

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**FORM 8-K**

---

**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): July 29, 2011**

---

**THE TORO COMPANY**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of Incorporation)

**1-8649**  
(Commission File Number)

**41-0580470**  
(I.R.S. Employer Identification Number)

**8111 Lyndale Avenue South  
Bloomington, Minnesota**  
(Address of principal executive offices)

**55420**  
(Zip Code)

**Registrant's telephone number, including area code: (952) 888-8801**

**Not Applicable**  
(Former name or former address, if changed since last report.)

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

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

## Section 5—Corporate Governance and Management

### Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On July 29, 2011, the Board of Directors of The Toro Company (the “Company”) elected Renee J. Peterson, age 50, to the offices of Vice President, Finance and Chief Financial Officer effective as of August 22, 2011. Ms. Peterson will replace Stephen P. Wolfe, the Company’s current Vice President, Finance and Chief Financial Officer, who, as previously announced in a Current Report on Form 8-K dated March 30, will retire on July 31, 2011 after more than 25 years of service with the Company. Michael J. Hoffman, the Company’s Chairman, President and Chief Executive Officer, was appointed by the Board to serve as and will assume the role of the Company’s principal financial officer in addition to his current positions for the interim period between July 31, 2011 and August 22, 2011.

Previously, Ms. Peterson served as Vice President—Finance and Planning of the Truck and Automotive Segments of Eaton Corporation, a diversified power management company (“Eaton”), a position she held since July 2009. Ms. Peterson also previously served as Vice President—Finance, Information Technology and Business Development of the Automotive Segment of Eaton from September 2008 to July 2009. Prior to joining Eaton, from 1983 to September 2008, Ms. Peterson served in various financial leadership positions at Honeywell International Inc., a diversified technology and manufacturing company (“Honeywell”), including as Vice President—Finance of Defense and Space Operations in the Aerospace Business from July 2005 to September 2008. Ms. Peterson earned her Master of Business Administration from the University of Minnesota Carlson School of Management and her Bachelor of Science in Accounting from St. Cloud State University.

Pursuant to the terms of her offer letter dated July 25, 2011, effective as of August 22, 2011, Ms. Peterson will:

- earn an annual base salary of \$400,000;
- receive a cash sign on bonus in the amount of \$180,000, which must be repaid to the Company if Ms. Peterson voluntary terminates her employment prior to the first anniversary of her start date;
- receive a restricted stock award of 22,500 shares granted by the Compensation & Human Resources Committee of the Board of Directors (the “Committee”) under The Toro Company 2010 Equity and Incentive Plan (the “2010 Plan”), which will vest in three equal installments on the first, second and third anniversaries of the date of grant;
- be eligible to participate in the same health and welfare benefits plans in which the Company’s U.S.-based office salaried employees participate, which include medical, dental, life, accidental death and dismemberment, and long-term disability;
- receive the same perquisites provided to certain of the Company’s other executive officers, which include payment by the Company of all costs associated with leasing, operating, maintaining and insuring a Company-leased vehicle; annual reimbursement by the Company for financial, tax and estate planning services; annual reimbursement by the Company for executive physical exam expenses not covered by insurance; and receipt of Company products at no cost but with responsibility for applicable taxes;
- automatically become a participant in the Company’s Change in Control Severance Compensation Policy; and
- receive substantially the same relocation benefits provided to other employees of the Company, which include, among other things, reimbursement for home finding trips, travel to the new location, temporary storage and shipment of household goods, temporary lodging, home marketing assistance, closing costs for the purchase of a new home, and other incidental costs.

Ms. Peterson will also be eligible to participate in The Toro Company Investment, Savings & Employee Stock Ownership Plan, The Toro Company Deferred Compensation Plan, The Toro Company Deferred Compensation Plan for Officers, and The Toro Company Supplemental Benefit Plan, in accordance with the respective terms of such plans.

The foregoing description of Ms. Peterson's offer letter is a summary of the material terms of such letter, does not purport to be complete and is qualified in its entirety by reference to the complete text of the offer letter, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

## **Section 7—Regulation FD**

### **Item 7.01 Regulation FD Disclosure.**

Attached to this Current Report on Form 8-K as Exhibit 99.1 is a copy of the press release issued by the Company on July 29, 2011, announcing Ms. Peterson's election.

