executive has not substantially cured the conduct identified in such notice.

(iii) From and after the date of a Change in Control during the term of this Agreement:

- (A) the Company (or the other Apogee Entity then employing Executive) shall have the right to terminate Executive's employment without Cause, at any time; and
- (B) Executive shall, upon the occurrence of such a termination by the Company or such other Apogee Entity without Cause, or upon the voluntary termination of Executive's employment by Executive for Good Reason (as defined in Section 3(b) hereof), be entitled to receive the benefits provided in Section 4 hereof. Executive shall evidence a voluntary termination for Good Reason by written notice to the Company given within 60 days after the date of the occurrence of any event that Executive knows or should reasonably have known constitutes Good Reason for voluntary termination. Such notice need only identify Executive and set forth in reasonable detail the facts and circumstances claimed by Executive to constitute Good Reason.

3. Definitions.

(a) A "Change in Control" shall mean:

(i) a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or successor provision thereto, whether or not the Company is then subject to such reporting requirement including, without limitation, any of the following events:

- (A) the consummation of any consolidation or merger of the Company in which the Company is not the continuing or surviving

corporation or pursuant to which shares of the Company's common stock would be converted into cash, securities, or other property, other than a merger of the Company in which all or substantially all of the holders of the Company's common stock immediately prior to the consolidation or merger own more than 65% of the common stock of the surviving corporation immediately after the merger in the same relative proportions as their ownership of the Company's common stock immediately prior to the consolidation or merger;

- (B) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company;
- (C) any reorganization, reverse stock split, or recapitalization of the Company which would result in a Change in Control; or
- (D) any transaction or series of related transactions having, directly or indirectly, the same effect as any of the foregoing; or any agreement, contract, or other arrangement providing for any of the foregoing.

(ii) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "Beneficial Owner" (as defined in Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities;

(iii) the Continuing Directors (as defined in Section 3(e) hereof) cease to constitute a majority of the Company's Board of Directors; or

(iv) the majority of the Continuing Directors determine in their sole and absolute discretion that there has been a change in control of the Company.

(b) "Good Reason" shall mean the occurrence of any of the following events, except for the occurrence of such an event in connection with the termination or reassignment of Executive's employment by the Company (or any other Apogee Entity then employing Executive) for Cause, for Disability or for death:

(i) the assignment to Executive of employment duties or responsibilities which are not of comparable responsibility and status as the employment duties and responsibilities held by Executive immediately prior to a Change in Control, or any removal of Executive from or any failure to reelect or reappoint Executive to any positions held by Executive immediately prior to a Change in Control, except in connection with the termination of his employment for Disability, retirement or Cause, or as a result of Executive's death, or by Executive other than for Good Reason;

(ii) a reduction by the Company (or any other Apogee Entity then employing Executive) in Executive's base salary as in effect immediately prior to a Change in Control or as the same may be increased from time to time during the term of this Agreement;

(iii) any failure by the Company (or any other Apogee Entity then employing Executive) to continue in effect any incentive plan or arrangement (including, without limitation, any incentive compensation plan, long-term incentive plan, bonus or contingent bonus arrangements or credits, the right to receive performance awards, or similar incentive compensation benefits) in which Executive is participating, or is eligible to participate, at the time of a Change in Control of the Company (or any other plans or arrangements providing Executive with substantially similar benefits) or the taking of any action by the Company (or such other Apogee Entity), including an amendment or modification to any such plan or arrangement (except as may be required by applicable law), which would adversely affect Executive's participation in any such plan or arrangement;

(iv) the Company's (or any other Apogee Entity then employing Executive) requiring Executive to be based anywhere other than within 50 miles of Executive's office location immediately prior to a Change in Control, except for requirements of temporary travel on the Company's business to an extent substantially consistent with Executive's business travel obligations immediately prior to a Change in Control;

