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As filed with the Securities and Exchange Commission on May 2, 2011

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

DOUGLAS DYNAMICS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	**3531**	**134275891**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

7777 North 73rd Street
Milwaukee, Wisconsin 53233
(414) 354-2310
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

James L. Janik
President and Chief Executive Officer
7777 North 73rd Street
Milwaukee, Wisconsin 53233
(414) 354-2310
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Bruce D. Meyer	**Gregg A. Noel**
Ari B. Lanin	**Skadden, Arps, Slate, Meagher & Flom LLP**
Gibson, Dunn & Crutcher LLP	**300 South Grand Avenue**
333 South Grand Avenue	**Los Angeles, CA 90071**
Los Angeles, CA 90071	**(213) 687-5000**
(213) 229-7000	

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Aggregate Offering Price(2)**	**Amount of Registration Fee**
Common Stock, $0.01 par value per share	5,750,000	$87,026,250	$10,104

(1) Includes 750,000 shares that the underwriters have the option to purchase to cover over-allotments, if any.
(2) Estimated pursuant to Rule 457(c) under the Securities Act of 1933 (based on the average of the high and low prices of the registrant's common stock on the New York Stock Exchange on April 27, 2011) for purposes of calculating the registration fee in accordance with Rule 457(a) under the Securities Act of 1933.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission acting pursuant to such Section 8(a) may determine.

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The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and the selling stockholders are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED ,2011

5,000,000 Shares

Douglas Dynamics, Inc.

Common Stock

The shares of common stock are being sold by the selling stockholders. We will not receive any proceeds from the sale of these shares.

Our common stock is listed on the New York Stock Exchange under the symbol "PLOW." On April 29, 2011, the last sale price of our common stock on the New York Stock Exchange was $15.49 per share.

The underwriters have a 30-day option to purchase on a pro rata basis an aggregate of 750,000 additional outstanding shares from the selling stockholders to cover over-allotments of shares.

Investing in our common stock involves risks. See "Risk Factors" beginning on page 16.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Selling Stockholders
Per Share	$	$	$
Total	$	$	$

Delivery of the shares of our common stock will be made on or about , 2011.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Credit Suisse **Oppenheimer & Co.** **Baird**

Co-Manager

Piper Jaffray

The date of this prospectus is , 2011.

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BLIZZARD
SNOWPLOWS

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You should rely only on the information contained in this prospectus or in any free-writing prospectus we may authorize. We have not, the selling stockholders have not, and the underwriters have not, authorized anyone to provide you with additional or different information. The information in this prospectus or any free-writing prospectus may only be accurate as of its date, regardless of its time of delivery or of any sale of shares of common stock. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities offered hereby in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation.

PROSPECTUS SUMMARY

This summary highlights certain significant aspects of our business and this offering, but it is not complete and does not contain all of the information that you should consider before making your investment decision. You should carefully read the entire prospectus and the information incorporated by reference into this prospectus, including the information presented under the section entitled "Risk Factors" and the financial data and related notes, before making an investment decision. This summary contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from future results contemplated in the forward-looking statements as a result of factors such as those set forth in "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." Certain historical information in this prospectus has been adjusted to reflect the 23.75-for-one stock split of our common stock that occurred immediately prior to the consummation of our initial public offering.

In this prospectus, unless the context indicates otherwise: "Douglas Dynamics," the "Company," "we," "our," "ours" or "us" refer to Douglas Dynamics, Inc. (formerly known as Douglas Dynamics Holdings, Inc.) and its subsidiaries and "Douglas Holdings" refers to Douglas Dynamics, Inc. exclusive of its subsidiaries. Douglas Dynamics, Inc. is a Delaware corporation and the issuer of the common stock offered hereby.

Our Company

We are the North American leader in the design, manufacture and sale of snow and ice control equipment for light trucks, which consists of snowplows and sand and salt spreaders, and related parts and accessories. We sell our products under the WESTERN®, FISHER® and BLIZZARD® brands which are among the most established and recognized in the industry. We believe that in 2010 our share of the light truck snow and ice control equipment market was greater than 50%. In 2010, we generated net sales, Adjusted EBITDA (as defined in "Summary Historical Consolidated Financial and Operating Data"), net income, and Adjusted Net Income (as defined in "Summary Historical Consolidated Financial and Operating Data") of $176.8 million, $47.3 million, $1.7 million and $12.7 million, respectively, as compared to net sales, Adjusted EBITDA, net income, and Adjusted Net Income of $174.3 million, $45.2 million, $9.8 million, and $9.8 million, respectively, for 2009. See "Summary Historical Consolidated Financial and Operating Data" for a discussion of why management uses Adjusted EBITDA and Adjusted Net Income to measure our financial performance, and a reconciliation of net income to Adjusted EBITDA and Adjusted Net Income.

We offer the broadest and most complete product line of snowplows and sand and salt spreaders for light trucks in the U.S. and Canadian markets. We also provide a full range of related parts and accessories, which generates an ancillary revenue stream throughout the lifecycle of our snow and ice control equipment. For the year ended December 31, 2010, 86% of our net sales were generated from sales of snow and ice control equipment, and 14% of our net sales were generated from sales of parts and accessories.

We sell our products through a distributor network primarily to professional snowplowers who are contracted to remove snow and ice from commercial, municipal and residential areas. Over the last 50 years, we have engendered exceptional customer loyalty for our products because of our ability to satisfy the stringent demands of our customers for a high degree of quality, reliability and service. As a result, we believe our installed base is the largest in the industry with over 500,000 snowplows and sand and salt spreaders in service. Because sales of snowplows and sand and salt spreaders are primarily driven by the need of our core end-user base to replace worn existing equipment, we believe our substantial installed base provides us with a high degree of predictable sales over any extended period of time.

We believe we have the industry's most extensive North American distributor network, which primarily consists of over 710 truck equipment distributors who purchase directly from us and are

located throughout the snowbelt regions in North America (primarily the Midwest, East and Northeast regions of the United States as well as all provinces of Canada). Beginning in 2005, we began to extend our reach to international markets, establishing distribution relationships in Northern Europe and Asia, where we believe meaningful growth opportunities exist.

We believe we are the industry's most operationally efficient manufacturer due to our vertical integration, highly variable cost structure and intense focus on lean manufacturing. We continually seek to use lean principles to reduce costs and increase the efficiency of our manufacturing operations. Our manufacturing efficiencies have contributed to the increase of our gross profit per unit by approximately 3.2% per annum, compounded annually, from 2000 to 2010. In addition, as a result of improvements in our manufacturing efficiency, we closed our Johnson City, Tennessee facility in August 2010 (which is still owned by the Company, but is held for sale), reducing our manufacturing facilities from three to two. We now manufacture our products in two facilities that we own in Milwaukee, Wisconsin and Rockland, Maine. Furthermore, our manufacturing efficiency allows us to deliver desired products quickly to our customers during times of sudden and unpredictable snowfall events when our customers need our products immediately.

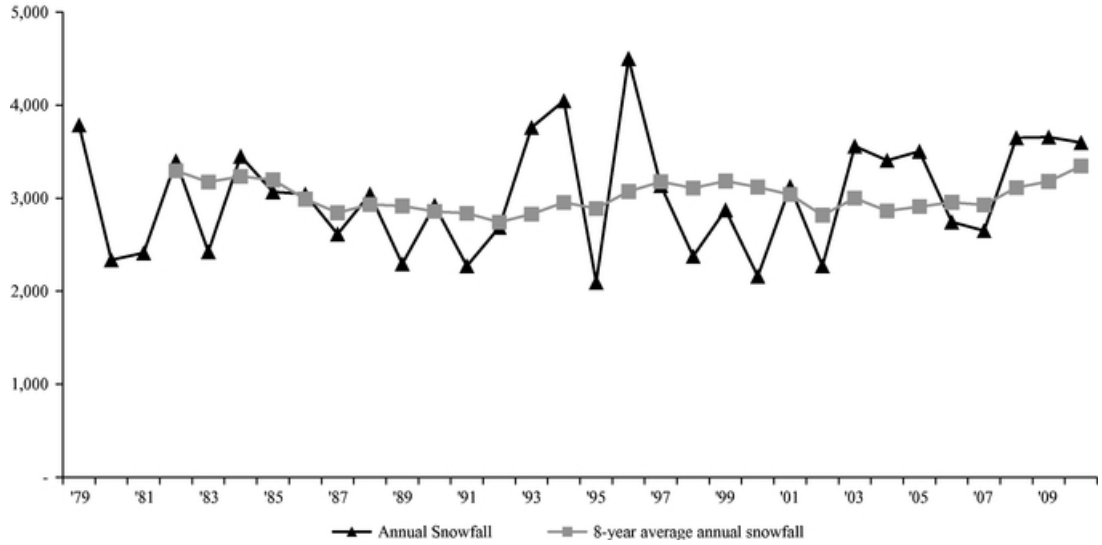
Our Industry

The light truck snow and ice control equipment industry in North America consists predominantly of domestic participants that manufacture their products in North America. The annual demand for snow and ice control equipment is driven primarily by the replacement cycle of the existing installed base, which is predominantly a function of the average life of a snowplow or spreader and is driven by usage and maintenance practices of the end-user. We believe actively-used snowplows are typically replaced, on average, every seven to eight years.

The primary factor influencing the replacement cycle for snow and ice control equipment is the level, timing and location of snowfall. Sales of snow and ice control equipment in any given year and region are most heavily influenced by local snowfall levels in the prior snow season. Heavy snowfall during a given winter causes equipment usage to increase, resulting in greater wear and tear and shortened life cycles, thereby creating a need for replacement equipment and additional parts and accessories.

While snowfall levels vary within a given year and from year-to-year, snowfall, and the corresponding replacement cycle of snow and ice control equipment, is relatively consistent over multi-year periods. The following chart depicts an aggregate annual and eight-year (based on the typical life of our snowplows) rolling average of the aggregate snowfall levels in 66 cities in 26 snowbelt states across the Northeast, East, Midwest and Western United States where we monitor snowfall levels from 1980 to 2010. As the chart indicates, since 1982, aggregate snowfall levels in any given rolling eight-year period have been fairly consistent, ranging from 2,742 to 3,346 inches.

Snowfall in Snowbelt States (inches)
(for October 1 through March 31)



Note: The 8-year rolling average snowfall is not presented prior to 1982 for purposes of the calculation due to lack of snowfall data prior to 1975. Snowfall data in this chart is not adjusted for snowfall outside of the 66 cities in the 26 states reflected.

Source: National Oceanic and Atmospheric Administration's National Weather Service.

The demand for snow and ice control equipment can also be influenced by general economic conditions in the United States, as well as local economic conditions in the snowbelt regions in North America. In stronger economic conditions, our end-users may choose to replace or upgrade existing equipment before its useful life has ended, while in weak economic conditions, our end-users may seek to extend the useful life of equipment, thereby increasing the sales of parts and accessories. However, since snow and ice control management is a non-discretionary service necessary to ensure public safety and continued personal and commercial mobility in populated areas that receive snowfall, end-users cannot extend the useful life of snow and ice control equipment indefinitely and must replace equipment that has become too worn, unsafe or unreliable, regardless of economic conditions.

The next chart depicts annual unit sales of snow and ice control equipment since 1980 and an eight-year (based on the typical life of our snowplows) rolling average since 1982. As the chart reveals, sales of our snow and ice control equipment have been relatively consistent over any eight year period.

Equipment Sales (units)

Note: The 8-year rolling average equipment sales are not presented prior to 1982 for purposes of the calculation chart due to lack of equipment unit sales data prior to 1975. In addition, units of equipment sales for years 2002 through 2005 are adjusted to include units sold by Blizzard Corporation prior to its acquisition by us in November 2005. Data for Blizzard Corporation prior to 2002 is not available.

Although sales of snow and ice control units increased in 2010 as compared to 2009, management believes that absent the continued economic downturn, equipment sales in 2009 and 2010 would have been considerably higher due to the high levels of snowfall during these years, as equipment unit sales in 2009 and 2010 remained below the rolling ten-year average, while snowfall levels in 2009 and 2010 were considerably above the rolling ten-year average. Further to this point, sales of parts and accessories for 2009 and 2010, respectively, were approximately 58.3% and 34.4% higher than the applicable rolling ten-year average, which management believes is largely a result of the deferral of new equipment purchases due to the economic downturn. Management believes this deferral of new equipment purchases could result in an elevated multi-year replacement cycle as the economy recovers.

Long-term growth in the overall snow and ice control equipment market also results from geographic expansion of developed areas in the snowbelt regions of North America, as well as consumer demand for technological enhancements in snow and ice control equipment and related parts and accessories that improves efficiency and reliability. Continued construction in the snowbelt regions in North America increases the aggregate area requiring snow and ice removal, thereby growing the market for snow and ice control equipment. In addition, the development and sale of more reliable, more efficient and more sophisticated products have contributed to an approximate 2-4% average unit price increase in each of the past five years.

Our Competitive Strengths

We compete solely with other North American manufacturers who do not benefit from our extensive distributor network, manufacturing efficiencies and depth and breadth of products. We compete against these companies to provide the broadest, highest quality, most reliable product offering at competitive prices; however, because of our reputation for reliable and durable product performance, we can often demand a premium price in the marketplace. Further, as the market leader in snow and ice control equipment for light trucks, we enjoy a set of competitive advantages versus smaller equipment providers, which allows us to generate robust cash flows in all snowfall environments and to support continued investment in our products, distribution capabilities and brand regardless of

annual volume fluctuations. We believe these competitive advantages are rooted in the following competitive strengths and reinforces our industry leadership over time.

Exceptional Customer Loyalty and Brand Equity. Our brands enjoy exceptional customer loyalty and brand equity in the snow and ice control equipment industry with both end-users and distributors which have been developed through over 50 years of superior innovation, productivity, reliability and support, consistently delivered season after season. We believe past brand experience, rather than price, is the key factor impacting snowplow purchasing decisions.

Broadest and Most Innovative Product Offering. We provide the industry's broadest product offering with a full range of snowplows, sand and salt spreaders and related parts and accessories. Through our acquisition of Blizzard Corporation in November 2005, we acquired the highly-patented, groundbreaking BLIZZARD® technology that represents one of the most significant innovations in our industry. More specifically, we acquired industry-leading hinged plow technology, which has significant advantages over competing products because it utilizes expandable wings for more effective snow removal.

We also believe we maintain the industry's largest and most advanced in-house new product development program, and that our market leadership position permits us the flexibility to devote more resources to research and development than any of our competitors. We historically introduce several new and redesigned products each year, as research and development is a major focus of our management. New product development projects are typically the result of end-user feedback, plow productivity improvements, quality and reliability improvements and vehicle application expansion. Our broad product offering and commitment to new product development is essential to maintaining and growing our leading market share position as well as continuing to increase the profitability of our business.

Extensive North American Distributor Network. With over 710 direct distributors, we benefit from having the most extensive North American direct distributor network in the industry, providing a significant competitive advantage over our peers. Our distributors function not only as sales and support agents (providing access to parts and service), but also as industry partners providing real-time end-user information, such as retail inventory levels, changing consumer preferences or desired functionality enhancements, which we use as the basis for our product development efforts.

Leader in Operational Efficiency. We believe we are a leader in operational efficiency in our industry, resulting from our application of lean manufacturing principles and a highly variable cost structure. By utilizing lean principles, we are able to adjust production levels easily to meet fluctuating demand, while controlling costs in slower periods. This operational efficiency is supplemented by our highly variable cost structure, driven in part by our access to a sizable temporary workforce (comprising approximately 10-15% of our total workforce), which we can quickly adjust, as needed. These manufacturing efficiencies enable us to respond rapidly to urgent customer demand during times of sudden and unpredictable snowfalls, allowing us to provide exceptional service to our existing customer base and capture new customers from competitors that we believe cannot service their customers' needs with the same speed and reliability.

Strong Cash Flow Generation. We are able to generate significant cash flow as a result of relatively consistent high profitability (Adjusted EBITDA Margins averaged 26.4% for the three-year period from 2008 to 2010), low capital spending requirements and predictable timing of our working capital requirements. Our cash flow results will also benefit substantially from approximately $18 million of annual tax-deductible intangible and goodwill expense over the next nine years, which has the impact of reducing our corporate taxes owed by approximately $6.7 million on an annual basis during this period, in the event we have sufficient taxable income to utilize such benefit. Our significant cash flow has allowed us to reinvest in our business, pay down long term debt, and pay substantial dividends to our

stockholders. Effective upon the consummation of our initial public offering, our Board of Directors adopted a regular quarterly cash dividend of $0.1825 per share, which was first paid on September 30, 2010. In November 2010, we increased our quarterly dividend, effective as of the fourth quarter of 2010, by $0.0175 to $0.20 per share, an increase of 9.6%, and on March 31, 2011, we paid an additional special cash dividend of $0.37 per share. This dividend program has resulted in an aggregate of $20.7 million being paid to our stockholders in the form of cash dividends since our initial public offering.

Experienced Management Team. We believe our business benefits from an exceptional management team that is responsible for establishing our leadership in the snow and ice control equipment industry for light trucks. Our senior management team, consisting of four officers, has an average of approximately 20 years of weather-related industry experience and an average of over ten years with our company. James Janik, our President and Chief Executive Officer, has been with us for over 18 years and in his current role since 2000, and through his strategic vision, we have been able to expand our distributor network and grow our market leading position.

Our Business Strategy

Our business strategy is to capitalize on our competitive strengths to maximize cash flow to pay dividends, reduce indebtedness and reinvest in our business to create stockholder value. The building blocks of our strategy are:

Continuous Product Innovation. We believe new product innovation is critical to maintaining and growing our market-leading position in the snow and ice control equipment industry. We will continue to focus on developing innovative solutions to increase productivity, ease of use, reliability, durability and serviceability of our products and on incorporating lean manufacturing concepts into our product development process, which has allowed us to reduce the overall cost of development and, more importantly, to reduce our time-to-market by nearly one-half. As a result of these efforts, approximately $87 million, or 49.5%, of our 2010 net sales came from products introduced or redesigned in the last five years.

Distributor Network Optimization. Over the last ten years, we have grown our network by over 250 distributors. We will continually seek opportunities to continue to expand our extensive distribution network by adding high-quality, well-capitalized distributors in select geographic areas and by cross-selling our industry-leading brands within our distribution network to ensure we maximize our ability to generate revenue while protecting our industry leading reputation, customer loyalty and brands. We will also focus on optimizing this network by providing in-depth training, valuable distributor support and attractive promotional and incentive opportunities. As a result of these efforts, we believe a majority of our distributors choose to sell our products exclusively. We believe this sizable high quality network is unique in the industry, providing us with valuable insight into purchasing trends and customer preferences, and would be very difficult to replicate.

Aggressive Asset Management and Profit Focus. We will continue to aggressively manage our assets in order to maximize our cash flow generation despite seasonal and annual variability in snowfall levels. We believe our ability is unique in our industry and enables us to achieve attractive margins in all snowfall environments. Key elements of our asset management and profit focus strategies include:

- employment of a highly variable cost structure, which allows us to quickly adjust costs in response to real-time changes in demand;
- use of enterprise-wide lean principles, which allow us to easily adjust production levels up or down to meet demand;

- implementation of a pre-season order program, which incentivizes distributors to place orders prior to the retail selling season and thereby enables us to more efficiently utilize our assets; and

- development of a vertically integrated business model, which we believe provides us cost advantages over our competition.

Additionally, although modest, our capital expenditure requirements and operating expenses can be temporarily reduced in response to anticipated or actual lower sales in a particular year to maximize cash flow.

Flexible, Lean Enterprise Platform. We will continue to utilize lean principles to maximize the flexibility, efficiency and productivity of our manufacturing operations while reducing the associated costs, enabling us to increase distributor and end-user satisfaction. For example, in an environment where shorter lead times and near-perfect order fulfillment are important to our distributors, we believe our lean processes have helped us to improve our shipping performance and build a reputation for providing industry leading shipping performance. In 2010, we fulfilled 96.1% of our orders on or before the requested ship date, without error in content, packaging or delivery, continuing the strength of our performance in 2009 in which we filled 98.2% of our orders on or before the requested ship date without such errors, and representing a significant improvement from our 81.5% error-free performance in 2008.

Our cost reduction efforts also include the rationalization of our supply base and implementation of a global sourcing strategy, resulting in approximately $3.9 million of cumulative annualized cost savings from 2006 to 2010 with the goal of an additional $1 million in annualized cost savings in 2011. In January 2009, we opened a sourcing office in China, which we expect to become our central focus for specific component purchases and provide a majority of our procurement cost savings in the future.

Our Growth Opportunities

Increase Our Industry Leading Market Share. We plan to leverage our industry leading position, distribution network and new product innovation capabilities to capture market share in the North American snow and ice control equipment market, focusing our primary efforts on increasing penetration in those North American markets where we believe our overall market share is less than 50%. We also plan to continue growing our presence in the snow and ice control equipment market outside of North America, particularly in Asia and Europe, which we believe could provide significant growth opportunities in the future.

Opportunistically Seek New Products and New Markets. We will consider external growth opportunities within the snow and ice control industry and other equipment or component markets. We plan to continue to evaluate acquisition opportunities within our industry and in complementary industries that can help us expand our distribution reach, enhance our technology and improve the breadth and depth of our product lines. We also consider diversification opportunities in adjacent markets that complement our business model and could offer us the ability to leverage our core competencies to create stockholder value.

Summary Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the risks summarized below, the risks described under "Risk Factors" beginning on page 16 and the other information contained in, or incorporated by reference into, this prospectus, before deciding to purchase any shares of our common stock:

- our results of operations depend primarily on the level, timing and location of snowfall in the regions in which we offer our products;

- the seasonality and year-to-year variability of our business can cause our results of operations and financial condition to be materially different from quarter-to-quarter and from year-to-year;
- if economic conditions in the United States continue to remain weak or deteriorate further, our results of operations and ability to pay dividends may be adversely affected;
- our failure to maintain good relationships with our distributors, the loss or consolidation of our distributor base or the actions or inactions of our distributors could have an adverse effect on our results of operations and ability to pay dividends;
- if we are unable to develop new products or improve upon our existing products on a timely basis, our business and financial condition could be adversely affected;
- if our price of steel or other components of our products increase, our gross margins could decline;
- if petroleum prices increase, our results of operations could be adversely affected;
- you may not receive the level of dividends provided for in the dividend policy adopted by our Board of Directors or any dividends at all; and
- satisfying our debt service obligations and paying dividends may leave us with insufficient cash to fund unexpected cash needs and growth.

Principal Stockholders

Aurora Equity Partners II L.P., a Delaware limited partnership, and Aurora Overseas Equity Partners II, L.P., a Cayman Islands exempt limited partnership, which we refer collectively to in this prospectus as the Aurora Entities, collectively beneficially own approximately 30% of our common stock, prior to giving effect to this offering. The Aurora Entities are affiliates of Aurora Capital Group. Ares Corporate Opportunities Fund, L.P., a Delaware limited partnership, which we refer to in this prospectus as Ares, beneficially owns approximately 11% of our common stock, prior to giving effect to this offering. Ares is an affiliate of Ares Management LLC, which we refer to in this prospectus as Ares Management. After giving effect to this offering, the Aurora Entities and Ares will beneficially own approximately % and % of our common stock, respectively.

Aurora Capital Group is a Los Angeles-based private equity firm managing over $2 billion that utilizes two distinct investment strategies. Aurora's traditional private equity vehicles focus principally on control-investments in middle-market businesses in a diverse set of industries, each with a leading market position, a strong cash flow profile, and actionable opportunities for both operational and strategic enhancement. Aurora's Resurgence fund invests in debt and equity securities of middle-market companies and targets complex situations that are created by operational or financial challenges either within a company or a broader industry.

Ares Management is a global alternative asset manager and SEC-registered investment adviser with total committed capital under management of approximately $40 billion as of March 31, 2011. With complementary pools of capital in private equity, private debt and capital markets, Ares Management has the ability to invest across all levels of a company's capital structure—from senior debt to common equity—in a variety of industries in a growing number of international markets. The Ares Private Equity Group manages over $6 billion of committed capital and has a track record of partnering with high quality, middle-market companies and creating value with its flexible capital. The firm is headquartered in Los Angeles with over 380 employees and professionals located across the United States, Europe and Asia.

Interests of Certain Affiliates in this Offering

Certain of our executive officers and other affiliates may stand to benefit as a result of this offering. Specifically, certain of our executive officers will exercise stock options and sell the underlying shares of common stock in this offering. In addition, our principal stockholders, the Aurora Entities and Ares, together with certain of our other stockholders, will also sell a portion of their shares of our common stock in this offering. For a description of the interests of these parties in this offering, see "Interests of Certain Affiliates in this Offering."

Company Information

We maintain our principal executive offices at 7777 North 73rd Street, Milwaukee, Wisconsin 53223, and our telephone number is (414) 354-2310. We maintain a website at *www.DouglasDynamics.com*. Information contained on our website is not a part of, and is not incorporated by reference into, this prospectus.

"WESTERN," "FISHER" and "BLIZZARD" and their respective logos are trademarks. Solely for convenience, from time to time we refer to our trademarks in this prospectus without the ® symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our trademarks.

The Offering

Issuer	Douglas Dynamics, Inc.
Common stock offered by the selling stockholders	5,000,000 shares
Over-allotment option	The selling stockholders have granted the underwriters a 30-day option to purchase up to 750,000 additional outstanding shares of common stock from the selling stockholders.
Common stock outstanding after this offering	shares
Use of proceeds	The selling stockholders will receive all of the proceeds from this offering and we will not receive any proceeds from the sale of shares in this offering. Any proceeds received by us in connection with the exercise of options to purchase shares of our common stock by the selling stockholders in connection with this offering will be used for general corporate purposes. See "Use of Proceeds."
Dividend policy	Our Board of Directors has adopted a dividend policy that reflects an intention to distribute to our stockholders a regular quarterly cash dividend of $0.20 per share. The declaration and payment of this quarterly dividend will be at the discretion of our Board of Directors and will depend upon many factors, including our financial condition and earnings, legal requirements, taxes, the terms of our indebtedness and other factors our Board of Directors may deem to be relevant. See "Dividend Policy and Restrictions."
Risk factors	See "Risk Factors" beginning on page 16 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.
NYSE symbol	PLOW

The number of shares of our common stock outstanding after this offering is based on 21,848,947 shares outstanding as of April 29, 2011, plus an aggregate of shares of common stock subject to outstanding options being exercised by certain selling stockholders for the purpose of selling shares in this offering.

Unless otherwise noted, all information in this prospectus assumes no exercise of the underwriters' over-allotment option to purchase up to 750,000 additional shares of our common stock from the selling stockholders. Certain historical information in this prospectus has been adjusted to reflect the 23.75-for-one stock split of our common stock that occurred immediately prior to the consummation of our initial public offering.

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA

The following tables set forth our summary historical consolidated financial data for and at the end of each of the years in the three-year period ended December 31, 2010. The summary consolidated statement of operations data and consolidated cash flows data for the years ended December 31, 2008, 2009 and 2010 and the summary consolidated balance sheet data as of December 31, 2009 and 2010 have been derived from our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010, and incorporated herein by reference. The summary consolidated balance sheet data as of December 31, 2008 has been derived from our audited consolidated financial statements not incorporated herein by reference.

The following tables are qualified in their entirety by, and should be read in conjunction with, the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Selected Consolidated Financial Data," and our consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated herein by reference.

	For the year ended December 31,		
	2008	2009	2010
		(in thousands)	
Consolidated Statement of Operations Data			
Equipment sales	$ 151,450	$ 147,478	$ 151,808
Parts and accessories sales	28,658	26,864	24,987
Net sales	180,108	174,342	176,795
Cost of sales	117,911	117,264	116,494
Gross profit	62,197	57,078	60,301
Selling, general and administrative expense(1)	26,561	27,639	38,893
Income from operations	35,636	29,439	21,408
Interest expense, net	(17,299)	(15,520)	(10,943)
Loss on extinguishment of debt	—	—	(7,967)
Other income (expense), net	(73)	(90)	36
Income before taxes	18,264	13,829	2,534
Income tax expense	6,793	3,986	872
Net income	$ 11,471	$ 9,843	$ 1,662
Cash Flow			
Net cash provided by operating activities	$ 23,411	$ 25,571	$ 15,777
Net cash used in investing activities	(3,113)	(8,200)	(2,783)
Net cash used in financing activities	$ (2,265)	$ (1,850)	$ (61,918)
Other Data			
Adjusted EBITDA	$ 47,742	$ 45,180	$ 47,345
Adjusted Net Income	11,471	9,843	12,665
Capital expenditures(2)	$ 3,160	$ 8,200	$ 3,009

	As of December 31,		
	2008	2009	2010
		(in thousands)	
Selected Balance Sheet Data			
Cash and cash equivalents	$ 53,552	$ 69,073	$ 20,149
Total assets	391,264	404,619	348,043
Total debt	233,513	232,663	121,154
Total liabilities	293,203	296,395	178,550
Total redeemable stock and stockholders' equity	98,061	108,224	169,493

(1) Includes management fees incurred with respect to related parties.

(2) Capital expenditures for the year ended December 31, 2009 include $5 million related to the investments in our Milwaukee, Wisconsin and Rockland, Maine manufacturing facilities to support the closure of our Johnson City, Tennessee manufacturing facility.

Discussion of Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Income

In addition to our results under United States generally accepted accounting principles, which we refer to in this prospectus as GAAP, we also use Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Income, non-GAAP financial measures, which we consider to be important and supplemental measures of our performance.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA represents net income before interest, taxes, depreciation and amortization, as further adjusted for certain non-recurring charges related to the closure of our Johnson City, Tennessee manufacturing facility, certain unrelated legal expenses, stock-based compensation and a one-time stock option repurchase, as well as management fees paid by us to Aurora Management Partners LLC, a Delaware limited liability company and an affiliate of the Aurora Entities, and ACOF Management, L.P., a Delaware limited partnership and an affiliate of Ares. Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of net sales. We use, and we believe our investors, and in particular, the Aurora Entities and Ares, which we collectively refer to as our principal stockholders in this prospectus, benefit from the presentation of Adjusted EBITDA and Adjusted EBITDA Margin in evaluating our operating performance because they provide us and our investors with additional tools to compare our operating performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our core operations. In addition, we believe that Adjusted EBITDA and Adjusted EBITDA Margin are useful to investors and other external users of our consolidated financial statements in evaluating our operating performance as compared to that of other companies, because they allow them to measure a company's operating performance without regard to items such as interest expense, taxes, depreciation and depletion, and amortization and accretion, which can vary substantially from company to company depending upon accounting methods and book value of assets and liabilities, capital structure and the method by which assets were acquired. Our management also uses Adjusted EBITDA and Adjusted EBITDA Margin for planning purposes, including the preparation of our annual operating budget and financial projections and believes Adjusted EBITDA Margin is useful in assessing the profitability of our core businesses.

Management also uses Adjusted EBITDA to evaluate our ability to make certain payments, including dividends, in compliance with our new senior credit facilities (comprised of our amended revolving credit facility and new term loan, entered into on April 18, 2011), which is determined based on a calculation of "Consolidated Adjusted EBITDA" that is substantially similar to Adjusted EBITDA. The definition of Consolidated Adjusted EBITDA under our new senior credit facilities differs from our definition of Adjusted EBITDA in this prospectus primarily because the definition in our new senior credit facilities excludes additional non-cash charges and non-recurring expenses, which we have not incurred during the periods presented. Specifically, Consolidated Adjusted EBITDA under our new senior credit facilities is comprised of net income of the Company and its subsidiaries before interest, taxes, depreciation and amortization as further adjusted to exclude the effect of:

- reimbursement of expenses under our management services agreement with Aurora Management Partners LLC and ACOF Management, L.P. in an amount not to exceed $1 million in any 12-month period;
- non-cash items resulting in an increase in net income for such period that are unusual or otherwise non-recurring items;
- certain non-cash charges including:
  - non-cash impairment charges;
  - non-cash expenses resulting from the grant of stock and stock options and other compensation to our management pursuant to a written incentive plan or agreement;

- other non-cash items that are unusual or otherwise non-recurring items;

- certain non-recurring expenses including:

  - any extraordinary losses and non-recurring charges during any period (including severance, relocation costs, one-time compensation charges and losses or charges associated with interest rate agreements);

  - restructuring charges or reserves (including costs related to closure of facilities), provided that such cash restructuring charges shall not exceed $5 million in any 12-month period;

  - any transaction costs incurred in connection with the issuance, resale or secondary offering of securities or any refinancing transaction, in each case whether or not such transaction is consummated;

  - any fees and expensed related to certain acquisitions permitted by our new senior credit facilities;

  - for periods ending on or prior to June 30, 2011, fees, expenses and other transaction costs incurred in connection with our initial public offering, the concurrent amendments to our prior senior credit facilities, and our new senior credit facilities;

and to include as a deduction in calculating Consolidated Adjusted EBITDA:

- non-cash items resulting in an increase in net income for such period that are unusual or otherwise non-recurring items;

- certain cash payments made during the applicable period reducing reserves or liabilities for accruals made in prior periods but only to the extent such reserves or accruals were excluded from Consolidated Adjusted EBITDA in a prior period; and

- restricted payments made during such period to Douglas Holdings to pay its general administrative costs and expenses (other than restricted payments made to Douglas Holdings for the payment of fees, expenses and other transaction costs incurred in connection with our initial public offering or the concurrent amendments to our prior senior credit facilities).

Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools. As a result, you should not consider them in isolation, or as substitutes for net income, operating income, operating income margin, cash flow from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Some of these limitations are:

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect changes in, or cash requirements for, our working capital needs;

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;

- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect any cash requirements for such replacements;

- Other companies, including other companies in our industry, may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, limiting their usefulness as comparative measures; and

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect tax obligations whether current or deferred.

The Securities and Exchange Commission, which we refer to in this prospectus as the SEC, has adopted rules to regulate the use in filings with the SEC and public disclosures and press releases of non-GAAP financial measures, such as Adjusted EBITDA and Adjusted EBITDA Margin, that are derived on the basis of methodologies other than in accordance with GAAP. These rules require, among other things:

- a presentation with equal or greater prominence of the most comparable financial measure or measures calculated and presented in accordance with GAAP; and

- a statement disclosing the purposes for which our management uses the non-GAAP financial measure.

The rules prohibit, among other things:

- exclusion of charges or liabilities that require cash settlement or would have required cash settlement absent an ability to settle in another manner, from non-GAAP liquidity measures;

- adjustment of a non-GAAP performance measure to eliminate or smooth items identified as non-recurring, infrequent or unusual, when the nature of the charge or gain is such that it is reasonably likely to recur; and

- presentation of non-GAAP financial measures on the face of any financial information.

