



FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

---

Quarterly Report Pursuant To Section 13 or 15(d)  
of the Securities Exchange Act of 1934  
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 1995

OR

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

---

Commission File No. 1-1217

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
(Name of Registrant)

NEW YORK 13-5009340  
(State of Incorporation) (IRS Employer Identification No.)

4 IRVING PLACE, NEW YORK, NEW YORK 10003 - (212) 460-4600  
(Address and Telephone Number)

The Registrant has filed all reports required to be filed by  
Section 13 or 15(d) of the Securities Exchange Act of 1934 during  
the preceding 12 months and has been subject to such filing  
requirements for the past 90 days.

Yes  No

As of the close of business on October 31, 1995, the Registrant  
had outstanding 234,950,865 shares of Common Stock (\$2.50 par  
value).



PART I. - FINANCIAL INFORMATION

	CONTENTS	PAGE NO.
ITEM 1.	FINANCIAL STATEMENTS:	
	Consolidated Balance Sheet	3-4
	Consolidated Income Statements	5-7
	Consolidated Statements of Cash Flows	8-9
	Notes to Financial Statements	10-12
ITEM 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	13-28

---

The following consolidated financial statements are unaudited but, in the opinion of management, reflect all adjustments (which include only normal recurring adjustments) necessary to a fair statement of the results for the interim periods presented. These condensed unaudited interim financial statements do not contain the detail, or footnote disclosure concerning accounting policies and other matters, which would be included in full-year financial statements and, accordingly, should be read in conjunction with the Company's audited financial statements (including the notes thereto) included in the Company's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 1-1217).



CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED BALANCE SHEET  
AS AT SEPTEMBER 30, 1995, DECEMBER 31, 1994 AND SEPTEMBER 30, 1994

	As At		
	Sept. 30, 1995	Dec. 31, 1994	Sept. 30, 1994
	(Thousands of Dollars)		
<b>ASSETS</b>			
Utility plant, at original cost			
Electric	\$ 11,242,271	\$ 10,956,187	\$ 10,819,169
Gas	1,502,490	1,437,071	1,398,780
Steam	452,526	430,848	416,878
General	1,066,767	1,083,705	1,075,428
Total	14,264,054	13,907,811	13,710,255
Less: Accumulated depreciation	3,987,919	3,828,646	3,790,758
Net	10,276,135	10,079,165	9,919,497
Construction work in progress	340,920	389,630	383,425
Nuclear fuel assemblies and components, less accumulated amortization	89,226	92,413	90,666
Net utility plant	10,706,281	10,561,208	10,393,588
Current assets			
Cash and temporary cash investments	429,887	245,221	360,737
Accounts receivable - customers, less allowance for uncollectible accounts of \$20,739, \$21,600 and \$21,509	508,823	440,496	492,486
Other receivables	52,293	61,853	62,417
Regulatory accounts receivable	(11,317)	26,346	16,994
Fuel, at average cost	37,623	50,883	54,505
Gas in storage, at average cost	33,059	50,698	48,831
Materials and supplies, at average cost	222,685	229,744	238,930
Prepayments	181,424	56,283	169,929
Other current assets	14,552	13,262	14,289
Total current assets	1,469,029	1,174,786	1,459,118
Investments and nonutility property	135,465	111,523	110,390
Deferred charges			
Enlightened Energy program costs	137,868	170,201	161,152
Unamortized debt expense	136,389	138,428	139,305
Power contract termination costs	117,120	180,506	148,751
Other deferred charges	282,598	285,721	300,722
Total deferred charges	673,975	774,856	749,930
Regulatory asset-future federal income taxes	1,045,442	1,105,991	1,113,880(A)
Total	\$ 14,030,192	\$ 13,728,364	\$ 13,826,906

(A) Reclassified to conform with the current presentation of the provision for future federal income taxes.

The accompanying note is an integral part of these financial statements.



CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED BALANCE SHEET  
AS AT SEPTEMBER 30, 1995, DECEMBER 31, 1994 AND SEPTEMBER 30, 1994

As At  
Sept. 30, 1995    Dec. 31, 1994    Sept. 30, 1994  
(Thousands of Dollars)

CAPITALIZATION AND LIABILITIES

Capitalization

Common stock, authorized 340,000,000 shares; outstanding 234,948,707 shares, 234,905,235 shares and 234,895,212 shares	\$ 1,464,247	\$ 1,463,913	\$ 1,463,835
Capital stock expense	(38,686)	(38,926)	(39,005)
Retained earnings	4,112,624	3,888,010	3,896,475
Total common equity	5,538,185	5,312,997	5,321,305

Preferred stock

Subject to mandatory redemption			
7.20% Series I	50,000	50,000	50,000
6-1/8% Series J	50,000	50,000	50,000

Total subject to mandatory redemption	100,000	100,000	100,000
---------------------------------------	---------	---------	---------

Other preferred stock

\$ 5 Cumulative Preferred	175,000	175,000	175,000
5-3/4% Series A	60,000	60,000	60,000
5-1/4% Series B	75,000	75,000	75,000
4.65% Series C	60,000	60,000	60,000
4.65% Series D	75,000	75,000	75,000
5-3/4% Series E	50,000	50,000	50,000
6.20% Series F	40,000	40,000	40,000
6% Convertible Series B	4,976	5,310	5,387

Total other preferred stock	539,976	540,310	540,387
Total preferred stock	639,976	640,310	640,387

Long-term debt	4,020,261	4,030,464	3,932,799
Total capitalization	10,198,422	9,983,771	9,894,491

Noncurrent liabilities

Obligations under capital leases	45,890	47,805	48,443
Other noncurrent liabilities	71,614	72,561	82,897
Total noncurrent liabilities	117,504	120,366	131,340

Current liabilities

Long-term debt due within one year	109,206	10,889	135,743
Accounts payable	304,748	374,469	315,857
Customer deposits	159,861	161,455	160,964
Accrued income taxes	143,878	3,022	147,586
Other accrued taxes	36,047	6,799	23,415
Accrued interest	74,829	84,544	70,555
Accrued wages	87,108	73,611	83,480
Other current liabilities	155,877	179,611	146,690
Total current liabilities	1,071,554	894,400	1,084,290

Provisions related to future federal income taxes and other deferred credits

Accumulated deferred federal income tax	2,309,321	2,266,458	2,228,762(A)
Accumulated deferred investment tax credits	183,750	191,524	193,944
Other deferred credits	149,641	271,845	294,079
Total deferred credits	2,642,712	2,729,827	2,716,785
Total	\$ 14,030,192	\$ 13,728,364	\$ 13,826,906

(A) Reclassified to conform with the current presentation of the provision for future federal income taxes.

The accompanying note is an integral part of these financial statements.





CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED INCOME STATEMENT  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

	1995	1994
	(Thousands of Dollars)	
Operating revenues		
Electric	\$ 1,703,089	\$ 1,642,823
Gas	113,678	115,239
Steam	63,109	63,929
Total operating revenues	1,879,876	1,821,991
Operating expenses		
Fuel	158,994	176,443
Purchased power	290,404	199,236
Gas purchased for resale	25,023	30,940
Other operations	274,273	279,654
Maintenance	111,045	110,674
Depreciation and amortization	115,654	106,098
Taxes, other than federal income tax	308,897	303,631
Federal income tax	182,810	196,940
Total operating expenses	1,467,100	1,403,616
Operating income	412,776	418,375
Other income (deductions)		
Investment income	4,324	2,930
Allowance for equity funds used during construction	485	1,781
Other income less miscellaneous deductions	(1,693)	(6,328)
Federal income tax	750	500
Total other income	3,866	(1,117)
Income before interest charges	416,642	417,258
Interest on long-term debt	75,656	73,628
Other interest	7,922	4,545
Allowance for borrowed funds used during construction	(232)	(784)
Net interest charges	83,346	77,389
Net income	333,296	339,869
Preferred stock dividend requirements	8,891	8,896
Net income for common stock	\$ 324,405	\$ 330,973
Common shares outstanding - average (000)	234,939	234,889
Earnings per share	\$ 1.38	\$ 1.41
Dividends declared per share of common stock	\$ .51	\$ .50
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	11,044,985	10,867,000
Deliveries for NYPA and Other Customers	2,349,578	2,286,314
Service for Municipal Agencies	135,847	112,704
Total Sales in Service Territory	13,530,410	13,266,018
Off-System Sales	2,075,281(A)	402,300
Gas - Firm Customers (Dekatherms)	10,451,202	10,056,613
Steam (Thousands of Lbs.)	6,877,750	6,768,672

(A) Off-system sales in the 1995 period included 958,096 thousand Kwhrs. subsequently repurchased by the Company.

The accompanying note is an integral part of these financial statements.



CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED INCOME STATEMENT  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

	1995	1994
	(Thousands of Dollars)	
Operating revenues		
Electric	\$ 4,156,969	\$ 3,936,365
Gas	604,708	698,801
Steam	246,836	276,672
Total operating revenues	5,008,513	4,911,838
Operating expenses		
Fuel	386,032	453,792
Purchased power	847,864	584,442
Gas purchased for resale	188,486	283,070
Other operations	857,215	834,778
Maintenance	366,492	384,964
Depreciation and amortization	338,823	314,418
Taxes, other than federal income tax	836,966	857,733
Federal income tax	337,820	357,100
Total operating expenses	4,159,698	4,070,297
Operating income	848,815	841,541
Other income (deductions)		
Investment income	8,622	5,615
Allowance for equity funds used during construction	3,361	6,432
Other income less miscellaneous deductions	(5,123)	(9,544)
Federal income tax	440	(670)
Total other income	7,300	1,833
Income before interest charges	856,115	843,374
Interest on long-term debt	224,696	215,954
Other interest	22,319	13,860
Allowance for borrowed funds used during construction	(1,626)	(2,831)
Net interest charges	245,389	226,983
Net income	610,726	616,391
Preferred stock dividend requirements	26,676	26,692
Net income for common stock	\$ 584,050	\$ 589,699
Common shares outstanding - average (000)	234,924	234,710
Earnings per share	\$ 2.49	\$ 2.51
Dividends declared per share of common stock	\$ 1.53	\$ 1.50
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	28,081,351	28,151,349
Deliveries for NYPA and Other Customers	6,646,381	6,590,006
Service for Municipal Agencies	345,224	305,061
Total Sales in Service Territory	35,072,956	35,046,416
Off-System Sales	4,392,449(A)	1,129,809
Gas - Firm Customers (Dekatherms)	67,411,713	73,158,618
Steam (Thousands of Lbs.)	22,346,574	25,055,697

(A) Off-system sales in the 1995 period included 2,279,726 thousand Kwhrs. subsequently repurchased by the Company.