(v) except to the extent otherwise required by applicable law, the failure by the Company (or any other Apogee Entity then employing Executive) to continue in effect any benefit or compensation plan, stock ownership plan, stock purchase plan, bonus plan, life insurance plan, health-and-accident plan or disability plan in which Executive is participating or is eligible to participate immediately prior to a Change in Control (or plans providing Executive with substantially similar benefits), the taking of any action by the Company (or such other Apogee Entity) which would adversely affect Executive's participation in, or materially reduce Executive's benefits under, any of such plans or deprive Executive of any material fringe benefit enjoyed by Executive immediately prior to such Change in Control;

(vi) the failure by the Company (or any other Apogee Entity then employing Executive) to provide Executive with the number of paid vacation days to which Executive is entitled immediately prior to such Change in Control in accordance with the Company's (or any other Apogee Entity's) vacation policy as then in effect;

(vii) the failure by the Company to obtain, as specified in Section 5(a) hereof, an assumption of the obligations of the Company to perform this Agreement by any successor to the Company; or

(viii) any material breach by the Company of this Agreement.

(c) "Cause" shall mean termination by the Company (or any other Apogee Entity then employing Executive) of Executive's employment based upon (i) the willful and continued

failure by Executive substantially to perform his duties and obligations (other than any such failure resulting from his incapacity due to physical or mental illness or any such actual or anticipated failure resulting from Executive's termination for Good Reason) or (ii) the willful engaging by Executive in misconduct which is materially injurious to the Company, monetarily or otherwise. For purposes of this Section 3(c), no action or failure to act on Executive's part shall be considered "willful" unless done, or omitted to be done, by Executive in bad faith and without reasonable belief that his action or omission was in the best interests of the Company.

(d) "Disability" shall mean any physical or mental condition which would qualify Executive for a disability benefit under any long-term disability plan maintained by the Company (or any other Apogee Entity then employing Executive) either before or after a Change in Control.

(e) "Continuing Director" shall mean any person who is a member of the Board of Directors of the Company, who is not an Acquiring Person (as hereinafter defined) or an Affiliate or Associate (as hereinafter defined) of an Acquiring Person, or a representative of an Acquiring Person or of any such Affiliate or Associate, and who (i) was a member of the Board of Directors on the date of this Agreement as first written above or (ii) subsequently becomes a member of the Board of Directors, if such person's initial nomination for election or initial election to the Board of Directors is recommended or approved by a majority of the Continuing Directors. For purposes of this Section 3(e): "Acquiring Person" shall mean any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) who or which, together with all Affiliates and Associates of such person, is the Beneficial Owner of 10% or more of the shares of Common Stock of the Company then outstanding, but shall not include the Company, any subsidiary of the Company or any Executive benefit plan of the Company or of any subsidiary of the Company or any entity holding shares of Common Stock organized, appointed or established for, or pursuant to the terms of, any such plan; and "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 promulgated under the Exchange Act.

4. Benefits upon Termination under Section 2(b)(iii).

(a) After a Change in Control.

(i) Upon the termination (voluntary or involuntary) of the employment of Executive pursuant to Section 2(b)(iii) hereof, Executive shall be entitled to receive the benefits specified in this Section 4. The amounts due to Executive under subparagraphs (i), (ii), (iii) or (iv) of this Section 4(a) shall be paid to Executive not later than one business day prior to the date that the termination of Executive's employment becomes effective (the "Employment Termination Date"). All benefits to Executive pursuant to this Section 4(a) shall be subject to any applicable income, payroll or other taxes required by law to be withheld. As used in Subsection 4(a)(iii), the term, "termination of employment," and other similar terms used in such Subsection, shall be construed to have the same meaning as is given to the term, "Separation from Service," in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")."

(ii) The Company shall pay to Executive (A) the full base salary earned by him and unpaid through the date that the termination of Executive's employment becomes effective, at the rate in effect at the time written notice of termination (voluntary or involuntary) was given, (B) any amount earned by Executive as a bonus with respect to the fiscal year of the Company preceding the termination of his employment if such bonus has not theretofore been paid to Executive, and (C) an amount representing credit for any vacation earned or accrued by him but not taken.