The following table presents a reconciliation of net income, the most comparable GAAP financial measure, to Adjusted EBITDA as well as the resulting calculation of Adjusted EBITDA Margin, for each of the periods indicated:

	For the year ended December 31,		
	2008	2009	2010
		(in thousands)	
Net income	$ 11,471	$ 9,843	$ 1,662
Interest expense—net	17,299	15,520	10,943
Income taxes	6,793	3,986	872
Depreciation expense	4,650	5,797	5,704
Amortization	6,160	6,161	6,001
EBITDA	46,373	41,307	25,182
Management fees	1,369	1,393	6,383
Stock-based compensation	—	732	4,029
Loss on extinguishment of debt	—	—	7,967
Management Liquidity Bonus	—	—	1,003
Other non-recurring charges(1)	—	1,748	2,781
Adjusted EBITDA	$ 47,742	$ 45,180	$ 47,345
Adjusted EBITDA Margin(2)	26.5%	25.9%	26.8%

(1) Reflects severance and one-time, non-recurring expenses for costs related to the closure of our Johnson City facility of $1,435 and $1,054 for years ended December 31, 2010 and 2009, respectively, $2,013 and $694 of unrelated legal fees for the years ended December 31, 2010 and

2009, respectively, and $667 of gain on other post employment benefit plan curtailment related to the Johnson City plant closure for the year ended December 31, 2010.

(2) Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of net sales.

Adjusted Net Income

Adjusted Net Income represents net income as determined under GAAP, excluding non-recurring expenses incurred at the time of our initial public offering, namely the buyout of our management services agreement, the loss on extinguishment of debt, stock-based compensation expense associated with the net exercise of stock options and the payment of cash bonuses under our liquidity bonus plan. We believe that the presentation of Adjusted Net Income for the year ended December 31, 2010 provides useful information to investors by facilitating comparisons to our historical performance by removing the effect of the non-recurring expenses incurred at the time of our initial public offering in May 2010.

The following table presents a reconciliation of net income, the most comparable GAAP financial measure, to Adjusted Net Income for the year ending December 31, 2010. There were no such adjustments during the years ended December 31, 2008 and December 31, 2009.

	Year Ended December 31, 2010 (in thousands)
Net Income—(GAAP)	$ 1,662
Add back non-recurring expenses, net of tax at 38.0%, incurred at the time of the IPO:	
—Buyout of the Management Services Agreement	3,596
—Loss on extinguishment of debt	4,940
—Liquidity bonus payment	622
—Non-recurring stock-based compensation expense	1,845
Adjusted Net Income—(non-GAAP)	$ 12,665

RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below and all of the other information contained in this prospectus or incorporated herein by reference, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2010, before deciding whether to purchase our common stock. Our business, prospects, financial condition and operating results could be materially adversely affected by any of these risks, as well as other risks not currently known to us or that we currently consider immaterial. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment.

Risks Related to Our Business and Industry

Our results of operations depend primarily on the level, timing and location of snowfall. As a result, a decline in snowfall levels in multiple regions for an extended time could cause our results of operations to decline and adversely affect our ability to pay dividends.

As a manufacturer of snow and ice control equipment for light trucks, and related parts and accessories, our sales depend primarily on the level, timing and location of snowfall in the regions in which we offer our products. A low level or lack of snowfall in any given year in any of the snowbelt regions in North America (primarily the Midwest, East and Northeast regions of the United States as well as all provinces of Canada) will likely cause sales of our products to decline in such year as well as the subsequent year, which in turn may adversely affect our results of operations and ability to pay dividends. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Seasonality and Year-to-Year Variability" in our Annual Report on Form 10-K for the year ended December 31, 2010. A sustained period of reduced snowfall events in one or more of the geographic regions in which we offer our products could cause our results of operations to decline and adversely affect our ability to pay dividends.

The year-to-year variability of our business can cause our results of operations and financial condition to be materially different from year-to-year; whereas the seasonality of our business can cause our results of operations and financial condition to be materially different from quarter-to-quarter.

Because our business depends on the level, timing and location of snowfall, our results of operations vary from year-to-year. Additionally, because the annual snow season typically only runs from October 1 through March 31, our distributors typically purchase our products during the second and third quarters. As a result, we operate in a seasonal business. We not only experience seasonality in our sales, but also experience seasonality in our working capital needs. Consequently, our results of operations and financial condition can vary from year-to-year, as well as from quarter-to-quarter, which could affect our ability to pay dividends. If we are unable to effectively manage the seasonality and year-to-year variability of our business, our results of operations, financial condition and ability to pay dividends may suffer.

If economic conditions in the United States continue to remain weak or deteriorate further, our results of operations, financial condition and ability to pay dividends may be adversely affected.

Historically, demand for snow and ice control equipment for light trucks has been influenced by general economic conditions in the United States, as well as local economic conditions in the snowbelt regions in North America. During the last few years, economic conditions throughout the United States have been extremely weak. Weakened economic conditions may cause our end-users to delay purchases of replacement snow and ice control equipment and instead repair their existing equipment, leading to a decrease in our sales of new equipment. Weakened economic conditions may also cause our

end-users to delay their purchases of new light trucks. Because our end-users tend to purchase new snow and ice control equipment concurrent with their purchase of new light trucks, their delay in purchasing new light trucks can also result in the deferral of their purchases of new snow and ice control equipment. The deferral of new equipment purchases during periods of weak economic conditions may negatively affect our results of operations, financial condition and ability to pay dividends.

Weakened economic conditions may also cause our end-users to consider price more carefully in selecting new snow and ice control equipment. Historically, considerations of quality and service have outweighed considerations of price, but in a weak economy, price may be a more important factor. Any refocus away from quality in favor of cheaper equipment could cause end-users to shift away from our products to less expensive competitor products, or to shift away from our more profitable products to our less profitable products, which in turn would adversely affect our results of operations and our ability to pay dividends.

Our failure to maintain good relationships with our distributors, the loss or consolidation of our distributor base or the actions or inactions of our distributors could have an adverse effect on our results of operations and our ability to pay dividends.

We depend on a network of truck equipment distributors to sell, install and service our products. Nearly all of these sales and service relationships are at will, and less than 1% of our distributors have agreed not to offer products that compete with our products. As a result, almost all of our distributors could discontinue the sale and service of our products at any time, and those distributors that primarily sell our products may choose to sell competing products at any time. Further, difficult economic or other circumstances could cause any of our distributors to discontinue their businesses. Moreover, if our distributor base were to consolidate or if any of our distributors were to discontinue their business, competition for the business of fewer distributors would intensify. If we do not maintain good relationships with our distributors, or if we do not provide product offerings and pricing that meet the needs of our distributors, we could lose a substantial amount of our distributor base. A loss of a substantial portion of our distributor base could cause our sales to decline significantly, which would have an adverse effect on our results of operations and ability to pay dividends.

In addition, our distributors may not provide timely or adequate service to our end-users. If this occurs, our brand identity and reputation may be damaged, which would have an adverse effect on our results of operations and ability to pay dividends.

Lack of available financing options for our end-users or distributors may adversely affect our sales volumes.

Our end-user base is highly concentrated among professional snowplowers, who comprise over 50% of our end-users, many of whom are individual landscapers who remove snow during the winter and landscape during the rest of the year, rather than large, well-capitalized corporations. These end-users often depend upon credit to purchase our products. If credit is unavailable on favorable terms or at all, our end-users may not be able to purchase our products from our distributors, which would in turn reduce sales and adversely affect our results of operations and ability to pay dividends.

In addition, because our distributors, like our end-users, rely on credit to purchase our products, if our distributors are not able to obtain credit, or access credit on favorable terms, we may experience delays in payment or nonpayment for delivered products. Further, if our distributors are unable to obtain credit or access credit on favorable terms, they could experience financial difficulties or bankruptcy and cease purchases of our products altogether. Thus, if financing is unavailable on favorable terms or at all, our results of operations and ability to pay dividends would be adversely affected.

The price of steel, a commodity necessary to manufacture our products, is highly variable. If the price of steel increases, our gross margins could decline.

Steel is a significant raw material used to manufacture our products. During 2008, 2009, and 2010, our steel purchases were approximately 15%, 18% and 13% of our revenue, respectively. The steel industry is highly cyclical in nature, and steel prices have been volatile in recent years and may remain volatile in the future. Steel prices are influenced by numerous factors beyond our control, including general economic conditions domestically and internationally, the availability of raw materials, competition, labor costs, freight and transportation costs, production costs, import duties and other trade restrictions. Steel prices are volatile and may increase as a result of increased demand from the automobile and consumer durable sectors. If the price of steel increases, our variable costs may increase. We may not be able to mitigate these increased costs through the implementation of permanent price increases or temporary invoice surcharges, especially if economic conditions remain weak and our distributors and end-users become more price sensitive. If we are unable to successfully mitigate such cost increases in the future, our gross margins could decline.

If petroleum prices increase, our results of operations could be adversely affected.

Petroleum prices have fluctuated significantly in recent years. Prices and availability of petroleum products are subject to political, economic and market factors that are outside our control. Political events in petroleum-producing regions as well as hurricanes and other weather-related events may cause the price of fuel to increase. If the price of fuel increases, the demand for our products may decline, which would adversely affect our financial condition and results of operations.

We depend on outside suppliers who may be unable to meet our volume and quality requirements, and we may be unable to obtain alternative sources.

We purchase certain components essential to our snowplows and sand and salt spreaders from outside suppliers, including off-shore sources. Most of our key supply arrangements can be discontinued at any time and are not covered by written contracts. A supplier may encounter delays in the production and delivery of such products and components or may supply us with products and components that do not meet our quality, quantity or cost requirements. Additionally, a supplier may be forced to discontinue operations. Any discontinuation or interruption in the availability of quality products and components from one or more of our suppliers may result in increased production costs, delays in the delivery of our products and lost end-user sales, which could have an adverse effect on our business and financial condition. During 2010, our top ten suppliers accounted for approximately 54% of our raw material and component purchasing.

In addition, we have begun to increase the number of our off-shore suppliers. Our increased reliance on off-shore sourcing may cause our business to be more susceptible to the impact of natural disasters, war and other factors that may disrupt the transportation systems or shipping lines used by our suppliers, a weakening of the dollar over an extended period of time and other uncontrollable factors such as changes in foreign regulation or economic conditions. In addition, reliance on off-shore suppliers may make it more difficult for us to respond to sudden changes in demand because of the longer lead time to obtain components from off-shore sources. We may be unable to mitigate this risk by stocking sufficient materials to satisfy any sudden or prolonged surges in demand for our products. If we cannot satisfy demand for our products in a timely manner, our sales could suffer as distributors can cancel purchase orders without penalty until shipment.

We do not sell our products under long-term purchase contracts, and sales of our products are significantly impacted by factors outside of our control; therefore, our ability to estimate demand is limited.

We do not enter into long-term purchase contracts with our distributors and the purchase orders we receive may be cancelled without penalty until shipment. Therefore, our ability to accurately predict future demand for our products is limited. Nonetheless, we attempt to estimate demand for our products for purposes of planning our annual production levels and our long-term product development and new product introductions. We base our estimates of demand on our own market assessment, snowfall figures, quarterly field inventory surveys and regular communications with our distributors. Because wide fluctuations in the level, timing and location of snowfall, economic conditions and other factors may occur, each of which is out of our control, our estimates of demand may not be accurate. Underestimating demand could result in procuring an insufficient amount of materials necessary for the production of our products, which may result in increased production costs, delays in product delivery, missed sale opportunities and a decrease in customer satisfaction. Overestimating demand could result in the procurement of excessive supplies, which could result in increased inventory and associated carrying costs.

If we are unable to enforce, maintain or continue to build our intellectual property portfolio, or if others invalidate our intellectual property rights, our competitive position may be harmed.

We rely on a combination of patents, trade secrets and trademarks to protect certain of the proprietary aspects of our business and technology. We hold approximately 20 U.S. registered trademarks (including the trademarks WESTERN®, FISHER® and BLIZZARD®), 5 Canadian registered trademarks, 28 U.S. issued patents and 15 Canadian patents. Our patents relate to snowplow mounts, assemblies, hydraulics, electronics and lighting systems as well as sand and salt spreader assemblies and our patent applications relate to each of the foregoing except for hydraulics and sand and salt spreader assemblies. When granted, each patent has a 17 year duration. The duration of the patents we currently possess range between one year and 14 years of remaining life. Our patent applications date back as far as 2001 and as most recent as 2010. Although we work diligently to protect our intellectual property rights, monitoring the unauthorized use of our intellectual property is difficult, and the steps we have taken may not prevent unauthorized use by others. We believe that our trademarks are of great value and that the loss of any one or all of our trademark rights could lower sales and increase our costs. In addition, in the event a third party challenges the validity of our intellectual property rights, a court may determine that our intellectual property rights may not be valid or enforceable. An adverse determination with respect to our intellectual property rights may harm our business prospects and reputation. Third parties may design around our patents or may independently develop technology similar to our trade secrets. The failure to adequately build, maintain and enforce our intellectual property portfolio could impair the strength of our technology and our brands, and harm our competitive position. Although the Company has no reason to believe that its intellectual property rights are vulnerable, previously undiscovered intellectual property could be used to invalidate our rights.

If we are unable to develop new products or improve upon our existing products on a timely basis, it could have an adverse effect on our business and financial condition.

We believe that our future success depends, in part, on our ability to develop on a timely basis new technologically advanced products or improve upon our existing products in innovative ways that meet or exceed our competitors' product offerings. Continuous product innovation ensures that our consumers have access to the latest products and features when they consider buying snow and ice control equipment. Maintaining our market position will require us to continue to invest in research and development and sales and marketing. Product development requires significant financial, technological and other resources. From 1992 to 2010, we invested approximately $64 million to

support our manufacturing strategy and to maintain our competitive strength in the product manufacturing process. We may be unsuccessful in making the technological advances necessary to develop new products or improve our existing products to maintain our market position. Industry standards, end-user expectations or other products may emerge that could render one or more of our products less desirable or obsolete. If any of these events occur, it could cause decreases in sales, a failure to realize premium pricing and an adverse effect on our business and financial condition.

We face competition from other companies in our industry, and if we are unable to compete effectively with these companies, it could have an adverse effect on our sales and profitability. Price competition among our distributors could negatively affect our market share.

We primarily compete with regional manufacturers of snow and ice control equipment for light trucks. While we are the most geographically diverse company in our industry, we may face increasing competition in the markets in which we operate. In saturated markets, price competition may lead to a decrease in our market share or a compression of our margins, both of which would affect our profitability. Moreover, current or future competitors may grow their market share and develop superior service and may have or may develop greater financial resources, lower costs, superior technology or more favorable operating conditions than we maintain. As a result, competitive pressures we face may cause price reductions for our products, which would affect our profitability or result in decreased sales and operating income. Additionally, saturation of the markets in which we compete or channel conflicts among our brands and shifts in consumer preferences may increase these competitive pressures or may result in increased competition among our distributors and affect our sales and profitability. In addition, price competition among the distributors that sell our products could lead to significant margin erosion among our distributors, which could in turn result in compressed margins or loss of market share for us. Management believes that after Douglas, the next largest competitors in the market for snow and ice control equipment for light trucks are BOSS and Meyer, respectively, and accordingly represent our primary competitors for market share.

We are subject to complex laws and regulations, including environmental and safety regulations, that can adversely affect the cost, manner or feasibility of doing business.

Our operations are subject to certain federal, state and local laws and regulations relating to, among other things, the generation, storage, handling, emission, transportation, disposal and discharge of hazardous and non-hazardous substances and materials into the environment, the manufacturing of motor vehicle accessories and employee health and safety. We cannot be certain that existing and future laws and regulations and their interpretations will not harm our business or financial condition. We currently make and may be required to make large and unanticipated capital expenditures to comply with environmental and other regulations, such as:

- applicable motor vehicle safety standards established by the National Highway Traffic Safety Administration;
- reclamation and remediation and other environmental protection; and
- standards for workplace safety established by the Occupational Safety and Health Administration.

While we monitor our compliance with applicable laws and regulations and attempt to budget for anticipated costs associated with compliance, we cannot predict the future cost of such compliance. While in 2010 the amount expended was insignificant, we could incur material expenses in the future in the event of future legislation changes or unforeseen events, such as a workplace accident or

environmental discharge, or if we otherwise discover we are in non-compliance with an applicable regulation. In addition, under these laws and regulations, we could be liable for:

- product liability claims;
- personal injuries;
- investigation and remediation of environmental contamination and other governmental sanctions such as fines and penalties; and
- other environmental damages.

Our operations could be significantly delayed or curtailed and our costs of operations could significantly increase as a result of regulatory requirements, restrictions or claims. We are unable to predict the ultimate cost of compliance with these requirements or their effect on our operations.

Financial market conditions have had a negative impact on the return on plan assets for our pension plans, which may require additional funding and negatively impact our cash flows.

Our pension expense and required contributions to our pension plans are directly affected by the value of plan assets, the projected rate of return on plan assets, the actual rate of return on plan assets and the actuarial assumptions we use to measure the defined benefit pension plan obligations. Due to the recent significant financial market downturn, the funded status of our pension plans has declined. As of December 31, 2010, our pension plans were underfunded by approximately $10.8 million. In 2010, contributions to our defined benefit pension plans were approximately $0.9 million. If plan assets continue to perform below expectations, future pension expense and funding obligations will increase, which would have a negative impact on our cash flows. Moreover, under the Pension Protection Act of 2006, it is possible that continued losses of asset values may necessitate accelerated funding of our pension plans in the future to meet minimum federal government requirements.

The statements regarding our industry, market positions and market share in this prospectus are based on our management's estimates and assumptions. While we believe such statements are reasonable, such statements have not been independently verified.

Information contained in this prospectus concerning the snow and ice control equipment industry for light trucks, our general expectations concerning this industry and our market positions and other market share data regarding the industry are based on estimates our management prepared using end-user surveys, anecdotal data from our distributors and distributors that carry our competitors' products, our results of operations and management's past experience, and on assumptions made, based on our management's knowledge of this industry, all of which we believe to be reasonable. These estimates and assumptions are inherently subject to uncertainties, especially given the year-to-year variability of snowfall and the difficulty of obtaining precise information about our competitors, and may prove to be inaccurate. In addition, we have not independently verified the information from any third-party source and thus cannot guarantee its accuracy or completeness, although management also believes such information to be reasonable. Our actual operating results may vary significantly if our estimates and outlook concerning the industry, snowfall patterns, our market positions or our market shares turn out to be incorrect.

We are subject to product liability claims, product quality issues, and other litigation from time to time that could adversely affect our operating results or financial condition.

The manufacture, sale and usage of our products expose us to the risk of product liability claims. If our products are defective or used incorrectly by our end-users, injury may result, giving rise to product liability claims against us. If a product liability claim or series of claims is brought against us for uninsured liabilities or in excess of our insurance coverage, and it is ultimately determined that we

are liable, our business and financial condition could suffer. Any losses that we may suffer from any liability claims, and the effect that any product liability litigation may have upon the reputation and marketability of our products, may divert management's attention from other matters and may have a negative impact on our business and operating results. Additionally, we could experience a material design or manufacturing failure in our products, a quality system failure or other safety issues, or heightened regulatory scrutiny that could warrant a recall of some of our products. A recall of some of our products could also result in increased product liability claims. Any of these issues could also result in loss of market share, reduced sales, and higher warranty expense.

We are heavily dependent on our Chief Executive Officer and management team.

Our continued success depends on the retention, recruitment and continued contributions of key management, finance, sales and marketing personnel, some of whom could be difficult to replace. Our success is largely dependent upon our senior management team, led by our Chief Executive Officer and other key managers. The loss of any one or more of such persons could have an adverse effect on our business and financial condition.

Our indebtedness could adversely affect our operations, including our ability to perform our obligations and pay dividends.

As of April 18, 2011, we had approximately $125 million of senior secured indebtedness and $70 million of borrowing availability under our amended revolving credit facility. We may also be able to incur substantial indebtedness in the future, including senior indebtedness, which may or may not be secured. For example, our amended revolving credit facility allows Douglas Holdings' wholly-owned subsidiaries, Douglas Dynamics, L.L.C. ("DDI LLC"), Douglas Dynamics Finance Company ("DDI Finance") and Fisher, LLC ("Fisher") to request the establishment of one or more additional revolving commitments in an aggregate amount not in excess of $40 million and our new term loan facility allows DDI LLC to request the establishment of one or more additional term loan commitments in an aggregate amount not in excess of $60 million, in each case, subject to specified terms and conditions. Our indebtedness could have important consequences to you, including the following:

- we could have difficulty satisfying our debt obligations, and if we fail to comply with these requirements, an event of default could result;
- we may be required to dedicate a substantial portion of our cash flow from operations to required payments on indebtedness, thereby reducing the cash flow available to pay dividends or fund working capital, capital expenditures and other general corporate activities;
- covenants relating to our indebtedness may restrict our ability to make distributions to our stockholders;
- covenants relating to our indebtedness may limit our ability to obtain additional financing for working capital, capital expenditures and other general corporate activities, which may limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- we may be more vulnerable to general adverse economic and industry conditions;
- we may be placed at a competitive disadvantage compared to our competitors with less debt; and
- we may have difficulty repaying or refinancing our obligations under our new senior credit facilities on their respective maturity dates.

If any of these consequences occur, our financial condition, results of operations and ability to pay dividends could be adversely affected. This, in turn, could negatively affect the market price of our

common stock, and we may need to undertake alternative financing plans, such as refinancing or restructuring our debt, selling assets, reducing or delaying capital investments or seeking to raise additional capital. We cannot assure you that any refinancing would be possible, that any assets could be sold, or, if sold, of the timing of the sales and the amount of proceeds that may be realized from those sales, or that additional financing could be obtained on acceptable terms, if at all.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly and could impose adverse consequences.

Our new term loan and any revolving borrowings under our new senior credit facilities, are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and our net income and cash flows would correspondingly decrease. Commencing July 17, 2011, our new senior credit facilities will require us to maintain in effect at all times one or more interest rate hedging agreements so that, at all times, interest on at least 25% of the aggregate outstanding principal amount of the loans under the new term loan facility is either fixed rate or covered by such agreements.

Our new senior credit facilities impose restrictions on us, which may also prevent us from capitalizing on business opportunities and taking certain corporate actions. One of these facilities also includes minimum availability requirements, which if unsatisfied, could result in liquidity events that may jeopardize our business.

Our new senior credit facilities contain, and future debt instruments to which we may become subject may contain, covenants that limit our ability to engage in activities that could otherwise benefit our company, including restrictions on our ability to:

- incur, assume or permit to exist additional indebtedness or contingent obligations;
- incur liens and engage in sale and leaseback transactions;
- make loans and investments in excess of agreed upon amounts;
- declare dividends, make payments or redeem or repurchase capital stock in excess of agreed upon amounts and subject to certain other limitations;
- engage in mergers, acquisitions and other business combinations;
- prepay, redeem or purchase certain indebtedness or amend or alter the terms of our indebtedness;
- sell assets;
- make further negative pledges;
- create restrictions on distributions by subsidiaries;
- change our fiscal year;
- engage in activities other than, among other things, incurring the debt under our new senior credit facilities and the activities related thereto, holding our ownership interest in DDI LLC, making restricted payments, including dividends, permitted by our new senior credit facilities and conducting activities related to our status as a public company;
- amend or waive rights under certain agreements;
- transact with affiliates or our stockholders; and
- alter the business that we conduct.

Our amended revolving credit facility also includes limitations on capital expenditures and requires that if we fail to maintain the greater of $8.75 million and 12.5% of the revolving commitments in borrowing availability, we must comply with a fixed charge coverage ratio test. In addition, if a liquidity event occurs because our borrowing availability is less than the greater of $10.5 million and 15% of the aggregate revolving commitments (or an event of default occurs and is continuing), subject to certain limited cure rights, all proceeds of our accounts receivable and other collateral will be applied to reduce obligations under our amended revolving credit facility, jeopardizing our ability to meet other obligations. Our ability to comply with the covenants contained in our new senior credit facilities or in the agreements governing our future indebtedness, and our ability to avoid liquidity events, may be affected by events, or our future performance, which are subject to factors beyond our control, including prevailing economic, financial, industry and weather conditions, such as the level, timing and location of snowfall and general economic conditions in the snowbelt regions of North America. A failure to comply with these covenants could result in a default under our new senior credit facilities, which could prevent us from paying dividends, borrowing additional amounts and using proceeds of our inventory and accounts receivable, and also permit the lenders to accelerate the payment of such debt. If any of our debt is accelerated or if a liquidity event (or event of default) occurs that results in collateral proceeds being applied to reduce such debt, we may not have sufficient funds available to repay such debt and our other obligations, in which case, our business could be halted and such lenders could proceed against any collateral securing that debt. Further, if the lenders accelerate the payment of the indebtedness under our new senior credit facilities, our assets may not be sufficient to repay in full the indebtedness under our new senior credit facilities and our other indebtedness, if any. We cannot assure you that these covenants will not adversely affect our ability to finance our future operations or capital needs to pursue available business opportunities or react to changes in our business and the industry in which we operate.

Risks Related to this Offering of Our Common Stock

The market price of our common stock may be volatile, which could cause the value of your investment to decline or could subject us to securities class action litigation.

Shares of our common stock were sold in our initial public offering in May 2010 at a price of $11.25 per share, and our common stock has subsequently traded as high as $16.96 per share and as low as $10.20 per share. An active, liquid and orderly market for our common stock may not be sustained, which could depress the trading price of our common stock. The trading price of our common stock could be subject to wide fluctuations in response to the many risk factors listed in this section and others beyond our control, including:

- variations in our quarterly operating results;
- our announcement of actual results for a fiscal period that are higher or lower than projected or expected results or our announcement of revenue or earnings guidance that is higher or lower than expected;
- unfavorable commentary from securities analysts or the failure of securities analysts to cover our common stock after this offering;
- sales of our common stock by our principal stockholders;
- changes in our dividend payment policy or failure to execute our existing policy;
- actions of competitors;
- changes in applicable government and environmental regulations; or
- general economic and market conditions.

Furthermore, the stock markets recently have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions or interest rate changes may cause the market price of shares of our common stock to decline. If the market price of a share our common stock after this offering does not exceed the offering price, you may not realize any return on your investment in us and may lose some or all of your investment.

In addition, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

If securities or industry analysts cease to publish research or reports about our business, or if they change their recommendations regarding our stock adversely, our stock price and trading volume could decline.

The trading market for our common stock depends in part on the research and other reports that industry or securities analysts publish about us or our business. If one or more of the analysts who covers us downgrades our stock or publish inaccurate or unfavorable research about our business, our stock price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Substantial future sales of our common stock in the public market could cause our stock price to fall.

Additional sales of our common stock in the public market after the consummation of this offering, or the perception that these sales could occur, could cause the market price of our common stock to decline. Upon consummation of this offering, we will have shares of common stock outstanding, assuming no exercise of our outstanding options other than those options exercised by selling stockholders for the purpose of selling shares in this offering. Of these shares, will be freely tradable. The holders of shares of our common stock have signed lock-up agreements in connection with this offering under which they have agreed not to sell, transfer or dispose of, directly or indirectly, any shares of our common stock or securities into or exercisable or exchangeable for shares of our common stock without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 90 days, subject to possible extension under certain circumstances, after the date of this prospectus. After the expiration of the lock-up period, these shares may be sold in the public market, subject to registration or qualification for an exemption from registration, including, in the case of shares held by affiliates, compliance with the volume restrictions of Rule 144. As any resale restrictions end, the market price of our common stock could decline if the holders of those shares sell them or are perceived by the market as intending to sell them. In addition, pursuant to certain provisions of our securityholders agreement, all securityholders who are parties to the securityholders agreement are entitled to certain "piggy-back" registration rights with respect to shares of our common stock, and certain securityholders are entitled to demand registration of their shares. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Securityholders Agreement." Registration of any such shares under the Securities Act would result in such shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration.

Our principal stockholders will continue to hold a significant portion of our common stock after this offering and may have different interests than us or you in the future.

Immediately after the consummation of this offering our principal stockholders will have the right to vote or direct the vote of approximately % (or % if the underwriters exercise their over-allotment option in full) of our voting power. This significant ownership could deter possible changes in control of our company, which may reduce the value of your investment, and could be used to influence the election and removal of our directors and other matters requiring stockholder approval. We cannot assure you that the interests of our principal stockholders will coincide with the interests of our other holders of common stock. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Securityholders Agreement."

Provisions of Delaware law and our charter documents could delay or prevent an acquisition of us, even if the acquisition would be beneficial to you.

Provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management. These provisions include:

- the absence of cumulative voting in the election of our directors, which means that the holders of a majority of our common stock may elect all of the directors standing for election;
- the ability of our Board of Directors to issue preferred stock with voting rights or with rights senior to those of our common stock without any further vote or action by the holders of our common stock;
- the division of our Board of Directors into three separate classes serving staggered three-year terms;
- the ability of our stockholders to remove our directors is limited to cause and only by the vote of at least 66 2/3% of the outstanding shares of our common stock;
- the prohibition on our stockholders from acting by written consent and calling special meetings;
- the requirement that our stockholders provide advance notice when nominating our directors or proposing business to be considered by the stockholders at an annual meeting of stockholders; and
- the requirement that our stockholders must obtain a 66 2/3% vote to amend or repeal certain provisions of our certificate of incorporation.

We are also subject to Section 203 of the Delaware General Corporation Law, which, subject to certain exceptions, prohibits us from engaging in any business combination with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder. Since the Aurora Entities and Ares became interested stockholders of our company more than three years ago, we are not constrained by this provision with respect to business combinations with these stockholders. See "Description of Capital Stock." This provision, together with the provisions discussed above, could also make it more difficult for you and our other stockholders to elect directors and take other corporate actions, and could limit the price that investors might be willing to pay in the future for shares of our common stock.

If we are unable to assess favorably the effectiveness of our internal control over financial reporting, or if our independent registered public accounting firm is unable to provide an unqualified attestation report on our internal controls, our stock price could be adversely affected.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 and the related rules adopted by the SEC and the Public Company Accounting Oversight Board, beginning with our Annual Report on Form 10-K for the year ending December 31 2011, our management will be required to report on, and

our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting. We may encounter problems or delays in completing the implementation of any changes necessary to make a favorable assessment of our internal control over financial reporting. In addition, in connection with the attestation process by our independent registered public accounting firm, we may encounter problems or delays in completing the implementation of any requested improvements and receiving a favorable attestation. If we cannot timely and favorably assess the effectiveness of our internal control over financial reporting, or if our independent registered public accounting firm is unable to provide an unqualified attestation report on our internal control over financial reporting, investor confidence and our stock price could decline.

Risks Relating to Our Dividend Policy

You may not receive the level of dividends provided for in the dividend policy our Board of Directors has adopted or any dividends at all.

We are not obligated to pay dividends on our common stock. Our Board of Directors adopted a dividend policy, effective upon the consummation of our initial public offering, that reflects an intention to distribute to our stockholders a regular quarterly cash dividend. However, the declaration and payment of all future dividends to holders of our common stock are subject to the discretion of our Board of Directors, which may amend, revoke or suspend our dividend policy at any time and for any reason, including, our financial condition and earnings, legal requirements, taxes and other factors our Board of Directors may deem relevant. The terms of our indebtedness may also restrict us from paying cash dividends on our common stock under certain circumstances.

Over time, our capital and other cash needs may change significantly from our current needs, which could affect whether we pay dividends and the level of any dividends we may pay in the future. If we were to use borrowings under our new senior credit facilities to fund our payment of dividends, we would have less cash and/or borrowing capacity available for future dividends and other purposes, which could negatively affect our financial condition, our results of operations, our liquidity and our ability to maintain and expand our business. Accordingly, you may not receive dividends in the intended amounts, or at all. Any reduction or elimination of dividends may negatively affect the market price of our common stock.

Our ability to pay dividends will be restricted by agreements governing our debt, including our new senior credit facilities, and by Delaware law.

Our new senior credit facilities restrict our ability to pay dividends. See "Dividend Policy and Restrictions," where we describe the terms of our indebtedness, including provisions limiting our ability to declare and pay dividends. In addition, as a result of general economic conditions, conditions in the lending markets, the results of our business or for any other reason, we may elect or be required to amend or refinance our new senior credit facilities, at or prior to maturity, or enter into additional agreements for indebtedness. Any such amendment, refinancing or additional agreement may contain covenants which could limit in a significant manner or entirely our ability to pay dividends to you.

Additionally, under the Delaware General Corporation Law, which we refer to in this prospectus as the DGCL, our Board of Directors may not authorize payment of a dividend unless it is either paid out of surplus, as calculated in accordance with the DGCL, or if we do not have a surplus, it is paid out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. See "Dividend Policy and Restrictions."

If, as a result of these restrictions, we are required to reduce or eliminate the payment of dividends, a decline in the market price or liquidity, or both, of our common stock could result. This may in turn result in losses by you.

Douglas Holdings, the issuer of the common stock being offered hereby, is a holding company with no operations of its own and depends on its subsidiaries for cash.

The terms of our new senior credit facilities significantly restrict our subsidiaries from paying dividends and otherwise transferring assets to Douglas Holdings. In addition, the terms of our amended revolving credit facility specifically restricts Douglas Holdings' subsidiaries from paying dividends to Douglas Holdings if we do not maintain minimum availability under our amended revolving credit facility, and both our new senior credit facilities restrict subsidiaries from paying dividends to Douglas Holdings if a default or event of default has occurred and is continuing under our new senior credit facilities or if specified liquidity and leverage tests are not satisfied. Giving pro forma effect to the new senior credit facilities, as of March 31, 2011, we had the necessary availability to pay dividends at the level currently anticipated under our dividend policy. We cannot assure you that we will maintain this availability. For a description of our dividend policy and the limitations on the payment of dividends contained in our new senior credit facilities, see "Dividend Policy and Restrictions."

Our dividend policy may limit our ability to pursue growth opportunities.

If we continue to pay dividends at the current level under our dividend policy, we may not retain a sufficient amount of cash to finance growth opportunities, meet any large unanticipated liquidity requirements or fund our operations in the event of a significant business downturn. In addition, because a significant portion of cash available will be distributed to holders of our common stock under our dividend policy, our ability to pursue any material expansion of our business, including through acquisitions, increased capital spending or other increases of our expenditures, will depend more than it otherwise would on our ability to obtain third party financing. We cannot assure you that such financing will be available to us at all, or at an acceptable cost. If we are unable to take timely advantage of growth opportunities, our future financial condition and competitive position may be harmed, which in turn may adversely affect the market price of our common stock.

Market interest rates may have an effect on the trading value of our shares.