The accompanying note is an integral part of these financial statements.



CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED INCOME STATEMENT  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

	1995	1994
	(Thousands of Dollars)	
Operating revenues		
Electric	\$ 5,361,076	\$ 5,133,903
Gas	796,013	913,414
Steam	312,671	348,135
Total operating revenues	6,469,760	6,395,452
Operating expenses		
Fuel	500,004	575,476
Purchased power	1,050,877	779,553
Gas purchased for resale	246,621	363,363
Other operations	1,168,531	1,123,111
Maintenance	487,706	549,254
Depreciation and amortization	446,760	417,424
Taxes, other than federal income tax	1,106,924	1,128,595
Federal income tax	418,880	422,990
Total operating expenses	5,426,303	5,359,766
Operating income	1,043,457	1,035,686
Other income (deductions)		
Investment income	13,608	7,706
Allowance for equity funds used during construction	5,282	7,758
Other income less miscellaneous deductions	(10,779)	(16,524)
Federal income tax	680	490
Total other income	8,791	(570)
Income before interest charges	1,052,248	1,035,116
Interest on long-term debt	297,802	285,870
Other interest	28,313	19,004
Allowance for borrowed funds used during construction	(2,472)	(3,443)
Net interest charges	323,643	301,431
Net income	728,605	733,685
Preferred stock dividend requirements	35,571	35,594
Net income for common stock	\$ 693,034	\$ 698,091
Common shares outstanding - average (000)	234,918	234,543
Earnings per share	\$ 2.95	\$ 2.98
Dividends declared per share of common stock	\$ 2.03	\$ 1.985
Sales		
Electric (Thousands of Kwhrs.)		
Con Edison Customers	36,704,167	36,719,773
Deliveries for NYPA and Other Customers	8,829,530	8,713,494
Service for Municipal Agencies	454,056	396,848
Total Sales in Service Territory	45,987,753	45,830,115
Off-System Sales	5,047,413(A)	1,269,273
Gas - Firm Customers (Dekatherms)	87,599,513	95,425,428
Steam (Thousands of Lbs.)	27,976,032	31,201,783

(A) Off-system sales in the 1995 period included 2,279,726 thousand Kwhrs. subsequently repurchased by the Company.

The accompanying note is an integral part of these financial statements.



- 8 -  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

	1995	1994
	(Thousands of Dollars)	
Operating activities		
Net income	\$ 610,726	\$ 616,391
Principal non-cash charges (credits) to income		
Depreciation and amortization	338,822	314,418
Deferred recoverable fuel costs	(4,009)	33,371
Federal income tax deferred	82,780	17,920
Common equity component of allowance for funds used during construction	(3,166)	(6,065)
Other non-cash charges	11,464	41,388
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	(68,327)	(33,225)
Regulatory accounts receivable	37,663	80,123
Materials and supplies, including fuel and gas in storage	37,958	6,365
Prepayments, other receivables and other current assets	(116,871)	(93,920)
Enlightened Energy program costs	32,333	(21,095)
Federal income tax refund	(49,510)	52,937
Power contract termination costs	(19,711)	(63,480)
Accounts payable	(69,721)	(83,686)
Accrued income taxes	140,856	119,176
Other - net	4,909	(39,020)
Net cash flows from operating activities	966,196	941,598
Investing activities including construction		
Construction expenditures	(462,238)	(498,233)
Nuclear fuel expenditures	(8,601)	(39,191)
Contributions to nuclear decommissioning trust	(13,568)	(11,669)
Common equity component of allowance for funds used during construction	3,166	6,065
Net cash flows from investing activities including construction	(481,241)	(543,028)
Financing activities including dividends		
Issuance of common stock	-	14,650
Issuance of long-term debt	228,285	300,000
Retirement of long-term debt	(9,119)	(7,015)
Advance refunding of long-term debt	(128,285)	-
Issuance and refunding costs	(5,058)	(3,423)
Common stock dividends	(359,437)	(352,111)
Preferred stock dividends	(26,675)	(26,690)
Net cash flows from financing activities including dividends	(300,289)	(74,589)
Net increase in cash and temporary cash investments	184,666	323,981
Cash and temporary cash investments at January 1	245,221	36,756
Cash and temporary cash investments at September 30	\$ 429,887	\$ 360,737
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	\$ 245,884	\$ 215,586
Income taxes	120,572	206,186

The accompanying note is an integral part of these financial statements.





CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

	1995	1994
	(Thousands of Dollars)	
Operating activities		
Net income	\$ 728,605	\$ 733,685
Principal non-cash charges (credits) to income		
Depreciation and amortization	446,760	417,424
Deferred recoverable fuel costs	(17,248)	39,711
Federal income tax deferred	128,950	44,380
Common equity component of allowance for funds used during construction	(4,977)	(7,312)
Other non-cash charges	15,613	40,281
Changes in assets and liabilities		
Accounts receivable - customers, less allowance for uncollectibles	(16,337)	7,586
Regulatory accounts receivable	28,311	82,334
Materials and supplies, including fuel and gas in storage	48,899	6,453
Prepayments, other receivables and other current assets	(1,634)	1,017
Enlightened Energy program costs	23,284	(37,696)
Federal income tax refund	(49,510)	52,937
Power contract termination costs	(18,607)	(70,990)
Accounts payable	(11,109)	2,091
Accrued income taxes	(3,708)	(57,127)
Other - net	(22,795)	(76,481)
Net cash flows from operating activities	1,274,497	1,178,293
Investing activities including construction		
Construction expenditures	(721,535)	(734,978)
Nuclear fuel expenditures	(16,481)	(44,278)
Contributions to nuclear decommissioning trust	(16,485)	(14,586)
Common equity component of allowance for funds used during construction	4,977	7,312
Net cash flows from investing activities including construction	(749,524)	(786,530)
Financing activities including dividends		
Issuance of common stock	-	26,530
Issuance of long-term debt	328,285	447,475
Retirement of long-term debt	(135,743)	(28,506)
Advance refunding of long-term debt	(128,285)	(147,475)
Issuance and refunding costs	(7,623)	(31,824)
Common stock dividends	(476,887)	(465,598)
Preferred stock dividends	(35,570)	(35,591)
Net cash flows from financing activities including dividends	(455,823)	(234,989)
Net increase in cash and temporary cash investments	69,150	156,774
Cash and temporary cash investments at beginning of period	360,737	203,963
Cash and temporary cash investments at September 30	\$ 429,887	\$ 360,737
Supplemental disclosure of cash flow information		
Cash paid during the period for:		
Interest	\$ 300,137	\$ 270,197
Income taxes	299,741	420,817

The accompanying note is an integral part of these financial statements.



Contingency Note

-----  
INDIAN POINT. Nuclear generating units similar in design to the Company's Indian Point 2 unit have experienced problems of varying severity in their steam generators, which in a number of instances have required steam generator replacement. Inspections of the Indian Point 2 steam generators since 1976 have revealed various problems, some of which appear to have been arrested, but the remaining service life of the steam generators is uncertain and may be shorter than the unit's life. The projected service life of the steam generators is reassessed periodically in the light of the inspections made during scheduled outages of the unit. Based on the latest available data, the Company estimates that steam generator replacement will not be required before 1997, and possibly not until some years later. To avoid procurement delays in the event replacement is necessary, the Company purchased replacement steam generators, which are stored at the site. If replacement of the steam generators is required, such replacement is presently estimated (in 1994 dollars) to require additional expenditures of approximately \$102 million (exclusive of replacement power costs) and an outage of approximately six months. However, securing necessary permits and approvals or other factors could require a substantially longer outage if steam generator replacement is required on short notice.

NUCLEAR INSURANCE. The insurance policies covering the Company's nuclear facilities for property damage, excess property damage, and outage costs permit assessments under certain conditions to cover insurers' losses. As of September 30, 1995, the highest amount which could be assessed for losses during the current policy year under all of the policies was \$26 million. While assessments may also be made for losses in certain prior years, the Company is not aware of any losses in such years which it believes are likely to result in an assessment.

Under certain circumstances, in the event of nuclear incidents at facilities covered by the federal government's third-party liability indemnification program, the Company could be assessed up to \$79.3 million per incident of which not more than \$10 million may be assessed in any one year. The per-incident limit is to be adjusted for inflation not later than 1998 and not less than once every five years thereafter.

The Company participates in an insurance program covering liabilities for injuries to certain workers in the nuclear power industry. In the event of such injuries, the Company is subject to assessment up to an estimated maximum of approximately \$3.1 million.



ENVIRONMENTAL MATTERS. The normal course of the Company's operations necessarily involves activities and substances that expose the Company to potential liabilities under federal, state and local laws protecting the environment. Such liabilities can be material and in some instances may be imposed without regard to fault, or may be imposed for past acts, even though such past acts may have been lawful at the time they occurred. Sources of such potential liabilities include (but are not limited to) the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund), a recent settlement with the New York State Department of Environmental Conservation (DEC), asbestos, and electric and magnetic fields (EMF).

Superfund. By its terms, Superfund imposes joint and several strict liability, regardless of fault, upon generators of hazardous substances for resulting removal and remedial costs and environmental damages. The Company has received process or notice concerning possible claims under Superfund or similar state statutes relating to a number of sites at which it is alleged that hazardous substances generated by the Company (and, in most instances, a large number of other potentially responsible parties) were deposited. Estimates of the investigative, removal, remedial and environmental damage costs (if any) the Company will be obligated to pay with respect to each of these sites range from extremely preliminary to highly refined. Based on these estimates, the Company has an accrued liability at September 30, 1995 of approximately \$10.9 million. However, it is possible that material additional costs in amounts not presently determinable may be incurred with respect to these and other sites.

DEC Settlement. In November 1994 the Company agreed to a consent order settling a civil administrative proceeding instituted by the DEC in 1992, alleging environmental violations by the Company. Under the consent order, in addition to required payments which have been made, the Company must also conduct an environmental compliance audit and an environmental management review, develop and implement "best management practices" plans for certain facilities and undertake a remediation program at certain sites. At September 30, 1995, the Company has an accrued liability of \$9.8 million for the expense of the site remediation program. Expenditures for environmental projects in the five years 1995 -1999 to comply with the consent order are estimated at \$80.6 million, most of which had been planned prior to the consent order. There will be additional costs, including costs arising out of the compliance audit, the materiality of which is not presently determinable.