## **Section 9—Financial Statements and Exhibits**

### **Item 9.01 Financial Statements and Exhibits.**

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
10.1	Offer Letter dated July 25, 2011 between The Toro Company and Renee Peterson (filed herewith)
99.1	Press release dated July 29, 2011 (furnished herewith)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE TORO COMPANY  
(Registrant)

Date: July 29, 2011

By /s/ Timothy P. Dordell  
Timothy P. Dordell  
Vice President, Secretary and General Counsel

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>	<u>Method of Filing</u>
10.1	Offer Letter dated July 25, 2011 between The Toro Company and Renee Peterson	Filed herewith
99.1	Press release dated July 29, 2011	Furnished herewith

[Toro Letterhead]

July 25, 2011

Renee J. Peterson  
17970 Windy Lakes Circle  
Chagrin Falls, OH 44023

Dear Renee:

I am delighted to extend this offer to you for the Vice President, Finance & Chief Financial Officer position (which is an elected officer position) at The Toro Company. I believe that you will be a strong addition to our organization and our executive team.

**Start Date**

Our proposed start date is August 22, 2011.

**Base Salary**

Your annual base salary will be \$400,000, paid on a semi-monthly basis. Your annual base salary, like base salaries for all elected officers, will be reviewed annually by the Compensation & Human Resources Committee with changes (if any) typically going into effect on December 1.

**Sign On Awards**

You will receive both a cash sign on award and a restricted stock sign on award.

**Cash** – you will receive a sign on bonus of \$180,000, which will be payable to you within 30 days of your start date, with a contingency that you agree to remain employed by The Toro Company for a minimum of one year. If you voluntarily terminate your employment prior to the first anniversary of your start date, you agree to pay the cash sign on bonus back to the company. Based on the Q1 forecast you previously provided, this amount represents approximately 10 months of the executive incentive amount you will forfeit for 2011 in connection with your resignation.

**Restricted Stock** – you will receive a restricted stock award of 22,500 shares worth approximately \$1.3 million at today's closing price. This restricted stock award will be granted on your start date and will vest in three equal installments on the first, second and third anniversaries of the date of grant.

## **Annual Cash Incentive Award**

You will be eligible for an annual cash incentive award, beginning in Fiscal 2012. Your target cash incentive award for Fiscal 2012 will be 60% of your fiscal year base salary earnings. Performance against pre-established financial goals determines the actual award payouts. At maximum levels of performance, you will be eligible to receive 200% of your target award, or 120% of your fiscal year base salary earnings. Payouts of annual cash incentive awards are typically made in December based on approval by the Compensation & Human Resources Committee of the Board of Directors and subject to release by the Company of its fiscal results.

## **Equity Awards**

Each December, you will be eligible to receive equity awards. Currently, equity awards are granted in the form of non-qualified stock options and performance share awards.

In determining equity grants each fiscal year, the Compensation & Human Resources Committee evaluates a number of factors, including market data. Your actual equity grants for Fiscal 2012 will not be determined until the December 2011 Compensation & Human Resources Committee meeting. However, management will recommend a Fiscal 2012 equity grant worth at least \$550,000. Approximately one-half of that value will be granted in nonqualified stock options (based on Black-Scholes present value for the last three months of the fiscal year) and one-half will be granted in a performance share award (based on stock price for the last three months of the fiscal year).

Nonqualified stock options vest in equal installments over three years and have a ten-year term. Performance share awards are three-year awards and vest in full after the end of the three-year award term. Performance share awards are paid in shares of Toro common stock based upon the level of accomplishment against financial goals established at the beginning of the award term.

## **Health and Welfare Benefits**

You will be eligible to receive certain health and welfare benefits beginning on your start date, including medical insurance, dental insurance, life insurance, accidental death and dismemberment insurance and long-term disability insurance.

## **Retirement Plan**

**Qualified Plan** - Toro's defined contribution plan currently consists of a 401(k) with a company match and an investment savings and ESOP contribution. You will be eligible to participate in the defined contribution plan up to a maximum level of 8% or the IRS compensation limit after 90 days of service and will be eligible for the company match on the first of the month following one year of service. Eligibility for the investment savings and ESOP begins on the first of the month following two years of service.