One of the factors that investors may consider in deciding whether to buy or sell our shares is our dividend rate as a percentage of our share price relative to market interest rates. If market interest rates increase, prospective investors may demand a higher dividend yield on our shares or seek alternative investments paying higher dividends or interest. As a result, interest rate fluctuations and capital market conditions can affect the market value of our shares. For instance, if interest rates rise, it is likely that the market price of our shares will decrease as market rates on interest-bearing securities, such as bonds, increase.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus include forward-looking statements within the meaning of federal securities laws. All statements other than statements of historical fact included in this prospectus, or incorporated herein by reference, including statements regarding future sales, financial performance, plans, business strategy, and other objectives, expectations and intentions, such as statements regarding our liquidity, debt, economic conditions, planned capital expenditures, dividend policy, adequacy of capital resources and reserves, and projected costs, and the information referred to under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2010 are forward-looking statements. In addition, forward-looking statements generally can be identified by terms and phrases such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will" and similar expressions. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which by their nature, are inherently uncertain and beyond our control. Accordingly, you are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Although we believe that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. Unless otherwise required by law, we also undertake no obligation to update our view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made in this prospectus or incorporated herein by reference. Important factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to:

- weather conditions, particularly lack of or reduced levels of snowfall;
- a significant decline in economic conditions;
- our inability to maintain good relationships with our distributors;
- lack of available or favorable financing options for our end-users or distributors;
- increases in the price of steel or other materials necessary for the production of our products that cannot be passed on to our distributors;
- increases in the price of fuel;
- the inability of our suppliers to meet our volume or quality requirements;
- our inability to protect or continue to build our intellectual property portfolio;
- our inability to develop new products or improve upon existing products in response to end-user needs;
- losses due to lawsuits arising out of personal injuries associated with our products; and
- our inability to compete effectively against competition.

All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this prospectus or incorporated herein by reference in the context of these risks and uncertainties. We caution you that the important factors referenced above may not contain all of the factors that are important to you.

INDUSTRY INFORMATION

Information contained in this prospectus concerning the snow and ice control equipment industry for pickup trucks and sport utility vehicles, which we refer to as light trucks in this prospectus, our general expectations concerning this industry and our market positions and other market share data regarding this industry including, without limitation, statements with respect to the relative size of our installed base, our distribution network, operational efficiency, customer service and responsiveness, and shipping performance, are based on our general knowledge of our industry and competitors. This general knowledge is derived from estimates our management prepared using end-user surveys, anecdotal data from our distributors and distributors that carry our competitors' products, our results of operations and management's past experience, and on assumptions made by our management, based on its knowledge of this industry, all of which we believe to be reasonable. These estimates and assumptions are inherently subject to uncertainties and may prove to be inaccurate. In addition, we have not independently verified the information contained in any independent third-party source, although management also believes such information to be reasonable.

USE OF PROCEEDS

The selling stockholders are selling all of the shares of common stock being sold in this offering, including any shares sold upon exercise of the underwriters' over-allotment option. See "Principal and Selling Stockholders" and "Interests of Certain Affiliates in this Offering." Accordingly, we will not receive any proceeds from the sale of shares of our common stock by the selling stockholders in this offering. Any proceeds received by us in connection with the exercise of options to purchase shares of our common stock by the selling stockholders in connection with this offering will be used for general corporate purposes.

DIVIDEND POLICY AND RESTRICTIONS

General

Effective upon the consummation of our initial public offering, our Board of Directors adopted a dividend policy, reflecting an intention to distribute to our stockholders a regular quarterly cash dividend of $0.1825 per share. In accordance with this dividend policy, we paid an initial quarterly cash dividend of $0.1825 per share on September 30, 2010 to stockholders of record as of the close of business on September 23, 2010. On October 27, 2010, our Board of Directors increased our quarterly cash dividend by $0.0175 per share to $0.20 per share, commencing in the fourth quarter of fiscal 2010. Accordingly, on December 31, 2010, we paid a cash dividend of $0.20 per share to stockholders of record as of the close of business of December 21, 2010. Further, on March 31, 2011, we paid a special cash dividend of $0.37 per share, which was in addition to our regularly quarterly cash dividend of $0.20 per share, to stockholders of record as of the close of business on March 21, 2011.

Our dividend policy reflects our present judgment that it is in the best interests of stockholders to distribute to them a significant portion of the cash generated by our business. There can be no assurance, however, that we will declare or pay any cash dividends in the future. The declaration and payment of dividends to holders of our common stock will be at the discretion of our Board of Directors and will depend upon many factors, including our financial condition and earnings, legal requirements, taxes and other factors our Board of Directors may deem to be relevant. The terms of our indebtedness may also prevent us from paying cash dividends on our common stock under certain circumstances. See "Risk Factors—Risks Relating to Our Dividend Policy—Our ability to pay dividends will be restricted by agreements governing our debt, including our new senior credit facilities, and by Delaware law," "—Restrictions on Payment of Dividends." Over time, our capital and other cash needs may change significantly from our current needs, which could affect whether we pay dividends and the level of any dividends we may pay in the future. Moreover, our Board of Directors may amend, revoke or suspend our dividend policy at any time and for any reason. Accordingly, you may not receive dividends in the intended amounts, or at all.

We believe our dividend policy will limit, but not preclude our ability to pursue growth opportunities. This limitation could be significant, for example, with respect to large acquisitions and growth opportunities that require cash investments in amounts greater than our available cash or external financing resources.

Restrictions on Payment of Dividends

Our ability to pay dividends will be restricted by current and future agreements governing our debt, including our new senior credit facilities and by Delaware law.

New Senior Credit Facilities

Our new senior credit facilities, which are comprised of a $70 million senior secured revolving credit facility, which we refer to in this prospectus as our amended revolving credit facility, and a $125 million senior secured term loan facility, which we refer to in this prospectus as our new term loan facility, impose limitations on our ability to pay dividends. Under the restricted payments covenants for each of our new senior credit facilities, we generally are restricted from paying dividends on our common stock other than dividends solely in shares of common stock to holders of that class. However, provided that (i) no default has occurred and is continuing or would result from the payment, (ii) after the payment, the borrowing base less the revolving exposure will be greater than the greater of $10.5 million and 15% of the aggregate revolving commitments, and (iii) after the payment, our availability under our amended revolving credit facility will be at least the greater of $7 million and 10% of the aggregate revolving commitments, we can make restricted payments, including dividends in an aggregate amount not to exceed (A) $5.25 million in any fiscal quarter of 2011 (calculated without

regard to the one-time permitted special dividend of approximately $8 million paid on March 31, 2011), (B) $5.5 million in any fiscal quarter of 2012, (C) $5.75 million in any fiscal quarter of 2013, (D) $6 million in any fiscal quarter of 2014, (E) $6.25 million in any fiscal quarter of 2015 and (F) $6.5 million in any fiscal quarter of 2016 and thereafter.

Additional restricted payments, including dividends, may be made in any fiscal year if we meet certain excess cash flow requirements and certain other conditions. However, the amount of excess cash flow available for the payment of dividends may also be used for restricted payments other than dividends (including certain payments of indebtedness, redemptions of stock, payments to retire options and warrants and payment of certain management fees and expenses), certain investments and certain payments of indebtedness. To the extent that these amounts are used for a payment other than dividends, the amount available to be used for the payment of dividends would be reduced accordingly.

The foregoing is a summary of the actual provisions included in our new senior credit facilities, copies of which have been filed with the SEC as exhibits to the registration statement of which this prospectus forms a part. For a description of additional terms relating to our new senior credit facilities, see our Current Report on Form 8-K filed with the SEC on April 20, 2011.

Delaware Law

Under Delaware law, our Board of Directors may not authorize payment of a dividend unless either it is paid out of our "surplus" (which is defined as total assets at fair market value minus total liabilities (including contingent liabilities) minus statutory capital), or if we do not have a surplus, it is paid out of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. The value of a corporation's assets can be measured in a number of ways and may not necessarily equal their book value. The value of our capital may be adjusted from time to time by our Board of Directors. Our Board of Directors may base this determination on our financial statements, a fair valuation of our assets or another reasonable method. Although we believe we will be permitted to pay dividends at the anticipated levels in compliance with Delaware law, our Board of Directors will periodically seek to assure itself that the statutory requirements will be met before actually declaring dividends. In future periods, our Board of Directors may seek opinions from outside valuation firms to the effect that our solvency or assets are sufficient to allow payment of dividends, and such opinions may not be forthcoming. If we sought and were not able to obtain such an opinion, we likely would not be able to pay dividends. Douglas Holdings, the issuer of the common stock offered hereby, is a holding company and conducts all of its operations through its subsidiaries. As a result, Douglas Holdings will rely principally on distributions from its subsidiaries to have funds available for the payment of dividends. Each of our subsidiaries was formed in Delaware. As a result, they are also subject to the similar considerations and limitations under Delaware law on distributions.

PRICE RANGE OF COMMON STOCK

Our common stock has been listed on the New York Stock Exchange (the "NYSE") under the symbol "PLOW" since it began trading on May 5, 2010. Our initial public offering was priced at $11.25 per share on May 4, 2010.

The following table sets forth, for the periods indicated, the high and low sales prices per share of our common stock as reported on the NYSE since May 5, 2010.

	High	Low	Cash dividend declared per share
Second Quarter 2010 (beginning May 5, 2010)	$ 12.56	$ 10.93	—
Third Quarter 2010	$ 13.00	$ 10.20	$ 0.1825(1)
Fourth Quarter 2010	$ 16.84	$ 11.97	$ 0.20(2)
First Quarter 2011	$ 16.96	$ 13.48	$ 0.57(3)
Second Quarter 2011 (through April 29, 2011)	$ 15.84	$ 14.15	

(1) Dividend was paid on September 30, 2010 to stockholders of record as of the close of business on September 23, 2010.

(2) Dividend was paid on December 31, 2010 to stockholders of record as of the close of business on December 21, 2010.

(3) Consists of regular quarterly cash dividend of $0.20 per share and special cash dividend of $0.37 per share. Both dividends were paid on March 31, 2011 to stockholders of record as of the close of business on March 21, 2011.

On April 29, 2011, the closing price per share of our common stock on the NYSE was $15.49. As of April 29, 2011, there were approximately 31 stockholders of record of our common stock.

CAPITALIZATION

The following table sets forth as of December 31, 2010 our capitalization. This table should be read together with "Selected Consolidated Financial Data," Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2010 which is incorporated herein by reference.

	December 31, 2010 (in thousands, except share data)
Indebtedness:	
Revolving loan(1)	$ —
Term loan(2)	121,154
Other indebtedness	—
Total indebtedness	121,154
Stockholders' equity:	
Common stock, par value $0.01 per share, 200,000,000 shares authorized, 21,579,655 shares outstanding	216
Preferred stock, par value $0.01 per share, 5,000,000 shares authorized, 0 shares outstanding	—
Stockholders' notes receivable	(482)
Additional paid-in capital	127,695
Accumulated other comprehensive loss, net of tax	(4,431)
Retained earnings(3)	46,495
Total stockholders' equity	169,493
Total capitalization	$ 290,647

(1) On April 18, 2011, Douglas Holdings, as guarantor, and its wholly-owned subsidiaries, DDI LLC, DDI Finance and Fisher, as borrowers, entered into an Amended and Restated Credit and Guaranty Agreement (the "Revolving Credit Agreement") providing for a senior secured revolving credit facility in the amount of $70 million, of which $10 million will be available in the form of letters of credit and $5 million will be available for the issuance of short-term swingline loans. For additional detail regarding the Revolving Credit Agreement, refer to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2011.

(2) On April 18, 2011, DDI LLC, as borrower, and the Company, DDI Finance and Fisher, as guarantors, also entered into a Credit and Guaranty Agreement (the "Term Loan Credit Agreement") providing for a senior secured term loan facility in the aggregate principal amount of $125 million. For additional detail regarding the Term Loan Credit Agreement, refer to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2011.

(3) On March 31, 2011, the Company paid an aggregate of $12.5 million in cash dividends to stockholders of record as of the close of business on March 21, 2011, comprised of the regular quarterly cash dividend of $0.20 per share and a special cash dividend of $0.37 per share.

DESCRIPTION OF CAPITAL STOCK

The following is a description of the material provisions of our capital stock and the other material terms of our certificate of incorporation and bylaws, and certain provisions of Delaware law. This summary does not purport to be complete and is qualified in its entirety by the provisions of our certificate of incorporation and bylaws, copies of which have been filed with the SEC as exhibits to the registration statement of which this prospectus forms a part.

Authorized Capital

Our authorized capital stock consists of 200,000,000 shares of common stock, $0.01 par value per share and 5,000,000 shares of preferred stock, $0.01 par value per share.

As of April 29, 2011, there were 21,848,947 shares of common stock outstanding held by 31 stockholders of record, 1,801,214 shares of common stock remaining available for issuance under our 2010 Stock Incentive Plan (including upon conversion of currently outstanding restricted stock units), and 207,993 shares underlying stock options issued under our Amended and Restated 2004 Stock Incentive Plan.

Common Stock

Voting. Except as otherwise required by Delaware law, at every annual or special meeting of stockholders, every holder of our common stock is entitled to one vote per share; provided, that holders of common stock are not entitled to vote on any amendment to our certificate of incorporation that relates solely to the terms of one or more outstanding series of preferred stock, if the holders of such affected series are entitled to vote thereon. There is no cumulative voting in the election of directors.

Dividends Rights. Subject to dividend preferences that may be applicable to any outstanding preferred stock, holders of our common stock are entitled to receive ratably such dividends as may be declared from time to time by our Board of Directors out of funds legally available for that purpose. See "Dividend Policy and Restrictions."

Liquidation and Preemptive Rights. In the event of our liquidation, dissolution or winding up, the holders of our common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding. The holders of our common stock have no preemptive or other subscription rights. There are no redemption or sinking fund provisions applicable to our common stock. The outstanding shares of our common stock are, and the shares offered in this offering, when issued and paid for, will be, fully paid and non-assessable.

Listing. Our common stock is listed on the NYSE under the symbol "PLOW."

Transfer Agent and Registrar. The transfer agent and registrar for our common stock is Registrar and Transfer Company.

Preferred Stock

Our Board of Directors is authorized to issue not more than an aggregate of 5,000,000 shares of preferred stock in one or more series, without stockholder approval. Our Board of Directors is authorized to establish, from time to time, the number of shares to be included in each series of preferred stock, and to fix the designation, powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each series of preferred stock, and any of its qualifications, limitations or restrictions. Our board of directors also is able to increase or decrease the

number of shares of any series of preferred stock, but not below the number of shares of that series of preferred stock then outstanding, without any further vote or action by the stockholders.

In the future, our Board of Directors may authorize the issuance of preferred stock with voting or conversion rights that could harm the voting power or other rights of the holders of our common stock, or that could decrease the amount of earnings and assets available for distribution to the holders of our common stock. The issuance of our preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other consequences, have the effect of delaying, deferring or preventing a change in our control and might harm the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plans to issue any shares of preferred stock.

Anti-takeover Effects of our Certificate of Incorporation and Bylaws

Some provisions in our certificate of incorporation and bylaws may be deemed to have an anti-takeover effect and may delay, defer, or prevent a tender offer or takeover attempt that a stockholder might deem to be in his or her best interest. The existence of these provisions could limit the price that investors might be willing to pay in the future for shares of our common stock. These provisions include:

Election and Removal of Directors. Our certificate of incorporation provides for the division of our Board of Directors into three classes of the same or nearly the same number of directors, with staggered three-year terms. In addition, the holders of our outstanding shares of common stock will not be entitled to cumulative voting in connection with the election of our directors. Our directors will also not be subject to removal, except for cause and only by the affirmative vote of at least 66^{2}/3% of the total voting power of our outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class, prior to the expiration of their term. These provisions on the removal of directors could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from acquiring, control of us.

Stockholder Action; Special Meeting of Stockholders. Our certificate of incorporation and bylaws provide that all stockholder actions must be effected at a duly called meeting and may not be taken by written consent in lieu of a meeting. All stockholder action must be properly brought before any stockholder meeting, which requires advance notice pursuant to the provisions of our bylaws. In addition, special stockholder meetings may only be called by a majority of our Board of Directors. These provisions could have the effect of delaying stockholder actions that are favored by the holders of a majority of our outstanding voting securities until a meeting is called. These provisions could also discourage a potential acquiror from making a tender offer for our common stock, because even if it were able to acquire a majority of our outstanding voting securities, a potential acquiror would only be able to take actions such as electing new directors or approving a business combination or merger at a duly called stockholders' meeting, and not by written consent.

Authorized but Unissued Shares. The authorized but unissued shares of our common stock and preferred stock are available for future issuance without stockholder approval, subject to any limitations imposed by the NYSE. These additional shares may be used for a variety of corporate acquisitions and employee benefit plans and could also be issued in order to deter or prevent an attempt to acquire us. The existence of authorized but unissued and unreserved common stock and preferred stock could make it more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Super-Majority Voting. Our certificate of incorporation requires the affirmative vote of the holders of at least 66^{2}/3% in voting power of our issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class, to amend or repeal certain provisions of our

certificate of incorporation including provisions which would eliminate or modify the provisions described above, reduce or eliminate the number of authorized common or preferred shares and all indemnification provisions. Our bylaws may also be amended or repealed by our Board of Directors or by the affirmative vote of the holders of at least $66^{2}/_{3}\%$ in voting power of our issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class.

Delaware Takeover Statute

We are subject to the provisions of Section 203 of the General Corporation Law of the State of Delaware. Subject to certain exceptions, Section 203 of the Delaware General Corporation Law prohibits a Delaware corporation from engaging in any "business combination" with any "interested stockholder" for a period of three years after the date of the transaction in which the person or entity became an interested stockholder. A "business combination" includes certain mergers, asset sales or other transactions resulting in a financial benefit to the interested stockholder. Subject to various exceptions, an "interested stockholder" is a person who, together with his or her affiliates and associates, owns, or within the past three years has owned, 15% or more of our outstanding voting stock. This provision could discourage mergers or other takeover or change in control attempts, including attempts that might result in the payment of a premium over the market price for shares of our common stock.

Limitation of Directors' and Officers' Liability and Indemnification

The Delaware General Corporation Law authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties. Our certificate of incorporation includes a provision that eliminates the personal liability of directors for monetary damages for actions taken as a director to the fullest extent authorized by the Delaware General Corporation Law.

Our bylaws provide that we must indemnify our directors and officers to the fullest extent authorized by the Delaware General Corporation Law. We are also expressly authorized to carry directors' and officers' insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and officers.

The limitation of liability and indemnification provisions in our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders.

In addition to the indemnification provided by our certificate of incorporation and bylaws, we have entered into agreements to indemnify our directors and executive officers. These agreements, subject to certain exceptions, require us to, among other things, indemnify these directors and executive officers for certain expenses, including attorney fees, witness fees and expenses, expenses of accountants and other advisors, and the premium, security for and other costs relating to any bond, arising out of that person's services as a director or officer of us or any of our subsidiaries or any other company or enterprise to which the person provides services at our request. We also maintain directors' and officers' insurance.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

BUSINESS

Set forth below is a brief overview of our business. This discussion should be read together with the more detailed information presented under the section entitled "Business" in our Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by reference into this prospectus. To the extent any statement contained in the "Business" section of our Annual Report on Form 10-K for the year ended December 31, 2010 is modified or superseded by a statement contained herein, such earlier statement will be deemed to be modified or superseded to such extent for purposes of this prospectus.

Overview

Douglas Dynamics, Inc. (the "Company," "we," "us," "our") is the North American leader in the design, manufacture and sale of snow and ice control equipment for light trucks, which consists of snowplows, sand and salt spreaders, and related parts and accessories. We sell our products under the WESTERN®, FISHER® and BLIZZARD® brands which are among the most established and recognized in the industry. We believe that in 2010 our share of the light truck snow and ice control equipment market was greater than 50%.

We offer the broadest and most complete product line of snowplows and sand and salt spreaders for light trucks in the U.S. and Canadian markets with over 60 models of snowplows and over 35 models of sand and salt spreaders across our three brands. Our snowplows use custom-designed mounts which allow each of our snowplow models to be used on a variety of light truck brands and models. In addition, we manufacture a broad portfolio of hopper and tailgate-mounted sand and salt spreaders that are used for snow and ice control on driveways, roads and parking lots. The primary materials used in our snow and ice control equipment business are steel, metal parts, electrical components, hydraulic systems, and hardware components, which collectively comprise over 75% of total material and component purchases.

We also provide a full range of related parts and accessories, which generates an ancillary revenue stream throughout the lifecycle of our snow and ice control equipment. While our parts and accessories yield slightly higher gross margins than our snow and ice control equipment, (with parts and accessories margins averaging approximately 50% over the past five years), equipment sales yield significantly more revenue. For the year ended December 31, 2010, 86% of our net sales were generated from sales of snow and ice control equipment, and 14% of our net sales were generated from sales of parts and accessories.

We believe we maintain the industry's largest and most advanced in-house new product development program, historically introducing several new and redesigned products each year. Our broad product offering and commitment to new product development is essential to maintaining and growing our leading market share position as well as continuing to increase the profitability of our business. We believe we have introduced or redesigned more efficient and productive products over the last five years (including the redesigned Fisher and Western V Plows in 2006 and the Fisher and Western Power Plows in 2007) than any of our competitors, driving increased value for our customers. Approximately $87 million, or 49.5%, of our 2010 net sales came from products introduced or redesigned in the last five years. Recent product introductions include the FISHER® HT Series™ (half-ton plow) and POLY-CASTER™ (Hopper Spreader), the WESTERN® HTS™ (half-ton plow) and Tornado™ (Hopper Spreader) and the BLIZZARD® POWER HITCH™ 2 (detachable plow mounting system) and ICE CHASER™ (Hopper Spreader). Our products are covered by over 40 issued or pending U.S. and Canadian patents related to snow and ice control equipment technologies and other important product features and designs.

Our brands enjoy exceptional customer loyalty and brand equity in the snow and ice control equipment industry with both end-users and distributors. We have developed this exceptional loyalty through over 50 years of superior innovation, productivity, reliability and support, consistently delivered season after season. We believe many of our end-users are second and third generation owners of our

snow and ice control equipment. We believe past brand experience, rather than price, is the key factor impacting snowplow purchasing decisions. Because a professional snowplower can typically recoup the cost of a plow within a very short period of time, and in some cases, as a result of one major snowfall event, we believe quality, reliability and functionality are more important factors in our end-users' purchasing decisions and further believe that professional snowplowers are often willing to pay a premium price for reputable products that include these premium features. For example, we believe only a small fraction of commercial end-users consider price as the primary factor in their purchase decision.

We sell our products through a distributor network primarily to professional snowplowers who are contracted to remove snow and ice from commercial, municipal and residential areas. Because of the exceptional customer loyalty that we have engendered for our products over the last 50 years, we believe our installed base is the largest in the industry with over 500,000 snowplows and sand and salt spreaders in service. Because sales of snowplows and sand and salt spreaders are primarily driven by the need of our core end-user base to replace worn existing equipment, we believe our substantial installed base provides us with a high degree of predictable sales over any extended period of time.

We believe we are the industry's most operationally efficient manufacturer due to our vertical integration, highly variable cost structure and intense focus on lean manufacturing. Due in substantial part to our operational efficiency, we have increased our variable gross profit per unit by approximately 4% per annum from 2002 through 2005, the year we acquired Blizzard, and by approximately 6% per annum from 2006 through 2010. We continually seek to use lean principles to reduce costs and increase the efficiency of our manufacturing operations. Implementation of these principles has allowed us to substantially improve the productivity of our manufacturing processes through waste elimination and improved space utilization, creating a flexible environment capable of efficiently responding to large variations in end-user demand and delivering best-in-class customer service and responsiveness, thereby enabling us to increase distributor and end-user satisfaction. Our manufacturing efficiencies have contributed to the increase of our gross profit per unit by approximately 3.2% per annum, compounded annually, from 2000 to 2010, while our revenue per unit has increased approximately 5% per year from 2002 and 2010.

In addition, as a result of improvements in our manufacturing efficiency, we closed our Johnson City, Tennessee facility in August 2010 (which is still owned by the Company, but is held for sale), reducing our manufacturing facilities from three to two. We now manufacture our products in two facilities that we own in Milwaukee, Wisconsin (where we produce all of our hydraulic system kits for our snowplows, certain straight blades and mounts, and A-Frame, Quadrant, and Lift Frame, or AQ&L, attachments and salt spreaders) and Rockland, Maine (where we produce certain straight blades, certain heavyweight blades, certain V-Plows, mount and AQ&L attachments and salt spreaders). Our backlog as of December 31, 2010 and 2009 was $0.7 million and $2.6 million, respectively. We expect that all backlog as of December 31, 2010 will be shipped in 2011.

Our cost reduction efforts also include the rationalization of our supply base and implementation of a global sourcing strategy, resulting in approximately $3.9 million of cumulative annualized cost savings from 2006 to 2010 with the goal of an additional $1 million in annualized cost savings in 2011. Since 2006, we have reduced our supply base by 33% from over 450 suppliers to approximately 300 at December 31, 2010, with a target of 200 by the end of 2011. This rationalization has allowed us to strengthen our relationships with our remaining suppliers, which in turn has provided us with the ability to receive component deliveries on a more frequent basis, thereby better aligning our supply stock with our production demands.

We have also sought to improve our sourcing capabilities through the use of off-shore suppliers, including suppliers in China, which provide significant cost advantages. As of December 31, 2010, we had the ability to purchase components from 21 suppliers in China. Since 2006, our percentage of lower cost country material purchases has increased from 10.0% to 16.9% of our total purchases. In

furtherance of this process, in January 2009, we opened a sourcing office in China, which will become a central focus for specific component purchases and will provide a majority of our procurement cost savings in the future. In 2010, our off-shore sourcing initiatives resulted in cost savings of $0.9 million on an annualized basis. We expect that these sourcing changes will continue to provide us with cost savings in 2011. We typically stock additional inventory from off-shore suppliers or partner with off-shore suppliers who stock inventory in the United States in order to mitigate the risk of any shipping delays. See "Risk Factors—Risks Relating to Our Business and Industry—We depend on outside suppliers who may be unable to meet our volume and quality requirements, and we may be unable to obtain alternative sources."

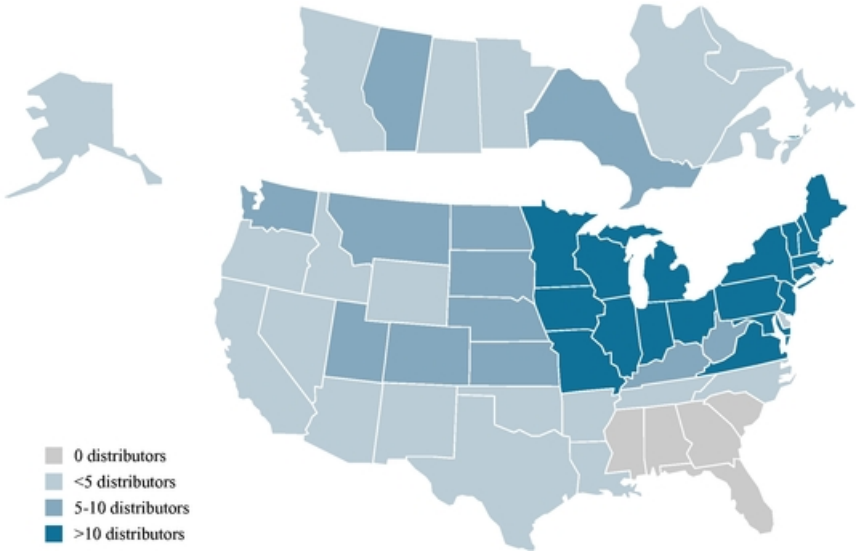
On May 10, 2010, we completed our initial public offering. In connection with our initial public offering, we listed our common stock on the New York Stock Exchange under the stock symbol "PLOW."

Distributor Network

We believe we have the industry's most extensive North American distributor network, which primarily consists of over 710 truck equipment distributors who purchase directly from us and are located throughout the snowbelt regions in North America (primarily the Midwest, East and Northeast regions of the United States as well as all provinces of Canada). We have longstanding relationships with many of our distributors, with an average tenure of approximately 15 years. Beginning in 2005, we began to extend our reach to international markets, establishing distribution relationships in Northern Europe and Asia, where we believe meaningful growth opportunities exist.

A breakdown of our distributor base by region is reflected in the map below. For 2010, our top 10 distributors accounted for approximately 19% of net sales. No single distributor accounted for more than 10% of our net sales or accounts receivable in 2008, 2009 or 2010. In 2008, 2009 and 2010, 89.1%, 89.5% and 90.8% of net sales, respectively, were from the U.S., 10.1%, 10.3% and 8.4% of net sales, respectively, were from Canada, and less than 1% of net sales were from outside of North America. Further, in 2010, 22.7%, 36.6% and 26.1% of our net sales were derived from sales to distributors in the Northeast, Eastern and Midwest portions of the United States, respectively, and 14.6% of our net sales were derived collectively from the Western United States, Alaska, Canada and other international sales.

Distributors by Region



Note: Distribution not represented on map includes China (2), Finland (3), France (1), South Korea (1), Scotland (1), Northern Ireland (1), and Australia (1).

We continually seek to grow and optimize our network by opportunistically adding high-quality, well-capitalized distributors in select geographic areas and by cross-selling our industry-leading brands within our distribution network. That being the case, our distributors may compete against each other as a result of saturation of the markets in which we operate or channel conflicts among our brands, and price competition among our distributors could lead to significant margin erosion among our distributors, which could in turn result in compressed margins or loss of market share for us. To limit these occurrences, distributors are rigorously screened before they are allowed to sell our snow and ice control products, allowing us to maintain relationships with only those distributors we believe to be the most reputable in the industry. Once selected, we strive to maintain close working relationships with our distributors and actively monitor their performance, quality of service and credit profiles. We also focus on further optimizing this network by providing in-depth training, valuable distributor support and attractive promotional and incentive opportunities.

Our Employees

As of December 31, 2010, we had 532 employees, comprised of 158 office and 374 factory employees. Of the 374 factory employees, 86 were temporary employees (as compared to 56 temporary employees as of December 31, 2009), the retention of which allows us to flex factory headcount to match the seasonal fluctuations inherent in the industry. The number of temporary employees we utilize in a given year and within a year varies based upon business conditions and snowfall levels. In 2010, our temporary employee headcount ranged from a low of 34 temporary employees to a high of 93 temporary employees. None of our employees are represented by a union and we are not party to any collective bargaining agreements.

PRINCIPAL AND SELLING STOCKHOLDERS

Unless otherwise noted, the following table and accompanying footnotes provide information regarding the beneficial ownership of our common stock as of April 29, 2011 with respect to:

- each person or group who beneficially owns 5% or more of the outstanding shares of our common stock;
- each member of our Board of Directors and each named executive officer;
- all members of our Board of Directors and executive officers as a group; and
- the selling stockholders.

Beneficial ownership, which is determined in accordance with the rules and regulations of the SEC, means the sole or shared power to vote or direct the voting or dispose or direct the disposition of our common stock. The number of shares of our common stock beneficially owned by a person includes shares of common stock issuable with respect to options or similar convertible securities held by that person that are exercisable or convertible within 60 days. Except as otherwise indicated in the footnotes to the table, shares are owned directly or indirectly with sole voting and investment power, subject to applicable community property laws.

The number of shares and percentage beneficial ownership of common stock set forth below is based on 21,848,947 shares of our common stock issued and outstanding as of April 29, 2011.

Unless otherwise indicated below, the address of each beneficial owner listed in the table is c/o Douglas Dynamics, Inc., 7777 N. 73rd Street, Milwaukee, WI 53223.

	Number of Shares of Common Stock Beneficially Owned Prior to this Offering		Number of Shares of Common Stock Offered		Number of Shares of Common Stock Beneficially Owned Immediately After Consummation of this Offering			
					Assuming the Underwriters' Over-Allotment Option is Not Exercised		Assuming the Underwriters' Over-Allotment Option is Exercised in Full	
Name and Address of Beneficial Owner	Number of Shares of Common Stock	Percentage of Class	Assuming the Underwriters' Over-Allotment Option is Not Exercised	Assuming the Underwriters' Over-Allotment Option is Exercised in Full	Number of Shares of Common Stock	Percentage of Class	Number of Shares of Common Stock	Percentage of Class
5% Stockholders								
Aurora Entities	6,590,459(1)(2)	29.9%						
Ares Corporate Opportunities Fund, L.P.(3)	2,332,394(4)	10.7%						
General Electric Pension Trust(5)	1,383,039	6.3%						
JPMorgan Chase & Co.	1,355,978(6)	6.2%	—	—	1,355,978		1,355,978	
Capital Research Global Inventors	1,300,000(7)	5.9%	—	—	1,300,000		1,300,000	
Directors and Named Executive Officers								
James L. Janik	(8)(9) 249,935(10)	1.1%						
Robert L. McCormick	(9) (10) 66,827(11)	*						
Mark Adamson	(9) (10) 78,368(12)	*						
Keith Hagelin	(9) (10) 8,899(13)	*						
Jack O. Peiffer	7,890(9)	*						
Michael W. Wickham	32,791(9)	*						
Mark Rosenbaum(14)	—	—						
Michael Marino(14)	—	—						
Nav Rahemtulla(15)	—	—						
James D. Staley	500	*						
James L. Packard	10,000(16)	*						
Donald W. Sturdivant	—	—						
All directors and executive officers as a group (12 persons)	(17) 455,210(18)	2.1%						
Other Selling Stockholders								

* Denotes ownership of less than 1%.

(1) Includes an aggregate of 4,485,534 shares of common stock held of record by the Aurora Entities (of which 4,426,744 shares are held of record by Aurora Equity Partners II L.P. and 58,760 shares are held of record by Aurora Overseas Equity Partners II, L.P.) and 2,104,925 Aurora Voting Shares. The 2,104,925 "Aurora Voting Shares" consist of (i) 721,886 shares held of record by certain securityholders (other than General Electric Pension Trust ("GEPT") and Ares) who have granted an irrevocable proxy to the Aurora Entities to vote all of their shares as the Aurora Entities shall determine (includes options currently exercisable or exercisable within 60 days to purchase 194,364 shares of common stock held by certain advisors and former advisors to Aurora Capital Group and members of management of Douglas Dynamics and 41,621 shares of restricted stock held by Douglas Dynamics' officers and management committee members that vest on May 4, 2011 (see footnote (2)), and (ii) 1,383,039 shares held of record by GEPT, which generally has agreed to vote all of its shares of stock in the same manner as the Aurora Entities vote their shares. The proxy and voting agreement are described more completely under "Certain Relationships and Related Party Transactions—Related Party Transactions—Securityholders Agreement."

In addition, pursuant to Amendment No. 2 to the Securityholders Agreement, for as long as the Aurora Entities collectively beneficially own at least 10% of the Company's outstanding common stock, certain of the Company's current and former management stockholders have agreed not to transfer any amount of the Company's securities owned by them, subject to limited exceptions, except at such time and in proportion with the Aurora Entities. Accordingly, each of the Aurora Entities may currently be deemed to have shared dispositive power with respect to the shares held by current and former management. As of April 29, 2011, these stockholders beneficially owned 571,167 shares of common stock (the "Restricted Shares"), of which 171,547 shares underlie options that are currently exercisable or exercisable within 60 days and 36,421 shares constitute shares of restricted stock that vest on May 4, 2011.

Each of the Aurora Entities is controlled by Aurora Advisors II LLC, a Delaware limited liability company ("AAII"). Messrs. Gerald L. Parsky and John T. Mapes, both of whom are Managing Directors of Aurora Capital Group, jointly control AAII and thus may be deemed to share beneficial ownership of the securities beneficially owned by the Aurora Entities, though the foregoing statement shall not be deemed an admission of their beneficial ownership of such securities. The address of each of the Aurora Entities and of Messrs. Parsky and Mapes is c/o Aurora Capital Group, 10877 Wilshire Boulevard, Suite 2100, Los Angeles, CA 90024.