Asbestos Claims. Suits have been brought in New York State and federal courts against the Company and many other defendants, wherein several thousand plaintiffs sought large amounts of compensatory and punitive damages for deaths and injuries allegedly caused by exposure to asbestos at various premises of the Company. Many of these suits have been disposed of without any payment by the Company, or for immaterial amounts. The amounts specified in all the remaining suits total billions of dollars but the Company believes that these amounts are greatly exaggerated, as were the claims already disposed of. Based on the information and relevant circumstances known to the Company at this time, it is the opinion of the Company that these suits will not have a material adverse effect on the Company's financial position.

EMF. Electric and magnetic fields are found wherever electricity is used. Several scientific studies have raised concerns that EMF surrounding electric equipment and wires, including power lines, may present health risks. The Company is the defendant in several suits claiming property damage or personal injury allegedly resulting from EMF. In the event that a causal relationship between EMF and adverse health effects is established, or independently of any such causal determination, in the event of adverse developments in related legal or public policy doctrines, there could be a material adverse effect on the electric utility industry, including the Company.





MANAGEMENT'S DISCUSSION AND ANALYSIS  
OF FINANCIAL CONDITION AND RESULTS  
OF OPERATIONS

The following discussion and analysis relate to the interim financial statements appearing in this report and should be read in conjunction with Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 1-1217). Reference is made to the note to the financial statements in Item 1 of this report, which note is incorporated herein by reference.

LIQUIDITY AND CAPITAL RESOURCES

Cash and temporary cash investments were \$429.9 million at September 30, 1995 compared with \$245.2 million at December 31, 1994 and \$360.7 million at September 30, 1994. The Company's cash balances reflect the timing and amounts of external financing.

On July 5, 1995 the Company issued \$100 million of 6-5/8 percent ten-year debentures due July 1, 2005 at a price to the public of 99.674 percent and a yield of 6.67 percent.

On August 1, 1995 the Company issued through the New York State Energy Research and Development Authority (NYSERDA) \$128.3 million of 6.10 percent tax-exempt debt due August 15, 2020, which was offered to the public at 98.50 percent and a yield of 6.219 percent. The proceeds were used to refund, on September 1, 1995, \$128.3 million of outstanding 9 percent tax-exempt debt.

The Company expects to finance the balance of its capital requirements for the remainder of 1995 and 1996, including \$185 million for securities maturing during this period, from internally generated funds and external financings of about \$250 million, most, if not all, of which will be debt issues.

Customer accounts receivable, less allowance for uncollectible accounts, amounted to \$508.8 million at September 30, 1995 compared with \$440.5 million at December 31, 1994 and \$492.5 million at September 30, 1994. In terms of equivalent days of revenue outstanding, these amounts represented 25.0, 27.1 and 25.8 days, respectively.



Regulatory accounts receivable, amounted to \$(11.3) million at September 30, 1995, \$26.3 million at December 31, 1994 and \$17.0 million at September 30, 1994. Regulatory accounts receivable include amounts accrued under the ERAM, modified ERAM and incentive provisions of the Company's electric and gas rate agreements referred to below. The changes in regulatory accounts receivable during the first nine months of 1995 were as follows:

(Millions of Dollars)	Balance Dec. 31, 1994*	1995 Accruals	1995 Recoveries	Balance Sept. 30, 1995*
ERAM/Modified ERAM Electric Incentives	\$(56.4)	\$(37.6)	\$ 54.1	\$(39.9)
Enlightened Energy program	70.1	27.5	(83.1)	14.5
Customer service	6.7	3.7	(8.4)	2.0
Fuel and purchased power	5.9	16.3	(17.5)	4.7
Gas Incentives				
System improvement	-	6.1	-	6.1
Customer service	-	1.3	-	1.3
Total	\$ 26.3	\$17.3	\$(54.9)	\$(11.3)

\*Negative balances represent amounts to be refunded to customers.

Fuel balances at September 30, 1995 were \$13.3 million lower than December 31, 1994 due principally to lower oil inventory. Gas in storage decreased \$17.6 million in the first nine months of 1995 reflecting both lower inventory and lower average cost of gas in storage.

In mid-year 1995 the Company made payments totalling \$207.2 million to New York City for semi-annual installments of property taxes. Prepayments and other current assets at September 30, 1995 include the unamortized portion (\$111.2 million) of such payments.

Enlightened Energy program costs are recoverable over a five-year period. Program costs have declined and are expected to continue to decline in future periods, resulting in lower deferred balances as recoveries outpace new expenditures.

Other deferred credits in 1995 declined by approximately \$115 million as a result of various reconciliations of revenues and expenses under a new electric rate agreement which became effective April 1, 1995. Net income was reduced by \$1.2 million as a result of these reconciliations.



Interest coverage under the SEC formula for the twelve months ended September 30, 1995 was 4.32 times compared with 4.58 times for the year 1994 and 4.57 times for the twelve months ended September 30, 1994.

#### 1992 Electric Rate Agreement

In March 1994 the Public Service Commission (PSC) approved an electric rate increase of \$55.2 million (1.1 percent), to become effective April 1, 1994, for the third and final year of the 1992 electric rate agreement, the twelve months ended March 31, 1995. For the final rate year the Company's rate of return on electric common equity, calculated in accordance with the provisions of the agreement, which excludes incentives earned and labor productivity in excess of amounts reflected in rates, was approximately 11.80 percent, which was below the 11.85 percent threshold for sharing of "excess" earnings with customers.

#### 1995 Electric Rate Agreement

On April 6, 1995 the PSC issued its opinion and order approving a three-year electric rate agreement effective April 1, 1995. The agreement provides for no increase in base electric revenues in the first rate year and possible, but limited, increases in years two and three. For details of the agreement see the Management's Discussion and Analysis appearing in Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 1994, under the heading "1994 Electric Rate Increase Filing." In its opinion and order approving the agreement (as described in the Form 10-K) the PSC reserved authority to spread, over a two-year period, the recovery of any revenue shortfall accrued under the agreement's modified ERAM provision, if in the PSC's judgment such a spreading is necessary to avoid "significant" bill increases.

#### 1995 Gas and Steam Rate Increases

Effective October 1, 1995 (the beginning of the second year of the October 1994 three-year gas and steam rate settlements) gas and steam rates were increased by \$20.9 million (2.5 percent) and \$4.6 million (1.3 percent), respectively. The primary reasons for the gas rate increase were escalation in certain operation and maintenance expenses, return and depreciation on higher plant balances, and recovery of earnings under the incentive provisions of the settlement. The steam rate increase was primarily to cover escalation in operation and maintenance expenses, and return and depreciation on higher plant balances.



In accordance with the provisions of the 1994 gas and steam rate agreements, earnings above an 11.65 percent return on related common equity, exclusive of incentive (or penalty) mechanisms, are to be shared equally with customers. For the first rate year, the twelve months ended September 30, 1995, the Company's rates of return on common equity for gas and steam were below the threshold for sharing.

#### Credit Ratings

The Company's senior debt securities (first mortgage bonds) are rated Aa3, A+ and AA- by Moody's Investors Service, Inc., Standard & Poor's Ratings Group (S&P) and Duff and Phelps, Inc., respectively. The Company's unsecured debt securities (debentures and tax-exempt debt) are rated A1, A+ and A+ by Moody's, S&P and Duff and Phelps, respectively. The Company has not issued first mortgage bonds since 1974. As of September 30, 1995, \$175 million of first mortgage bonds were outstanding, all of which will have matured by December 1996.

#### Competition - New York State Initiatives

In June 1995, the PSC adopted principles in its continuing "competitive opportunities" proceeding involving all New York electric utilities. The principles are intended to provide a guide with which the PSC will consider the matter of electric power competition. The principles, among other things, state that "The current industry structure, in which most power plants are vertically integrated with natural monopoly transmission and distribution, must be thoroughly examined to ensure that it does not impede or obstruct development of effective wholesale or retail competition" and "Utilities should have a reasonable opportunity to recover prudent and verifiable expenditures and commitments made pursuant to their legal obligations, consistent with these principles." The principles also indicate that utilities should take all practicable measures to mitigate transition costs.





On October 25, 1995, the investor-owned utility companies of New York State (including Con Edison) filed a proposal in this proceeding that would restructure the state's electric industry in a carefully planned transition to competition in the wholesale market where bulk electricity would be bought and sold. The plan, which also calls for tax and regulatory reform, is expected to lower consumer prices for electricity. The plan provides for a wholesale competitive framework that:

- Creates an industry structure that allows market forces to drive the purchase and sale of electricity on the wholesale level;
- Allows utilities, other generators and other wholesale market participants to create a voluntary wholesale exchange with visible spot pricing;
- Establishes an independent system operator to coordinate the safe and reliable operation of the bulk power transmission system;
- Increases customer choice by providing clear market price signals so customers can make informed decisions on the use of electricity and value-added services; and
- Develops mechanisms to encourage increased efficiency of utility operations subject to continuing regulation.

The support of the New York State utilities for implementation of full wholesale competition is conditioned on four essential requirements: a reasonable opportunity for utilities to fully recover all investments and expenditures made to provide reliable service to the public under the existing regulatory compact; PSC support for the option of each utility to continue in the generation business; special treatment of nuclear plants based on their unique characteristics; and development and adoption of a clearly defined transition plan to ensure that system reliability and the interests of both customers and investors are adequately protected.



The PSC staff and numerous other parties also submitted proposals as part of this proceeding. The PSC Staff proposal calls for divestiture of utility-owned generation operations into separate companies or structural separation of generation within holding companies, fully competitive markets at both the wholesale and retail levels, and new independent energy service companies offering supply-side and demand-side services and other customer services on a competitive basis. An Independent System Operator (ISO) would have the responsibility for maintaining the day-to-day adequacy and security of the bulk power system and a regional transmission group would perform transmission planning. The ISO and transmission and distribution companies would continue to be regulated by the PSC; other entities would be unregulated. The Staff proposal states that "utilities should have a reasonable opportunity to recover past investments that are legitimate and verifiable, but that full recovery is no longer a reasonable expectation of utilities in an increasingly competitive market where they also can pursue new revenue producing opportunities." Staff also proposes that independent power producers with above-market value contracts "mitigate their contracts" to the extent of values "proportionate to that absorbed by utility shareholders."

A report and possible recommended decision in this phase of the proceeding is expected to be issued by the administrative law judge in December 1995. A PSC order in this proceeding is not expected until 1996.