(iii) In lieu of any further base salary payments to Executive for periods subsequent to the Employment Termination Date, the Company shall pay as severance pay to Executive (a "Severance Payment") a lump-sum cash amount equal to the sum of:

- (A) an amount equal to the bonus Executive earned with respect to the fiscal year of the Company preceding the termination of his employment, or Executive's maximum target bonus for the fiscal year in which the Employment Termination Date occurs, whichever is greater (the "Target Bonus"), multiplied by a fraction, the numerator of which is equal to the number of full months in the year Executive terminates employment that have elapsed at the Employment Termination Date, and the denominator of which is twelve (12), plus
- (B) twenty-four (24) times the sum of (I) Executive's monthly base salary (as in effect in the month preceding the month in which the termination becomes effective or as in effect in the month preceding the Change in Control, whichever is higher) and (II) one-twelfth (1/12) of the Target Bonus;

(iv) The Company shall also pay to Executive all legal fees and expenses incurred by Executive as a result of such termination of employment (including all fees and expenses, if any, incurred by Executive in seeking to obtain or enforce any right or benefit provided to Executive by this Agreement whether by arbitration or otherwise);

(v) Notwithstanding any other agreement in existence between the Company and Executive at the Employment Termination Date, all stock options or shares of restricted stock owned or held by Executive or promised to be payable to Executive by the Company shall be immediately vested in Executive without further restriction and Executive shall be treated at that time as the unrestricted owner of such Company stock options and stock, subject to applicable constraints under federal and state securities laws; and

(vi) Any and all contracts, agreements or arrangements between the Company and/or any other Apogee Entity and Executive prohibiting or restricting Executive from owning, operating, participating in, or providing employment or consulting services to, any business or company competitive with the Company or such other Apogee Entity at any time or during any period after the Employment Termination Date, shall be deemed terminated and of no further force or effect as of the Employment Termination Date, to

the extent, but only to the extent, such contracts, agreements or arrangements so prohibit or restrict Executive; provided that, the foregoing provision shall not constitute a license or right to use any proprietary information of the Company or such other Apogee Entity and shall in no way affect any such contracts, agreements or arrangements insofar as they relate to nondisclosure and nonuse of proprietary information of the Company or such other Apogee Entity notwithstanding the fact that such nondisclosure and nonuse may prohibit or restrict Executive in certain competitive activities.

(b) Executive shall not be required to mitigate the amount of any payment provided for in this Section 4 by seeking other employment or otherwise. The amount of any payment or benefit provided in this Section 4 shall not be reduced by any compensation earned by Executive as a result of any employment by another employer.

(c) Upon the occurrence of a Change in Control, the Company shall cause its independent auditors promptly to review, at the Company's sole expense, the applicability of Section 4999 of the Code to the "Total Payments" (as defined in Section 4(d) below) to be received by Executive. If such auditors determine that, after taking into account the provisions of Section 4(d) hereof, any of the Total Payments would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such tax (such excise tax, together with interest and penalties, are collectively referred to as the "Excise Tax"), then, in addition to any amounts payable under foregoing provisions of this Section 4, the Company shall pay an additional cash payment (a "Gross-Up Payment") within 30 days of such determination equal to the Excise Tax imposed on the Total Payments, including any Excise Tax or any other income taxes that may be imposed on such Gross-Up Payment. If no determination by the Company's auditors is made prior to the time a tax return reflecting the Total Payments is required to be filed by Executive, Executive will be entitled to receive a Gross-Up Payment calculated on the basis of the Total Payments reported by him in such tax return, within 30 days of the filing of such tax return. In all events, if any tax authority determines that a greater Excise Tax should be imposed on the Total Payments than is determined by the Company's independent auditors or reflected in Executive's tax return pursuant to this subparagraph (c), Executive shall be entitled to receive the full Gross-Up Payment calculated on the basis of the amount of Excise Tax determined to be payable by such tax authority from the Company within 30 days of such determination.