(2) Includes options currently exercisable or exercisable within 60 days to purchase 194,364 shares of common stock, of which 47,500 options are expected to vest upon consummation of this offering (See "—2004 Stock Options" below). Such options are held by certain advisors and former advisors to Aurora Capital Group, as well as certain members of management of Douglas Dynamics. Also includes 41,621 shares of restricted stock held by Douglas Dynamics' officers and management committee members which vest on May 4, 2011. The shares issuable upon vesting of such restricted stock and upon exercise of the options described herein are subject to the proxies granted to the Aurora Entities described in footnote (1).

(3) Ares is indirectly controlled by Ares Partners Management Company LLC ("APMC"). APMC is managed by an executive committee comprised of Messrs. Michael Arougheti, David Kaplan, Gregory Margolies, Antony Ressler and Bennett Rosenthal. Each of the members of the executive committee expressly disclaims beneficial ownership of the shares of common stock of the Company held by Ares. The address of each of Ares Corporate Opportunities Fund, L.P. and APMC is 2000 Avenue of the Stars, Suite 1200, Los Angeles, California 90067.

(4) Consists of (i) 2,318,766 shares of common stock held of record by Ares and (ii) currently exercisable options to purchase 13,628 shares of common stock held by Ares.

(5) GEPT is an employee benefit plan trust for the benefit of the employees and retirees of General Electric Company and its subsidiaries. GE Asset Management Incorporated is a registered investment adviser and acts as Investment Manager for GEPT. GE Asset Management Incorporated may be deemed to beneficially share ownership of the shares owned by GEPT, but has no pecuniary interest in such shares. GE Asset Management Incorporated has delegated responsibility for exercising voting and dispositive power over the shares of our common stock held by GEPT to three of its officers: Donald W. Torey, President and Chief Investment Officer—Alternative Investments; Patrick J. McNeela, Chief Investment Officer and Senior Managing Director—U.S. Private Equities; and B.C. Sophia Wong, Vice President and Managing Director—Private Equities. These three officers act on a consensus basis in determining how and when to exercise voting and dispositive power with respect to these shares of common stock. Any such exercise requires the consent of at least two of these three persons. GE, Messrs. Torey and McNeela and Ms. Wong expressly disclaim beneficial ownership of all shares owned by GEPT. The address of GEPT is 3001 Summer Street, Stamford, Connecticut 06905. As discussed in footnote (1), pursuant to the Securityholders Agreement, with certain limited exceptions, GEPT has agreed to vote its shares of common stock in the same manner as the Aurora Entities. As a result of the Securityholders Agreement, GEPT may be deemed to be part of a group with the Aurora Entities.

(6) Based on information contained in a Schedule 13G filed with the SEC on January 31, 2011. The Schedule 13G states that JPMorgan Chase & Co. has the sole power to vote or direct the vote of 1,261,888 of these shares, the shared power to vote of direct the vote of 0 of these shares and the sole power to dispose or direct the disposition of 1,355,978 of these shares. The address of JPMorgan Chase & Co. is 270 Park Avenue, New York, NY 10017.

(7) Based on information contained in a Schedule 13G filed with the SEC on February 10, 2011. The address of Capital Research Global Investors is 333 South Hope Street, Los Angeles, CA 90071.

(8) Includes currently exercisable options to purchase 97,314 shares of common stock and 21,229 shares of restricted stock which vest on May 4, 2011.

(9) Constitutes Aurora Voting Shares.

(10) Constitutes Restricted Shares.

(11) Includes 10,822 shares of restricted stock which vest on May 4, 2011.

(12) Includes options currently exercisable or exercisable within 60 days to purchase 74,232 shares of common stock (of which 47,500 options are expected to vest upon consummation of this offering (see "—2004 Stock Options" below)), and 416 shares of restricted stock which vest on May 4, 2011.

(13) Includes 3,954 shares of restricted stock which vests on May 4, 2011.

(14) Associated with the Aurora Entities. Neither Mr. Marino nor Mr. Rosenbaum have beneficial ownership of the shares of common stock owned by the Aurora Entities.

(15) Associated with Ares. Amounts reported do not include shares held by Ares described elsewhere in this table. Mr. Rahemtulla expressly disclaims beneficial ownership of the shares of common stock owned by Ares.

(16) Consists of shares held by the James L. and Nancy J. Packard Revocable Trust of 2007.

(17) Of such shares, 444,710 constitute Aurora Voting Shares. Of the Aurora Voting Shares, 404,029 shares also constitute Restricted Shares.

(18) Includes options currently exercisable or exercisable within 60 days to purchase 171,547 shares of common stock (of which 47,500 options are expected to vest upon consummation of this offering (see "—2004 Stock Options" below)) and 36,421 shares of restricted stock which vests on May 4, 2011.

2004 Stock Options

Pursuant to the terms of the amended and restated stock option agreements governing outstanding options issued under our Amended and Restated 2004 Stock Incentive Plan, a "change of control" is deemed to occur if, among other things, the Aurora Entities and Ares cease to collectively beneficially own and control at least 51%, on a fully-diluted basis, of our outstanding capital stock entitled to vote for the election of members of our Board of Directors, unless the Aurora Entities and Ares collectively beneficially own and control (a) at least 35%, on a fully-diluted basis, of the outstanding capital stock of the Company entitled to vote for the election of members of our Board of Directors and (b) on a fully-diluted basis, more of the outstanding capital stock of the Company entitled to vote for the election of members of the Board than any other person or group. Immediately prior to a change of control, each of these options will become exercisable. If following the offering the Aurora Entities and Ares collectively beneficially own and control less than 35%, on a fully diluted basis, of our outstanding capital stock, a "change of control" would be deemed to occur under these option agreements. Because Mark Adamson, our Vice President, Sales and Marketing, is the only optionholder who holds unvested stock options under our Amended and Restated 2004 Stock Incentive Plan, Mr. Adamson is the only optionee whose options will be accelerated if a "change of control "occurs. Mr. Adamson holds 47,500 unvested stock options.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires our directors, executive officers, and persons who beneficially own more than 10% of our common stock to file with the SEC and with the NYSE reports of ownership and changes in ownership of our common stock. Directors, executive officers and greater than 10% stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file.

Based solely on review of such reports furnished to us or written representations that no other reports were required, we believe that, during 2010, each of our directors, executive officers and greater than 10% stockholders complied with all applicable Section 16(a) filing requirements except for the following:

- Ares filed a late Form 3 on May 5, 2010 to report its initial beneficial ownership of our common stock in connection with the effectiveness of our registration statement on May 4, 2010;
- A late Form 3 was filed on behalf of Messrs. Packard and Staley on July 29, 2010 to report their initial beneficial ownership of our common stock; and
- Due to the Thanksgiving holiday, Mr. Janik filed a late Form 4 on November 30, 2010 to report a sale of our common stock on November 24, 2010.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Related Party Transaction Policy

Our Board of Directors has adopted written policies and procedures regarding related person transactions. These policies and procedures require the review and approval of all transactions involving us or any of our subsidiaries and a related person in which (i) the aggregate amount involved will or may be expected to exceed $120,000 in any fiscal year and (ii) a related person has or will have a direct or indirect interest (other than solely as a result of being a director or less than 10% beneficial owner of another entity) prior to entering into such transaction.

For purposes of the policy, related persons include our directors, executive officers, 5% or greater stockholders and parties related to the foregoing, such as immediate family members and entities they control. In reviewing such transactions, the policy requires our Audit Committee to consider all of the relevant facts and circumstances available to the Audit Committee, including the extent of the related person's interest in the transaction and whether the relationship should be continued or eliminated. In determining whether to approve a related party transaction, the standard applied by the Audit Committee is whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and whether or not a particular relationship serves the best interest of our company and our stockholders. In addition, the policy delegates to the chair of the Audit Committee the authority to pre-approve or ratify any transaction with a related person in which the aggregate amount involved is expected to be less than $1,000,000.

Related Party Transactions

The following is a description of transactions since January 1, 2008 to which we have been a party, in which the amount involved in the transaction exceeded or will exceed $120,000, and in which any of our directors, executive officers or beneficial holders of more than 5% of our capital stock had or will have a direct or indirect material interest.

Promissory Notes / Pledge and Security Agreements

We are not party to any loan arrangements with our current executive officers or directors. However, under the terms of our management incentive and non-qualified stock option agreements under our 2004 Stock Incentive Plan, in effect prior to the consummation of our initial public offering, members of management who received options underlying shares of our common stock could elect to satisfy the exercise price of such options by delivering a full recourse promissory note to us in respect of the aggregate exercise price together with the execution of a pledge and security agreement pledging to us as a security for payment under the promissory note the acquired shares of our common stock. While we eliminated this method of satisfying the exercise price of our stock options prior to the consummation of our initial public offering by amending the 2004 Stock Incentive Plan as well as any of our management incentive and non-qualified stock option agreements that included this provision, summarized below is the principal amount of and interest that accrued in 2008, 2009 and 2010 on any such promissory notes delivered by individuals who are, or were, executive officers of the Company at any time in the past three years. The only notes that remain outstanding are those of our former executive officers, none of whom were a director, executive officer or greater than 10% beneficial owner of our common stock in the past three years. The principal amount of and the interest accrued on the promissory notes delivered by Messrs. Janik and McCormick were canceled as described under "—Repurchase Agreements" below.

- Kenneth Black (Former Vice President of Operations from 2005 to 2008): On August 1, 2006 and August 15, 2007, Mr. Black delivered to the Company promissory notes in the principal amounts of $100,000 and $100,000 in respect of his exercise of 23,750 and 23,750 stock options, respectively. In connection with Mr. Black's termination from the Company in April 2008, the

Company exercised its right to repurchase his 47,500 shares of common stock per the terms of his separation agreement at a price per share of $6.57 (for an aggregate price of $312,000) and the principal and interest accrued on his promissory notes were satisfied with the proceeds from the repurchase of shares. During 2007, $5,000 in interest accrued in respect of Mr. Black's August 1, 2006 promissory note and $1,890 in interest accrued in respect of Mr. Black's August 15, 2007 promissory note. From January 1, 2008 through Mr. Black's termination on April 17, 2008, $1,466 in interest accrued on each of his promissory notes.

- James L. Janik: On October 3, 2007, Mr. Janik delivered to the Company a promissory note in the principal amount of $300,000 in respect of his exercise of 71,250 stock options. In connection with the repurchase transactions described below, (i) $292,500 of the principal amount outstanding under Mr. Janik's promissory note as of December 22, 2008 was satisfied from the proceeds of the share repurchase and all interest accrued thereon as of such date was forgiven and (ii) on January 23, 2009 the remaining principal was satisfied and interest accrued on the promissory note was forgiven. See "—Repurchase Agreements." During 2007 and 2008, interest of $3,658 and $14,790, accrued, respectively, on the promissory note. From January 1, 2009 to January 23, 2009, the date of satisfaction of the promissory note, $24 of interest accrued on the promissory note.

- Robert McCormick: On October 3, 2007, Mr. McCormick delivered to the Company a promissory note in the principal amount of $300,000 in respect of his exercise of 71,250 stock options. In connection with the repurchase transactions described below, (i) $170,100 of the principal amount outstanding under Mr. McCormick's promissory note as of December 22, 2008 was satisfied from the proceeds of the share repurchase and all interest accrued thereon as of such date was forgiven and (ii) on January 23, 2009 the remaining principal amount was satisfied and accrued interest on the promissory note was forgiven. See "—Repurchase Agreements." During 2007 and 2008, interest of $3,658 and $14,639, respectively, accrued on the promissory note. From January 1, 2009 to January 23, 2009, the date of satisfaction of the promissory note, $24 of interest accrued on the promissory note.

Repurchase Agreements

On December 22, 2008 and January 23, 2009, we entered into securities repurchase agreements with each of Messrs. Janik and McCormick. Pursuant to these agreements, we repurchased a portion of our common stock and stock options exercisable for shares of our common stock in exchange for a cash payment and the satisfaction of the principal amount of the promissory notes then held by Messrs. Janik and McCormick as described under "—Promissory Notes / Pledge and Security Agreements" above.

Pursuant to the repurchase agreements that we entered into with Mr. Janik, (i) on December 22, 2008, we repurchased 76,594 shares of our common stock in exchange for aggregate consideration of $957,516, comprised of a cash payment to Mr. Janik in the amount of $665,016 and the satisfaction of $292,500 of principal on his promissory note; and (ii) on January 23, 2009, we repurchased 1,781 shares of our common stock and options to purchase an aggregate of 79,349 shares of our common stock at an exercise price of $4.21 per share in exchange for aggregate consideration of $672,513, comprised of a cash payment to Mr. Janik in the amount of $665,013 and the satisfaction of the remaining principal amount of $7,500 on his promissory note. In connection with these repurchase transactions, we also forgave the accrued interest, totaling $18,472, on Mr. Janik's promissory note.

Pursuant to the repurchase agreements that we entered into with Mr. McCormick, (i) on December 22, 2008, we repurchased 40,399 shares of our common stock in exchange for aggregate consideration of $505,034, comprised of a cash payment to Mr. McCormick in the amount of $334,934 and the satisfaction of $170,100 of principal on his promissory note; and (ii) on January 23, 2009, we

repurchased 30,851 shares of our common stock and options to purchase an aggregate of 10,023 shares of our common stock at an exercise price per share of $4.21 per share in exchange for aggregate consideration of $464,850, comprised of a cash payment to Mr. McCormick in the amount of $334,950 and the satisfaction of the remaining principal amount of $129,900 on his promissory note. In connection with these repurchase transactions, we also forgave the accrued interest, totaling $18,321, on Mr. McCormick's promissory note.

Each of the repurchase agreements obligates the executive to remit to us certain sums if the executive is terminated by us for cause (as defined in his employment agreement, see "Executive Compensation—Potential Payments upon Termination or Change of Control—Involuntary Termination Without Cause or Resignation Due to Material Breach" in our Definitive Proxy Statement on Schedule 14A, filed with the SEC on March 30, 2011) or voluntarily terminates his employment with us for any reason other than a material breach (as defined in his employment agreement, see "Executive Compensation—Potential Payments upon Termination or Change of Control—Involuntary Termination Without Cause or Resignation Due to Material Breach" in our Definitive Proxy Statement on Schedule 14A, filed with the SEC on March 30, 2011) within 36 months following the date of the applicable repurchase agreement. More specifically, Mr. Janik's repurchase agreements require him to remit to us $1,330,029 if his employment so terminates before December 22, 2011 and $665,013 if his employment so terminates between December 22, 2011 and prior to January 23, 2012. Mr. McCormick's repurchase agreements require him to remit to us $669,884 if his employment is so terminated before December 22, 2011 and $334,950 if his employment is so terminated between December 22, 2011 and prior to January 23, 2012.

Securityholders Agreement

Since 2004, we have been party to that certain Second Amended and Restated Securityholders Agreement dated June 30, 2004, as amended by that certain amendment dated as of December 27, 2004, and as further amended by that certain second amendment dated as of May 10, 2010, which we refer to in this prospectus as the Securityholders Agreement, among Douglas Holdings, the Aurora Entities, Ares and Douglas Holdings' other pre-IPO stockholders, optionholders and warrantholders, including Messrs. McCormick, Janik, Adamson, Hagelin, Peiffer and Wickham, and certain other executives of the Company (such other stockholders, optionholders and warrantholders being the "Class A securityholders"). The Securityholders Agreement will survive consummation of this offering.

The following is a summary description of the material terms of the Securityholders Agreement. This summary description does not purport to be complete and is subject to and qualified in its entirety by reference to the definitive Securityholders Agreement, which has been filed with the SEC as an exhibit to the registration statement of which this prospectus forms a part.

Transfer Restrictions. Subject to certain limited exceptions, each of the securityholders party to the Securityholders Agreement has agreed that, without the consent of the Aurora Entities and Ares, it will not transfer any amount of our securities that would exceed the lesser of two times the volume limitations set forth in clauses (i), (ii) or (iii) of Rule 144(e)(1) of the Securities Act, regardless of whether such transfer or such securities are otherwise subject to Rule 144. In addition, pursuant to the second amendment to the Securityholders Agreement, which was entered into concurrent with the consummation of our initial public offering, our management stockholders and certain members of former management are prohibited, for as long as the Aurora Entities collectively beneficially own at least 10% of the Company's outstanding common stock, from transferring any amount of our securities owned by them except at such time and in proportion with the Aurora Entities. In addition, certain of the securityholders party to the Securityholders Agreement have agreed to enter into a "lock-up" agreement upon the request of the underwriters in connection with this offering. See "Underwriting."

Proxy and Voting Arrangements. Each of the Class A securityholders party to the Securityholders Agreement (other than GEPT and, for purposes of clarity, not including Ares, which is referred to as a Class C securityholder in the Securityholders Agreement) has granted an irrevocable proxy to the Aurora Entities with respect to all shares of our common stock and preferred stock owned by such Class A securityholder from time to time. With certain limited exceptions, GEPT has agreed to vote all shares of our common stock and preferred stock held by GEPT from time to time in the same manner as the Aurora Entities vote their shares of our common stock and preferred stock. Shares of our common stock and preferred stock are to be released from the proxy and voting agreement when they are no longer owned beneficially or of record by the securityholder party to the Securityholders Agreement or any of his, her or its permitted transferees (as defined therein).

Registration Rights. All securityholders who are party to the Securityholders Agreement are entitled to certain "piggy-back" registration rights with respect to shares of our common stock in connection with the registration of our equity securities. In addition, any securityholder that is a holder of 10% or more of the outstanding shares of our common stock is entitled to demand the registration of its shares, subject to customary restrictions. We are required to bear all expenses incident to any such registrations, including the fees and expenses of a single counsel retained by the selling stockholders; however, each selling stockholder will be responsible for the underwriting discounts and commissions and transfer taxes in connection with shares sold by such stockholder. Each selling stockholder and the underwriters through whom shares are sold on behalf of a selling stockholder will be entitled to customary indemnification from us against certain liabilities, including liabilities under the Securities Act. In connection with this offering, we expect to bear $ in expenses pursuant to this provision.

Information Rights, Board Observer Rights and Consultation. Subject to certain ownership thresholds, Ares and GEPT have the right to (i) receive certain specified quarterly and annual financial information, and, with respect to the annual information only, a report on the annual financial statements by our independent certified public accountants and (ii) the right to send one observer to all meetings of our Board of Directors, subject to customary confidentiality restrictions. We have also agreed to consult with representatives of Ares concerning certain material issues, events or transactions, including without limitation the preparation of our annual business plan. Ares is entitled to the foregoing information, board observer and consultation rights if it owns less than 1,425,000 shares of our common stock, but not less than 475,000 shares of our common stock. GEPT is entitled to such rights provided it owns at least 219,688 shares of our common stock.

Amendment and Termination. The Securityholders Agreement may be amended at any time pursuant to a written agreement executed by (i) us, (ii) the Aurora Entities (subject to the Aurora Entities and its co-investors owning at least 2,827,271 shares of our common stock), (iii) Ares (subject to Ares and its affiliates owning at least 1,425,000 shares of our common stock), (iv) the holders of a majority in interest of the shares of our common stock and preferred stock who are party to the Securityholders Agreement, voting together as a single class, (v) in the case of an amendment adversely affecting the rights of any particular securityholder party to the Securityholders Agreement, the written agreement of such securityholder and (vi) in the case of an amendment to GEPT's proxy, information rights, board observer rights or liability provision, the written agreement of GEPT. The Securityholders Agreement will terminate on the earlier to occur of (i) June 30, 2014, and (ii) the written approval of (a) us, (b) the Aurora Entities (subject to the Aurora Entities and its co-investors meeting the ownership threshold described above), (c) Ares (subject to Ares and its affiliates meeting the ownership threshold described above), and (d) the holders of a majority in voting interest of our common stock and preferred stock, voting together as a single class (including the Aurora Entities and Ares); provided that in the case of a termination that adversely affects the rights of any particular securityholder party to the Securityholders Agreement, the written agreement of such securityholder is required before such termination will be deemed effective as to such securityholder.

Management Services Agreement

Since 2004 we have been party to a management services agreement with Aurora Management Partners LLC, a Delaware limited liability company, which we refer to in this prospectus as AMP, and ACOF Management, L.P., a Delaware limited partnership, which we refer to in this prospectus as ACOF. AMP is an affiliate of Aurora Capital Group and ACOF is an affiliate of Ares.

In order to continue to receive from AMP and ACOF the consultation and advisory services described below, in connection with the consummation of our initial public offering, we amended and restated the management services agreement. Pursuant to this amendment and restatement, we extended the term for which AMP and ACOF will provide such services to us, as described below under "—Termination", and eliminated the annual management fee and transaction fee thereunder in exchange for an aggregate one-time fee of approximately $5.8 million that was paid to AMP and ACOF upon the consummation of our initial public offering, pro rata in accordance with their respective holdings. We also amended the expense reimbursement provisions to include reimbursement for out-of-pocket expenses incurred in connection with services provided under the management services agreement as well as SEC and other legally required filings made by each of AMP and ACOF with respect to our securities.

The following is a summary description of all the material terms of the management services agreement, both as in effect immediately prior to and after the consummation of our initial public offering.

Services. Pursuant to the management services agreement, AMP and ACOF provide us with consultation and advice in fields such as financial services, accounting, general business management, acquisitions, dispositions and banking.

Fees and Expenses. In return for such services, prior to our initial public offering, AMP and ACOF received a services fee in an aggregate amount equal to $1.25 million per annum, paid in advance semi-annually on May 1 and November 1 of each applicable year (each such date being the "payment date"). These fees were divided between AMP and ACOF pro rata in accordance with the respective holdings of shares of our stock by the Aurora Entities (including that of its affiliates and co-investors) and Ares (including that of its affiliates). During each of 2008 and 2009, we paid a services fee of $795,454 and $454,546 to AMP and ACOF, respectively, and for the portion of 2010 for which AMP and ACOF were entitled to the services fee, we paid a services fee of $21,973 and $12,453 to AMP and ACOF, respectively.

In addition to the services fee, prior to our initial public offering, AMP and ACOF were entitled to receive a transaction fee, to be divided between AMP and ACOF in accordance with their respective holdings of shares of our common stock on the date of the transaction, equal to 2.0% of the first $75 million of the aggregate of any acquisition or disposition consideration (including debt assumed by a purchaser and current assets retained by a seller) and 1.0% of the aggregate acquisition or disposition consideration (including debt assumed by a purchaser and current assets retained by a seller) in excess of $75 million, with respect to (i) any acquisition, (ii) any sale or disposition of any division of us, (iii) any sale or disposition of all or substantially all of our assets, or (iv) any other sale of any of our assets other than in the ordinary course of business. During 2008, 2009, and the portion of 2010 for which this provision was in effect, we did not pay any transaction fees to AMP or ACOF.

As discussed above, in connection with our initial public offering, we eliminated the provisions in the management services agreement pursuant to which we were obligated to pay to AMP and ACOF an annual management services fee and a transaction fee.

Prior to our initial public offering, the management services agreement required us to reimburse AMP and ACOF for all reasonable out-of-pocket costs and expenses incurred in connection with the performance of their obligations under the management services agreement. In connection with our

initial public offering, we modified the fee and expense reimbursement provisions to include reimbursement for out-of-pocket expenses incurred in connection with services provided under the management services agreement as well as SEC and other legally required filings made by each of AMP and ACOF with respect to our securities. During 2008, 2009 and 2010, pursuant to the expense reimbursement provision, we reimbursed (i) AMP $117,524, $140,908 and $120,052, respectively, and (ii) ACOF $1,886, $2,461 and $2,210, respectively.

Those of our directors employed by AMP or ACOF are not entitled to any additional compensation in connection with their provision of services under the management services agreement.

Indemnification. The management services agreement also provides that the Company will provide AMP, ACOF and their respective partners, members, officers, employees, agents and affiliates and the stockholders, partners, members, affiliates, directors, officers and employees of any of the foregoing with customary indemnification.

Termination. As discussed above, in connection with our initial public offering we extended the term of the management services agreement, which otherwise would have terminated upon the consummation of our initial public offering. In particular, pursuant to this amendment and restatement, we extended the term for which AMP and ACOF will provide the services described above to us until the earlier of (i) the fifth anniversary of the consummation of our initial public offering, (ii) such time as AMP and ACOF, together with their affiliates, collectively own less than 5% of our outstanding common stock and (iii) such time as all parties mutually agree in writing, while eliminating all other termination events (other than termination for cause).

Redemption of Series B Preferred Stock and Series C Preferred Stock

Concurrent with our initial public offering, we redeemed the one share of Series B preferred stock and one share of Series C preferred stock outstanding and held by Aurora Equity Partners II L.P. and Ares, respectively, each at a price of $1,000 per share.

Appointment of Directors

Pursuant to the terms of our certificate of incorporation in effect prior to the consummation of our initial public offering, the Aurora Entities were entitled to elect four directors to the Board of Directors and Ares was entitled to elect two directors to the Board of Directors. Pursuant to these rights, the Aurora Entities appointed Messrs. Peiffer, Wickham, Marino, and Rosenbaum, and Ares appointed Messrs. Rahemtulla and Serota, to the Board of Directors. Mr. Serota retired from our Board of Directors on October 8, 2010. These appointment rights terminated prior to the consummation of our initial public offering; Messrs. Peiffer, Wickham, Marino, Rosenbaum and Rahemtulla continue to serve as members of the Board of Directors.

Net Exercises of Stock Options

As more fully described in Part II, Item 15 of the registration statement to which this prospectus forms a part, during 2010 certain of our executive officers and directors satisfied the exercise price of certain stock options that they exercised through a net exercise.

INTERESTS OF CERTAIN AFFILIATES IN THIS OFFERING

Certain of our executive officers and other affiliates may stand to benefit as a result of this offering. It is anticipated that the Aurora Entities and Ares will sell and shares of our common stock, respectively, in this offering, assuming the underwriters' over-allotment option is not exercised. See "Principal and Selling Stockholders."

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material United States federal income tax consequences relating to the purchase, ownership and disposition of shares of our common stock, as of the date hereof. This summary deals only with shares of our common stock that are held as capital assets (generally, property held for investment). This summary does not discuss any state, local or foreign tax consequences and does not discuss all aspects of United States federal income taxation that may be relevant to the purchase, ownership or disposition of our common stock by prospective investors in light of their particular circumstances. In particular, except to the extent discussed below, this summary does not address all of the tax consequences that may be relevant to certain types of investors subject to special treatment under United States federal income tax laws, such as:

- dealers in securities or currencies, brokers, financial institutions, "controlled foreign corporations", "passive foreign investment companies", regulated investment companies, real estate investment trusts, retirement plans, United States expatriates, tax-exempt entities, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings or insurance companies;
- U.S. Holders of shares of our common stock whose "functional currency" is not the U.S. dollar;
- persons holding shares of our common stock as part of a hedging, integrated, constructive sale, or conversion transaction or a straddle;
- entities that are treated as partnerships for United States federal income tax purposes; or
- persons liable for alternative minimum tax consequences.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable United States Treasury regulations promulgated thereunder, and rulings and judicial decisions as of the date hereof. Those authorities are subject to different interpretations and may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those discussed below.

If a partnership holds shares of our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding shares of our common stock, you should consult your tax advisor as to the particular United States federal income tax consequences applicable to you.

If you are considering the purchase of shares of our common stock, you should consult your own tax advisors concerning the United States federal income tax consequences to you and any consequences arising under the laws of any state, local, foreign or other taxing jurisdiction. Each prospective investor should seek advice based on its particular circumstances from an independent tax advisor.

For purposes of this summary, a "U.S. Holder" means a beneficial owner of a share of our common stock that is:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if (1) it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust,

or (2) it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

Consequences to U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a U.S. Holder of shares of our common stock.

Dividend Distributions

If we make a distribution in respect of our stock, the distribution will be treated as a dividend to the extent it is paid from our current or accumulated earnings and profits. If the distribution exceeds current and accumulated earnings and profits, the excess will be treated as a nontaxable return of capital reducing the U.S. Holder's adjusted tax basis in the U.S. Holder's common stock to the extent of the U.S. Holder's adjusted tax basis in that stock. Any remaining excess will be treated as capital gain. The Code provides for special treatment of dividends paid to individual taxpayers prior to 2013. If a U.S. Holder is an individual, dividends received by such holder generally will be subject to a reduced maximum tax rate of 15% through December 31, 2012, after which the rate applicable to dividends is scheduled to return to the tax rate generally applicable to ordinary income. The rate reduction will not apply to dividends received to the extent that the U.S. holder elects to treat dividends as "investment income," which may be offset by investment expense. Furthermore, the rate reduction also will not apply to dividends that are paid to a U.S. Holder unless certain holding period requirements are satisfied. If a U.S. Holder is a U.S. corporation, it will be able to claim the deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations equal to a portion of any dividends received subject to generally applicable limitations on that deduction. In general, a dividend distribution to a corporate U.S. Holder may qualify for the 70% dividends received deduction if the U.S. Holder owns less than 20% of the voting power and value of our stock.

U.S. Holders should consult their tax advisors regarding the holding period requirements that must be satisfied in order to qualify the dividends-received deduction and the reduced maximum tax rate on dividends.

Sale, Exchange, Redemption or Other Disposition of Stock

A U.S. Holder will generally recognize capital gain or loss on a sale or exchange of our common stock. The U.S. Holder's gain or loss will equal the difference between the amount realized by the U.S. Holder and the U.S. Holder's adjusted tax basis in the stock. The amount realized by the U.S. Holder will include the amount of any cash and the fair market value of any other property received for the stock. Gain or loss recognized by a U.S. Holder on a sale or exchange of stock will be long-term capital gain or loss if the holder held the stock for more than one year. Long-term capital gains of non-corporate taxpayers are taxed at lower rates than those applicable to ordinary income. The deductibility of capital losses is subject to certain limitations.

Information Reporting and Backup Withholding

When required, we or our paying agent will report to the holders of shares of our common stock and the Internal Revenue Service (the "IRS") amounts paid on or with respect to our common stock during each calendar year and the amount of tax, if any, withheld from such payments. A U.S. Holder will be subject to backup withholding on dividends paid on our common stock and proceeds from the sale of our common stock at the applicable rate (which is currently 28%) if the U.S. Holder (a) fails to provide us or our paying agent with a correct taxpayer identification number or certification of exempt status, (b) has been notified by the IRS that it is subject to backup withholdings as a result of the failure to properly report payments of interest or dividends or, (c) in certain circumstances, has failed

to certify under penalty of perjury that it is not subject to backup withholding. A U.S. Holder may be eligible for an exemption from backup withholding by providing a properly completed IRS Form W-9 to us or our paying agent. Any amounts withheld under the backup withholding rules will generally be allowed as a refund or a credit against a U.S. Holder's United States federal income tax liability provided the required information is properly furnished to the IRS on a timely basis.

Consequences to Non-U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a Non-U.S. Holder of shares of our common stock (as defined below). The term "Non-U.S. Holder" means a beneficial owner of shares of our common stock that is not a U.S. Holder.

Dividend Distributions

Any dividends paid with respect to the shares of our common stock will generally be subject to withholding tax at a 30% rate or such lower rate as specified by an applicable income tax treaty. However, dividends that are effectively connected with a Non-U.S. Holder's conduct of a trade or business within the United States and, where an applicable tax treaty so provides, are attributable to such Non-U.S. Holder's permanent establishment in the United States, are not subject to the withholding tax, but instead are subject to United States federal income tax on a net income basis at applicable graduated individual or corporate rates. Certain certification and disclosure requirements must be complied with in order for effectively connected income to be exempt from withholding. Any such effectively connected dividends received by a foreign corporation may, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as specified by an applicable income tax treaty.

A Non-U.S. Holder of shares of our common stock who wishes to claim the benefit of an applicable treaty rate is required to satisfy applicable certification and other requirements. If a Non-U.S. Holder is eligible for a reduced rate of United States withholding tax pursuant to an income tax treaty, the holder may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for such refund or credit with the Internal Revenue Service ("IRS").

Sale, Exchange, Redemption or Other Disposition of Stock

Any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption or other taxable disposition of shares of our common stock generally will not be subject to United States federal income tax unless:

- that gain is effectively connected with such Non-U.S. Holder's conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment);
- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a "United States real property holding corporation" for United States federal income tax purposes at any time within the shorter of the five-year period preceding the date of disposition or the period that such Non-U.S. Holder held shares of our common stock and either (a) our common stock was not regularly traded on an established securities market at any time during the calendar year in which the disposition occurs, or (b) the Non-U.S. Holder owns or owned (actually or constructively) more than five percent of the total fair market value of shares of our common stock at any time during the five-year period preceding the date of disposition. We are not, and do not anticipate that we will become, a "U.S. real property holding corporation" for United States federal income tax purposes.

An individual Non-U.S. Holder described in the first bullet point above will generally be subject to United States federal income tax on the net gain derived from the sale under regular graduated United States federal income tax rates or such lower rate. An individual Non-U.S. Holder described in the second bullet point above will generally be subject to a flat 30% United States federal income tax on the gain derived from the sale, which may be offset by United States source capital losses. If a Non-U.S. Holder is eligible for the benefits of a tax treaty between the United States and its country of residence, any such gain will be subject to United States federal income tax in the manner specified by the treaty and generally will only be subject to such tax if such gain is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States and the Non-U.S. Holder claims the benefit of the treaty by properly submitting an IRS Form W-8BEN (or suitable successor or substitute form). A Non-U.S. Holder that is a foreign corporation and is described in the first bullet point above will be subject to tax on gain under regular graduated United States federal income tax rates and, in addition, may be subject to a branch profits tax at a 30% rate or a lower rate if so specified by an applicable income tax treaty.

Information Reporting and Backup Withholding

We must report annually to the IRS the amount of dividends or other distributions we pay to you on shares of our common stock and the amount of tax we withhold on these distributions. Copies of the information returns reporting such distributions and any withholding may also be made available to the tax authorities in the country in which the holder resides under the provisions of an applicable income tax treaty. The United States imposes a backup withholding tax on dividends and certain other types of payments to United States persons. A Non-U.S. Holder will not be subject to backup withholding tax on dividends the holder receives on shares of our common stock if the holder provides proper certification (usually on an IRS Form W-8BEN) of the holder's status as a non-United States person or other exempt status.

Information reporting and backup withholding generally are not required with respect to the amount of any proceeds from the sale of shares of our common stock outside the United States through a foreign office of a foreign broker that does not have certain specified connections to the United States. However, if a Non-U.S. Holder sells shares of our common stock through a United States broker or the United States office of a foreign broker, the broker will be required to report the amount of proceeds paid to the Non-U.S. Holder to the IRS and also backup withhold on that amount unless the Non-U.S. Holder provides appropriate certification (usually on an IRS Form W-8BEN) to the broker of the holder's status as a non-United States person or other exempt status.

Any amounts withheld under the backup withholding rules will generally be allowed as a refund or a credit against a Non-U.S. Holder's United States federal income tax liability provided the required information is properly furnished to the IRS on a timely basis.