It is not possible to predict the outcome of the proceeding, the timing thereof, or its impact upon the Company. The outcome could adversely affect the Company's eligibility to apply Statement of Financial Accounting Standards ("SFAS") No. 71, "Accounting for the Effects of Certain Types of Regulation", which, pursuant to SFAS No. 101 "Accounting for Discontinuation of Application of FASB Statement No. 71" and SFAS No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" could then require a significant write-down of assets, the amount of which is not yet determinable.



## Competition - Federal Initiatives

In March 1995, the Federal Energy Regulatory Commission (FERC) proposed new rules which would require electric utilities to file non-discriminatory open access transmission tariffs, available to wholesale sellers and buyers of electric energy, and to take service under these tariffs for their own wholesale sales and purchases of electric energy. As proposed, the new rules would allow utilities to recover legitimate and verifiable wholesale stranded costs (i.e., those costs prudently incurred by a utility to meet its service obligation which, as a result of filing an open access tariff, the utility would otherwise not be able to recover). FERC would follow this policy with regard to costs subject to its jurisdiction and urged the states to follow the same policy with regard to costs subject to their jurisdiction.

It is not possible to predict the outcome of this proceeding. The Company participates in the wholesale electric market primarily as a buyer, and in this regard should benefit if rules are adopted which result in lower wholesale prices for its purchases of electricity for its retail customers.

## Environmental Claims and Other Contingencies

Reference is made to the note to the financial statements included in this report for information concerning potential liabilities of the Company arising from the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund), from claims relating to alleged exposure to asbestos, and from certain other contingencies to which the Company is subject.



RESULTS OF OPERATIONS

Net income for common stock for the third quarter, nine months and twelve months ended September 30, 1995 was lower than in the corresponding 1994 periods by \$6.6 million (\$.03 a share), \$5.6 million (\$.02 a share) and \$5.1 million (\$.03 a share), respectively. These results reflect the three-year electric rate agreement effective April 1, 1995, which provides for generally more limited opportunities for earning incentives, and gives customers the benefit of productivity achievements during the term of the prior electric rate agreement.

In reviewing period-to-period comparisons, it should be noted that not all changes in sales volume affected operating revenues. Under the ERAM and the modified ERAM discussed below, most increases (or decreases) in electric sales revenues compared with revenues forecast pursuant to the electric rate agreement are deferred for subsequent credit (or billing) to customers. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

	Increases (Decreases)					
	Three Months Ended		Nine Months Ended		Twelve Months Ended	
	Sept. 30, 1995		Sept. 30, 1995		Sept. 30, 1995	
	Compared With		Compared With		Compared with	
Three Months Ended		Nine Months Ended		Twelve Months Ended		
Sept. 30, 1994		Sept. 30, 1994		Sept. 30, 1994		
Amount	Percent	Amount	Percent	Amount	Percent	
(Amounts in Millions)						
Operating revenues	\$ 57.9	3.2 %	\$ 96.7	2.0 %	\$ 74.3	1.2 %
Fuel - electric and steam	(17.5)	(9.9)	(67.7)	(14.9)	(75.5)	(13.1)
Purchased power - electric	91.2	45.8	263.4	45.1	271.3	34.8
Gas purchased for resale	(5.9)	(19.1)	(94.6)	(33.4)	(116.7)	(32.1)
Operating revenues less fuel and purchased power and gas purchased for resale (Net revenues)	(9.9)	(0.7)	(4.4)	(0.1)	(4.8)	(0.1)
Other operations and maintenance	(5.0)	(1.3)	4.0	0.3	(16.1)	(1.0)
Depreciation and amortization	9.5	9.0	24.4	7.8	29.3	7.0
Taxes, other than federal income tax	5.3	1.7	(20.8)	(2.4)	(21.7)	(1.9)
Federal income tax	(14.1)	(7.2)	(19.3)	(5.4)	(4.1)	(1.0)
Operating income	(5.6)	(1.3)	7.3	0.9	7.8	0.8
Other income less deductions, less related federal income tax	5.0	Large	5.5	Large	9.3	Large
Interest charges and preferred stock dividend requirements	6.0	6.9	18.4	7.2	22.2	6.6
Net income for common stock	\$ (6.6)	(2.0)%	\$ (5.6)	(1.0)%	\$ (5.1)	(0.7)%





Third Quarter 1995 Compared with  
Third Quarter 1994

Net revenues (operating revenues less fuel, purchased power and gas purchased for resale) decreased \$9.9 million in the third quarter of 1995 compared with the 1994 period. Electric net revenues decreased \$15.7 million and gas and steam net revenues increased \$4.4 million and \$1.4 million, respectively.

Total electric revenues in the 1995 period were higher than in the corresponding 1994 period, largely reflecting recovery of higher purchased power costs.

Electric revenues for the third quarter of 1995 reflect a credit due customers of \$59.1 million under the modified ERAM, reflecting sales above the forecast, compared with a credit due customers of \$42.1 million in the 1994 period. The 1995 electric rate agreement added to the ERAM a revenue per customer (RPC) mechanism (modified ERAM) which excludes from adjustment those variances in the Company's electric revenues which result from changes in the number of customers in each electric service classification. Electric revenues for the third quarter of 1995 include \$6 million earned under the RPC mechanism.

Electric net revenues for the third quarter of 1995 include \$12.6 million, compared with \$26.3 million for the 1994 period, for incentives earned under the provisions of the 1995 and 1992 electric rate agreements, respectively.

Electric sales, excluding off-system sales, in the third quarter of 1995 compared with the 1994 period were:

Description	Millions of Kwhrs.			Percent Variation
	3rd Quarter 1995	3rd Quarter 1994	Variation	
Residential/Religious	3,511	3,368	143	4.3 %
Commercial/Industrial	7,352	7,328	24	0.3 %
Other	182	171	11	6.6 %
Total Con Edison Customers	11,045	10,867	178	1.6 %
NYP&A, Municipal Agency and Other Sales	2,485	2,399	86	3.6 %
Total Service Area	13,530	13,266	264	2.0 %



Off-system electricity sales increased to 2,075 millions of kilowatthours (Kwhrs) in the third quarter of 1995 compared with 402 millions of Kwhrs in the 1994 period. The increases in the quarter, nine-month and twelve-month periods in such sales were due largely to arrangements in which the Company produces electricity for others using gas they provide as fuel. The Company has purchased a substantial portion of this electricity for sale to its own customers.

Gas and steam revenues in the 1995 period reflect rate increases in October 1994 and lower fuel-related revenues due to lower costs for gas purchased for resale and steam fuel. Gas net revenues for the third quarter of 1995 included \$2.7 million for incentives earned under the 1994 gas rate agreement relating to system improvement targets for gas leaks (\$1.4 million) and to customer service performance (\$1.3 million).

For the third quarter of 1995 firm gas sales volume increased 3.9 percent and steam sales volume increased 1.6 percent compared with the 1994 period.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory increased 1.6 percent in the third quarter of 1995, firm gas sales volume increased 4.0 percent and steam sales volume decreased 2.4 percent.

Electric fuel costs decreased \$15.3 million in the 1995 period, largely because of increased power purchases; steam fuel costs decreased \$2.2 million due to decreased sendout and lower unit fuel cost. During the third quarter of 1995 the Company purchased approximately 51 percent of the electric energy it generated and purchased, compared with 46 percent for the 1994 period. Reflecting this increase and the relatively high cost that the Company is required to pay under its IPP contracts, purchased power costs increased in the third quarter of 1995 by \$91.2 million over the 1994 period. Gas purchased for resale decreased \$5.9 million, reflecting substantially lower unit cost of purchased gas partially offset by increased sendout.

Other operations and maintenance expenses decreased \$5.0 million for the third quarter of 1995 compared with the 1994 period, due primarily to lower production and pension and retiree benefit costs, offset in part by increases in distribution costs and the amortization of previously deferred Enlightened Energy program costs. However, under the terms of the various rate agreements, reductions in pension and retiree benefit costs do not benefit period earnings. They are set aside (by a charge to operating revenues) as a deferred credit for the future benefit of customers.



Depreciation and amortization increased \$9.5 million due principally to higher plant balances.

Taxes other than federal income tax increased \$5.3 million in the third quarter of 1995 due principally to increased property taxes. Federal income tax decreased \$14.1 million for the quarter reflecting lower pre-tax income, increased tax deductions, and adjustments associated with the electric rate agreements.

Other income less miscellaneous deductions increased \$5.0 million for the third quarter principally due to increases in interest and dividend income.

Nine Months Ended September 30, 1995 Compared with  
Nine Months Ended September 30, 1994

Net revenues (operating revenues less fuel and purchased power and gas purchased for resale) decreased \$4.4 million in the first nine months of 1995 compared with the first nine months of 1994. Electric and gas net revenues increased \$6.5 million and \$.5 million, respectively, and steam net revenues decreased \$11.4 million.

Total electric revenues in the 1995 period were higher than in the corresponding 1994 period, largely reflecting recovery of higher purchased power costs. The 1995 period also includes rate agreement reconciliations that increased electric revenues by \$26.3 million and purchased power costs by \$31.7 million, resulting in a net electric revenue reduction of \$5.4 million.

Electric revenues for the first nine months of 1995 include a credit due customers of \$37.6 million under the ERAM and the modified ERAM, reflecting sales above the forecast, compared to a credit due customers of \$71.3 million in the 1994 period. Electric revenues for the first nine months of 1995 also include \$6 million earned under the RPC mechanism.



Electric revenues were favorably affected in the first quarter of 1995 compared with the 1994 period by approximately \$12.8 million as a result of the April 1994 rate increase. The electric property tax reconciliation and Indian Point Unit 2 refueling and maintenance outage accounting provisions of the 1992 and 1995 electric rate agreements increased electric net revenues for the nine months ended September 30, 1995 compared with the 1994 period by approximately \$18 million and \$34 million, respectively; related expenses increased in like amount.

Electric net revenues for the first nine months of 1995 also include \$47.4 million compared with \$91.5 million for the 1994 period for incentives earned under the provisions of the rate agreements.

Electric sales, excluding off-system sales, in the first nine months of 1995 compared with the 1994 period were:

Description	Millions of Kwhrs.			Percent Variation
	Nine Months Ended Sept. 30, 1995	Nine Months Ended Sept. 30, 1994	Variation	
Residential/Religious	8,340	8,271	69	.8 %
Commercial/Industrial	19,272	19,425	(153)	(.8)%
Other	469	455	14	3.2 %
Total Con Edison Customers	28,081	28,151	(70)	(.3)%
NYP&A & Municipal Agency Sales	6,992	6,895	97	1.4 %
Total Service Area	35,073	35,046	27	.1 %

Gas and steam revenues in the first nine months of 1995 reflect rate increases in October 1994 and lower fuel-related revenues due to lower costs for gas purchased for resale and steam fuel. Gas net revenue for the period included \$7.4 million for incentives earned under the 1994 gas rate agreement related to system improvement targets for gas leaks (\$6.1 million) and to customer service performance (\$1.3 million). Steam net revenues were reduced by decreased sales volume.