(d) As used herein, "Total Payments" shall mean, collectively, any payment or benefit received or to be received by Executive in connection with a Change in Control of the Company or termination of Executive's employment (whether payable pursuant to the terms of this Agreement or any other plan, contract, agreement or arrangement with the Company, with any person whose actions result in a Change in Control of the Company or with any person constituting a member of an "affiliated group" as defined in Section 280G(d)(5) of the Code) with the Company or with any person whose actions result in a Change in Control of the Company. For purposes of calculating Total Payments, (i) no portion of the Total Payments the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment of the Severance Payment shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which in the opinion of tax counsel selected by the Company and acceptable to Executive does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (iii) the value of any benefit provided by Section

4(a)(vi) of this Agreement shall not be taken into account in computing Total Payments; and (iv) the value of any other non-cash benefit or of any deferred cash payment included in the Total Payments shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. In case of uncertainty as to whether all or some portion of a payment is or is not payable to Executive under this Agreement, the Company shall initially make the payment to Executive, and Executive agrees to refund to the Company any amounts ultimately determined not to have been payable under the terms hereof.

(e) Notwithstanding any provision in this Agreement to the contrary, if Executive is a "key employee" (as defined in Section 409A of the Code), payment of Executive's benefit otherwise due under Subsection 4(a)(iii) hereof shall not be paid before the date that is six (6) months after the Employment Termination Date. No later than the third (3rd) business day thereafter, Executive shall receive all payments, without interest, which Executive was entitled to receive under Subsection 4(a)(iii) of this Agreement.

5. Successors and Binding Agreement.

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company), by agreement in form and substance satisfactory to Executive, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle Executive to compensation from the Company in the same amount and on the same terms as Executive would be entitled hereunder if Executive terminated his employment after a Change in Control for Good Reason, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Employment Termination Date. As used in this Agreement, "Company" shall mean the Company and any successor to its business and/or assets which executes and delivers the agreement provided for in this Section 5(a) or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement is personal to Executive, and Executive may not assign or transfer any part of his rights or duties hereunder, or any compensation due to him hereunder, to any other person. Notwithstanding the foregoing, this Agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators, heirs, distributees, devisees and legatees.

6. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in the Minneapolis-St. Paul metropolitan area, in accordance with the applicable rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction. In the event that Executive engages counsel to arbitrate any dispute hereunder (which arbitration results in an award to Executive of any kind) or to enforce such an award, all costs and expenses incurred by Executive, including reasonable attorney's fees and expenses, with respect to such arbitration or enforcement thereof shall be reimbursed to Executive by the Company promptly upon Executive's submission of a request therefor.

7. Modification; Waiver. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in a writing signed by Executive and such officer as may be specifically designated by the Board of Directors of the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

8. Notice. All notices, requests, demands and all other communications required or permitted by either party to the other party by this Agreement (including, without limitation, any notice of termination of employment and any notice of an intention to arbitrate) shall be in writing and shall be deemed to have been duly given when delivered personally or received by certified or registered mail, return receipt requested, postage prepaid, at the address of the other party, as first written above (directed to the attention of the Board of Directors and Corporate Secretary in the case of the Company). Either party hereto may change its address for purposes of this Section 8 by giving 15 days' prior notice to the other party hereto.

9. Severability. If any term or provision of this Agreement or the application hereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

10. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Governing Law. This Agreement has been executed and delivered in the State of Minnesota and shall in all respects be governed by, and construed and enforced in accordance with, the laws of the State of Minnesota, including all matters of construction, validity and performance.

12. Effect of Agreement; Entire Agreement. The Company and Executive understand and agree that this Agreement is intended to reflect their agreement only with respect to payments and benefits upon termination in certain cases and is not intended to create any obligation on the part of either party to continue employment. This Agreement supersedes any and all other oral or written agreements or policies made relating to the subject matter hereof and constitutes the entire agreement of the parties relating to the subject matter hereof; provided that this Agreement shall not supersede or limit in any way Executive's rights under any benefit plan, program or arrangements in accordance with their terms.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its name by a duly authorized director and officer, and Executive has hereunto set his hand, all as of the date first written above.

WITNESS:

Warren M. Planitzer
Vice President, Human Resources
Date: January __, 2006

APOGEE ENTERPRISES, INC.

By: _____
Russell Huffer
Its: Chairman and Chief Executive Officer
Date: January __, 2006

EXECUTIVE

Date: January __, 2006