New Legislation Relating to Foreign Accounts

Newly enacted legislation may impose withholding taxes on certain types of payments made to "foreign financial institutions" and certain other non-U.S. entities after December 31, 2012. The legislation generally imposes a 30% withholding tax on dividends on, or gross proceeds from the sale or other disposition of, our common stock paid to a foreign financial institution unless the foreign financial institution enters into an agreement with the U.S. Treasury to among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned foreign entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these reporting and other requirements. In addition, the legislation generally imposes a 30% withholding tax on the same types of payments to a foreign non-financial entity unless the entity certifies that it does not have any substantial U.S. owners or furnishes

identifying information regarding each substantial U.S. owner. Prospective investors should consult their tax advisors regarding this legislation.

Medicare Contributions Tax

Under newly enacted legislation, certain U.S. Holders who are individuals, estates or trusts will be required to pay an additional 3.8% tax on, among other things, dividends on and capital gains from the sale or other disposition of stock for taxable years beginning after December 31, 2012. U.S. Holders should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of our common stock.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , 2011, the selling stockholders have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC is acting as representative, the following respective numbers of shares of our common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Oppenheimer & Co. Inc	
Robert W. Baird & Co. Incorporated	
Piper Jaffray & Co.	
Total	

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of our common stock in this offering if any are purchased, other than those shares covered by the over-allotment option described below. The underwriting agreement also provides that if an underwriter defaults the purchase commitments of non-defaulting underwriters may be increased or this offering may be terminated.

The selling stockholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to an aggregate of additional outstanding shares at the offering price less the underwriting discounts and commissions. The option may be exercised only to cover any over-allotments of our common stock.

The underwriters propose to offer the shares of our common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. After this offering the underwriters may change the public offering price and concession.

The following table summarizes the compensation and estimated expenses we and the selling stockholders will pay:

	Per Share		Total	
	Without Over-allotment	With Over-allotment	Without Over-allotment	With Over-allotment
Expenses payable by us	$	$	$	$
Underwriting Discounts and Commissions paid by selling stockholders	$	$	$	$
Expenses payable by the selling stockholders	$	$	$	$

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 90 days after the date of this prospectus, subject to limited exceptions. However, in the event that either (1) during the last 17 days of the "lock-up" period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the "lock-up" period, we announce that we will release earnings results during the 16-day period beginning on the last day of the "lock-up" period, then in either case the expiration of the "lock-up" will be extended until the expiration of the 18-day period beginning on the date of the

release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

Our officers, directors, and selling stockholders have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC for a period of 90 days after the date of this prospectus, subject to limited exceptions. However, in the event that either (1) during the last 17 days of the "lock-up" period, we release earnings results or material news or a material event relating to us occurs or (2) prior to the expiration of the "lock-up" period, we announce that we will release earnings results during the 16-day period beginning on the last day of the "lock-up" period, then in either case the expiration of the "lock-up" will be extended until the expiration of the 18-day period beginning on the date of the release of the earnings results or the occurrence of the material news or event, as applicable, unless Credit Suisse Securities (USA) LLC waives, in writing, such an extension.

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. Credit Suisse Securities (USA) LLC acted as a joint bookrunner, a joint lead arranger and the syndication agent under the $70 million Amended and Restated Credit and Guaranty Agreement of Douglas Dynamics, L.L.C., dated as of April 18, 2011.

We and the selling stockholders have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

Our common stock is listed on the New York Stock Exchange under the symbol "PLOW".

In connection with this offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids and passive market making in accordance with Regulation M under the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

- Syndicate covering transactions involve purchases of our common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. If the underwriters sell more

shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in this offering.

- Penalty bids permit the representative to reclaim a selling concession from a syndicate member when our common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

- In passive market making, market makers in our common stock who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchases of our common stock until the time, if any, at which a stabilizing bid is made.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NYSE or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representative may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations.

NOTICE TO CANADIAN RESIDENTS

The distribution of the shares of our common stock in Canada is being made only on a private placement basis exempt from the requirement that we and the selling stockholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of shares of our common stock are made. Any resale of the shares of our common stock in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the shares of our common stock

LEGAL MATTERS

The validity of the shares of our common stock offered hereby will be passed upon for us by Gibson, Dunn & Crutcher LLP, Los Angeles, California. Gibson, Dunn & Crutcher LLP regularly serves as counsel to Aurora Capital Group and its affiliates and is also representing Aurora Capital Group as a selling stockholder in connection with this offering. The validity of the shares of our common stock offered hereby will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, Los Angeles, California.

EXPERTS

The consolidated financial statements of Douglas Dynamics, Inc. at December 31, 2010 and 2009, and for each of the three years in the period ended December 31, 2010, in the Company's Annual Report on Form 10-K for the year ended December 31, 2010, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act with respect to the common stock offered in this prospectus. This prospectus is a part of the registration statement and does not contain all of the information set forth in the registration statement. For further information about us and our common stock, you should refer to the registration statement. This prospectus summarizes material provisions of contracts and other documents to which we refer you. Since the prospectus may not contain all of the information that you may find important, you should review the full text of these contracts and other documents. We have included or incorporated by reference copies of these documents as exhibits to our registration statement.

We file annual, quarterly and current reports and other information with the SEC. Those filings with the SEC are, and will continue to be, available to the public on the SEC's website at *www.sec.gov*. Those filings also are, and will continue to be, available to the public on, or accessible through, our corporate web site at *www.DouglasDynamics.com*. The information contained on or accessible through our corporate web site is not part of this prospectus or the registration statement of which this prospectus is a part. You may also read and copy, at SEC prescribed rates, any document we file with the SEC, including the registration statement (and its exhibits) of which this prospectus is a part, at the SEC's Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room.

We also have provided, and intend to continue to provide, our stockholders with annual reports containing financial statements audited by our independent registered public accounting firm.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. We incorporate by

reference the documents listed below (excluding any document, or portion thereof, to the extent disclosure is furnished to, and not filed with, the SEC):

- Our annual report on Form 10-K for the year ended December 31, 2010 (including any information specifically incorporated therein by reference from our definitive proxy statement on Schedule 14A filed with the SEC on March 30, 2011); and

- Our current reports on Form 8-K filed with the SEC on March 8, 2011 (Item 5.02 only) and April 20, 2011.

Any statement contained in a document incorporated by reference into this prospectus will be deemed to be modified or superseded for the purposes of this prospectus to the extent that a later statement contained in this prospectus or in any other document incorporated by reference into this prospectus modifies or supersedes the earlier statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus. We will provide to each person, including any beneficial owners, to whom a prospectus is delivered, a copy of the reports and documents that have been incorporated by reference into this prospectus, at no cost. Any such request may be made by writing or telephoning us at the following address or phone number:

Investor Relations
Douglas Dynamics, Inc.
7777 N. 73rd Street
Milwaukee, WI 53223
Telephone (414) 354-2310.

These documents can also be requested through, and are available in, the Investor Relations section of our website, which is located at*www.DouglasDyanmics.com*, or as described under "Where You Can Find More Information" above. The reference to our website address does not constitute incorporation by reference of the information contained on our website.

You should read the information relating to us in this prospectus together with the information in the documents incorporated by reference. You should rely only upon the information provided in this prospectus or incorporated in this prospectus by reference. We have not authorized anyone to provide you with different information. You should not assume that the information in this prospectus, including any information incorporated by reference, is accurate as of any date other than the date indicated on the front cover.

Douglas Dynamics, Inc.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The table below lists various expenses, other than underwriting discounts and commissions, payable in connection with the sale and distribution of the securities being registered hereby. All the expenses are estimates, except the Securities and Exchange Commission ("SEC") registration fee and the Financial Industry Regulatory Authority ("FINRA") filing fee. All such expenses will be borne by the Company; none of the expenses will be borne by the selling stockholders.

Type	Amount
SEC Registration Fee	$ 10,104
FINRA Filing Fee	9,203
Legal fees and expenses	
Accounting fees and expenses	
Printing and engraving expenses	
Blue Sky fees and expenses fees	
Transfer agent and registrar fees	
Total	$

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 102 of the Delaware General Corporation Law ("DGCL"), allows a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except where the director breached the duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our certificate of incorporation includes a provision that eliminates the personal liability of our directors for monetary damages to the extent permitted by Section 102 of the DGCL.

Section 145 of the DGCL provides for the indemnification of officers, directors and other corporate agents in terms sufficiently broad to indemnify such persons under circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933, as amended (the "Securities Act").

Our bylaws provide for indemnification of our officers, directors, employees and agents to the extent and under the circumstances permitted under the DGCL.

In addition to the indemnification provided by our bylaws, we have entered into agreements to indemnify our directors and executive officers. These agreements, subject to certain exceptions, require us to, among other things, indemnify these directors and executive officers for certain expenses, including attorney fees, witness fees and expenses, expenses of accountants and other advisors, and the premium, security for and other costs relating to any bond, arising out of that person's services as a director or officer of us or any of our subsidiaries or any other company or enterprise to which the person provides services at our request.

The Underwriting Agreement to be filed as Exhibit 1.1 will provide for indemnification by the underwriters of us, our directors and officers, and by us of the underwriters, for some liabilities arising under the Securities Act, and affords some rights of contribution with respect thereto.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES.

In the three years preceding the filing of this registration statement, we have issued the following securities that were not registered under the Securities Act. The following share numbers and dollar amounts have been adjusted to reflect the 23.75-for-one stock split of our common stock that occurred immediately prior to the consummation of our initial public offering.

- From November 18, 2007 to May 9, 2010, certain of our executive officers and former executive officers exercised options granted pursuant to the Douglas Dynamics, Inc. 2004 Stock Incentive Plan to purchase an aggregate of 210,781.25 shares of our common stock at an exercise price of $4.21 per share. Certain of our executive officers and former executive officers delivered a promissory note and pledge and security agreement to the company in respect of the aggregate exercise price of such options. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Promissory Notes / Pledge and Security Agreements."

The sales of the above securities were exempt from registration under the Securities Act in reliance on Rule 701 under the Securities Act.

- On May 4, 2010, in connection with the Company's initial public offering, the Company issued an aggregate of 208,130 shares of restricted stock to certain of its executive officers and employees pursuant to the Douglas Dynamics, Inc. 2010 Stock Incentive Plan.

- On May 10, 2010, in connection with the Company's initial public offering, certain of the Company's directors, executive officers, persons associated with Aurora Capital Group, and Ares Corporate Opportunities Fund, L.P. (collectively, the "Optionholders") exercised stock options granted pursuant to the Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan, to purchase an aggregate of 201,994.15 shares of common stock for an aggregate exercise price of $850,501.68. The exercise price of the stock options was satisfied through the net exercise of the stock options, with an aggregate of 75,600.15 shares applied to the payment of the aggregate exercise price and 126,394 shares issued to the Optionholders.

- On May 13, 2010, in connection with the underwriters' exercise of their over-allotment option in respect of the Company's initial public offering, the Optionholders exercised stock options granted pursuant to the Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan, to purchase an aggregate of 86,575.54 shares of common stock for an aggregate exercise price of $364,528.60. The exercise price of the stock options was satisfied through the net exercise of the stock options, with an aggregate of 32,402.54 shares applied to the payment of the aggregate exercise price and 54,173 shares issued to the Optionholders.

The sales of the above securities were exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act or Rule 701 under the Securities Act. No underwriters were involved in the foregoing sales of securities other than in their role as underwriters in the Company's initial public offering.

- On August 6 and August 9, 2010, certain of our executive officers exercised stock options granted pursuant to the Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan to purchase an aggregate of 174,661 shares of common stock for an aggregate exercise price of $735,322.81. The exercise price of the stock options was satisfied through the net exercise of the stock options, with an aggregate of 79,661 shares applied to the payment of the aggregate exercise price and a portion of the tax withholding obligations and 95,000 shares issued to the executive officers.

- From March 14 to March 18, 2011, certain of our executive officers and directors exercised stock options granted pursuant to the Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan to purchase an aggregate of 142,699 shares of common stock for an aggregate

exercise price of $600,762.80. The exercise price of the stock options was $4.21 per share. Of the 142,699 stock options exercised, 27,117 were exercised using broker assisted cashless exercises, and the exercise price for the other 115,582 stock options was paid in cash.

The sales of the above securities were exempt from registration under the Securities Act in reliance on Rule 701 under the Securities Act.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

Exhibit Number	Title
1.1**	Form of Underwriting Agreement.
3.1*	Fourth Amended and Restated Certificate of Incorporation of Douglas Dynamics, Inc., effective May 7, 2010.
3.2*	Second Amended and Restated Bylaws of Douglas Dynamics, Inc., effective May 7, 2010.
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
5.1**	Opinion of Gibson, Dunn & Crutcher LLP.
10.1	Amendment No. 2 to Senior Secured Term Credit and Guaranty Agreement, dated as of April 16, 2010 by and among Douglas Dynamics, L.L.C. and each of the lenders party thereto (including as Exhibit A thereto Senior Secured Term Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of December 19, 2008 and Amendment No. 2, dated as of April 16, 2010) (incorporated by reference to Exhibit 10.1 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.2	Exhibits and Schedules to Senior Secured Term Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of December 19, 2008 and Amendment No. 2, dated as of April 16, 2010 (incorporated by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.3	Amendment No. 1 to Senior Secured Revolving Credit and Guaranty Agreement, dated as of April 16, 2010 by and among Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company and each of the lenders party thereto (including as Exhibit A thereto Senior Secured Revolving Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of April 16, 2010) (incorporated by reference to Exhibit 10.3 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).

Exhibit Number	Title
10.4	Exhibits and Schedules to Senior Secured Revolving Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of April 16, 2010 (incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.5	Amended and Restated Credit and Guaranty Agreement, dated as of April 18, 2011, among Douglas Dynamics, L.L.C., Douglas Dynamics Finance Company and Fisher, LLC, as borrowers, Douglas Dynamics, Inc., as guarantor, the banks and financial institutions listed therein, as lenders, J.P. Morgan Securities LLC, as sole bookrunner and sole lead arranger, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and Wells Fargo Capital Finance, LLC, as syndication agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 20, 2011).
10.6	Credit and Guaranty Agreement, dated as of April 18, 2011, among Douglas Dynamics, L.L.C., as borrower, Douglas Dynamics, Inc., Douglas Dynamics Finance Company and Fisher, LLC, as guarantors, the banks and financial institutions listed therein, as lenders, J.P. Morgan Securities LLC and Credit Suisse Securities (USA) LLC, as joint bookrunners and joint lead arrangers, JPMorgan Chase Bank, N.A., as collateral agent and administrative agent, and Credit Suisse Securities (USA) LLC, as syndication agent (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 20, 2011).
10.7	Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated September 7, 2004, as amended by that certain amendment, dated as of October 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.8*	Amendment No. 2 to Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated as of May 4, 2010.
10.9	Amendment No. 3 to Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated as of June 14, 2010 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarterly period ended March 31, 2010 filed with the SEC on June 17, 2010).
10.10	Employment Agreement between James L. Janik and Douglas Dynamics, Inc., dated March 30, 2004 (incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.11*	Amendment No. 1 to Employment Agreement between James L. Janik and Douglas Dynamics, Inc., dated as of May 4, 2010.
10.12	Employment Agreement between Mark Adamson and Douglas Dynamics, Inc., dated August 27, 2007 (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.13*	Amendment No. 1 to Employment Agreement between Mark Adamson and Douglas Dynamics, Inc., dated as of May 4, 2010.

Exhibit Number	Title
10.14	Letter Agreement between Keith Hagelin and Douglas Dynamics, Inc., dated June 14, 2010 (incorporated by reference to Exhibit 10.2 to the Registrant's Form 10-Q for the quarterly period ended March 31, 2010 filed with the SEC on June 17, 2010).
10.15	Securities Repurchase and Cancellation Agreement made and entered into as of December 22, 2008 by and between James Janik and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.8 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.16	Securities Repurchase and Cancellation Agreement made and entered into as of January 23, 2009 by and between James Janik and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.17	Securities Repurchase and Cancellation Agreement made and entered into as of December 22, 2008 by and between Robert McCormick and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.10 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.18	Securities Repurchase and Cancellation Agreement made and entered into as of January 23, 2009 by and between Robert McCormick and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.11 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.19*	Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan.
10.20	Form of Amended and Restated Management Incentive Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.18 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.21	Form of Amended and Restated Management Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.20 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.22	Form of Amended and Restated Non-Employee Director Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.22 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.23*	Second Amended and Restated Management Incentive Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan between Douglas Dynamics, Inc. and James L. Janik, dated as of May 7, 2010.
10.24*	Second Amended and Restated Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan between Douglas Dynamics, Inc. and James L. Janik, dated as of May 7, 2010.
10.25	Form of Amended and Restated Deferred Stock Unit Agreement (incorporated by reference to Exhibit 10.18 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).

Exhibit Number	Title
10.26	Douglas Dynamics 2009 Annual Incentive Plan (incorporated by reference to Exhibit 10.19 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.27	Douglas Dynamics, L.L.C. Annual Incentive Plan 2009 (incorporated by reference to Exhibit 10.20 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.28	Douglas Dynamics, L.L.C. Long Term Incentive Plan 2009 (incorporated by reference to Exhibit 10.21 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.29	Douglas Dynamics, Inc. 2010 Amended and Restated Stock Incentive Plan (incorporated by reference to Exhibit 99.1 to the Registrants' Registration Statement on Form S-8 (Registration No. 333-169342) filed with the SEC on September 13, 2010).
10.30	Form of Restricted Stock Agreement under Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.33 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 22, 2010).
10.31	Alternative Form of Restricted Stock Agreement under Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.34 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 22, 2010).
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10.33	Form of Nonqualified Stock Option Agreement under Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.36 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 22, 2010).
10.34	Form of Incentive Stock Option Agreement under Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.37 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 22, 2010).
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10.37	Form of Restricted Stock Unit Grant Notice and Standard Terms and Conditions under the Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 30, 2010).

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10.38	Form of Nonemployee Director Restricted Stock Unit Grant Notice and Standard Terms and Conditions under the Douglas Dynamics, Inc. 2010 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on December 30, 2010).
10.39	Second Amended and Restated Securityholders Agreement among Douglas Dynamics, Inc. and certain of its stockholders, optionholders and warrantholders, dated June 30, 2004 (incorporated by reference to Exhibit 10.24 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.40	First Amendment to Second Amended and Restated Securityholders Agreement among Douglas Dynamics, Inc. and certain of its stockholders, optionholders and warrantholders, dated December 27, 2004 (incorporated by reference to Exhibit 10.25 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
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10.42	Amended and Restated Joint Management Services Agreement among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Aurora Management Partners LLC and ACOF Management, L.P. dated as of April 12, 2004 (incorporated by reference to Exhibit 10.40 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 8, 2010).
10.43*	Second Amended and Restated Joint Management Services Agreement among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Aurora Management Partners LLC, and ACOF Management, L.P., dated May 10, 2010.
10.44	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.27 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
21.1	Subsidiaries of Douglas Dynamics, Inc. (incorporated by reference to Exhibit 21.1 to Douglas Dynamics, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2010 filed with the SEC on March 8, 2011).
23.1**	Consent of Gibson, Dunn & Crutcher LLP (included as part of Exhibit 5.1).
23.2*	Consent of Ernst & Young LLP.
24.1*	Power of Attorney (included on signature page of Registration Statement hereto).

* Filed herewith.

** To be filed by amendment.

ITEM 17. UNDERTAKINGS.

(a) Insofar as indemnification for liabilities arising under the Securities Act of 1933, or the Act, may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities

(other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Act shall be deemed to be part of this registration statement as of the time it was declared effective; and

(2) For the purpose of determining any liability under the Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milwaukee, Wisconsin, on May 2, 2011.

DOUGLAS DYNAMICS, INC.

By: /s/ JAMES L. JANIK

James L. Janik
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints James L. Janik and Robert McCormick, and each of them, his or her true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments, including post-effective amendments, to this Registration Statement, and any registration statement relating to the offering covered by this Registration Statement and filed pursuant to Rule 462 under the Securities Act of 1933, as amended, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact and agents or their substitute or substitutes may lawfully so or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, the following persons have signed this Registration Statement in the capacities and on the date indicated.

/s/ JAMES L. JANIK James L. Janik	President and Chief Executive Officer (Principal Executive Officer) and Director	May 2, 2011
/s/ ROBERT MCCORMICK Robert McCormick	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	May 2, 2011
/s/ ROBERT YOUNG Robert Young	Corporate Controller and Treasurer	May 2, 2011
/s/ MICHAEL MARINO Michael Marino	Director	May 2, 2011
/s/ JAMES PACKARD James Packard	Director	May 2, 2011

/s/ JACK O. PEIFFER		
Jack O. Peiffer	Director	May 2, 2011
/s/ MARK ROSENBAUM		
Mark Rosenbaum	Director	May 2, 2011
/s/ NAV RAHEMTULLA		
Nav Rahemtulla	Director	May 2, 2011
/s/ JAMES D. STALEY		
James D. Staley	Director	May 2, 2011
/s/ DONALD W. STURDIVANT		
Donald W. Sturdivant	Director	May 2, 2011
/s/ MICHAEL WICKHAM		
Michael Wickham	Director	May 2, 2011

EXHIBIT INDEX

Exhibit Number	Title
1.1**	Form of Underwriting Agreement.
3.1*	Fourth Amended and Restated Certificate of Incorporation of Douglas Dynamics, Inc., effective May 7, 2010.
3.2*	Second Amended and Restated Bylaws of Douglas Dynamics, Inc., effective May 7, 2010.
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
5.1**	Opinion of Gibson, Dunn & Crutcher LLP.
10.1	Amendment No. 2 to Senior Secured Term Credit and Guaranty Agreement, dated as of April 16, 2010 by and among Douglas Dynamics, L.L.C. and each of the lenders party thereto (including as Exhibit A thereto Senior Secured Term Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of December 19, 2008 and Amendment No. 2, dated as of April 16, 2010) (incorporated by reference to Exhibit 10.1 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.2	Exhibits and Schedules to Senior Secured Term Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of December 19, 2008 and Amendment No. 2, dated as of April 16, 2010 (incorporated by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.3	Amendment No. 1 to Senior Secured Revolving Credit and Guaranty Agreement, dated as of April 16, 2010 by and among Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company and each of the lenders party thereto (including as Exhibit A thereto Senior Secured Revolving Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of April 16, 2010) (incorporated by reference to Exhibit 10.3 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).
10.4	Exhibits and Schedules to Senior Secured Revolving Credit and Guaranty Agreement, dated as of May 21, 2007, by and among Douglas Dynamics, Inc., Douglas Dynamics, L.L.C., Fisher, LLC and Douglas Dynamics Finance Company, the banks and financial institutions party thereto and Credit Suisse, Cayman Islands Branch as administrative agent as amended by Amendment No. 1, dated as of April 16, 2010 (incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on May 3, 2010).

Exhibit Number	Title
10.5	Amended and Restated Credit and Guaranty Agreement, dated as of April 18, 2011, among Douglas Dynamics, L.L.C., Douglas Dynamics Finance Company and Fisher, LLC, as borrowers, Douglas Dynamics, Inc., as guarantor, the banks and financial institutions listed therein, as lenders, J.P. Morgan Securities LLC, as sole bookrunner and sole lead arranger, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and Wells Fargo Capital Finance, LLC, as syndication agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 20, 2011).
10.6	Credit and Guaranty Agreement, dated as of April 18, 2011, among Douglas Dynamics, L.L.C., as borrower, Douglas Dynamics, Inc., Douglas Dynamics Finance Company and Fisher, LLC, as guarantors, the banks and financial institutions listed therein, as lenders, J.P. Morgan Securities LLC and Credit Suisse Securities (USA) LLC, as joint bookrunners and joint lead arrangers, JPMorgan Chase Bank, N.A., as collateral agent and administrative agent, and Credit Suisse Securities (USA) LLC, as syndication agent (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on April 20, 2011).
10.7	Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated September 7, 2004, as amended by that certain amendment, dated as of October 1, 2008 (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.8*	Amendment No. 2 to Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated as of May 4, 2010.
10.9	Amendment No. 3 to Employment Agreement between Robert McCormick and Douglas Dynamics, Inc., dated as of June 14, 2010 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarterly period ended March 31, 2010 filed with the SEC on June 17, 2010).
10.10	Employment Agreement between James L. Janik and Douglas Dynamics, Inc., dated March 30, 2004 (incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.11*	Amendment No. 1 to Employment Agreement between James L. Janik and Douglas Dynamics, Inc., dated as of May 4, 2010.
10.12	Employment Agreement between Mark Adamson and Douglas Dynamics, Inc., dated August 27, 2007 (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 25, 2010).
10.13*	Amendment No. 1 to Employment Agreement between Mark Adamson and Douglas Dynamics, Inc., dated as of May 4, 2010.
10.14	Letter Agreement between Keith Hagelin and Douglas Dynamics, Inc., dated June 14, 2010 (incorporated by reference to Exhibit 10.2 to the Registrant's Form 10-Q for the quarterly period ended March 31, 2010 filed with the SEC on June 17, 2010).
10.15	Securities Repurchase and Cancellation Agreement made and entered into as of December 22, 2008 by and between James Janik and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.8 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).

Exhibit Number	Title
10.16	Securities Repurchase and Cancellation Agreement made and entered into as of January 23, 2009 by and between James Janik and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.17	Securities Repurchase and Cancellation Agreement made and entered into as of December 22, 2008 by and between Robert McCormick and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.10 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.18	Securities Repurchase and Cancellation Agreement made and entered into as of January 23, 2009 by and between Robert McCormick and Douglas Dynamics, Inc. (incorporated by reference to Exhibit 10.11 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
10.19*	Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan.
10.20	Form of Amended and Restated Management Incentive Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.18 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.21	Form of Amended and Restated Management Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.20 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.22	Form of Amended and Restated Non-Employee Director Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan (incorporated by reference to Exhibit 10.22 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on April 20, 2010).
10.23*	Second Amended and Restated Management Incentive Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan between Douglas Dynamics, Inc. and James L. Janik, dated as of May 7, 2010.
10.24*	Second Amended and Restated Non-Qualified Option Agreement under Douglas Dynamics, Inc. Amended and Restated 2004 Stock Incentive Plan between Douglas Dynamics, Inc. and James L. Janik, dated as of May 7, 2010.
10.25	Form of Amended and Restated Deferred Stock Unit Agreement (incorporated by reference to Exhibit 10.18 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).
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10.40	First Amendment to Second Amended and Restated Securityholders Agreement among Douglas Dynamics, Inc. and certain of its stockholders, optionholders and warrantholders, dated December 27, 2004 (incorporated by reference to Exhibit 10.25 to the Registrant's Registration Statement on Form S-1/A (Registration No. 333-164590) filed with the SEC on March 8, 2010).

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23.1**	Consent of Gibson, Dunn & Crutcher LLP (included as part of Exhibit 5.1).
23.2*	Consent of Ernst & Young LLP.
24.1*	Power of Attorney (included on signature page of Registration Statement hereto).

* Filed herewith.

** To be filed by amendment.

FOURTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
DOUGLAS DYNAMICS, INC.

The undersigned, for the purpose of amending and restating the Certificate of Incorporation of Douglas Dynamics, Inc., a Delaware corporation (the **"Corporation"**), does hereby certify that:

1. The Corporation's original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on March 11, 2004 and was amended and restated by that certain Amended and Restated Certificate of Incorporation as filed with the Secretary of State of the State of Delaware on March 30, 2004, which was further amended and restated by that certain Second Amended and Restated Certificate of Incorporation as filed with the Secretary of State of the State of Delaware on April 12, 2004, which was further amended and restated by that certain Third Amended and Restated Certificate of Incorporation as filed with the Secretary of State of the State of Delaware on December 14, 2004, and which was further amended by that certain Certificate of Amendment of Third Amended and Restated Certificate of Incorporation as filed with the Secretary of State of State of Delaware on January 26, 2010.

2. The Corporation's original name was "Douglas Dynamics Holdings, Inc."

3. This Fourth Amended and Restated Certificate of Incorporation (the **"Amended and Restated Certificate of Incorporation"**) has been duly adopted pursuant to Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware (the **"DGCL"**).

4. The Amended and Restated Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety as follows:

ARTICLE I

NAME OF CORPORATION

The name of this corporation is:

Douglas Dynamics, Inc.

ARTICLE II

REGISTERED OFFICE

The address of the registered office of the Corporation in the State of Delaware is 160 Greentree Drive, Suite 101, in the City of Dover 19904, County of Kent, and the name of its registered agent at that address is National Registered Agents, Inc.

ARTICLE III

PURPOSE

The purposes for which the Corporation is formed are to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

AUTHORIZED CAPITAL STOCK

SECTION A. Authorized Shares. The Corporation shall be authorized to issue two classes of shares of stock to be designated, respectively, "Preferred Stock" and "Common Stock." The total number of shares that the Corporation shall have authority to issue is 205,000,000.

1. Common Stock. The total number of shares of common stock the Corporation shall have authority to issue shall be 200,000,000, and each such share shall have a par value of one cent ($.01) per share (the **"Common Stock"**).

Effective as of the date of filing of this Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, every one (1) share of Common Stock of the Corporation issued and outstanding as of such date shall be subdivided into 23.75 shares of Common Stock.

2. Preferred Stock. The total number of shares of Preferred Stock that the Corporation shall have authority to issue shall be 5,000,000 and all such shares shall have a par value of one cent ($.01) per share (the **"Preferred Stock"**).

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3. Subject to limitations prescribed by law and the provisions of this Article IV, the Board of Directors of the Corporation (the **"Board"**) is hereby authorized to provide by resolution for the issuance of the shares of Preferred Stock in one or more series, and to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each such series and the qualifications, limitations or restrictions thereof. The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

(a) the number of shares constituting such series, including any increase or decrease in the number of shares of any such series (but not below the number of shares in any such series then outstanding), and the distinctive designation of such series;

(b) the dividend rate on the shares of such series, if any, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of such series;

(c) whether the shares of such series shall have voting rights (including multiple or fractional votes per share) in addition to the voting rights

provided by law, and, if so, the terms of such voting rights;

(d) whether the shares of such series shall have conversion privileges, and, if so, the terms and conditions of such privileges, including provision for adjustment of the conversion rate in such events as the Board shall determine;

(e) whether or not the shares of such series shall be redeemable, and if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption rates;

(f) whether a sinking fund shall be provided for the redemption or purchase of shares of such series, and, if so, the terms and the amount of such sinking fund;

(g) the rights of the shares of such series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of such series; and

(h) any other relative rights, preferences and limitations of such series.

4. No Class Vote On Changes In Authorized Number Of Shares Of Stock. Subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the number of authorized shares of any class or classes of stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote generally in the election of directors irrespective of the provisions of Section 242(b)(2) of the DGCL.

SECTION B. Common Stock.

1. Voting Rights. Each holder of Common Stock, as such, shall be entitled to one (1) vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any Certificate of Designations relating to any series of Preferred Stock) or pursuant to the DGCL.

2. Dividends. Subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the holders of shares of Common Stock shall be entitled to receive dividends out of any funds of the Corporation legally available therefor when and as declared by the Board.

3. Liquidation. Upon the dissolution, liquidation or winding up of the Corporation, subject to the rights, if any, of the holders of any outstanding series of Preferred Stock, the holders of shares of Common Stock shall be entitled to receive the assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them.

ARTICLE V

BOARD OF DIRECTORS

SECTION A. Board of Directors.

1. Number. Except as otherwise provided for or fixed pursuant to the provisions of Article IV hereof relating to the rights of holders of any series of Preferred Stock to elect additional directors in certain circumstances, the Board shall consist of such number of directors as fixed from time to time pursuant to the Bylaws of the Corporation.

2. Classification. The directors, other than those who may be elected by the holders of any series of Preferred Stock provided for or fixed pursuant to the provisions of Article IV hereof ("**Preferred Stock Directors**"), shall be divided into three classes as nearly equal in size as is practicable, designated Class I, Class II and Class III. The Class I directors shall initially serve until the Corporation's first annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation, the Class II directors shall initially serve until the Corporation's second annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation and the Class III directors shall initially serve until the Corporation's third annual meeting of stockholders following the effectiveness of this Amended and Restated Certificate of Incorporation. Commencing with the first annual meeting of stockholders, following the effectiveness of this Amended and Restated Certificate of Incorporation, directors of each class the term of which shall then expire shall be elected to hold office for a three-year term and until the election and qualification of their respective successors in office, or until such director's earlier death, disqualification, resignation or removal. In case of any increase or decrease, from time to time,

in the number of directors (other than Preferred Stock Directors), the number of directors in each class shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II or Class III.

3. Newly Created Directorships and Vacancies. Subject to the rights of the holders of any one or more series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board resulting from death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law, be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board. Any director so chosen shall hold office until the next election of the class for which such director shall have been chosen and until his successor shall be elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

4. Removal of Directors. Except for such additional directors, if any, as are elected by the holders of any series of Preferred Stock as provided for or fixed pursuant to the provisions of Article IV hereof, any director, or the entire Board, may be removed from office at any time, but only for cause and only by the affirmative vote of at least 66 2/3% of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

5. Preferred Stock Directors. During any period when the holders of any series of Preferred Stock have the right to elect additional directors as provided for or fixed pursuant to the provisions of Article IV hereof, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such

Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, disqualification, resignation or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, disqualification, resignation or removal of such additional directors, shall forthwith terminate and the total authorized number of directors of the Corporation shall automatically be reduced accordingly.

SECTION B. Powers.

1. Powers. Except as otherwise expressly provided by the DGCL or this Amended and Restated Certificate of Incorporation, the management of the business and the conduct of the affairs of the Corporation shall be vested in its Board.

SECTION C. Election.

1. Ballot Not Required. The directors of the Corporation need not be elected by written ballot unless the Bylaws of the Corporation so provide.

2. No Cumulative Voting. The holders of stock of any class or series of the Corporation shall not be entitled to cumulative voting rights as to the directors to be elected by such class or series.

3. Notice. Advance notice of stockholder nominations for the election of directors shall be given in the manner and to the extent provided in the Bylaws of the Corporation.

ARTICLE VI

STOCKHOLDER ACTION

Except as otherwise provided for or fixed pursuant to the provisions of Article IV hereof relating to the rights of holders of any series of Preferred Stock, no action that is required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting of stockholders.

ARTICLE VII

SPECIAL MEETINGS OF STOCKHOLDERS

Except as otherwise provided for or fixed pursuant to the provisions of Article IV hereof relating to the rights of holders of any series of Preferred Stock, a special meeting of the stockholders of the Corporation may be called at any time only by a majority of the members of the Board. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting.

ARTICLE VIII

EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE IX

AMENDMENT

SECTION A. Amendments.

1. Amendment of Certificate of Incorporation. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by the laws of the State of Delaware, and all rights conferred herein are granted subject to this reservation; provided, however, that in addition to any requirements of law and any other provision of this

Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the Bylaws of the Corporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 66 2/3% in voting power of the issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal, or adopt any provision inconsistent with, Articles V, VI, VII, IX and X of this Amended and Restated Certificate of Incorporation.