For the first nine months of 1995 firm gas sales volume decreased 7.9 percent and steam sales volume decreased 10.8 percent over the 1994 period. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.





After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the first nine months of 1995 increased 1.2 percent, firm gas sales volume was unchanged and steam sales volume decreased 1.7 percent.

Electric fuel costs decreased in the first nine months of 1995 by \$49.3 million largely because the Company increased power purchases; steam fuel cost decreased \$18.4 million due to lower unit cost and lower sendout. During the 1995 period the Company purchased approximately 60 percent of the electric energy it generated and purchased compared with 49 percent for the prior period. Reflecting this increase and the relatively high cost that the Company is required to pay under its IPP contracts, purchased power costs increased in the first nine months of 1995 by \$263.4 million over the 1994 period. The changes in fuel cost and purchased power also reflect reduced generation from the Company's Indian Point Unit 2, which was out of service for refueling and maintenance for a large part of the 1995 period. Gas purchased for resale decreased \$94.6 million reflecting lower unit cost and lower sendout.

Other operations and maintenance expenses increased \$4.0 million in the first nine months of 1995 compared with the 1994 period principally due to increases in the amortization of previously deferred Enlightened Energy program costs and production expenses (chiefly due to the Indian Point Unit 2 refueling and maintenance outage in the 1995 period - there was no outage in the 1994 period), offset in part by lower distribution and administrative and general expenses.

Depreciation and amortization increased \$24.4 million due principally to higher plant balances.

Taxes, other than federal income tax, decreased \$20.8 million in the first nine months of 1995 compared with the 1994 period due primarily to reduced property taxes (\$14.9 million) and revenue taxes (\$5.5 million). Federal income tax decreased \$19.3 million in the first nine months of 1995 compared with the 1994 period, principally due to lower pre-tax income and adjustments associated with the 1995 electric rate agreement.

Other income less miscellaneous deductions increased \$5.5 million for the nine-month period principally due to increases in interest and dividend income.

Interest on long-term debt increased \$8.7 million primarily as a result of the issuance of new debt. Other interest charges increased \$8.5 million principally due to a higher interest rate on customer deposits and interest expense associated with a sales tax audit settlement.



Twelve Months Ended September 30, 1995 Compared with  
Twelve Months Ended September 30, 1994

Net revenues (operating revenues less fuel, purchased power and gas purchased for resale) decreased \$4.8 million in the twelve months ended September 30, 1995 compared with the 1994 period. Electric net revenues increased \$6.8 million and gas and steam net revenues decreased \$.7 million and \$10.9 million, respectively.

Total electric revenues in the 1995 period were higher than in the corresponding 1994 period, largely reflecting recovery of higher purchased power costs. The 1995 period also includes rate agreement reconciliations that increased electric revenues by \$26.3 million and purchased power costs by \$31.7 million, resulting in a net electric revenue reduction of \$5.4 million.

Under the modified ERAM, electric net revenues for the twelve months ended September 30, 1995 have been reduced for a credit due customers of \$30.1 million, reflecting higher sales revenues than forecast, compared with a credit due customers of \$51.3 million in the 1994 period. Electric net revenues for the twelve months ended September 30, 1995 also include \$6 million earned under the RPC mechanism.

Electric revenues in the 1995 period were enhanced by approximately \$25.2 million as a result of the rate increase in April 1994. The electric property tax reconciliation and Indian Point Unit 2 maintenance and outage accounting provisions of the 1992 and 1995 electric rate agreements increased electric net revenues for the twelve months ended September 30, 1995 compared with the 1994 period by approximately \$45 million and \$28 million, respectively; related expenses increased in like amount.

Electric net revenues for the twelve months ended September 30, 1995 include \$72.3 million, compared with \$138.7 million for the 1994 period, for incentives earned under the 1992 and 1995 electric rate agreements.



Electric sales, excluding off-system sales, for the twelve months ended September 30, 1995 compared with the twelve months ended September 30, 1994 were:

Description	Millions of Kwhrs.		Variation	Percent Variation
	Twelve Months Ended Sept. 30, 1995	Twelve Months Ended Sept. 30, 1994		
Residential/Religious	10,729	10,681	48	0.5 %
Commercial/Industrial	25,359	25,442	(83)	(0.3)%
Other	616	597	19	3.3 %
Total Con Edison Customers	36,704	36,720	(16)	0.0 %
NYP&A and Municipal Agency Sales	9,284	9,110	174	1.9 %
Total Service Area	45,988	45,830	158	0.3 %

Gas and steam revenues in the 1995 period reflect rate increases in October 1994 and lower fuel-related revenues due to lower costs for gas purchased for resale and steam fuel costs, and decreased sales volume.

For the twelve months ended September 30, 1995 firm gas sales volume decreased 8.2 percent and steam sales volume decreased 10.3 percent due to warmer than normal 1995 winter weather compared to colder than normal 1994 winter weather. Under the weather normalization clause in the Company's gas tariff, most weather-related variations in gas sales do not affect gas revenues.

After adjustment for comparability in both periods, primarily for variations in weather, electric sales volume in the Company's service territory in the twelve months ended September 30, 1995 increased 1.2 percent. Similarly adjusted, firm gas sales volume decreased 0.5 percent and steam sales volume decreased 1.6 percent.

Electric fuel costs decreased \$51.0 million in the 1995 period largely because of the Company's increased power purchases from IPPs; steam fuel costs decreased \$24.5 million due to lower sendout and lower unit cost of fuel. During the 1995 period the Company purchased 59 percent of the electric energy it generated and purchased compared with 50 percent for the prior period. Reflecting this increase and the relatively high cost that the Company is required to pay under its IPP contracts, purchased power costs increased in the 1995 period by \$271.3 million over the 1994 period. Gas purchased for resale decreased \$116.7 million, reflecting principally lower sendout and lower unit cost of purchased gas.



Other operations and maintenance expenses decreased \$16.1 million in the twelve months ended September 30, 1995 compared with the 1994 period, due to decreased electric production and distribution expenses, offset in part by higher amortization of previously deferred Enlightened Energy program costs.

Depreciation and amortization increased \$29.3 million principally due to higher plant balances.

Taxes, other than federal income tax, decreased \$21.7 million in the twelve months ended September 30, 1995 compared with the 1994 period primarily due to reduced property taxes (\$15.7 million) and revenue taxes (\$13.4 million) offset in part by increases in other taxes (\$9.9 million). Federal income tax decreased \$4.1 million for the twelve months ended September 30, 1995 compared with the 1994 period principally due to lower pre-tax income and adjustments associated with the 1995 electric rate agreement.

Other income less miscellaneous deductions increased \$9.3 million for the twelve-month period due to increases in interest and dividend income.

Interest on long-term debt increased \$11.9 million principally as a result of the issuance of new debt. Other interest charges increased \$9.3 million due to a higher interest rate on customer deposits and interest expense associated with a sales tax audit settlement.





PART II. - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

GRAMERCY PARK

Reference is made to the information under the caption, "Gramercy Park", in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K, for the year ended December 31, 1994 and in Part II, Item 1, Legal Proceedings, in the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1995.

SUPERFUND - Metal Bank of America Sites

Reference is made to the information under the caption, "SUPERFUND - Metal Bank of America Sites", in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K for the year ended December 31, 1994.

In July 1995, EPA issued its proposed site cleanup plan for public comment. EPA's proposed plan calls for other things, the removal and disposal of PCB and TPH-contaminated sediments, the construction of a sheet pile wall along the site's shoreline area, and the removal and off-site disposal of various site soils that contain 25 ppm or more of PCB and/or 10,000 ppm or more of total petroleum hydrocarbons( "TPH"). Although EPA estimated the cost of its plan at about \$17.2 million, the PRP Group believes that the plan could cost as much as \$28.8 million to implement and has requested EPA to reconsider various aspects of the plan, including the 10,000 ppm TPH cleanup standard and off-site disposal requirement for soil located in the southern portion of the site.

SUPERFUND - C&D Recycling Site

Reference is made to the information under the caption, "SUPERFUND - C&D Recycling Site", in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K for the year ended December 31, 1994.

On October 15, 1995, the Company entered into an EPA administrative consent order under which it agreed to pay \$6,385 in full settlement of all past and future Superfund response costs for the site. The order will not become effective until it has been issued for public comment and approved by the United States Department of Justice.



SUPERFUND - PCB Treatment, Inc. Sites

Reference is made to the information under the caption, "SUPERFUND - PCB Treatment, Inc. Sites", in Part I, Item 3, Legal Proceedings, in the Company's Annual Report on Form 10-K for the year ended December 31, 1994.

EPA estimates that approximately 1,400 facilities shipped materials to the sites. In August 1995, EPA served Superfund information requests on the known PRPs for the sites. The Company's investigation indicates that it shipped approximately 110,390 pounds of PCB-containing equipment and 96,000 pounds of PCB-contaminated mineral oil to the 2100 Wyandette Street site. It shipped approximately 2.63 million pounds of PCB-containing equipment to the 45 Ewing Street site for processing prior to the equipment's disposal at off-site facilities. EPA is still reviewing the PRPs' responses to the information requests and has not yet issued a waste-in list for the 45 Ewing Street site or revised its waste-in list for the 2100 Wyandette Street site. In September 1995, EPA met with PRPs and requested them to conduct additional studies at the sites under an administrative consent order. The Company and several other site PRPs are forming a steering committee for the purpose of negotiating the administrative consent order with EPA and performing the studies. The government agency PRPs are expected to join into that order and help fund the studies.



ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

- Exhibit 4.1 Form of the Company's 6 5/8% Debentures, Series 1995 A. (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated June 21, 1995, in Commission File No. 1-1217.)
- Exhibit 4.2 Fourth Supplemental Participation Agreement, dated as of July 1, 1995, supplementing the Participation Agreement, dated as of December 1, 1992, between New York State Energy Research and Development Authority ("NYSERDA") and the Company. (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1995 in Commission File No. 1-1217.)
- Exhibit 4.3 Fourth Supplemental Indenture of Trust, dated as of July 1, 1995, supplementing and amending the Indenture of Trust, dated as of December 1, 1992, between NYSERDA and Marine Midland Bank, as trustee. (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1995 in Commission File No. 1-1217.)
- Exhibit 10.1 The Consolidated Edison Retirement Plan for Management Employees, as amended and restated.
- Exhibit 10.2 The Con Edison Thrift Savings Plan for Management Employees and Tax Reduction Act Stock Ownership Plan, as amended and restated.
- Exhibit 10.3 Amendment, dated August 22, 1995, to Employment Contract, dated May 22, 1990, between the Company and Eugene R. McGrath.
- Exhibit 12 Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended September 30, 1995 and 1994.