**Nonqualified Plans** - On an annual basis, you may elect to defer up to 50% of your annual calendar year base salary and up to 100% of your fiscal annual cash incentive award. Deferral elections are made in October of each year for the upcoming year; therefore, your first opportunity to defer will be in October 2011 for your calendar year 2012 base salary and your Fiscal 2012 annual cash incentive award. Additionally, you will be eligible to defer your performance share award payout (deferral elections for these payouts are made just prior to the

beginning of the third year of the three-year award term). Finally, after two years of service, you will be eligible to participate in a supplemental benefit plan. This supplemental benefit plan currently mirrors the investment savings and ESOP contributions in the qualified plan and therefore, eligibility begins on the first of the month following two years of service.

The descriptions above represent what is currently in place with respect to our retirement plans. However, these plans are currently under review for implementation in calendar year 2012.

### **Perquisites**

As an elected officer, you will be eligible for the following perquisites:

- All costs of leasing, operating, insuring and maintaining a company-leased car (current lease allowance is \$68,500)
- An annual financial planning allowance of \$6,000; an additional \$3,000 can be used over the course of every three years
- Toro product
- Four weeks of vacation annually
- Reimbursement for an annual executive physical of up to \$1,000 for amounts not covered by insurance

### **Change in Control Severance Compensation Policy**

In your role as Vice President, Finance & Chief Financial Officer, you will automatically become a participant in Toro's Change in Control Severance Compensation Policy on the day on which you commence employment.

### **Relocation Benefits**

We will provide for your relocation to the Twin Cities and can discuss further details at a later date.

This offer is contingent upon reference checks, successfully passing a pre-employment drug test, presenting evidence of eligibility for employment and signing our standard employee agreement.

Renee, I am very excited about the prospect of having you join The Toro Company. I look forward to a positive response to our offer. Please feel free to call me with any questions.

Sincerely,

/s/ Michael J. Hoffman

Michael J. Hoffman  
Chairman & CEO

The undersigned acknowledges that I have read and accept the terms and conditions outlined in this letter.

/s/ Renee J. Peterson  
Renee J. Peterson

July 25, 2011  
Date

**Investor Relations**

Kurt Svendsen  
Director, Investor and Public Relations  
(952) 887-8630, [invest@toro.com](mailto:invest@toro.com)

**Media Relations**

Branden Happel  
Manager, Public Relations  
(952) 887-8930, [pr@toro.com](mailto:pr@toro.com)

*For Immediate Release*

## **Toro Board of Directors Elects Renee Peterson as Vice President, Finance and Chief Financial Officer**

BLOOMINGTON, Minn. (July 29, 2011) – The Toro Company (NYSE: TTC) today announced that its board of directors has elected Renee J. Peterson to the offices of vice president, finance and chief financial officer, effective as of August 22, 2011. Peterson will report to Michael J. Hoffman, chairman and chief executive officer, and succeeds Stephen P. Wolfe, who, as previously announced, will be retiring after more than 25 years with the company.

Peterson, 50, joins Toro from Eaton Corporation, a \$13.7 billion diversified industrial manufacturer. There she most recently served as vice president, finance and planning for that company's Truck and Automotive Segments, which had revenues of nearly \$4 billion over the past 12 months. She joined Eaton in 2008 as vice president, finance, information technology and business development for the Automotive Segment. Prior to Eaton, Peterson spent 25 years at Honeywell International in various leadership roles ranging from senior financial positions to general management.

"I'm extremely pleased to welcome Renee as Toro's chief financial officer," said Hoffman. "Renee's extensive financial leadership experience in global businesses and proven track record in process improvements and cost controls will serve us well as we drive profitable revenue growth. We are confident in her ability to help expand our global reach, and further strengthen our financial position on our Destination 2014 journey and into the company's next century."

Peterson received her master of business administration from the University of Minnesota Carlson School of Management and a bachelor of science degree in accounting from St. Cloud State University in Minnesota.

**About The Toro Company**

The Toro Company (NYSE: TTC) is a leading worldwide provider of turf and landscape maintenance equipment, and precision irrigation systems. With sales of nearly \$1.7 billion in fiscal 2010, Toro's global presence extends to more than 80 countries through its reputation of world-class service, innovation and turf expertise. Since 1914, the company has built a tradition of excellence around a number of strong brands to help customers care for golf courses, sports fields, public green spaces, commercial and residential properties, and agricultural fields. More information is available at [www.toro.com](http://www.toro.com).

More information is available at [www.thetorocompany.com](http://www.thetorocompany.com).

###