2. Amendment of Bylaws. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation. In addition to any requirements of law and any other provision of this Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation, and notwithstanding any other provision of this Amended and Restated Certificate of Incorporation, the Bylaws of the Corporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 66 2/3% in voting power of the issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to amend or repeal, or adopt any provision inconsistent with, any Bylaw of the Corporation.

ARTICLE X

LIABILITY OF DIRECTORS

SECTION A. Liability of Directors.

1. No Personal Liability. To the fullest extent permitted by the DGCL as the same exists or as may hereafter be amended, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

2. Amendment or Repeal. Any amendment, alteration or repeal of this Article X that adversely affects any right of a director or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be executed, signed and acknowledged by James L. Janik, its President and Chief Executive Officer as of the 7th day of May, 2010.

DOUGLAS DYNAMICS, INC.

By: /s/ James L. Janik
Name: James L. Janik
Title: President and Chief Executive Officer

SECOND AMENDED AND RESTATED BYLAWS

OF

DOUGLAS DYNAMICS, INC.

(A DELAWARE CORPORATION)

ARTICLE I.

CORPORATE OFFICES

Section 1.01 Registered Office. The registered office of the Corporation shall be fixed in the Certificate of Incorporation of the Corporation.

Section 1.02 Other Offices. The Corporation may also have an office or offices, and keep the books and records of the Corporation, except as may otherwise be required by law, at such other place or places, either within or without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II.

MEETINGS OF STOCKHOLDERS

Section 2.01 Annual Meeting. The annual meeting of stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, on such date, and at such time as may be determined by the Board of Directors.

Section 2.02 Special Meeting. Subject to the rights of the holders of any series of preferred stock, a special meeting of the stockholders may be called at any time only by a majority of the Board of Directors.

Section 2.03 Notice of Stockholders' Meetings.

(a) Notice of the place, if any, date, and time of all meetings of the stockholders, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining the stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given, not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, except as otherwise provided herein or required by law. In the case of a special meeting, the purpose or purposes for which the meeting is called also shall be set forth in

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the notice. Notice may be given personally, by mail or by electronic transmission in accordance with Section 232 of the General Corporation Law of the State of Delaware (the "**DGCL**"). If mailed, such notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to each stockholder at such stockholder's address appearing on the books of the Corporation or given by the stockholder for such purpose. Notice by electronic transmission shall be deemed given as provided in Section 232 of the DGCL. An affidavit of the mailing or other means of giving any notice of any stockholders' meeting, executed by the Secretary, Assistant Secretary or any transfer agent of the Corporation giving the notice, shall be prima facie evidence of the giving of such notice or report. Notice shall be deemed to have been given to all stockholders of record who share an address if notice is given in accordance with the "householding" rules set forth in Rule 14a-3(e) under the Exchange Act and Section 233 of the DGCL.

(b) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the place, if any, date and time thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally called, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 7.07(a) of these Bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date for notice of such adjourned meeting.

(c) Notice of any meeting of stockholders may be waived in writing, either before or after the meeting, and to the extent permitted by law, will be waived by any stockholder by attendance thereat, in person or by proxy, except when the person objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

Section 2.04 Organization.

(a) Meetings of stockholders shall be presided over by the Chairman of the Board of Directors, if any, or in his or her absence by a person designated by the Board of Directors, or in the absence of a person so designated by the Board of Directors, by a Chairman chosen at the meeting by the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy. The Secretary, or in his or her absence, an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person whom the Chairman of the meeting shall appoint, shall act as Secretary of the meeting and keep a record of the proceedings thereof.

(b) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the Chairman of the meeting shall have the right and authority to

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prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such Chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted

proxies and such other persons as the Chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot.

Section 2.05 List of Stockholders. The officer who has charge of the stock ledger shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, provided, however, that if the record date for determining the stockholders entitled to vote is less than 10 days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date. Such list shall be arranged in alphabetical order and shall show the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least 10 days prior to the meeting (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (b) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.05 or to vote in person or by proxy at any meeting of stockholders.

Section 2.06 Quorum. At any meeting of stockholders, the holders of a majority in voting power of all issued and outstanding stock entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business; provided, that where a separate vote by a class or series is required, the holders of a majority in voting power of all issued and outstanding stock of such class or series entitled to vote on such matter, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter. If a quorum is not present or represented at any meeting of stockholders, then the Chairman of the meeting or the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time in accordance with Section 2.07, without notice other than announcement at the meeting and except as provided in Section 2.03(b), until a quorum is present or represented. If a quorum initially is present at any meeting of stockholders, the stockholders may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum, but if a quorum is not present at least initially, no business other than adjournment may be transacted.

Section 2.07 Adjourned Meeting. Any annual or special meeting of stockholders, whether or not a quorum is present, may be adjourned for any reason from time to time by either the Chairman of the meeting or the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called.

Section 2.08 Voting.

(a) Except as otherwise provided by law or the Certificate of Incorporation, each holder of stock of the Corporation entitled to vote at any meeting of stockholders shall be entitled to one (1) vote for each share of such stock held of record by such holder on all matters submitted to a vote of stockholders of the Corporation.

(b) Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, at each meeting of stockholders at which a quorum is present, all corporate actions to be taken by vote of the stockholders shall be authorized by the affirmative vote of the holders of a majority in voting power of the stock entitled to vote thereat, present in person or represented by proxy, and where a separate vote by class or series is required, if a quorum of such class or series is present, such act shall be authorized by the affirmative vote of the holders of a majority in voting power of the stock of such class or series entitled to vote thereat, present in person or represented by proxy.

Section 2.09 Proxies. Every person entitled to vote for directors, or on any other matter, shall have the right to do so either in person or by one or more agents authorized by a written proxy, which may be in the form of a telegram, cablegram or other means of electronic transmission, signed by the person and filed with the Secretary of the Corporation, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy by the stockholder or the stockholder's attorney-in-fact. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by filing another duly executed proxy bearing a later date with the Secretary of the Corporation. A proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by the Corporation.

Section 2.10 Notice of Stockholder Business and Nominations.

(a) Annual Meeting.

(i) Nominations of persons for election to the Board of Directors and the proposal of business other than nominations to be considered by the stockholders may be made at an annual meeting of stockholders only (A) pursuant to the Corporation's notice of meeting (or any supplement thereto), (B) by or at the direction of the Board of Directors or (C) by any stockholder of the Corporation who is a stockholder

of record at the time the notice provided for in this Section 2.10(a) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.10(a).

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of the foregoing paragraph, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such business must be a proper subject for stockholder action. To be timely, a stockholder's notice must be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of (x) the ninetieth (90th) day prior to such annual meeting or (y) the tenth (10th) day following the date on which public announcement (as defined below) of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or re-election as a director (x) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in

each case pursuant to and in accordance with Regulation 14A under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and (y) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such stockholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the proposal is made;

(C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made or the business is proposed:

(1) the name and address of such stockholder, as they appear on the Corporation's books, and the name and address of such beneficial owner,

(2) the class and number of shares of capital stock of the Corporation which are owned of record by such stockholder and such beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation owned of record by the stockholder and such beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below), and,

(3) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose such nomination or business;

(D) as to the stockholder giving the notice or, if the notice is given on behalf of a beneficial owner on whose behalf the nomination is made or the business is proposed, as to such beneficial owner:

(1) the class and number of shares of capital stock of the Corporation which are beneficially owned (as defined below) by such stockholder or beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class and number of shares of capital stock of the Corporation beneficially owned by such stockholder or beneficial owner as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(2) a description of any agreement, arrangement or understanding with respect to the nomination or other business between or among such stockholder or beneficial owner and any other person, including without limitation any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Exchange Act Schedule 13D (regardless of whether the requirement to file a Schedule 13D is applicable to the stockholder or beneficial owner) and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(3) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, hedging transactions, and borrowed or loaned shares)

that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder or beneficial owner, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the share price of any class of the Corporation's capital stock, or maintain, increase or decrease the voting power of the stockholder or beneficial owner with respect to shares of stock of the Corporation, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting (except as otherwise provided in Section 2.10(a)(iii) below),

(4) a representation whether the stockholder or the beneficial owner, if any, will engage in a solicitation with respect to the nomination or business and, if so, the name of each participant (as defined in Item 4 of Schedule 14A under the Exchange Act) in such solicitation and whether such person intends or is part of a group which intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the business to be proposed (in person or by proxy) by the stockholder.

(iii) The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation, including information relevant to a determination whether such proposed nominee can be considered an independent director. Notwithstanding anything in Section 2.10(a)(ii) above to the contrary, if the record date for determining the stockholders entitled to vote at any meeting of stockholders is different from the record date for determining the stockholders entitled to notice of the meeting, a stockholder's notice required by this Section 2.10(a) shall set forth a representation that the stockholder will notify the Corporation in writing within five business days after the record date for determining the stockholders entitled to vote at the meeting, or by the opening of business on the date of the meeting (whichever is earlier), of the information required under clauses (a)(ii)(C)(2) and (a)(ii)(D)(1)-(3) of this Section 2.10, and such information when provided to the Corporation shall be current as of the record date for determining the stockholders entitled to vote at the meeting.

(iv) This Section 2.10(a) shall not apply to a proposal or nomination proposed to be made by a stockholder if the stockholder has notified the Corporation of his or her intention to present the proposal or nomination at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act or any other rule promulgated under Section 14 of the Exchange Act and such proposal or nominee has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(b) Special Meeting. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to

the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(b) is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 2.10. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the notice required by paragraph (a)(ii) of this Section 2.10 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120^{th}) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90^{th}) day prior to such special meeting or the tenth (10^{h}) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) General.

(i) Except as otherwise provided by law, only such persons who are nominated in accordance with the procedures set forth in this Section 2.10 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.10. The Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 2.10 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in compliance with such stockholder's representation as required by clause (a)(ii)(D)(4) of this Section 2.10). If any proposed nomination or business was not made or proposed in compliance with this Section 2.10, then except as otherwise provided by law, the Chairman of the meeting shall have the power and duty to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 2.10, unless otherwise required by law, if the stockholder does not provide the information required under clauses (a)(ii)(C)(2) and (a)(ii)(D)(1)-(3) of this Section 2.10 to the Corporation within the times frames specified herein, or if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.10, to be considered a qualified

representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the making of such nomination or proposal at such meeting by such stockholder stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(ii) For purposes of this Section 2.10, a "**public announcement**" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act. For purposes of clause (a)(ii)(D)(1) of this Section 2.10, shares shall be treated as "**beneficially owned**" by a person if the person beneficially owns such shares, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Regulations 13D and 13G thereunder or has or shares pursuant to any agreement, arrangement or understanding (whether or not in writing): (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both), (B) the right to vote such shares, alone or in concert with others and/or (C) investment power with respect to such shares, including the power to dispose of, or to direct the disposition of, such shares.

(iii) Nothing in this Section 2.10 shall be deemed to affect any rights of the holders of any series of preferred stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

Section 2.11 No Action by Written Consent. Subject to the rights of the holders of any series of preferred stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly held meeting of stockholders of the Corporation at which a quorum is present or represented, and may not be effected by any consent in writing by such stockholders.

Section 2.12 Inspectors of Election. Before any meeting of stockholders, the Board of Directors shall appoint one or more inspectors of election to act at the meeting or its adjournment. If any person appointed as inspector fails to appear or fails or refuses to act, then the Chairman of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy. Inspectors need not be stockholders. No director or nominee for the office of director shall be appointed such an inspector.

Such inspectors shall:

(a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;

(b) receive votes, ballots or consents;

(c) hear and determine all challenges and questions in any way arising in connection with the right to vote;

(d) count and tabulate all votes or consents;

(e) determine when the polls shall close;

(f) determine the result; and

(g) do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. Any report or certificate made by the inspectors of election shall be prima facie evidence of the facts stated therein.

Section 2.13 Meetings by Remote Communications. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211(a)(2) of the DGCL. If authorized by the

Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication (a) participate in a meeting of stockholders and (b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder; (ii) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

ARTICLE III.

DIRECTORS

Section 3.01 Powers. Subject to the provisions of the DGCL and to any limitations in the Certificate of Incorporation or these Bylaws relating to action required to be approved by the stockholders, the business and affairs of the Corporation shall be managed and shall be exercised by or under the direction of the Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, the Certificate of Incorporation or these Bylaws required to be exercised or done by the stockholders.

Section 3.02 Number, Term of Office and Election. Subject to the rights of the holders of any series of preferred stock to elect directors under specified circumstances, the Board of Directors shall consist of such number of directors as is fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the Board of Directors.

With the exception of the first Board of Directors, which shall be elected by the incorporator, and except as provided in Section 3.03, directors shall be elected by a plurality of the votes cast at the stockholders' annual meeting in each year. Directors need not be stockholders unless so required by the Certificate of Incorporation or these Bylaws, wherein other qualifications for directors may be prescribed.

Section 3.03 Vacancies. Subject to the rights of the holders of any one or more series of preferred stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall, unless otherwise provided by law or by resolution of the Board of Directors, be filled solely by the affirmative vote of a majority of the remaining directors then in office, though less than a quorum, and directors so chosen shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor shall be elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 3.04 Resignations and Removal.

(a) Any director may resign at any time upon notice given in writing or by electronic transmission to the Board of Directors, the Chairman of the Board of Directors or the Secretary. Such resignation shall take effect at the time specified in such notice or, if the time be not specified, upon receipt thereof by the Board of Directors, the Chairman of the Board of Directors or the Secretary, as the case may be. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Except for such additional directors, if any, as are elected by the holders of any series of preferred stock as provided for or fixed pursuant to the provisions of Article IV of the Certificate of Incorporation, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of at least 66 2/3% of the total voting power of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

Section 3.05 Regular Meetings. Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates and at such time or times, as shall have been established by the Board of Directors and publicized among all directors; provided that no fewer than one regular meeting per year shall be held. A notice of each regular meeting shall not be required.

Section 3.06 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board of Directors, the Chief Executive Officer or a majority of the Board of Directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the place and time of such meetings. Notice of each such meeting shall be given to each director, if by mail, addressed to such director as his or her residence or usual place of business, at least five (5) days before the day on which such meeting is to be held, or shall be sent to such director at such place

by telecopy, telegraph, electronic transmission or other form of recorded communication, or be delivered personally or by telephone, in each case at least twenty-four (24) hours prior to the time set for such meeting. Notice of any meeting need not be given to director who shall, either before or after the meeting, submit a waiver of such notice or who shall attend such meeting without protesting, prior to or at its commencement, the lack of notice to such director. A notice of special meeting need not state the purpose of such meeting, and, unless indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.07 Participation in Meetings by Conference Telephone. Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.08 Quorum. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, a majority of the authorized number of directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the vote of a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors. The Chairman of the meeting or a majority of the directors present may adjourn the meeting to another time and place whether or not a quorum is present. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called. If a quorum initially is present at any meeting of directors, the directors may continue to transact business, notwithstanding the withdrawal of enough directors to leave less than a quorum, upon resolution of at least a majority of the required quorum for that meeting prior to the loss of such quorum.

Section 3.09 Board of Directors Action by Written Consent Without a Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, provided that all members of the Board of Directors consent in writing or by electronic transmission to such action, and the writing or writings or electronic transmission or transmissions are filed with the minutes or proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors.

Section 3.10 Chairman of the Board. The Chairman of the Board, if any, shall preside at meetings of stockholders (except as otherwise provided in Section 2.04(a)) and meetings of directors and shall perform such other duties as the Board of Directors may from time to time determine. If the Chairman of the Board is not present at a meeting of the Board of Directors, another director chosen by the Board of Directors shall preside.

Section 3.11 Rules and Regulations. The Board of Directors shall adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings and management of the affairs of the Corporation as the Board of Directors shall deem proper.

Section 3.12 Fees and Compensation of Directors. Directors and members of committees may receive such compensation, if any, for their services and such reimbursement of

expenses as may be fixed or determined by resolution of the Board of Directors. This Section 3.12 shall not be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise and receiving compensation for those services.

Section 3.13 Emergency Bylaws. In the event of any emergency, disaster or catastrophe, as referred to in Section 110 of the DGCL, or other similar emergency condition, as a result of which a quorum of the Board of Directors or a standing committee of the Board of Directors cannot readily be convened for action, then the director or directors in attendance at the meeting shall constitute a quorum. Such director or directors in attendance may further take action to appoint one or more of themselves or other directors to membership on any standing or temporary committees of the Board of Directors as they shall deem necessary and appropriate.

ARTICLE IV.

COMMITTEES

Section 4.01 Committees of the Board of Directors. The Board of Directors may, by resolution, designate one or more committees, each such committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing any bylaw of the Corporation. All committees of the Board of Directors shall keep minutes of their meetings and shall report their proceedings to the Board of Directors when requested or required by the Board of Directors.

Section 4.02 Meetings and Action of Committees. Any committee of the Board of Directors may adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings as such committee may deem proper.

ARTICLE V.

OFFICERS

Section 5.01 Officers. The officers of the Corporation shall consist of a Chief Executive Officer, a Chief Financial Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer, a Controller and such other officers as the Board of Directors may from

time to time determine, each of whom shall be elected by the Board of Directors, each to have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors. Each officer shall be chosen by the Board of Directors and shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly chosen and qualified, or until such person's earlier death, disqualification, resignation or removal. Any two of such offices may be held by the same person; provided, however, that no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law, the Certificate of Incorporation or these Bylaws to be executed, acknowledged or verified by two or more officers.

Section 5.02 Compensation. The salaries of the officers of the Corporation and the manner and time of the payment of such salaries shall be fixed and determined by the Board of Directors and may be altered by the Board of Directors from time to time as it deems appropriate, subject to the rights, if any, of such officers under any contract of employment.

Section 5.03 Removal, Resignation and Vacancies. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any officer may resign at any time upon written notice to the Corporation, without prejudice to the rights, if any, of the Corporation under any contract to which such officer is a party. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified.

Section 5.04 Chief Executive Officer. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Chairman of the Board of Directors. Unless otherwise provided in these Bylaws, all other officers of the Corporation shall report directly to the Chief Executive Officer or as otherwise determined by the Chief Executive Officer. The Chief Executive Officer shall, if present and in the absence of the Chairman of the Board of Directors, preside at meetings of the stockholders and of the Board of Directors.

Section 5.05 Chief Financial Officer. The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.06 President. The President shall be the chief operating officer of the Corporation, with general responsibility for the management and control of the operations of the Corporation. The President shall have the power to affix the signature of the Corporation to all contracts that have been authorized by the Board of Directors or the Chief Executive Officer. The President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.07 Vice Presidents. The Vice President shall have such powers and duties as shall be prescribed by his or her superior officer or the Chief Executive Officer. A Vice President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.08 Treasurer. The Treasurer shall supervise and be responsible for all the funds and securities of the Corporation, the deposit of all moneys and other valuables to the credit of the Corporation in depositories of the Corporation, borrowings and compliance with the provisions of all indentures, agreements and instruments governing such borrowings to which the Corporation is a party, the disbursement of funds of the Corporation and the investment of its funds, and in general shall perform all of the duties incident to the office of the Treasurer. The Treasurer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.09 Controller. The Controller shall be the chief accounting officer of the Corporation. The Controller shall, when requested, counsel with any advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or the Chief Financial Officer or as the Board of Directors may from time to time determine.

Section 5.10 Secretary. The powers and duties of the Secretary are: (i) to act as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose; (ii) to see that all notices required to be given by the Corporation are duly given and served; (iii) to act as custodian of the seal of the Corporation and affix the seal or cause it to be affixed to all certificates of stock of the Corporation and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; (iv) to have charge of the books, records and papers of the Corporation and see that the reports, statements and other documents required by law to be kept and filed are properly kept and filed; and (v) to perform all of the duties incident to the office of Secretary. The Secretary shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 5.11 Additional Matters. The Chief Executive Officer and the Chief Financial Officer of the Corporation shall have the authority to designate employees of the Corporation to have the title of Vice President, Assistant Vice President, Assistant Treasurer or Assistant Secretary. Any employee so designated shall have the powers and duties determined by the officer making such designation. The persons upon whom such titles are conferred shall not be deemed officers of the Corporation unless elected by the Board of Directors.

Section 5.12 Checks; Drafts; Evidences of Indebtedness. From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes, bonds, debentures or other evidences of indebtedness that are issued in the name of or payable by the Corporation, and only the persons so authorized shall sign or endorse such instruments.

Section 5.13 Corporate Contracts and Instruments; How Executed. Except as otherwise provided in these Bylaws, the Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 5.14 Action with Respect to Securities of Other Corporations. The Chief Executive Officer or any other officer of the Corporation authorized by the Board of Directors or the Chief Executive Officer is authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

ARTICLE VI.

INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 6.01 Right to Indemnification. Each person who was or is a party or is threatened to be made a party to, or was or is otherwise involved in any action, suit, arbitration, alternative dispute mechanism, inquiry, judicial administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether brought by or in the right of the Corporation or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature (hereinafter a "**proceeding**"), by reason of the fact that he or she is or was a director or an officer of the Corporation or while a director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "**indemnitee**"), or by reason of anything done or not done by him or her in any such capacity, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement by or on behalf of the indemnitee) actually and reasonably incurred by such indemnitee in connection therewith; provided, however, that, except as provided in Section 6.03 with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding, or part thereof (including claims and counterclaims), initiated by such indemnitee only if such proceeding (or part thereof) was authorized or ratified by the Board of Directors.

Section 6.02 Right to Advancement of Expenses. In addition to the right to indemnification conferred in Section 6.01, an indemnitee shall, to the fullest extent not prohibited by law, also have the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in defending any such proceeding in advance of its final disposition (hereinafter an "**advancement of expenses**"); provided, however, that an advancement of expenses shall be made only upon delivery to the Corporation of an undertaking (hereinafter an

"**undertaking**"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal (hereinafter a "**final adjudication**") that such indemnitee is not entitled to be indemnified for such expenses under this Section 6.02 or otherwise.

Section 6.03 Right of Indemnitee to Bring Suit. If a request for indemnification under Section 6.01 is not paid in full by the Corporation within 60 days, or if a request for an advancement of expenses under Section 6.02 is not paid in full by the Corporation within 20 days, after a written request has been received by the Corporation, the indemnitee may at any time thereafter bring suit against the Corporation in a court of competent jurisdiction in the State of Delaware seeking an adjudication of entitlement to such indemnification or advancement of expenses. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit to the fullest extent permitted by law. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a

right to an advancement of expenses) it shall be a defense that the indemnitee has not met any applicable standard of conduct for indemnification set forth in the DGCL. Further, in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the indemnitee has not met any applicable standard of conduct for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VI or otherwise shall be on the Corporation.

Section 6.04 Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article VI shall not be exclusive of any other right which any person may have or hereafter acquire under any law, agreement, vote of stockholders or directors, provisions of the Certificate of Incorporation or these Bylaws or otherwise.

Section 6.05 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 6.06 Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VI with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

Section 6.07 Nature of Rights. The rights conferred upon indemnitees in this Article VI shall be contract rights that shall vest at the time an individual becomes a director or officer of the Corporation and such rights shall continue as to an indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article VI that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment, alteration or repeal.

Section 6.08 Settlement of Claims. The Corporation shall not be liable to indemnify any indemnitee under this Article VI for any amounts paid in settlement of any proceeding effected without the Corporation's written consent, which consent shall not be unreasonably withheld, or for any judicial award if the Corporation was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such proceeding.

Section 6.09 Subrogation. In the event of payment under this Article VI, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

Section 6.10 Severability. If any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not by themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby, and (b) to the fullest extent possible, the provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent of the parties that the Corporation provide protection to the indemnitee to the fullest enforceable extent.

ARTICLE VII.

CAPITAL STOCK

Section 7.01 Certificates of Stock. The shares of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Every holder of stock represented by certificates shall be

entitled to have a certificate signed by or in the name of the Corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation certifying the number of shares owned by such holder in the Corporation. Any or all such signatures may be facsimiles or other electronic formats. In case any officer, transfer agent or registrar who has signed or whose facsimile or other electronic signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 7.02 Special Designation on Certificates. If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 7.02 or Section 156, 202(a) or 218(a) of the DGCL or with respect to this Section 7.02 a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

Section 7.03 Transfers of Stock. Transfers of shares of stock of the Corporation shall be made only on the books of the Corporation upon authorization by the registered holder thereof or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or a transfer agent for such stock, and if such shares are represented by a certificate, upon surrender of the certificate or certificates for such shares properly endorsed or accompanied by a duly executed stock transfer power and the payment of any taxes thereon; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful

restriction on transfer.

Section 7.04 Lost Certificates. The Corporation may issue a new share certificate or new certificate for any other security in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or the owner's legal representative to give the Corporation a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft

or destruction of any such certificate or the issuance of such new certificate. The Board of Directors may adopt such other provisions and restrictions with reference to lost certificates, not inconsistent with applicable law, as it shall in its discretion deem appropriate.

Section 7.05 Addresses of Stockholders. Each stockholder shall designate to the Secretary an address at which notices of meetings and all other corporate notices may be served or mailed to such stockholder and, if any stockholder shall fail to so designate such an address, corporate notices may be served upon such stockholder by mail directed to the mailing address, if any, as the same appears in the stock ledger of the Corporation or at the last known mailing address of such stockholder.

Section 7.06 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, 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, except as otherwise provided by law.

Section 7.07 Record Date for Determining Stockholders.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 7.08 Regulations. The Board of Directors may make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares of stock of the Corporation.

ARTICLE VIII.

GENERAL MATTERS

Section 8.01 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January of each year and end on the last day of December of the same year, or such other twelve (12) consecutive months as the Board of Directors may designate..

Section 8.02 Facsimile Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile or other electronic signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section 8.03 Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 8.04 Maintenance and Inspection of Records. The Corporation shall, either at its principal executive office or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books and other records.

Section 8.05 Reliance Upon Books, Reports and Records. Each director and each member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 8.06 Time Periods. In applying any provision of these Bylaws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

Section 8.07 Subject to Law and Certificate of Incorporation. All powers, duties and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the Certificate of Incorporation and applicable law.

ARTICLE IX.

AMENDMENTS

Section 9.01 Amendments. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal these Bylaws. In addition to any requirements of law and any other provision of these Bylaws or the Certificate of Incorporation, and notwithstanding any other provision of these Bylaws, the Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, the affirmative vote of the holders of at least 66 2/3% in voting power of the issued and outstanding stock entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to amend or repeal, or adopt any provision inconsistent with, any provision of these Bylaws.

The foregoing Second Amended and Restated Bylaws are effective as of May 7, 2010.

CERTIFICATE OF SECRETARY

The undersigned, being the duly elected Secretary of Douglas Dynamics, Inc., a Delaware corporation, (the "Corporation"), hereby certifies that the Bylaws to which this Certificate is attached were duly adopted by the Board of Directors of the Corporation pursuant to an action by unanimous written consent on May 4, 2010.

/s/ Robert McCormick
Robert McCormick

Exhibit 10.8

AMENDMENT NO. 2
TO
EMPLOYMENT AGREEMENT
(Robert McCormick)

This AMENDMENT NO. 2 TO EMPLOYMENT AGREEMENT ("Amendment") is made and entered into, effective as of May 4, 2010 (the "Effective Date"), by and between Robert McCormick ("Executive") and Douglas Dynamics, Inc., a Delaware corporation (the "Company").

WHEREAS, Executive and the Company are parties to that certain Employment Agreement dated as of September 7, 2004 (as amended, the "Employment Agreement"); and

WHEREAS, the Company and Executive wish to amend the Employment Agreement as provided for herein, effective as of the Effective Date, in order to comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), and the rules and regulations promulgated thereunder.

NOW, THEREFORE, in consideration of the foregoing, the Employment Agreement is amended as follows, effective as of the date hereof:

1. A new Section 13 is added as follows:

"Section 13. Section 409A Compliance.

(a) The parties agree that this Agreement is intended to comply with the requirements of Section 409A of the Code and the regulations and guidance promulgated thereunder ("**Section 409A**") or an exemption from Section 409A. The Company shall undertake to administer, interpret, and construe this Agreement in a manner that does not result in the imposition on Executive of any additional tax, penalty, or interest under Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit that is considered deferred compensation under Section 409A payable on account of a "separation from service," and that is not exempt from Section 409A as involuntary separation pay or a short-term deferral (or otherwise), such payment or benefit shall be made or provided at the date which is the earlier of (i) the expiration of the six (6)-month period

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measured from the date of such "separation from service" of Executive or (ii) the date of Executive's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Subsection 13(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum without interest, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, all such payments shall be made on or before the last day of calendar year following the calendar year in which the expense occurred."

2. Except as expressly provided herein, the provisions of the Employment Agreement shall remain in full force and effect and are hereby ratified and confirmed.

[Signature Page Follows]

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

DOUGLAS DYNAMICS, INC.

By: /s/ James L. Janik
Name: James L. Janik
Title: Pres. & CEO

EXECUTIVE

/s/ Robert McCormick
Robert McCormick

AMENDMENT NO. 1
TO
EMPLOYMENT AGREEMENT
(James L. Janik)

This AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT ("Amendment") is made and entered into, effective as of May 4, 2010 (the "Effective Date"), by and between James L. Janik ("Executive") and Douglas Dynamics, Inc., a Delaware corporation (the "Company").

WHEREAS, Executive and the Company are parties to that certain Employment Agreement dated as of March 31, 2004 (the "Employment Agreement"); and

WHEREAS, the Company and Executive wish to amend the Employment Agreement as provided for herein, effective as of the Effective Date, in order to comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), and the rules and regulations promulgated thereunder.

NOW, THEREFORE, in consideration of the foregoing, the Employment Agreement is amended as follows, effective as of the date hereof:

1. A new Section 16 is added as follows:

"Section 16. Section 409A Compliance.

(a) The parties agree that this Agreement is intended to comply with the requirements of Section 409A of the Code and the regulations and guidance promulgated thereunder ("**Section 409A**") or an exemption from Section 409A. The Company shall undertake to administer, interpret, and construe this Agreement in a manner that does not result in the imposition on Executive of any additional tax, penalty, or interest under Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit that is considered deferred compensation under Section 409A payable on account of a "separation from service," and that is not exempt from Section 409A as involuntary separation pay or a short-term deferral (or otherwise), such payment or benefit shall be made or provided at the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive or

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(ii) the date of Executive's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Subsection 16(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum without interest, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, all such payments shall be made on or before the last day of calendar year following the calendar year in which the expense occurred."

2. Except as expressly provided herein, the provisions of the Employment Agreement shall remain in full force and effect and are hereby ratified and confirmed.

[Signature Page Follows]

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

DOUGLAS DYNAMICS, INC.

By: /s/ Robert McCormick
Name: Robert McCormick
Title: VP - CFO

EXECUTIVE

/s/ James L. Janik
James L. Janik

AMENDMENT NO. 1
TO
EMPLOYMENT AGREEMENT
(Mark Adamson)

This AMENDMENT NO. 1 TO EMPLOYMENT AGREEMENT ("Amendment") is made and entered into, effective as of May 4, 2010 (the "Effective Date"), by and between Mark Adamson ("Executive") and Douglas Dynamics, Inc., a Delaware corporation (the "Company").

WHEREAS, Executive and the Company are parties to that certain Employment Agreement dated as of August 27, 2007 (the "Employment Agreement"); and

WHEREAS, the Company and Executive wish to amend the Employment Agreement as provided for herein, effective as of the Effective Date, in order to comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), and the rules and regulations promulgated thereunder.

NOW, THEREFORE, in consideration of the foregoing, the Employment Agreement is amended as follows, effective as of the date hereof:

1. A new Section 13 is added as follows:

"Section 13. Section 409A Compliance.

(a) The parties agree that this Agreement is intended to comply with the requirements of Section 409A of the Code and the regulations and guidance promulgated thereunder ("**Section 409A**") or an exemption from Section 409A. The Company shall undertake to administer, interpret, and construe this Agreement in a manner that does not result in the imposition on Executive of any additional tax, penalty, or interest under Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit that is considered deferred compensation under Section 409A payable on account of a "separation from service," and that is not exempt from Section 409A as involuntary separation pay or a short-term deferral (or otherwise), such payment or benefit shall be made or provided at the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive or

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(ii) the date of Executive's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Subsection 13(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum without interest, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, all such payments shall be made on or before the last day of calendar year following the calendar year in which the expense occurred."

2. Except as expressly provided herein, the provisions of the Employment Agreement shall remain in full force and effect and are hereby ratified and confirmed.

[Signature Page Follows]

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

DOUGLAS DYNAMICS, INC.

By: /s/ Robert McCormick
Name: Robert McCormick
Title: VP - CFO

EXECUTIVE

/s/ Mark Adamson
Mark Adamson

DOUGLAS DYNAMICS, INC.

AMENDED AND RESTATED 2004 STOCK INCENTIVE PLAN

Section 1. PURPOSE OF PLAN

The purpose of this Amended and Restated 2004 Stock Incentive Plan ("Plan") of Douglas Dynamics, Inc., a Delaware corporation (the "Company"), is to enable the Company to attract, retain and motivate (i) its employees, non-employee directors, independent contractors and consultants, (ii) members of the Advisory Committee (the "Advisors") of Aurora Capital Group ("ACG"), and (iii) employees of ACG or Ares Management (the "ACG/Ares Employees") by providing for or increasing the proprietary interests of such employees, non-employee directors, independent contractors, consultants, Advisors and ACG/Ares Employees in the Company.

Section 2. PERSONS ELIGIBLE UNDER PLAN

Any Advisor, ACG/Ares Employee or employee, non-employee director, independent contractor or consultant of the Company or any of its subsidiaries (each, a "Participant"), shall be eligible to be considered for the grant of Awards (as hereinafter defined) hereunder.

Section 3. AWARDS

(a) Subject to Section 3(b), the Committee (as hereinafter defined), on behalf of the Company, is authorized under this Plan to enter into any type of arrangement with a Participant that is not inconsistent with the provisions of this Plan and that, by its terms, involves or might involve the issuance of (i) shares of the Common Stock, par value $0.01, of the Company (the "Common Shares") or (ii) a Derivative Security (as such term is defined in Rule 16a-1 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as such rule may be amended from time to time) with an exercise or conversion privilege at a price related to the Common Shares or with a value derived from the value of the Common Shares. The entering into of any such arrangement is referred to herein as the "grant" of an "Award."

(b) Awards are not restricted to any specified form or structure and may include, without limitation, sales or bonuses of stock, restricted stock, stock options, reload stock options, stock purchase warrants, other rights to acquire stock, securities convertible into or redeemable for stock, stock appreciation rights, phantom stock, dividend equivalents, performance units or performance shares, and an Award may consist of one such security or benefit, or two or more of them in tandem or in the alternative.

(c) Awards may be issued, and Common Shares may be issued pursuant to an Award, for any lawful consideration as determined by the Committee, including, without limitation, services rendered by the recipient of such Award.