Exhibit 27.1 Financial Data Schedule for the nine-month period ended September 30, 1995. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)

Exhibit 27.2 Restated Financial Data Schedule for the nine-month period ended September 30, 1994. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)

(b) REPORTS ON FORM 8-K

The Company filed no Current Reports on Form 8-K during the quarter ended September 30, 1995.





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 thereunto duly authorized.

CONSOLIDATED EDISON COMPANY  
OF NEW YORK, INC.

DATE: November 9, 1995      Raymond J. McCann  
Raymond J. McCann  
Executive Vice President,  
Chief Financial Officer and  
Duly Authorized Officer

DATE: November 9, 1995      Joan S. Freilich  
Joan S. Freilich  
Vice President, Controller and  
Chief Accounting Officer



INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION	SEQUENTIAL PAGE NUMBER AT WHICH EXHIBIT BEGINS
4.1	Form of the Company's 6 5/8% Debentures, Series 1995 A. (Incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K, dated June 21, 1995, in Commission File No. 1-1217.)	
4.2	Fourth Supplemental Participation Agreement, dated as of July 1, 1995, supplementing the Participation Agreement, dated as of December 1, 1992, between New York State Energy Research and Development Authority ("NYSERDA") and the Company. (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1995 in Commission File No. 1-1217.)	
4.3	Fourth Supplemental Indenture of Trust, dated as of July 1, 1995, supplementing and amending the Indenture of Trust, dated as of December 1, 1992, between NYSERDA and Marine Midland Bank, as trustee. (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1995 in Commission File No. 1-1217.)	
10.1	The Consolidated Edison Retirement Plan for Management Employees, as amended and restated.	
10.2	The Con Edison Thrift Savings Plan for Management Employees and Tax Reduction Act Stock Ownership Plan, as amended and restated.	
10.3	Amendment, dated August 22, 1995, to Employment Contract, dated May 22, 1990, between the Company and Eugene R. McGrath.	
12	Statement of computation of ratio of earnings to fixed charges for the twelve-month periods ended September 30, 1995 and 1994.	



- 27.1 Financial Data Schedule for the nine-month period ended September 30, 1995. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)
- 27.2 Restated Financial Data Schedule for the nine-month period ended September 30, 1994. (To the extent provided in Rule 402 of Regulation S-T, this exhibit shall not be deemed "filed", or otherwise subject to liabilities, or be deemed part of a registration statement.)



The Consolidated Edison  
Retirement Plan for Management Employees

---

---

As Amended and Restated Effective as of January 1, 1989  
Except as Otherwise Noted

10/18/95





THE CONSOLIDATED EDISON RETIREMENT PLAN  
FOR MANAGEMENT EMPLOYEES

TABLE OF CONTENTS

	Page No.
1. INTRODUCTION. . . . .	1
2. DEFINITIONS AND GUIDE TO CONSTRUCTION. . . . .	2
A. Definitions. . . . .	2
B. Guide to Construction. . . . .	13
3. PARTICIPATION. . . . .	14
A. Application of the Management Plan . . . . .	14
B. Maximum Age for Participation. . . . .	14
4. MANDATORY RETIREMENT . . . . .	14
5. ELIGIBILITY FOR A RETIREMENT PENSION . . . . .	14
A. Retirement at Age 60 or Later. . . . .	14
B. Early Optional Retirement. . . . .	15
C. Retirement or Termination for Disability . . . . .	15
D. Termination of Service in the Discretion of the Company and Voluntary Termination. . . . .	16
E. Cash-Out of Deferred Pension . . . . .	16
F. Repayment of Cash-Out. . . . .	16
G. Age and Service Required for a Retirement Pension . . . . .	17
H. Entitlement to Retirement Benefits . . . . .	17
6. SURVIVING SPOUSE BENEFITS; OPTIONAL TEN YEAR CERTAIN PENSION . . . . .	17
A. Joint & Survivor Annuity . . . . .	17
B. Preretirement Surviving Spouse Benefits. . . . .	17
C. Marriage Requirements for Surviving Spouse Benefits. . . . .	18
D. Optional Ten Year Certain Pension For Unmarried Retirees . . . . .	18
E. Optional Ten Year Certain Pension For Married Retirees . . . . .	19
F. Optional Ten Year Certain Pension For Former Participants	



THE CONSOLIDATED EDISON RETIREMENT PLAN  
FOR MANAGEMENT EMPLOYEES

TABLE OF CONTENTS

	Page No.
Eligible For Deferred Pensions Under Paragraph 5 C(1) . . . . .	20
7. VESTING . . . . .	20
A. Vested Rights . . . . .	20
B. Accrued Pension . . . . .	21
C. Conditions Under Which Vested Benefits Will Not Be Paid. . . . .	21
8. SERVICE CREDIT. . . . .	21
A. Determination of Vesting Service. . . . .	21
B. Determination of Accredited Service for Computation of a Pension. . . . .	22
C. Other Service Recognized for Vesting or Computation of a Pension . . . . .	23
D. Additional Rules for Accumulation of Service Credit . . . . .	23
9. EFFECTIVE DATE OF RETIREMENT AND COMMENCEMENT OF BENEFIT PAYMENTS . . . . .	25
10. COMPUTATION OF BENEFITS . . . . .	27
A. Computation of Annual Pension. . . . .	27
B. Computation of Pension, Annuities, or Benefits Based Upon Annual Pension. . . . .	28
C. 1993 Special Retirement Program. . . . .	35
D. Fresh Start. . . . .	36
11. LIMITATION OF BENEFITS AND DEDUCTIONS FROM BENEFITS .	36
A. Maximum Benefits . . . . .	36
B. Minimum Benefits . . . . .	40
C. Deductions for Pension or Benefits Under Other Pension Plans. . . . .	40
D. Limitation of Deductions . . . . .	41
E. Pre-July 1, 1989 Transfers . . . . .	41
F. Post-June 30, 1989 Transfers . . . . .	42
12. PAYMENT OF BENEFITS . . . . .	42



THE CONSOLIDATED EDISON RETIREMENT PLAN  
FOR MANAGEMENT EMPLOYEES

TABLE OF CONTENTS

	Page No.
A. Manner of Payment of Benefits. . . . .	42
B. Termination of Payments. . . . .	43
C. Direct Rollover of Certain Distributions . . . . .	44
13. ASSIGNMENT OR NON-ALIENATION OF BENEFITS. . . . .	45
14. NO RIGHT TO EMPLOYMENT. . . . .	45
15. TRUST FUND. . . . .	45
16. CONTRIBUTIONS . . . . .	46
A. Payment of Contributions. . . . .	46
B. Funding Policy Procedure and Amount of Contributions. . . . .	46
C. Payment of Expenses . . . . .	46
D. Restrictions on Recovery by Company of Contributions. . . . .	46
E. Management Plan is Non-Contributory . . . . .	47
17. FIDUCIARIES . . . . .	47
A. Named Fiduciaries . . . . .	47
B. Fiduciary Responsibilities. . . . .	48
C. General Provisions Concerning Fiduciaries . . . . .	49
18. POWERS AND DUTIES OF PLAN ADMINISTRATOR . . . . .	49
A. Rules and Decisions . . . . .	49
B. Records and Reports . . . . .	50
C. Other Plan Administrator Powers and Duties. . . . .	50
19. ADMINISTRATION. . . . .	51
A. Restriction on Powers . . . . .	51
B. Ascertainment of Benefits . . . . .	51
C. Claims. . . . .	51
D. Records . . . . .	52



THE CONSOLIDATED EDISON RETIREMENT PLAN  
FOR MANAGEMENT EMPLOYEES

TABLE OF CONTENTS

	Page No.
20. TERMINATION OR MODIFICATION OF THE MANAGEMENT PLAN. . . . .	52
A. Right to Terminate or Modify. . . . .	52
B. Rights Upon Termination . . . . .	52
21. MISCELLANEOUS . . . . .	53
A. Merger or Consolidation . . . . .	53
B. Limitation of Benefits Payable to Highly Compensated Employees. . . . .	53
C. Forfeitures . . . . .	54
22. TOP-HEAVY PROVISIONS. . . . .	54
23. RETIREE HEALTH PROGRAM ("PROGRAM"). . . . .	58
A. Effective Date. . . . .	58
B. Benefits Provided . . . . .	58
C. Participants' Contributions . . . . .	58
D. Funding . . . . .	59
E. Eligibility and Enrollment. . . . .	59
F. Limitations and Restrictions. . . . .	61
G. Termination or Modification . . . . .	61
24. COST-OF-LIVING ADJUSTMENTS. . . . .	61
A. Effective Date. . . . .	61
B. Eligibility . . . . .	62
C. Pensions and Annuities Adjusted Annually. . . . .	62
D. Percentage of Adjustment. . . . .	62
E. Limitation on Adjustments . . . . .	62
F. Index . . . . .	63
G. Cash-Outs . . . . .	63





THE CONSOLIDATED EDISON RETIREMENT PLAN  
FOR MANAGEMENT EMPLOYEES

TABLE OF CONTENTS

	Page No.
APPENDIX I - RETIREE HEALTH PROGRAM . . . . .	64
PART A - BENEFITS. . . . .	64
I. HOSPITAL/MEDICAL BENEFITS. . . . .	64
II. PRESCRIPTION DRUG BENEFITS . . . . .	70
III. VISION CARE BENEFITS. . . . .	72
IV. MODIFICATION OR TERMINATION OF PROGRAM . . . . .	75
PART B - COSTS . . . . .	76
ACTUARIAL TABLES	
Table A . . . . .	78
Table B . . . . .	79
Table C . . . . .	80
Table D . . . . .	81
Table E . . . . .	86
Table F . . . . .	87



The Consolidated Edison

Retirement Plan for Management Employees

---

1. INTRODUCTION

Effective January 1, 1983, The Consolidated Edison Retirement Plan for Management Employees (the "Management Plan") has been adopted by Consolidated Edison Company of New York, Inc. (the "Company"). The Management Plan establishes the bases upon which certain benefits, including benefits for service prior to January 1, 1983, will be provided to employees of the Company on the management payroll of the Company on or after December 31, 1982, to employees who retired prior to that date as management employees, and to the eligible surviving spouses of such employees. Effective January 1, 1983, the Company has amended The Consolidated Edison Pension and Benefits Plan (the "Weekly Plan"), which has heretofore included as participants the employees to be covered by the Management Plan. The Weekly Plan has been amended so as to avoid duplication of benefits and coverage. The Management Plan and the Weekly Plan, as amended, make provision for employees who transfer from the management to the weekly payroll, or vice-versa.

The Management Plan is intended to qualify under the requirements of the Internal Revenue Code and to comply with the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), any amendments thereto and regulations thereunder; with the provisions of the Age Discrimination in Employment Act Amendments of 1978, any amendments thereto and regulations thereunder; and any other applicable Federal law and regulations.

Effective as of January 1, 1988, the Management Plan is amended to provide service and benefit accrual beyond Normal Retirement Age, and to permit persons becoming Employees after age sixty (60) to participate in the Management Plan and become entitled to a pension upon attaining Normal Retirement Age. Such amendments have retroactive effect for all eligible Employees who terminate their employment with the Company during or after the month of December 1987. However, the rights of Employees who terminate employment with the Company prior to December 1987 shall be determined solely by the provisions of the Management Plan in effect on the date of their termination.

10/18/95



On December 28, 1994, the Management Plan was amended and restated in its entirety, effective as of January 1, 1994 except as otherwise provided therein. The Management Plan, as so amended and restated was submitted to the Internal Revenue Service for a determination of its qualified status. Following consideration of comments made by the Internal Revenue Service after its review of the Plan, to change the effective date of the amended and restated Plan, update the factors in Tables C and D and fix an incorrect reference, the Management Plan is amended and restated in its entirety, as amended through October 18, 1995. Except as otherwise provided herein, this amendment and restatement is effective as of January 1, 1989, and applies to Employees who have Management Service on or after that date. Except as so provided, the rights and benefits of other Employees shall be governed by the prior provisions of the Management Plan.

## 2. DEFINITIONS AND GUIDE TO CONSTRUCTION

### A. Definitions

Accredited Service - (a) for service prior to January 1, 1976, the period of employment by the Company and (b) for service after December 31, 1975, either: (1) the aggregate period of employment by the Company prior to Normal Retirement Date for Employees who terminate such employment prior to December 1987, or (2) the aggregate period of employment by the Company to retirement or other termination for Employees who terminate such employment during or after December 1987; provided, however, that, unless a Cash-Out or an immediate pension is elected, a period between cessation of active employment with the Company by reason of Disability and the earlier of the end of the Disability or the attainment of Normal Retirement Age shall also be included in Accredited Service.

Annual Basic Straight-Time Compensation - The Employee's regular stated rate of pay in the Employee's last pay period in each calendar year, but shall not include premium payments, overtime payments, payments under deferred compensation, incentive or other Company benefit or compensation plans, or similar payments. In the case of an hourly paid Employee, the Annual Basic Straight-Time Compensation will be determined by multiplying the Employee's hourly rate by the Employee's regular weekly schedule of hours multiplied by fifty-two (52). Annual Basic Straight-Time Compensation shall be



determined without any deduction for "Pre-Tax Contributions" or "After-Tax Contributions" made by the Employee pursuant to the Con Edison Thrift Savings Plan for Management Employees or for allocations made by or on behalf of the Employee to a Dependent Care Reimbursement Account and/or a Health Care Reimbursement Account pursuant to the Con Edison Flexible Reimbursement Account Plan. However, effective on and after January 1, 1989 and before January 1, 1994, Annual Basic Straight-Time Compensation taken into account for any purpose under the Management Plan shall not exceed \$200,000 per year. Except as provided below, as of January 1 of each calendar year on and after January 1, 1990 and before January 1, 1994, the applicable limitation as determined by the Commissioner of Internal Revenue for that calendar year shall become effective as the maximum Annual Basic Straight-Time Compensation to be taken into account for Management Plan purposes for that calendar year only in lieu of the \$200,000 limitation set forth above. Commencing with the Plan Year beginning in 1994, Annual Basic Straight-Time Compensation taken into account for any purpose under the Management Plan shall not exceed \$150,000. If for any calendar year after 1994, the cost-of-living adjustment described in the following sentence is equal to or greater than \$10,000, then the limitation (as previously adjusted hereunder) for any Plan Year beginning in any subsequent calendar year shall be increased by the amount of such cost-of-living adjustment, rounded to the next lowest multiple of \$10,000. The cost-of-living adjustment shall equal the excess of (i) \$150,000 increased by the adjustment made under Section 415(d) of the Code for the calendar year except that the base





period for purposes of Section 415(d)(1)(A) of the Code shall be the calendar quarter beginning October 1, 1993 over (ii) the annual dollar limitation in effect for the Plan Year beginning in the calendar year.

In determining the Annual Basic Straight-Time Compensation of an Employee for purposes of the aforementioned limitations, if any individual is a member of the family of a 5-percent owner or of a Highly Compensated Employee in the group consisting of the 10 Highly Compensated Employees paid the greatest compensation during the year, then (i) such individual shall not be considered as a separate employee and (ii) any Annual Basic Straight-Time Compensation paid to such individual (and any applicable benefit on behalf of such individual) shall be treated as if it were paid to (or on behalf of) the 5-percent owner or Highly Compensated Employee; provided, however, that the aforementioned term "family" shall include only the spouse of the Employee and any lineal descendants of the Employee who have not attained age 19 before the close of the year. If, as a result of the application of the foregoing family aggregation rules, the applicable limitation is exceeded, then the limit shall be prorated among the affected individuals in proportion to each such individual's Annual Basic Straight-Time Compensation as determined hereunder prior to the application of the limit.

Annuity - A payment made monthly for the life of the recipient.

Annuity Starting Date - Unless the Management Plan expressly provides otherwise, the first day of the first period for which an amount is due as an annuity or in any other form.



Beneficiary - A lawful spouse of a married Participant or one or more eligible persons duly designated by a Participant, who is, are or may become eligible for benefits under the Management Plan.

Benefit Accrual Computation Period - The Plan Year beginning January 1, 1976 and on each January 1st thereafter.

Break in Service - A period of 12 or more consecutive months, commencing on a Participant's date of Severance from Service and ending on the first anniversary of such date, during which the Participant fails to perform an Hour of Service. Upon incurring a Break in Service, a Participant's benefits under this Plan shall be determined using his Accredited Service at the time the Break in Service is incurred.

Cash-Out - The lump sum distribution, prior to Normal Retirement Date at the election of the Participant, of the actuarial equivalent of one hundred percent (100%) of his nonforfeitable accrued pension benefits under the Management Plan.

Code - The Internal Revenue Code of 1986, as amended from time to time.

Defined Benefit Plan - A "defined benefit plan" as defined in Section 414(j) of the Code which is maintained by the Company for Employees.

Defined Contribution Plan - A "defined contribution plan" as defined in Section 414(i) of the Code which is maintained by the Company for Employees.

Disability - Total and permanent disability which qualifies the Participant to receive Social Security disability benefits.



Employee - Any person employed by the Company.

Final Average Salary - The average of Annual Basic Straight-Time Compensation, to the nearest whole dollar, for the sixty (60) consecutive months of Accredited Service out of the last one hundred twenty (120) months of Accredited Service which produce the highest average. For purposes of this definition only, a Break in Service shall be ignored and months of Accredited Service separated by a Break in Service shall be deemed consecutive.

Highly Compensated Employee - An Employee classified as a highly compensated employee as determined under Section 414(q) of the Code and any regulations thereunder. Notwithstanding the foregoing, for each Plan Year the Plan Administrator may elect to determine the status of Highly Compensated Employees under the simplified snapshot method described in IRS Revenue Procedure 93-42.

Hour of Service - Each Employee will be credited with an hour of service for:

(1) (a) Each hour for which an Employee is directly or indirectly paid or entitled to payment by the Company for the performance of duties and as provided for in paragraph 8 C. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed; and

(b) Each hour for which an Employee is directly or indirectly paid or entitled to payment by the Company for reasons (such as vacation, sickness or disability) other than for



the performance of duties. These hours shall be credited to the Employee for the computation period or periods in which payment is made or amounts payable to the Employee become due; and

(c) Each hour for which back pay, irrespective of mitigation of damage, has been either awarded or agreed to by the Company. These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment was made; and

(2) the following equivalencies shall be used for the purpose of crediting hours of service for those Participants for whom hours of service are not maintained:

(a) one day of employment equals ten (10) Hours of Service

(b) one week of employment equals forty-five (45) Hours of Service

(c) one month of employment equals one hundred and ninety (190) Hours of Service.

For purposes of crediting hours for non-performance of duties, such hours shall be credited in accordance with Department of Labor Regulation 2530. 200 b - 2 (c).

Layoff (or laid off) - As used in the Management Plan, shall mean the separation of an Employee from the active payroll for lack of work or such other reason, in no way the fault of the Employee, as may be determined by the Company.





Leased Employee - Any person who in accordance with an agreement between the Company and any other person has performed services of a type historically performed by employees in the public utility industry, on a substantially full-time basis for a period of at least one year. A Leased Employee shall be treated as an employee of the Company but shall not be eligible for participation in the Management Plan.

Management Employee - An Employee on the Company's management payroll.

Management Service - (a) Accredited Service as a Management Employee on or after January 1, 1983.

(b) Accredited Service prior to January 1, 1983 by an Employee who was a Management Employee on December 31, 1982.

(c) Accredited Service prior to termination by an Employee whose employment by the Company terminated prior to January 1, 1983 and who was a Management Employee at the time of such termination.

1983-1989 Participants - (a) Participants in the Management Plan who (i) were first hired by the Company on or after January 1, 1983 and (ii) were on the Company's active payroll at any time during the period from January 1, 1989 through December 31, 1989, and (b) Participants who (i) were first hired by the Company on or after January 1, 1983, (ii) were on the Company's active payroll at any time, and terminated with vested rights, during the period from January 1, 1989 through



December 31, 1989, and (iii) are thereafter reemployed and either regain their vested rights pursuant to paragraph 5 F or did not begin to receive a pension hereunder prior to such reemployment.

Normal Retirement Age - The later of the Participant's attaining age sixty-five (65) and the fifth anniversary of the Participant's participation in the Management Plan.

Normal Retirement Date - The first day of the month immediately following the later of the Participant's attainment of age sixty-five (65) and the fifth anniversary of the Participant's participation in the Management Plan.