(d) Subject to the provisions of this Plan, the Committee, in its sole and absolute discretion, shall determine all of the terms and conditions of each Award granted under this Plan, which terms and conditions may include, among other things:

(i) a provision permitting the recipient of such Award, including any recipient who is a director or officer of the Company, to pay the purchase price of the Common Shares or other property issuable pursuant to such Award, or such recipient's tax withholding obligation with respect to such issuance, in whole or in part, by any one or more of the following:

(A) the delivery of cash;

(B) the delivery of other property deemed acceptable by the Committee;

(C) the delivery of previously owned shares of capital stock of the Company (including "pyramiding") or other property; or

(D) a reduction in the amount of Common Shares or other property otherwise issuable pursuant to such Award (such reduction to be valued on the basis of the aggregate Fair Market Value, on the date of exercise, of the additional Common Shares that would have been delivered to the Participant upon exercise of the Award), provided that the Company is not then prohibited from purchasing or acquiring Common Shares

(ii) provisions specifying the exercise or settlement price for any option, stock appreciation right or similar Award, or specifying the method by which such price is determined, provided that the exercise or settlement price of any option, stock appreciation right or similar Award that is intended to qualify as "performance based compensation" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") shall be not less than the Fair Market Value of a Common Share on the date such Award is granted;

(iii) provisions relating to the exercisability and/or vesting of Awards, lapse and non-lapse restrictions upon the Common Shares obtained or obtainable under Awards or under the Plan and the termination, expiration and/or forfeiture of Awards;

(iv) a provision conditioning or accelerating the receipt of benefits pursuant to such Award, either automatically or in the discretion of the Committee, upon the occurrence of specified events, including, without limitation, a change of control of the Company (as defined in the applicable award agreement), an acquisition of a specified percentage of the voting power of the Company, the dissolution or liquidation of the

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Company, the financial performance of the Company, a sale of substantially all of the property and assets of the Company or an event of the type described in Section 7 hereof;

(v) a provision required in order for such Award to qualify (A) as an incentive stock option under Section 422 of the Code (an "Incentive Stock Option"), (B) as "performance based compensation" under Section 162(m) of the Code, and/or (C) for an exemption from Section 16 of the Exchange Act; or

(vi) provisions restricting the transferability of Awards or Common Shares issued under Awards.

(e) For purposes of any Award under this Plan, unless provided otherwise in the grant of such Award, the "Fair Market Value" of a Common Share or other security on any date (the "Determination Date") shall be equal to the closing price per Common Share or unit of such other security on the business day immediately preceding the Determination Date, as reported in The Wall Street Journal, or, if no closing price was so reported for such immediately preceding business day, the closing price for the next preceding business day for which a closing price was so reported, or, if no closing price was so reported for any of the 30 business days immediately

preceding the Determination Date, the average of the high bid and low asked prices per Common Share or unit of such other security on the business day immediately preceding the Determination Date in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System or such other system then in use, or, if the Common Shares or such other security were not quoted by any such organization on such immediately preceding business day, the average of the closing bid and asked prices on such day as furnished by a professional market maker making a market in the Common Shares or such other security selected by the Board of Directors of the Company (the "Board"), or, if no such market was made in the Common Shares or such other security, the value of a Common Share or such other security as determined by the Board in its sole discretion. The Fair Market Value of a Common Share as of the effective date of this Plan as provided in Section 9 hereof is $100.00.

Section 4. STOCK SUBJECT TO PLAN

(a) The aggregate number of Common Shares that may be issued pursuant to all Incentive Stock Options granted under this Plan shall not exceed 68,345, subject to adjustment as provided in Section 7 hereof.

(b) At any time, the aggregate number of Common Shares issued and issuable pursuant to all Awards (including all Incentive Stock Options) granted under this Plan shall not exceed 68,345, subject to adjustment as provided in Section 7 hereof.

(c) For purposes of Section 4(b) hereof, the aggregate number of Common Shares issued and issuable pursuant to Awards granted under this Plan shall at any time be deemed to be equal to the sum of the following:

(i) the number of Common Shares that were issued prior to such time pursuant to Awards granted under this Plan, other than Common Shares that were subsequently reacquired by the Company pursuant to the terms and conditions of such Awards and with respect to which the holder thereof received no benefits of ownership such as dividends; plus

(ii) the number of Common Shares that were otherwise issuable prior to such time pursuant to Awards granted under this Plan, but that were withheld by the Company as payment of the purchase price of the Common Shares issued pursuant to such Awards or as payment of the recipient's tax withholding obligation with respect to such issuance; plus

(iii) the maximum number of Common Shares that are or may be issuable at or after such time pursuant to Awards granted under this Plan prior to such time.

Section 5. DURATION OF PLAN

No Awards shall be made under this Plan after March 31, 2014. Although Common Shares may be issued after March 31, 2014 pursuant to Awards made prior to such date, no Common Shares shall be issued under this Plan after March 31, 2024.

Section 6. ADMINISTRATION OF PLAN

(a) This Plan shall be administered by the Compensation Committee of the Board (the "Committee") or, in the absence of the Committee, the Board itself. Any power of the Committee may also be exercised by the Board, except to the extent that the grant or exercise of such authority would cause any Award or transaction to become subject to (or lose an exemption under) the short-swing profit recovery provisions of Section 16 of the Exchange Act or cause an Award designated as a performance-based Award not to qualify for treatment as performance-based compensation under Section 162(m) of the Code. The Committee may delegate any or all aspects of the day-to-day administration of the Plan to one or more officers or employees of the Company or any Subsidiary, and/or to one or more agents.

(b) Subject to the provisions of this Plan, the Committee shall be authorized and empowered to do all things necessary or desirable in connection with the administration of this Plan, including, without limitation, the following:

(i) adopt, amend and rescind rules and regulations relating to this Plan;

(ii) determine which persons are eligible to participate in the Plan and to which of such persons, if any, Awards shall be granted hereunder;

(iii) grant Awards to Participants and determine the terms and conditions thereof, including the number of Common Shares issuable pursuant thereto;

(iv) determine whether, and the extent to which adjustments are required pursuant to Section 7 hereof; and

(v) interpret and construe this Plan and the terms and conditions of any Award granted hereunder.

Section 7. ADJUSTMENTS

If the outstanding securities of the class then subject to this Plan are increased, decreased or exchanged for or converted into cash, property or a different number or kind of securities, or if cash, property or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, restructuring, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or if substantially all of the property and assets of the Company are sold, then the Committee shall make appropriate and proportionate adjustments in (a) the number and type of shares or other securities or cash or other property that may be acquired pursuant to Incentive Stock Options and other Awards theretofore granted under this Plan, (b) the maximum number and type of shares or other securities that may be issued pursuant to Incentive Stock Options and other Awards thereafter granted under this Plan, and (c) the minimum option exercise price set forth in Section 3(d)(ii).

Section 8. AMENDMENT AND TERMINATION OF PLAN

The Board may amend or terminate this Plan at any time and in any manner,*provided, however,* that no such amendment or termination shall deprive the recipient of any Award theretofore granted under this Plan, without the consent of such recipient, of any of his or her rights thereunder or with respect thereto.

Section 9. EFFECTIVE DATE OF PLAN

This Plan shall be effective as of June 21, 2004, the date as of which it was approved by the Board*provided, however,* that no Common Shares may be issued under this Plan until it has been approved, directly or indirectly, by the affirmative votes of the holders of a majority of the securities of the Company present, or represented, and entitled to vote by unanimous written consent or at a meeting duly held in accordance with the laws of the State of Delaware.

DOUGLAS DYNAMICS, INC.

AMENDED AND RESTATED 2004 STOCK INCENTIVE PLAN

SECOND AMENDED AND RESTATED

MANAGEMENT INCENTIVE OPTION AGREEMENT

This Second Amended and Restated Management Incentive Stock Option Agreement ("Agreement") is made and entered into as of May 7, 2010 by and between Douglas Dynamics, Inc., a Delaware corporation (the "Company"), and the person named below as Optionee.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THAT ACT AND UNDER APPLICABLE STATE SECURITIES LAW OR THE COMPANY SHALL HAVE RECEIVED AN OPINION OF ITS COUNSEL THAT REGISTRATION OF SUCH SECURITIES UNDER THAT ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED. THE SALE, TRANSFER OR OTHER DISPOSITION OF THE SECURITIES IS ALSO SUBJECT TO COMPLIANCE WITH THE TERMS AND CONDITIONS OF THAT CERTAIN SECOND AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT, DATED AS OF JUNE 30, 2004, AS SUPPLEMENTED, MODIFIED AND AMENDED FROM TIME TO TIME, AMONG THE COMPANY AND THE SECURITYHOLDERS SIGNATORY THERETO, A COPY OF WHICH AGREEMENT IS AVAILABLE FOR INSPECTION DURING REGULAR BUSINESS HOURS AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.

WHEREAS, Optionee is an eligible participant in the Company's Amended and Restated 2004 Stock Incentive Plan (the "Plan"); and

WHEREAS, the Company and Optionee entered into that certain Management Incentive Stock Option Agreement dated as of March 31, 2004 (as subsequently amended and restated, the "Original Agreement") pursuant to which Optionee was granted an option to purchase shares of the Company's Common Stock, $0.01 par value per share (the "Common Stock"), on the terms and conditions set forth therein; and

WHEREAS, the Company and Optionee desire to amend and restate the terms of the Original Agreement to, in addition to certain ministerial changes, delete the ability of Optionee to use a promissory note to pay any portion of the Exercise Price (as defined below) and provide that the use of "net exercise" shall be at the sole discretion of the Committee.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Optionee, and Optionee hereby accepts, as of the Date of Grant, an option to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below, which option shall expire at 5:00 o'clock p.m., California time, on the Expiration Date indicated below and shall be subject to all of the terms and conditions set forth in this Agreement (the "Option"). On each of the first, second, third, fourth and fifth anniversaries of March 31, 2004, the Option shall become exercisable to purchase, and shall vest with respect to, that number of Option Shares (rounded to the nearest whole share) equal to the total number of Option Shares multiplied by the Vesting Rate indicated below.

Optionee:	James L. Janik
Date of Grant:	March 31, 2004
Number of shares purchasable:	5,000
Exercise Price per share:	$100.00
Expiration Date:	March 30, 2014
Vesting Rate:	20% per year on a cumulative basis

The Option is intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option").

2. Acceleration and Termination of Option.

(a) Change of Control and Other Events Causing Acceleration of Option. All Options shall become fully exercisable immediately prior to a Change of Control or the dissolution or liquidation of the Company while the Optionee is employed by the Company. In addition, the Committee, in its sole discretion, may accelerate the exercisability of the Option at any time and for any reason.

(b) Termination of Employment.

(i) Termination With Cause. In the event that Optionee shall cease to be an employee of the Company or any of its subsidiaries (such event shall be referred to herein as Optionee's "Termination") for reason of Cause (as defined below), all unexercised Options (whether vested or unvested) shall terminate as of the date of such Termination.

(ii) Retirement; Death or Disability. In the event that Optionee shall retire, die or become Disabled (as defined below), then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the

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date of such Termination and (B) the vested portion of the Option shall terminate as of the date that is twenty-four (24) months following the date of such Termination.

(iii) Voluntary Termination for Material Breach; Termination Without Cause. In the event of a Termination by Optionee of his employment for Material Breach (as defined below) or in the event of a Termination of Optionee by the Company without Cause, then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the date of such Termination; *provided, however*, that the unvested portion of the

Option that would otherwise have vested at the end of the twelve (12) month period in which the Termination by Optionee of his employment or Termination of Optionee by the Company without Cause occurs, shall vest immediately on the date of such Termination on a pro rata basis according to the number of months in which Optionee has been employed during such 12-month period, and (B) the vested portion of the Option shall terminate as of the date that is twenty-four (24) months following the date of such Termination.

(iv) Voluntary Termination for Any Reason Other than Material Breach In the event of a Termination by Optionee of his employment for any reason other than a Material Breach (as defined below), then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the date of such Termination and (B) the vested portion of the Option shall terminate as of the date that is one hundred eighty (180) days following the date of such Termination.

(c) Other Events Causing Termination of Option. Notwithstanding anything to the contrary in this Agreement, the Option shall terminate (unless the terms of the transaction giving rise to such termination provide otherwise) upon the consummation of the dissolution or liquidation of the Company or a Change of Control, or, if later, the thirtieth (30th) day following the first date upon which either of such events shall have been approved by both the Board and the stockholders of the Company; *provided, however,* that no such termination shall occur until the Company shall have provided the Optionee with reasonable notice of such pending termination and Optionee shall have been provided reasonable opportunity to exercise the Option, as such Option may be accelerated pursuant to Section 2(a) hereof.

3. Adjustments. In the event that the outstanding securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or in the event that substantially all of the property and assets of the Company are sold, then, unless (i) such event shall cause the Option to terminate pursuant to Section 2(c) hereof, or (ii) the terms of such transaction provide otherwise, the Committee shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; *provided, however,* that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

4. Exercise. The Option shall be exercisable during Optionee's lifetime only by Optionee or by his or her guardian or legal representative, and after Optionee's death only by the person or entity entitled to do so under Optionee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company of a written notice of such exercise, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares, together with payment in full of such aggregate Exercise Price in cash or by check payable to the Company; *provided, however*, that payment of such aggregate Exercise Price may instead be made, in whole or in part, by (i) the delivery to the Company of a certificate or certificates representing shares of Common Stock, duly endorsed or accompanied by a duly executed stock powers, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value (as defined in the Plan) thereof on the date of such exercise), or (ii) at the sole discretion of the Committee, by a reduction in the amount of Purchased Shares or other property otherwise issuable pursuant to such Option (such reduction to be valued on the basis of the aggregate Fair Market Value, on the date of exercise, of the additional Purchased Shares that would have been delivered to the Optionee upon exercise of the Option), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

5. Securityholders Agreement. As of the Date of Grant, the Optionee shall execute and agree to be bound by the terms of that certain Amended and Restated Securityholders Agreement among the Company and certain of its securityholders, dated as of April 12, 2004, as amended from time to time (the "Securityholders Agreement").

6. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state, local or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Optionee shall, on the first day upon which the Company becomes obligated to pay such amount to the appropriate taxing authority, pay such amount to the Company in cash or by check or other property acceptable to the Secretary of the Company in his sole discretion; and, if the Optionee fails to make such payment, the Company is authorized by the Optionee to withhold from any payments then or thereafter payable to the Optionee, any such amounts or the Company may otherwise refuse to issue or transfer any shares otherwise required to be issued or transferred pursuant to the terms hereof. The Committee may, in its sole discretion, allow the Optionee to pay any such amounts through the surrender of whole shares of Common Stock or by having the Company withhold whole shares of Common Stock otherwise issuable upon the exercise of this Option. Any such shares surrendered or withheld shall be valued at their market value, determined by such method as the Secretary of the Company in his sole discretion shall determine, equal to the sums required to be withheld as of the date on which the amount of tax to be withheld is determined.

7. Notices. All notices and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or five days after mailing by certified or registered mail, postage prepaid, return receipt requested, to the Company c/o Gibson, Dunn & Crutcher LLP, 333 S. Grand Avenue, Los Angeles, California 90071, Attention: Bruce D. Meyer, Esq., or to Optionee at the address set

forth beneath his or her signature on the signature page hereto, or at such other addresses as Optionee may designate by written notice in the manner aforesaid.

8. Compliance with Legal Requirements.

(a) No Option Shares shall be issued or transferred pursuant to this Agreement unless and until all legal requirements applicable to such issuance or transfer have, in the opinion of counsel to the Company, been satisfied. Such requirements may include, but are not limited to, registering or qualifying such Option Shares under any state or federal law, satisfying any applicable law relating to the transfer of unregistered securities or demonstrating the availability of an exemption from applicable laws, placing a legend on the Option Shares to the effect that they were issued in reliance upon an exemption from registration under the Securities Act of 1933, as amended (the "Act"), and may not be transferred other than in reliance upon Rule 144 or Rule 701 promulgated under the Act, if available, or upon another exemption from the Act, or obtaining the consent or approval of any governmental regulatory body. The Company shall use its best efforts to comply with all legal requirements applicable to the issuance or transfer of Option Shares.

(b) The Optionee understands that the Company intends for the offering and sale of Option Shares to be effected in reliance upon Rule 701 or another available exemption from registration under the Act, and that the Company is under no obligation to register for resale the Option Shares issued upon exercise of the Option, subject to the Securityholders Agreement. In connection with any such issuance or transfer, the person acquiring the Option Shares shall, if requested by the Company, provide information and assurances satisfactory to counsel to the Company with respect to such matters as the Company reasonably may deem desirable to assure compliance with all applicable legal requirements.

9. Nontransferability. Neither the Option nor any interest therein may be Transferred in any manner other than by will or the laws of descent and distribution.

10. Plan. The Option is granted pursuant to the Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the Plan, as the same may be amended from time to time; *provided, however*, that no such amendment shall deprive Optionee, without his or her consent, of the Option or of any of Optionee's rights under this Agreement. The interpretation and construction by the Committee of the Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee for the purpose of administering the Plan shall be final and binding upon Optionee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the Plan, in its then-current form, to Optionee or any other person or entity then entitled to exercise the Option.

11. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement.

12. Employment Rights. No provision of this Agreement or of the Option granted hereunder shall (a) confer upon Optionee any right to be or continue, as the case may be, in the employ of the Company or any of its subsidiaries, (b) affect the right of the Company and

each of its subsidiaries to terminate the employment of Optionee, with or without cause, or (c) confer upon Optionee any right to participate in any employee welfare or benefit plan or other program of the Company or any of its subsidiaries other than the Plan. **Optionee hereby acknowledges and agrees that the Company and each of its subsidiaries may terminate the employment of Optionee at any time and for any reason, or for no reason, unless Optionee and the Company or such subsidiary are parties to a written employment agreement that expressly provides otherwise.**

13. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to choice or conflict of law principles.

14. Definitions.

An "Affiliate" of a specified Person means a Person that controls, is controlled by, or is under common control with, the specified Person, and in this context, "control", "controls" and "controlled" mean the direct or indirect power to direct the management and policies or affairs of a Person through the ownership of voting securities or by contract or otherwise and, in the case of a limited partnership, shall include, but shall not be limited to, all of the limited partnership's general partners and their respective Affiliates.

"Ares" means Ares Corporate Opportunities Fund, L.P., a Delaware limited partnership.

"Ares Purchasers" means Ares and its Affiliates.

"Aurora Purchasers" means Aurora Equity Partners II L.P., a Delaware limited partnership, Aurora Overseas Equity Partners II, L.P., a Cayman Islands limited partnership, and their respective Affiliates and co-investors.

"Beneficial Owner" has the meaning attributed to it in Rules 13d-3 and 13d-5 of the rules and regulations promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934 (as in effect on the date hereof), whether or not applicable, except that a Person shall be deemed to have "beneficial ownership" of any securities that such Person has the right to acquire, whether or not such right is exercisable immediately or within 60 days after the date as of which such determination is being made. "Beneficially Owned" and "Beneficial Ownership" shall have correlative meanings to the term "Beneficial Owner."

"Board" means the Board of Directors of the Company.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

"Cause" means (i) if a definition of "Cause" is included in the then effective employment agreement between the Optionee and the Company (the "Employment Agreement"), such definition, or (ii) if no such definition exists, the occurrence or existence of any of the

following with respect to Optionee, as determined by a majority of the disinterested directors of the Board: (a) a material breach by Optionee of any of his obligations under the Employment Agreement, *provided, however*, that Cause shall not be deemed to exist under this clause (a) until the Company shall have given written notice specifying the claimed material breach and Optionee fails to correct the claimed breach within thirty (30) days after the receipt of the applicable notice; (b) any transaction by Optionee that represents direct or indirect self-dealing with the Company or any of its Affiliates that was not approved in advance by a majority of the disinterested directors of the Board, *provided, however*, that Cause shall not be deemed to exist under this clause (b) until the Company shall have given written notice specifying the claimed self-dealing and Optionee fails to correct the claimed self-dealing within thirty (30) days after the receipt of the applicable notice; (c) the repeated material breach by Optionee of any material duty referred to in clause (a) or (b) above as to which at least two (2) written notices have been given pursuant to such clause (a) or (b), (d) any act of dishonesty, misappropriation, embezzlement, fraud or similar conduct involving the Company or any of its Affiliates; (e) the conviction or the plea of nolo contendere or the equivalent in respect of a felony involving moral turpitude; (f) the intentional infliction by Optionee of any damage of a material nature to any property of the Company or any of its Affiliates; or (g) the repeated use of any controlled substance or alcohol or any other non-controlled substance which, in any case described in this clause (f), the Board reasonably determines renders the Optionee unfit to serve in his capacity as an officer or employee of the Company or its Affiliates.

"Change of Control" means, at any time, (i) the Aurora Purchasers and Ares Purchasers shall cease to collectively beneficially own and control at least 51%, on a fully diluted basis, of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company, unless the Aurora Purchasers and Ares Purchasers collectively beneficially own and control (a) at least 35%, on a fully diluted basis, of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company and (b) on a fully diluted basis, more of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company than any other Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act); (ii) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) other than the Aurora Purchasers and Ares Purchasers collectively shall have obtained the power (whether or not exercised) to elect a majority of the members of the Board (or similar governing body) of the Company; (iii) the Company shall cease to beneficially own and control 100% on a fully diluted basis of the economic and voting interests in the Capital Stock of Douglas Dynamics, L.L.C.; or (iv) the majority of the seats (other than vacant seats) on the Board (or similar governing body) of the Company cease to be occupied by Persons who either (a) were members of the Board of the Company on the Initial Date or (b) were nominated for election by the Board of the Company, a majority of whom were directors on the Initial Date or whose election or nomination for election was previously approved by a majority of such directors.

"Committee" means a committee of the Board administering the Plan pursuant to the terms of the Plan, or in the absence of such a committee, the Board itself.

"Disabled" or "Disability" means, if a definition of "Disabled" or "Disability" is included in the Employment Agreement, such definition or, if no such definition exists, the occurrence of an event or events that renders Optionee unable to perform the essential functions of his position, even with reasonable accommodation.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"Initial Date" means the date of the filing of the Second Amended and Restated Certificate of Incorporation of the Company with the Secretary of State of the State of Delaware.

"Material Breach" means the definition of "Material Breach" included in the Employment Agreement.

"Person" means a company, a corporation, an association, a partnership, a limited liability company, an organization, a joint venture, a trust or other legal entity, an individual, a government political subdivision thereof or a governmental agency.

"Transfer" means any sale, exchange, assignment, transfer, pledge, mortgage, hypothecation, gift, grant, encumbrance or other disposition of any kind, whether voluntary, involuntary or by operation of law and whether direct or indirect by transfer of any interest in the subject property or otherwise.

15. Optionee Address. Optionee represents that the address set forth on the signature page hereto is Optionee's true and correct address, and acknowledges that the Company is relying upon such representations for securities law purposes.

IN WITNESS WHEREOF, the Company and Optionee have duly executed this Agreement as of the date set forth above.

DOUGLAS DYNAMICS, INC.,
a Delaware corporation

By: /s/ Robert McCormick
Name: Robert McCormick
Title: VP - CFO

OPTIONEE

/s/ James L. Janik
James L. Janik

Street Address

City, State and Zip Code

Social Security Number

DOUGLAS DYNAMICS, INC.

AMENDED AND RESTATED 2004 STOCK INCENTIVE PLAN

SECOND AMENDED AND RESTATED

MANAGEMENT NON-QUALIFIED OPTION AGREEMENT

This Second Amended and Restated Non-Qualified Stock Option Agreement ("Agreement") is made and entered into as of May 7, 2010 by and between Douglas Dynamics, Inc., a Delaware corporation (the "Company"), and the person named below as Optionee.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED UNDER THAT ACT AND UNDER APPLICABLE STATE SECURITIES LAW OR THE COMPANY SHALL HAVE RECEIVED AN OPINION OF ITS COUNSEL THAT REGISTRATION OF SUCH SECURITIES UNDER THAT ACT AND UNDER THE PROVISIONS OF APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED. THE SALE, TRANSFER OR OTHER DISPOSITION OF THE SECURITIES IS ALSO SUBJECT TO COMPLIANCE WITH THE TERMS AND CONDITIONS OF THAT CERTAIN SECOND AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT, DATED AS OF JUNE 30, 2004, AS SUPPLEMENTED, MODIFIED AND AMENDED FROM TIME TO TIME, AMONG THE COMPANY AND THE SECURITYHOLDERS SIGNATORY THERETO, A COPY OF WHICH AGREEMENT IS AVAILABLE FOR INSPECTION DURING REGULAR BUSINESS HOURS AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.

WHEREAS, Optionee is an eligible participant in the Company's Amended and Restated 2004 Stock Incentive Plan (the "Plan"); and

WHEREAS, the Company and Optionee entered into that certain Management Non-Qualified Stock Option Agreement dated as of March 31, 2004 (as subsequently amended and restated, the "Original Agreement") pursuant to which Optionee was granted an option to purchase shares of the Company's Common Stock, $0.01 par value per share (the "Common Stock"), on the terms and conditions set forth therein; and

WHEREAS, the Company and Optionee desire to amend and restate the terms of the Original Agreement to, in addition to certain ministerial changes, delete the ability of Optionee to use a promissory note to pay any portion of the Exercise Price (as defined below) and provide that the use of "net exercise" shall be at the sole discretion of the Committee.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants set forth herein, the parties hereto hereby agree as follows:

1. Grant of Option; Certain Terms and Conditions. The Company hereby grants to Optionee, and Optionee hereby accepts, as of the Date of Grant, an option to purchase the number of shares of Common Stock indicated below (the "Option Shares") at the Exercise Price per share indicated below, which option shall expire at 5:00 o'clock p.m., California time, on the Expiration Date indicated below and shall be subject to all of the terms and conditions set forth in this Agreement (the "Option"). On each of the first, second, third, fourth and fifth anniversaries of March 31, 2004, the Option shall become exercisable to purchase, and shall vest with respect to, that number of Option Shares (rounded to the nearest whole share) equal to the total number of Option Shares multiplied by the Vesting Rate indicated below.

Optionee:	James L. Janik
Date of Grant:	March 31, 2004
Number of shares purchasable:	19,444
Exercise Price per share:	$100.00
Expiration Date:	March 30, 2014
Vesting Rate:	20% per year on a cumulative basis

The Option is not intended to qualify as an incentive stock option under Section 422 of the Internal Revenue Code (an "Incentive Stock Option").

2. Acceleration and Termination of Option.

(a) Change of Control and Other Events Causing Acceleration of Option. All Options shall become fully exercisable immediately prior to a Change of Control or the dissolution or liquidation of the Company while the Optionee is employed by the Company. In addition, the Committee, in its sole discretion, may accelerate the exercisability of the Option at any time and for any reason.

(b) Termination of Employment.

(i) Termination With Cause. In the event that Optionee shall cease to be an employee of the Company or any of its subsidiaries (such event shall be referred to herein as Optionee's "Termination") for reason of Cause (as defined below), all unexercised Options (whether vested or unvested) shall terminate as of the date of such Termination.

(ii) Retirement; Death or Disability. In the event that Optionee shall retire, die or become Disabled (as defined below), then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the

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date of such Termination and (B) the vested portion of the Option shall terminate as of the date that is twenty-four (24) months following the date of such Termination.

(iii) Voluntary Termination for Material Breach; Termination Without Cause. In the event of a Termination by Optionee of his employment for a Material Breach (as defined below) or in the event of a Termination of Optionee by the Company without Cause, then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the date of such Termination; *provided, however*, that the unvested portion of the

Option that would otherwise have vested at the end of the twelve (12) month period in which the Termination by Optionee of his employment or Termination of Optionee by the Company without Cause occurs, shall vest immediately on the date of such Termination on a pro rata basis according to the number of months in which Optionee has been employed during such 12-month period, and (B) the vested portion of the Option shall terminate as of the date that is twenty-four (24) months following the date of such Termination.

(iv) Voluntary Termination for Any Reason Other than Material Breach. In the event of a Termination by Optionee of his employment for any reason other than a Material Breach (as defined below), then (A) the portion of the Option that has not vested on or prior to the date of such Termination shall terminate as of the date of such Termination and (B) the vested portion of the Option shall terminate as of the date that is one hundred eighty (180) days following the date of such Termination.

(c) Other Events Causing Termination of Option. Notwithstanding anything to the contrary in this Agreement, the Option shall terminate (unless the terms of the transaction giving rise to such termination provide otherwise) upon the consummation of the dissolution or liquidation of the Company or a Change of Control, or, if later, the thirtieth (30th) day following the first date upon which either of such events shall have been approved by both the Board and the stockholders of the Company; *provided however,* that no such termination shall occur until the Company shall have provided the Optionee with reasonable notice of such pending termination and Optionee shall have been provided reasonable opportunity to exercise the Option, as such Option may be accelerated pursuant to Section 2(a) hereof.

3. Adjustments. In the event that the outstanding securities of the class then subject to the Option are increased, decreased or exchanged for or converted into cash, property and/or a different number or kind of securities, or cash, property and/or securities are distributed in respect of such outstanding securities, in either case as a result of a reorganization, merger, consolidation, recapitalization, reclassification, dividend (other than a regular, quarterly cash dividend) or other distribution, stock split, reverse stock split or the like, or in the event that substantially all of the property and assets of the Company are sold, then, unless (i) such event shall cause the Option to terminate pursuant to Section 2(c) hereof, or (ii) the terms of such transaction provide otherwise, the Committee shall make appropriate and proportionate adjustments in the number and type of shares or other securities or cash or other property that may thereafter be acquired upon the exercise of the Option; *provided, however,* that any such adjustments in the Option shall be made without changing the aggregate Exercise Price of the then unexercised portion of the Option.

4. Exercise. The Option shall be exercisable during Optionee's lifetime only by Optionee or by his or her guardian or legal representative, and after Optionee's death only by the person or entity entitled to do so under Optionee's last will and testament or applicable intestate law. The Option may only be exercised by the delivery to the Company of a written notice of such exercise, which notice shall specify the number of Option Shares to be purchased (the "Purchased Shares") and the aggregate Exercise Price for such shares, together with payment in full of such aggregate Exercise Price in cash or by check payable to the Company; *provided, however*, that payment of such aggregate Exercise Price may instead be made, in whole or in part, by (i) the delivery to the Company of a certificate or certificates representing shares of Common Stock, duly endorsed or accompanied by a duly executed stock powers, which delivery effectively transfers to the Company good and valid title to such shares, free and clear of any pledge, commitment, lien, claim or other encumbrance (such shares to be valued on the basis of the aggregate Fair Market Value (as defined in the Plan) thereof on the date of such exercise), or (ii) at the sole discretion of the Committee, by a reduction in the amount of Purchased Shares or other property otherwise issuable pursuant to such Option (such reduction to be valued on the basis of the aggregate Fair Market Value, on the date of exercise, of the additional Purchased Shares that would have been delivered to the Optionee upon exercise of the Option), provided that the Company is not then prohibited from purchasing or acquiring such shares of Common Stock.

5. Securityholders Agreement. As of the Date of Grant, the Optionee shall execute and agree to be bound by the terms of that certain Amended and Restated Securityholders Agreement among the Company and certain of its securityholders, dated as of April 12, 2004, as amended from time to time (the "Securityholders Agreement").

6. Payment of Withholding Taxes. If the Company becomes obligated to withhold an amount on account of any tax imposed as a result of the exercise of the Option, including, without limitation, any federal, state, local or other income tax, or any F.I.C.A., state disability insurance tax or other employment tax, then Optionee shall, on the first day upon which the Company becomes obligated to pay such amount to the appropriate taxing authority, pay such amount to the Company in cash or by check or other property acceptable to the Secretary of the Company in his sole discretion; and, if the Optionee fails to make such payment, the Company is authorized by the Optionee to withhold from any payments then or thereafter payable to the Optionee, any such amounts or the Company may otherwise refuse to issue or transfer any shares otherwise required to be issued or transferred pursuant to the terms hereof. The Committee may, in its sole discretion, allow the Optionee to pay any such amounts through the surrender of whole shares of Common Stock or by having the Company withhold whole shares of Common Stock otherwise issuable upon the exercise of this Option. Any such shares surrendered or withheld shall be valued at their market value, determined by such method as the Secretary of the Company in his sole discretion shall determine, equal to the sums required to be withheld as of the date on which the amount of tax to be withheld is determined.

7. Notices. All notices and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally or five days after mailing by certified or registered mail, postage prepaid, return receipt requested, to the Company c/o Gibson, Dunn & Crutcher LLP, 333 S. Grand Avenue, Los Angeles, California 90071, Attention: Bruce D. Meyer, Esq., or to Optionee at the address set

forth beneath his or her signature on the signature page hereto, or at such other addresses as Optionee may designate by written notice in the manner aforesaid.

8. Compliance with Legal Requirements.

(a) No Option Shares shall be issued or transferred pursuant to this Agreement unless and until all legal requirements applicable to such issuance or transfer have, in the opinion of counsel to the Company, been satisfied. Such requirements may include, but are not limited to, registering or qualifying such Option Shares under any state or federal law, satisfying any applicable law relating to the transfer of unregistered securities or demonstrating the availability of an exemption from applicable laws, placing a legend on the Option Shares to the effect that they were issued in reliance upon an exemption from registration under the Securities Act of 1933, as amended (the "Act"), and may not be transferred other than in reliance upon Rule 144 or Rule 701 promulgated under the Act, if available, or upon another exemption from the Act, or obtaining the consent or approval of any governmental regulatory body. The Company shall use its best efforts to comply with all legal requirements applicable to the issuance or transfer of Option Shares.

(b) The Optionee understands that the Company intends for the offering and sale of Option Shares to be effected in reliance upon Rule 701 or another available exemption from registration under the Act, and that the Company is under no obligation to register for resale the Option Shares issued upon exercise of the Option, subject to the Securityholders Agreement. In connection with any such issuance or transfer, the person acquiring the Option Shares shall, if requested by the Company, provide information and assurances satisfactory to counsel to the Company with respect to such matters as the Company reasonably may deem desirable to assure compliance with all applicable legal requirements.

9. Nontransferability. Neither the Option nor any interest therein may be Transferred in any manner other than by will or the laws of descent and distribution.

10. Plan. The Option is granted pursuant to the Plan, as in effect on the Date of Grant, and is subject to all the terms and conditions of the Plan, as the same may be amended from time to time; *provided, however*, that no such amendment shall deprive Optionee, without his or her consent, of the Option or of any of Optionee's rights under this Agreement. The interpretation and construction by the Committee of the Plan, this Agreement, the Option and such rules and regulations as may be adopted by the Committee for the purpose of administering the Plan shall be final and binding upon Optionee. Until the Option shall expire, terminate or be exercised in full, the Company shall, upon written request therefor, send a copy of the Plan, in its then-current form, to Optionee or any other person or entity then entitled to exercise the Option.

11. Stockholder Rights. No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Option Shares until the Option shall have been duly exercised to purchase such Option Shares in accordance with the provisions of this Agreement.

12. Employment Rights. No provision of this Agreement or of the Option granted hereunder shall (a) confer upon Optionee any right to be or continue, as the case may be, in the employ of the Company or any of its subsidiaries, (b) affect the right of the Company and each of its subsidiaries to terminate the employment of Optionee, with or without cause, or (c) confer upon Optionee any right to participate in any employee welfare or benefit plan or other program of the Company or any of its subsidiaries other than the Plan. **Optionee hereby acknowledges and agrees that the Company and each of its subsidiaries may terminate the employment of Optionee at any time and for any reason, or for no reason, unless Optionee and the Company or such subsidiary are parties to a written employment agreement that expressly provides otherwise.**

13. Governing Law. This Agreement and the Option granted hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to choice or conflict of law principles.

14. Definitions.

An "Affiliate" of a specified Person means a Person that controls, is controlled by, or is under common control with, the specified Person, and in this context, "control", "controls" and "controlled" mean the direct or indirect power to direct the management and policies or affairs of a Person through the ownership of voting securities or by contract or otherwise and, in the case of a limited partnership, shall include, but shall not be limited to, all of the limited partnership's general partners and their respective Affiliates.

"Ares" means Ares Corporate Opportunities Fund, L.P., a Delaware limited partnership.

"Ares Purchasers" means Ares and its Affiliates.

"Aurora Purchasers" means Aurora Equity Partners II L.P., a Delaware limited partnership, Aurora Overseas Equity Partners II, L.P., a Cayman Islands limited partnership, and their respective Affiliates and co-investors.

"Beneficial Owner" has the meaning attributed to it in Rules 13d-3 and 13d-5 of the rules and regulations promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934 (as in effect on the date hereof), whether or not applicable, except that a Person shall be deemed to have "beneficial ownership" of any securities that such Person has the right to acquire, whether or not such right is exercisable immediately or within 60 days after the date as of which such determination is being made. "Beneficially Owned" and "Beneficial Ownership" shall have correlative meanings to the term "Beneficial Owner."

"Board" means the Board of Directors of the Company.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

"Cause" means (i) if a definition of "Cause" is included in the then effective employment agreement between the Optionee and the Company (the "Employment Agreement"), such definition, or (ii) if no such definition exists, the occurrence or existence of any of the following with respect to Optionee, as determined by a majority of the disinterested directors of the Board: (a) a material breach by Optionee of any of his obligations under the Employment Agreement, *provided, however*, that Cause shall not be deemed to exist under this clause (a) until the Company shall have given written notice specifying the claimed material breach and Optionee fails to correct the claimed breach within thirty (30) days after the receipt of the applicable notice; (b) any transaction by Optionee that represents direct or indirect self-dealing with the Company or any of its Affiliates that was not approved in advance by a majority of the disinterested directors of the Board, *provided, however*, that Cause shall not be deemed to exist under this clause (b) until the Company shall have given written notice specifying the claimed self-dealing and Optionee fails to correct the claimed self-dealing within thirty (30) days after the receipt of the applicable notice; (c) the repeated material breach by Optionee of any material duty referred to in clause (a) or (b) above as to which at least two (2) written notices have been given pursuant to such clause (a) or (b), (d) any act of dishonesty, misappropriation, embezzlement, fraud or similar conduct involving the Company or any of its Affiliates; (e) the conviction or the plea of nolo contendere or the equivalent in respect of a felony involving moral turpitude; (f) the intentional infliction by Optionee of any damage of a material nature to any property of the Company or any of its Affiliates; or (g) the repeated use of any controlled substance or alcohol or any other non-controlled substance which, in any case described in this clause (f), the Board reasonably determines renders the Optionee unfit to serve in his capacity as an officer or employee of the Company or its Affiliates.

"Change of Control" means, at any time, (i) the Aurora Purchasers and Ares Purchasers shall cease to collectively beneficially own and control at least 51%, on a fully diluted basis, of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company, unless the Aurora Purchasers and Ares Purchasers collectively beneficially own and control (a) at least 35%, on a fully diluted basis, of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company and (b) on a fully diluted basis, more of the outstanding Capital Stock of the Company entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board (or similar governing body) of the Company than any other Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act); (ii) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) other than the Aurora Purchasers and Ares Purchasers collectively shall have obtained the power (whether or not exercised) to elect a majority of the members of the Board (or similar governing body) of the Company; (iii) the Company shall cease to beneficially own and control 100% on a fully diluted basis of the economic and voting interests in the Capital Stock of Douglas Dynamics, L.L.C.; or (iv) the majority of the seats (other than vacant seats) on the Board (or similar governing body) of the Company cease to be occupied by Persons who either (a) were members of the Board of the Company on the Initial Date or (b) were nominated for election by the Board of the Company, a majority of whom were directors on the Initial Date or whose election or nomination for election was previously approved by a majority of such directors.

"Committee" means a committee of the Board administering the Plan pursuant to the terms of the Plan, or in the absence of such a committee, the Board itself.

"Disabled" or "Disability" means, if a definition of "Disabled" or "Disability" is included in the Employment Agreement, such definition or, if no such definition exists, the occurrence of an event or events that renders Optionee unable to perform the essential functions of his position, even with reasonable accommodation.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"Initial Date" means the date of the filing of the Second Amended and Restated Certificate of Incorporation of the Company with the Secretary of State of the State of Delaware.

"Material Breach" means the definition of "Material Breach" included in the Employment Agreement.

"Person" means a company, a corporation, an association, a partnership, a limited liability company, an organization, a joint venture, a trust or other legal entity, an individual, a government political subdivision thereof or a governmental agency.

"Transfer" means any sale, exchange, assignment, transfer, pledge, mortgage, hypothecation, gift, grant, encumbrance or other disposition of any kind, whether voluntary, involuntary or by operation of law and whether direct or indirect by transfer of any interest in the subject property or otherwise.

15. Optionee Address. Optionee represents that the address set forth on the signature page hereto is Optionee's true and correct address, and acknowledges that the Company is relying upon such representations for securities law purposes.

IN WITNESS WHEREOF, the Company and Optionee have duly executed this Agreement as of date set forth above.

DOUGLAS DYNAMICS, INC.,
a Delaware corporation

By: /s/ Robert McCormick
Name: Robert McCormick
Title: VP - CFO

OPTIONEE

/s/ James L. Janik
James L. Janik

Street Address

City, State and Zip Code

Social Security Number

SECOND AMENDMENT
TO
SECOND AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT
AMONG
DOUGLAS DYNAMICS, INC.
(fka DOUGLAS DYNAMICS HOLDINGS, INC.)
AND
CERTAIN OF ITS
STOCKHOLDERS, OPTIONHOLDERS AND WARRANTHOLDERS
DATED AS OF MAY 4, 2010

THIS SECOND AMENDMENT TO SECOND AMENDED AND RESTATED SECURITYHOLDERS AGREEMENT (the "Amendment"), dated as of May 4, 2010, is being entered into by and among Douglas Dynamics, Inc. (formerly known as Douglas Dynamics Holdings, Inc.), a Delaware corporation (the "Company"), Aurora Equity Partners II L.P., a Delaware limited partnership, Aurora Overseas Equity Partners II, L.P., a Cayman Islands exempt limited partnership, Ares Corporate Opportunities Fund, L.P., a Delaware limited partnership, the holders of a majority in voting interests of the Common Stock and Preferred Stock, voting together as a single class, held by the Securityholders, and each of the Class A Securityholders listed on Exhibit A. All capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement (as defined below).

R E C I T A L S

WHEREAS, the Company and the Securityholders are parties to that certain Second Amended and Restated Securityholders Agreement dated as of June 30, 2004, as amended by that certain First Amendment thereto dated December 27, 2004 (the "Agreement");

WHEREAS, in connection with the proposed initial public offering of the Common Stock, the parties hereto desire to enter into this Amendment to amend the Agreement as set forth below; and

WHEREAS, pursuant to Section 13.2 of the Agreement, the Agreement may be amended, modified or supplemented by written agreement of the parties hereto.

A G R E E M E N T

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. Amendment to the Agreement

1. The first paragraph under the heading "RECITALS" is hereby amended and restated in its entirety to read as follows:

WHEREAS, upon adoption of the Company's 4th Amended and Restated Certificate of Incorporation which is anticipated to occur on or about May 10, 2010, the Company will be authorized to issue an aggregate of 205,000,000 shares of capital stock, including 200,000,000 shares of common stock, par value $.01 per share, and 5,000,000 shares of preferred stock, par value $.01 per share; and

2. The definition of "Preferred Stock" set forth in Section 1.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

"Preferred Stock" means any preferred stock of the Company issued after the date hereof howsoever designated that is entitled to any preference over the Common Stock in the payment of dividends or in the distribution of assets upon liquidation of the Company.

3. The following shall be added as a new Section 3.5 of the Agreement:

3.5 Additional Restriction on Transfer by Certain Class A Securityholders. Subject to Article VI, each Class A Securityholder whose name is set forth on Exhibit A hereto (each, a "Specified Securityholder," and collectively, the "Specified Securityholders") agrees that, without the consent of the Aurora Entities (which consent shall not be unreasonably withheld with respect to any Transfer of Securities to a Permitted Transferee), after the occurrence of the Qualified IPO Date, such Specified Securityholder will not effectuate any Transfer or submit to any broker any sell order with respect to a proposed Transfer, of Securities at any time other than pursuant to a Tag-Along Sale by the Aurora Entities pursuant to Section 6 herein. Notwithstanding the foregoing, upon the occurrence of a "Tax Event" the Specified Securityholder shall be permitted to sell a number of Securities with a market value (calculated at the time of sale based on the market price at that time) equal to an amount that would provide the Specified Securityholder with after-tax proceeds from such sale equal to the Tax Amount. "Tax Event" shall mean the recognition of ordinary compensation income by a Specified Securityholder for United States federal income tax purposes as a result of the transfer, issuance, or vesting of Securities granted by the Company or any direct or indirect Subsidiaries of the Company to the Specified Securityholder in connection with the performance of services. The "Tax Amount" shall mean the sum of the (a) compensation income required to be included in the Specified Securityholder's taxable income for federal and state income tax purposes multiplied by the maximum marginal federal, state and local income tax rate applicable for such period and (b) other taxes imposed on such income (including FICA, FUTA, Medicare and AMT). The Securities that are permitted to be sold pursuant to this paragraph may be sold only within one (1) week after the applicable transfer, issuance or vesting that gives rise to the ordinary income recognition described above. The restrictions set forth in this Section 3.5 shall terminate upon such date as the Aurora Entities cease to collectively beneficially own at least 10% of the Company's outstanding common stock.

4. Section 6.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.1 "Tag-Along" Sales. If either or both of the Aurora Entities (for purposes of this Section 6, collectively the "Proposed Transferor") at any time or from time to time, in one transaction or in a series of related transactions, desire to enter into an agreement (whether oral or written) to Transfer (for purposes of this Section 6, a "Tag-Along Sale") shares of Common Stock to any Person, then each of the Specified Securityholders shall have the right, but not the obligation, to elect that the Proposed Transferor be obligated to require, as a condition to such Tag-Along Sale, that the proposed purchaser purchase from each such electing Specified Securityholder up to the number of shares of Common Stock derived by multiplying the total number of shares of Common Stock owned by or issuable to such electing Specified Securityholder by a fraction, the numerator of which is equal to the number of shares of Common Stock then owned by or issuable to the Proposed Transferor that are to be purchased by the proposed purchaser (without giving effect to any reduction in such number of shares by reason of any Specified

Securityholder's election to exercise the "tag-along" rights provided in this Section 6 in connection with such transaction) and the denominator of which is the total number of shares of Common Stock owned by or issuable to the Proposed Transferor prior to such sale; *provided*, *however*, that if any Specified Securityholder chooses not to sell any or all Securities which such Specified Securityholder may be entitled to sell under this Section 6.1, the Proposed Transferor may sell, in the same transaction, additional shares of Common Stock equal to the difference between the number of shares of Common Stock which such Specified Securityholder is entitled to sell and the number of shares of Common Stock such Specified Securityholder chooses to sell, if any. Any such sales by any Specified Securityholder shall be on the same terms and conditions as the proposed Tag-Along Sale by the Proposed Transferor. Each Specified Securityholder whose Securities are sold in a Tag-Along Sale shall be required to bear a proportionate share of the expenses of the transaction, including, without limitation, legal, accounting and investment banking fees and expenses.

5. Section 6.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.2 Notice of Tag-Along Opportunity. The Proposed Transferor shall promptly (and in no event less than fifteen (15) Business Days prior to the consummation thereof) provide the Company with notice (for purposes of this Section 6, the "Proposed Transferor Notice") of the proposed Tag-Along Sale (which the Company shall transmit to each Specified Securityholder within two (2) Business Days after its receipt thereof) containing the following:

(a) the name and address of the proposed transferee of the Common Stock in the Tag-Along Sale;

(b) the number of shares of Common Stock proposed to be Transferred by the Proposed Transferor in the event none of the Specified Securityholders elects to participate;

(c) the proposed amount and form of consideration to be paid for such Common Stock and the terms and conditions of payment offered by the proposed transferee;

(d) the aggregate number of shares of Common Stock held of record by the Proposed Transferor as of the date of the notice (for purposes of this Section 6, "Notice Date") from the Proposed Transferor to the Company;

(e) the aggregate number of shares of Common Stock held of record as of the Notice Date by all Specified Securityholders as a group;

(f) the maximum number of shares of Common Stock each such Specified Securityholder is entitled to include in the Tag-Along Sale (as computed in accordance with the equations set forth in Section 6.1); and

(g) that the proposed transferee has been informed of the "tag-along" rights provided for in Section 6.1.

6. Section 6.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.3 Notice and Terms of Acceptance of Tag-Along Opportunity.

(a) If a Specified Securityholder desires to participate in such Tag-Along Sale, such Specified Securityholder shall provide written notice (the "Tag-Along Notice") to the Proposed Transferor not later than five (5) Business Days after the Notice Date setting forth the number of shares of Common Stock, if any, such Specified Securityholder elects to include in the Tag-Along Sale.

(b) The Tag-Along Notice given by any Specified Securityholder shall constitute such Specified Securityholder's binding agreement to sell such Common Stock as are included therein on the terms and conditions applicable to such sale (including the requirements of this Section 6), in which case the number of shares of Common Stock to be Transferred by the Proposed Transferor shall be correspondingly reduced. In the event that the proposed transferee does not purchase the Securities of the Proposed Transferor, then the proposed Tag-Along Sale by the Specified Securityholders to such proposed transferee shall not take place. If the Tag-Along Notice from any Specified Securityholder is not received by the Proposed Transferor within the five (5) Business Day period specified above in this Section 6.3, the Proposed Transferor shall have the right to transfer the Securities of Common Stock to the proposed transferee without any participation by such Specified Securityholder, but only on the terms and conditions stated in the notice to such Specified Securityholders or on terms and conditions no more favorable to the Proposed Transferor and only if a definitive and binding agreement to sell or otherwise transfer such Common Stock is entered into not later than forty-five (45) days after the end of such five (5) Business Day period specified above in this Section 6.3.

7. Section 6.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.4 Application of Tag-Along Provisions. The provisions of this Section 6 shall not apply to:

(a) any Transfer to a Permitted Transferee; or

(b) any one transaction or series of related transactions involving the Transfer (other than to a Permitted Transferee) by the Proposed Transferor of less than 1% of the issued and outstanding shares of Common Stock.

8. Section 6.5 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.5 Termination of Tag-Along Rights.

(a) Notwithstanding anything herein to the contrary, the rights and obligations provided for in this Section 6 shall terminate with respect to all Securities held by each Other Securityholder (other than any Specified Securityholder, the rights of whom will be set forth in Section 6.5(b)), upon the occurrence of the Qualified IPO Date.

(b) Following the occurrence of the Qualified IPO Date, each Specified Securityholder shall be entitled to the rights and obligations provided for in this Section 6 solely with respect to any Transfer by the Aurora Entities.

B. Miscellaneous

1. Except as amended as set forth above, the Agreement shall continue in full force and effect.

2. This Amendment may be signed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall be

deemed one and the same document.

[Signature Pages follows]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Second Amended and Restated Securityholders Agreement as of the date first written above.

COMPANY:

DOUGLAS DYNAMICS, INC.

By: /s/ James L. Janik
Name: James L. Janik
Title: President and Chief Executive Officer

SECURITYHOLDERS:

AURORA EQUITY PARTNERS II L.P.

By: Aurora Capital Partners II L.P., its general partner

By: Aurora Advisors II LLC, its general partner

By: /s/ Timothy J. Hart
Name: Timothy J. Hart
Title: Vice President, Secretary and General Counsel

AURORA OVERSEAS EQUITY PARTNERS II, L.P.

By: Aurora Overseas Capital Partners II L.P., its general partner

By: Aurora Overseas Advisors II LDC, its general partner

By: /s/ Timothy J. Hart
Name: Timothy J. Hart
Title: Vice President, Secretary and General Counsel

ARES CORPORATE OPPORTUNITIES FUND, L.P.

By: ACOF Operating Manager, L.P., its manager

By: /s/ Michael D. Weiner
Name: Michael D. Weiner
Title: Authorized Signatory

DOUGLAS DYNAMICS EQUITY PARTNERS L.P.
By: AURORA ADVISORS II LLC,
its general partner

By: /s/ Timothy J. Hart
Name: Timothy J. Hart
Title: Vice President, Secretary and General Counsel

GENERAL ELECTRIC PENSION TRUST

By: GE ASSET MANAGEMENT INCORPORATED,
its investment manager

By: /s/ Michael M. Pastore
Name: Michael M. Pastore
Title: Senior Vice President

AURORA CAPITAL GROUP 401(k) PLAN
fbo Gerald L. Parsky

By: /s/ John F. F. Billings
Name: John F. F. Billings
Title: Trustee Assistant Vice President & Trust Officer

AURORA CAPITAL GROUP 401(k) PLAN
fbo Richard K. Roeder

By: /s/ John F. F. Billings
Name: John F. F. Billings
Title: Trustee Assistant Vice President & Trust Officer

AURORA CAPITAL GROUP 401(k) PLAN
fbo John T. Mapes

By: /s/ John F. F. Billings
Name: John F. F. Billings
Title: Trustee Assistant Vice President & Trust Officer

JAMES D. AND MARIA D. HODGSON INTERVIVOS PERSONAL TRUST

By: /s/ James Hodgson
Name: James Hodgson
Title: Trustee

DALE FREY FAMILY LIMITED PARTNERSHIP

By: /s/ Kyle Frey
Name: Kyle Frey
Title: General Partner

By: /s/ Richard K. Roeder
Name: Richard K. Roeder

By: /s/ Richard R. Crowell
Name: Richard R. Crowell

By: /s/ Lawrence A. Bossidy
Name: Lawrence A. Bossidy

DIANE ANDERSON REVOCABLE TRUST

By: /s/ Diane Anderson
Name:
Title: Trustee

ROBERT ANDERSON, JR. REVOCABLE TRUST

By: /s/ Robert Anderson
Name: Robert Anderson
Title: Trustee

ROBERT ANDERSON LIVING TRUST

By: /s/ Robert Anderson
Name: Robert Anderson
Title: Trustee

By: /s/ James R. Roethle
Name: James R. Roethle

By: /s/ Flemming H. Smitsdorff
Name: Flemming H. Smitsdorff

By: /s/ Raymond S. Littlefield
Name: Raymond S. Littlefield

By: /s/ Ralph R. Gould
Name: Ralph R. Gould

By: /s/ James L. Janik
Name: James L. Janik

By: /s/ Robert McCormick
Name: Robert McCormick

By: /s/ Mark Adamson
Name: Mark Adamson

By: /s/ Jack O. Peiffer
Name: Jack O. Peiffer

By: /s/ Michael Wickham
Name: Michael Wickham

By: /s/ John Anderson
Name: John Anderson

By: /s/ Robert Anderson
Name: Robert Anderson

By: /s/ Simon Ramo
Name: Simon Ramo

By: /s/ James Hodgson
Name: James Hodgson

By: /s/ Dale Frey
Name: Dale Frey

By: /s/ Keith Hagelin
Name: Keith Hagelin

By: /s/ Robert Young
Name: Robert Young

By: /s/ John Murphy
Name: John Murphy

By: /s/ James Klotz
Name: James Klotz

By: /s/ Linda Evans
Name: Linda Evans

By: /s/ Steven Klug
Name: Steven Klug

By: /s/ Paul Stolzman
Name: Paul Stolzman

EXHIBIT A

1. James Janik

2. Robert McCormick
3. Mark Adamson
4. Keith Hagelin
5. Ralph Gould
6. Flemming Smitsdorff
7. Raymond Littlefield
8. James Roethle

Exhibit 10.43

SECOND AMENDED AND RESTATED
JOINT MANAGEMENT SERVICES AGREEMENT

This Second Amended and Restated Joint Management Services Agreement (the "Agreement") is made and entered into as of May 10, 2010 by and among Douglas Dynamics, Inc. (formerly known as Douglas Dynamics Holdings, Inc.), a Delaware corporation (the "**Company**"), Douglas Dynamics, L.L.C., a Delaware limited liability company ("**Douglas**"), Aurora Management Partners LLC, a Delaware limited liability company ("**AMP**"), and ACOF Management, L.P., a Delaware limited partnership ("**ACOF**"), and shall become effective immediately following the closing of the Company's initial public offering of its common stock (the "**Effective Time**").

WHEREAS, the Company, Douglas, AMP and ACOF are parties to that certain Amended and Restated Joint Management Services Agreement dated as of April 12, 2004 (the "**Prior Agreement**") pursuant to which the Company and Douglas received financial consulting services from AMP and ACOF upon the terms and conditions set forth in the Prior Agreement, which the Company and Douglas believe have been beneficial to them and their respective subsidiaries; and

WHEREAS, the Company and Douglas desire to continue to receive from AMP and ACOF the Services (as defined below) and therefore wish to extend the term for which AMP and ACOF will provide the Services upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Scope of Services. AMP and ACOF, through their respective employees, Affiliates and employees of Affiliates, shall provide the Company and Douglas with consultation and advice in such fields as financial services, accounting, general business management, acquisitions, dispositions, banking and other matters (the "**Services**"). AMP and ACOF shall, in their respective reasonable discretion, determine the amount of time to be expended by their respective Affiliates and employees in performing such Services. AMP and ACOF shall perform their respective duties hereunder at such times and places as are reasonable, in the reasonable discretion of AMP or ACOF, as the case may be, in light of the tasks involved. Neither AMP nor ACOF shall be required to comply with any established work schedule and neither AMP nor ACOF shall have regularly scheduled duties assigned to it by the Company and/or Douglas. The Company and/or Douglas shall, in soliciting AMP's or ACOF's advice and requesting AMP's or ACOF's performance of its duties hereunder, give AMP or ACOF, as the case may be, reasonable advance notice of the same in consideration of AMP's and ACOF's other business obligations.

2. Compensation.

(a) As used herein, the following terms are defined as follows:

(i) "**Affiliate**" of a specified Person means a Person that controls, is controlled by, or is under common control with, the specified Person, and in this context,

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"control", "controls" and "controlled" mean the direct or indirect power to direct the management and policies or affairs of a Person through the ownership of voting securities or by contract or otherwise and, in the case of a limited partnership, shall include, but shall not be limited to, all of the limited partnership's general partners and their respective Affiliates.

(ii) "**Person**" means a natural person, a company, a corporation, a joint venture, a limited liability company, a partnership, a trust, an unincorporated association or organization or other legal entity, or a government or an agency or political subdivision thereof.

(iii) "**Pro-Rata Portion**" means 63.6% with respect to AMP and 36.4% with respect to ACOF.

(b) In consideration of the Services to be rendered hereunder, the Company and Douglas, jointly and severally, hereby agree to pay AMP and ACOF a lump sum one-time fee of $5,800,000.00, which payment shall be made promptly following the Effective Time by wire transfer in same-day funds to the bank accounts designated by AMP and ACOF and shall not be refundable under any circumstances. AMP and ACOF will share in such fee based on their respective Pro-Rata Portion.

3. Reimbursements. Subject to obtaining the approval of the Boards of Directors of the Company and Douglas (or any committees thereof) that may be required (if any) from time to time under applicable law or stock exchange policy, in addition to the fees payable pursuant to this Agreement, the Company and/or Douglas will pay, or cause to be paid, directly, or reimburse AMP, ACOF and each of their respective Affiliates for, their respective Out-of-Pocket Expenses (as defined below). For the purposes of this Agreement, the term "**Out-of-Pocket Expenses**" means the reasonable out-of-pocket costs and expenses incurred by AMP, ACOF and their respective Affiliates (i) in connection with the Services provided under the Prior Agreement and any services provided under this Agreement (including prior to the Effective Time or the date of the Prior Agreement) and (ii) in order to make Securities and Exchange Commission and other legally required filings relating to the ownership of capital stock of the Company or its successor by AMP and ACOF or their respective Affiliates, or otherwise incurred by AMP and ACOF or their respective Affiliates from time to time in the future in connection with the ownership or subsequent sale or transfer by AMP and ACOF or their respective Affiliates of capital stock of the Company or its successor, including, without limitation, (a) fees and disbursements of any independent professionals and organizations, including independent accountants, outside legal counsel or consultants, retained by AMP and ACOF or any of their respective Affiliates, (b) costs of any outside services or independent contractors such as couriers, business publications, online financial services or similar services, retained or used by AMP and ACOF or any of their respective Affiliates and (c) transportation, per diem costs, word processing expenses or any similar expense not associated with AMP's, ACOF's or their respective Affiliates' ordinary operations. All payments or reimbursements for Out-of-Pocket Expenses will be made by wire transfer in same-day funds promptly upon or as soon as practicable following request for payment or reimbursement in accordance with this Agreement, to the bank account indicated to the Company and/or Douglas by the relevant payee.

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4. Term. Unless earlier terminated as provided in Section 5 below, the term of this Agreement and the obligations of AMP and ACOF hereunder shall commence on the Effective Time and shall terminate automatically on the earlier to occur of (i) fifth anniversary of the Effective Time (ii) the date on which AMP and ACOF and their respective Affiliates (in the aggregate) collectively own less than 5% of the common stock of the Company then outstanding and (iii) such earlier date as the parties hereto mutually agree in writing. The expiration of the term of this Agreement shall not adversely affect AMP's or ACOF's right, as the case may be, to receive any compensation accrued prior to the date of such termination or any rights to receive reimbursement of any out-of-pocket expenses incurred by AMP or ACOF, as the case may be, prior to the date of such termination. The provisions of Sections 6, 7, 8, 9, 10, 11, 12 and 13 shall survive the expiration of the term of this Agreement or any termination of this Agreement.

5. Termination for Cause.

(a) The Company, by written notice to AMP authorized by a majority of the directors (other than those affiliated with AMP), may terminate this Agreement with respect to AMP for justifiable cause, which shall mean any of the following events: (a) misappropriation by AMP of funds or property of the Company and/or

Douglas; (b) gross neglect or willful misconduct by AMP in the fulfillment of its obligations hereunder; or (c) the conviction of AMP or any person who is then a member of AMP of a felony involving moral turpitude that has become final and not subject to further appeal. The termination of this Agreement with respect to AMP shall not adversely affect any of ACOF's rights under this Agreement.

(b) The Company, by written notice to ACOF authorized by a majority of the directors (other than those affiliated with ACOF), may terminate this Agreement with respect to ACOF for justifiable cause, which shall mean any of the following events: (a) misappropriation by ACOF of funds or property of the Company and/or Douglas; (b) gross neglect or willful misconduct by ACOF in the fulfillment of its obligations hereunder; or (c) the conviction of ACOF or any person who is then a member of ACOF of a felony involving moral turpitude that has become final and not subject to further appeal. The termination of this Agreement with respect to ACOF shall not adversely affect any of AMP's rights under this Agreement.

6. Confidential Information. During the term of this Agreement, AMP and ACOF will have access to and become acquainted with confidential information of the Company and/or Douglas, including among other things customer relationships, processes, and compilations of information, records and specifications, which are owned by the Company and/or Douglas. AMP and ACOF shall not use or disclose any of the Company's and/or Douglas' confidential information in any way that is detrimental to the interests of the Company and/or Douglas, directly or indirectly, either during or within three (3) years after the term of this Agreement, except as required in the course of this Agreement. AMP shall be responsible for any breaches of this Section 6 by AMP's officers, directors, employees and advisors. ACOF shall be responsible for any breaches of this Section 6 by ACOF's officers, directors, employees and advisors.

7. Notices. All notices, demands and requests required under this Agreement shall be in writing and shall be deemed to have been given if served personally or sent by registered or certified mail, postage prepaid, or by telegraph or telex addressed to the addressee set forth or such other addresses as either party may designate by notice to the other:

If to the Company:
Douglas Dynamics, Inc.
7777 North 73rd Street
P.O. Box 2345038
Milwaukee, Wisconsin
Telecopier: (414) 354-8448
Attn: Chief Executive Officer

If to Douglas:
Douglas Dynamics, L.L.C.
7777 North 73rd Street
P.O. Box 2345038
Milwaukee, Wisconsin
Telecopier: (414) 354-8448
Attn: Chief Executive Officer

If to AMP:
Aurora Management Partners LLC
10877 Wilshire Boulevard
Suite 2100
Los Angeles, CA 90024
Telecopier No: (310) 227-5591
Attn: Timothy J. Hart

If to ACOF:
ACOF Management, L.P.
2000 Avenue of the Stars
12th Floor
Los Angeles, California 90067
Telecopier: (310) 201-4157
Attn: Jeffrey Serota

Notices delivered in person shall be effective when so delivered. Notices delivered by courier shall be effective three (3) business days after delivery by the sender to an air courier of national reputation who guarantees delivery within such three (3) business day period. Telecopied notices shall be effective when receipt is acknowledged telephonically by the addressee or its agent or employee. Notices sent by mail shall be effective five (5) business days after the sender's deposit of such notice in the United States mails, first class postage prepaid.

8. Assigns and Successors. The rights and obligations of the Company and Douglas under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the Company and Douglas, respectively. The rights and obligations of AMP under this Agreement may be assigned by AMP in its sole discretion to an Affiliate of AMP. The rights and obligations of ACOF under this Agreement may be assigned by ACOF in its sole discretion to an Affiliate of ACOF.

9. Attorneys' Fees. If any legal proceeding is necessary to enforce or interpret the terms of this Agreement, or to recover damages for breach thereof, the prevailing party shall be entitled to reasonable attorneys' fees, as well as costs and disbursements, in addition to any other relief to which he or she is entitled.

10. Indemnity. To the same extent as the Company or Douglas provides indemnification (whether through contract or the Company's Certificate of Incorporation or Bylaws or Douglas' Operating Agreement) to its directors and officers, the Company and Douglas, jointly and severally, shall indemnify and hold each of AMP, ACOF and their respective partners, members, officers, employees, agents and Affiliates and the stockholders, partners, members, Affiliates, directors, officers and employees of any of the foregoing (and representatives and agents of any of the foregoing designated by AMP or ACOF, as the case may be, from time to time whether before or after the occurrence of the event giving rise to the claim for indemnity) (each such person entitled to indemnity hereunder being referred to as an "**Indemnitee**") harmless from any and all losses, costs, liabilities and damages (including reasonable attorneys' fees) arising out of or connected with, or claimed to arise out of or to be connected with, any act performed or omitted to be performed under this Agreement or otherwise relating to the business or affairs of the Company or its respective Affiliates, provided such act or omission was taken in good faith by such Indemnitee and did not constitute gross negligence or willful misconduct on the part of the relevant Indemnitee, and provided further only in the event of criminal proceedings, that the Indemnitee had no reasonable cause to believe the conduct of the Indemnitee was unlawful. An adverse judgment or plea of *nolo contendere* shall not, of itself, create a presumption that the Indemnitee did not act in good faith or that the Indemnitee had reasonable cause to believe the conduct of the Indemnitee was unlawful. Expenses incurred in defending any civil or criminal action arising out of or relating to any event or circumstance to which this indemnity shall apply shall be paid by the Company and/or Douglas, as the case may be, upon receipt of an undertaking by or on behalf of the Indemnitee to repay such amount if it be later shown that such Indemnitee was not entitled to indemnification. No Indemnitee shall be liable to the Company, Douglas or any of their respective Affiliates, stockholders, partners, members, directors, officers or employees or any Affiliates, stockholders, partners, members, directors, officers, employees, representatives or agents of any of the foregoing or any other person claiming through any of the foregoing for any act or omission by AMP or ACOF, as the case may be, in the performance

of their respective duties hereunder or otherwise in relation hereto which was taken or omitted to be taken in good faith by such Indemnitee and which did not constitute gross negligence or willful misconduct on the part of such Indemnitee.

11. Outside Activities of AMP and ACOF. Each of AMP and ACOF shall be entitled to and may have business interests and engage in business activities in addition to the

activities contemplated by this Agreement. Neither of AMP, ACOF, any partner, member, officer, employee or Affiliate of AMP or ACOF nor any stockholder, partner, members, director, officer or employee of any of the foregoing shall have any obligation or duty to offer any investment or business opportunity (other than an opportunity directly involving the snow and ice control equipment industry) of any kind to the Company and/or Douglas or any of their respective stockholders, directors, officers or employees (under any doctrine of "corporate opportunity" or otherwise), it being expressly understood that AMP, ACOF, and their respective partners, members, officers, employees and Affiliates and the stockholders, partners, members, directors, officers and employees of any of the foregoing may make investments in, acquire, or provide management, advisory or consulting services to, entities engaged in businesses similar to the business of the Company and/or Douglas without any duty, obligation or liability to the Company and/or Douglas or their respective stockholders, partners, members, directors, officers or employees.

12. Amendment; Waiver. This Agreement may be amended, and any right or claim hereunder waived, only by a written instrument signed by AMP, ACOF, the Company and Douglas. Except as provided in Sections 10 and 11 hereof, nothing in this Agreement, express or implied, is intended to confer upon any third person any rights or remedies under or by reason of this Agreement. No amendment or waiver of this Agreement requires the consent of any individual, partnership, corporation or other entity not a party to this Agreement, except that any amendment of Section 10 shall only operate prospectively as to any Indemnitee provided therein unless such Indemnitee shall have agreed in writing to such amendment.

13. Construction, Etc. This Agreement shall be construed under and governed by the internal laws of the State of Delaware. Section headings are for convenience only and shall not be considered a part of the terms and provisions of this Agreement. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed an original and all of which when taken together shall constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

DOUGLAS DYNAMICS, INC.

By: /s/ James L. Janik
Name: James L. Janik
Title: President and Chief Executive Officer

DOUGLAS DYNAMICS, L.L.C.

By: /s/ James L. Janik
Name: James L. Janik
Title: President and Chief Executive Officer

AURORA MANAGEMENT PARTNERS LLC

By: /s/ Timothy J. Hart
Name: Timothy J. Hart
Title: Vice President, Secretary and General Counsel

ACOF MANAGEMENT, L.P.

By: ACOF Operating Manager, L.P., its general partner

By: /s/ Jeff Serota
Name: Jeff Serota
Title: Vice President

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-1) and related Prospectus of Douglas Dynamics, Inc. for the registration of its common stock and to the incorporation by reference therein of our report dated March 8, 2011, with respect to the consolidated financial statements of Douglas Dynamics, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 2010, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Milwaukee, Wisconsin
May 2, 2011

QuickLinks