One Year Break in Service - Any Vesting Computation Period in which a Participant has not completed more than 500 Hours of Service.

Participant - Effective January 1, 1988, an Employee, or a former Employee with a vested right, who is or becomes eligible for benefits under the Management Plan.

Pension - A payment made monthly for life to an eligible Participant.

Plan Year - A twelve month period beginning January 1, 1976 and on each January 1st thereafter.

Post-1989 Participants - Participants in the Management Plan who are first hired by the Company on or after January 1, 1990.

Pre-1983 Participants - (a) Participants in the Management Plan who were in the employ of the Company on December 31, 1982 and were on the Company's active payroll at any time during the period from January 1, 1989 through December 31, 1989,



and (b) Participants who terminated with vested rights prior to December 31, 1982, are reemployed after the date, and either regain their vested rights pursuant to paragraph 5 F or did not begin to receive a pension hereunder prior to such reemployment.

Projected Retirement Date - For Participants whose age plus Accredited Service total at least seventy-five (75) at date of retirement or termination, the later of:

(a) The first day of the month following actual retirement or termination.

(b) The first day of the month following attainment of age sixty-two (62).

For Participants whose age plus Accredited Service total less than seventy-five (75) at date of retirement or termination, Projected Retirement Date is the first day of the month following attainment of age sixty-five (65).

Projected Service - The total of all Management Service for a Participant assuming he continued in employment with the Company as a Management Employee to Projected Retirement Date.

Service - Service as an Employee.

Severance from Service - The earlier of:

(a) the date on which an Employee quits, is discharged, retires or dies, and

(b) the date 12 months following the first date on which an Employee is absent for any reason other than quit, discharge, retirement or death.



Social Security Benefit - The estimated amount of annual primary insurance benefit payable at age sixty-five (65) under Title II of the Federal Social Security Act, as determined under reasonable rules uniformly applied in accordance with the terms of the Management Plan, on the basis of such Act as in effect at the time of retirement or other termination, to which a Participant is or would be entitled, even if the Participant does not receive such benefit because of his failure to apply or because he is ineligible by reason of earnings he may be receiving. In determining the Participant's Social Security Benefit in the event of retirement or termination at or after age sixty-two (62), it shall be assumed that the Participant has no further covered earnings after termination of employment. In determining the Participant's Social Security Benefit in the event of retirement or termination prior to age sixty-two (62), it shall be assumed that the Participant continued in service to age sixty-five (65) at his or her Annual Basic Straight-Time Compensation at the termination of the Participant's employment with the Company. If a cost-of-living increase in Social Security benefits has been put into effect within the 12-month period preceding the date of determination and such increase exceeds 3%, it is assumed that the increase is being phased in over 12 months, beginning with the effective date of the increase, at the rate of 1/12th of the increase per month. Actual earnings reported on Form W-2 shall be used for calculating each Participant's Social Security Benefit. For Participants whose actual W-2 earnings are not available the Plan Administrator shall adopt and utilize rules and procedures for estimating such





earnings, provided, however, that any backwards salary scale projection shall utilize a level percentage per year of not less than 6%. All Participants shall be notified of their right to provide their actual salary history from the Social Security Administration, and of their right to have their benefits adjusted to reflect a Social Security Benefit based on actual salary history. Such notice shall also advise Participants that their Social Security Benefit will be based on salary estimates calculated by the Company, if they fail to provide actual salary history. This notice shall be included in the Summary Plan Description of the Management Plan, and shall also be furnished to each Participant not later than the later of his Severance from Service or notification to the Participant of his benefits.

Social Security Retirement Age - Social Security Retirement Age means age 65 in the case of a Participant born before January 1, 1938, age 66 for a Participant born after December 31, 1937 but before January 1, 1955, and age 67 for a Participant born after December 31, 1954.

Social Security Taxable Wage Base - The contribution and benefit base in effect under Section 230 of the Social Security Act at the beginning of the Plan Year in which the Participant's termination of employment occurs.

Total Salary - The aggregate of the Annual Basic Straight-Time Compensation, to the nearest whole dollar, of an Employee for his years of Management Service, not to exceed the last thirty (30) years of employment, provided, however, that only years of employment prior to Normal Retirement Date shall be included for this purpose in the case of an Employee who



terminates employment with the Company prior to December 1987. The Annual Basic Straight-Time Compensation for any period of Management Service shall be considered to be not less than such compensation as was applicable to the Employee for the fourteenth (14th) accredited calendar year prior to the calendar year of his retirement, but in no event less than three thousand dollars (\$3,000); and for an Employee whose Annual Basic Straight-Time Compensation at the time of retirement is at a rate of three thousand dollars (\$3,000) or less, the Annual Basic Straight-Time Compensation for any period of Management Service shall be considered to be not less than an annual amount determined at the rate of his Annual Basic Straight-Time Compensation at the time of retirement.

Vesting Computation Period - The Plan Year beginning January 1, 1976 and on each January 1st thereafter.

Vesting Service - Year of Vesting Service - A Plan Year during which an Employee has completed at least 1000 Hours of Service, or as provided in paragraph 8 A(1)(b).

Weekly Employee - An Employee on the Company's weekly payroll.

Weekly Service - Accredited Service other than Management Service.

#### B. Guide to Construction

(1) The masculine gender, where appearing in the Management Plan, shall be deemed to include the feminine gender.



### 3. PARTICIPATION

#### A. Application of the Management Plan

If the effective date of a Participant's retirement, as determined under paragraph 9, shall be prior to January 1, 1983, the benefits to which the Participant shall be entitled shall be determined under The Consolidated Edison Pension and Benefits Plan as amended through December 31, 1982. The benefits to which all other Participants shall be entitled shall be determined under the Management Plan as in effect at the time of the Participant's termination of employment, and such benefits shall not be affected by the terms of any amendments to the Management Plan adopted or effective after the Participant's termination of employment unless otherwise expressly provided by the amendment or otherwise required by law.

#### B. Maximum Age for Participation

Effective January 1, 1988, there is no maximum age at which an Employee may commence participation in the Management Plan. Any Employee who is on the Company's Management payroll on January 1, 1988 shall be a Participant in the Management Plan for all purposes with respect to all service with the Company before, on and after January 1, 1988, regardless of such Employee's age at the time his employment commenced.

### 4. MANDATORY RETIREMENT

Any Employee who is exempt from the provisions of The Age Discrimination in Employment Act of 1967, as heretofore and hereafter amended (because he or she is employed in a bona fide executive or a high policy making position and otherwise satisfies the conditions permitting exemption), may be mandatorily retired from the service of the Company after attaining Normal Retirement Age, and each such Employee's Mandatory Retirement Date shall be his Normal Retirement Date.

Each Employee not subject to the foregoing paragraph who shall attain age 70 on or before December 31, 1985 shall be retired from Service on the last day of the month in which age 70 is attained, and each such Employee's Mandatory Retirement Date shall be the first day of the month following his attainment of age 70.

### 5. ELIGIBILITY FOR A RETIREMENT PENSION

#### A. Retirement at Age 60 or Later

A Participant who shall have completed such years of Accredited Service which when added to his years of age total not less than seventy-five (75), and who shall have attained the age







of 60 years, shall, upon filing a written application with the Company, be retired hereunder from the service of the Company and be entitled to a pension computed in accordance with paragraph 10 B(1). Such election shall not be revocable on or after the Participant's Annuity Starting Date.

**B. Early Optional Retirement**

A Participant who shall have attained an age which when added to his years of Accredited Service shall total not less than seventy-five (75) shall, upon filing a written application with the Company, be retired from the service of the Company and be entitled to a pension computed in accordance with paragraph 10 B(2). Such election shall not be revocable on or after the Participant's Annuity Starting Date.

**C. Retirement or Termination for Disability**

(1) A Participant, prior to having attained Normal Retirement Age, whose active employment with the Company ceases because of Disability, shall be eligible for a deferred pension beginning at Normal Retirement Age if the Participant was a Management Employee at the time of such cessation. Such pension will be determined as if such Participant had been continuously employed as a Management Employee for the period from such cessation to the earlier of the end of the Disability or Normal Retirement Age at the Annual Basic Straight-Time Compensation in effect during the last pay period prior to such cessation. A Participant who is eligible for a deferred pension under this paragraph 5 C(1) may, if eligible, instead elect a benefit under paragraph 5 C(2).

(2) A Participant who becomes disabled, but does not qualify for Social Security disability benefits may, if the Company shall so determine, be retired or terminated from the service of the Company. (i) Effective September 1, 1992, if such Participant becomes disabled after attaining age fifty (50) and completing at least twenty (20) years of Service, such Participant shall be entitled to an immediate pension calculated under paragraph 10 B. based upon Total Salary or Final Average Salary, as the case may be, and years of Accredited Service to the date of retirement or termination for disability, but without reduction because such pension shall commence earlier than age sixty (60). (ii) If such disabled Participant is not entitled to an unreduced pension under (i), the Participant may be eligible for a disability annuity pursuant to paragraph 10 B(3) or a deferred pension (or a Cash-Out of his deferred pension) depending on his age and years of Accredited Service, as hereinafter provided.



D. Termination of Service in the Discretion of the Company and Voluntary Termination

A Participant who acquires a vested right to his accrued pension prior to having attained Normal Retirement Age, and who terminates voluntarily or whose service is terminated by the Company will be eligible for a pension if his age plus years of Accredited Service shall total not less than seventy-five (75), or a deferred pension (or a Cash-Out of his deferred pension) if his age plus years of Accredited Service shall total less than seventy-five (75).

E. Cash-Out of Deferred Pension

A Participant whose age plus years of Accredited Service equal less than seventy-five (75) and who on termination of service with the Company has vested rights, may, in lieu of a deferred pension, elect a Cash-Out or an immediate annuity of the value of his pension payable at the attainment of Normal Retirement Age. A Participant who elects a Cash-Out and who is married at the time of his Annuity Starting Date must provide his spouse's written consent to the Cash-Out, on a form furnished by the Plan Administrator which consent must be witnessed by a Notary Public. Any such election of a Cash-Out or an immediate annuity and any spousal consent must be made not more than 90 days nor less than 30 days before the Participant's Annuity Starting Date.

F. Repayment of Cash-Out

A Participant who has Cashed-Out his vested rights and is subsequently reemployed may regain his vested rights for the period of Service on which the Cash-Out was based by paying to the trust the full amount of such Cash-Out with interest at the rate of interest used for actuarial valuation of the Management Plan at the time of the Cash-Out, compounded annually from the date of Cash-Out to the date of repayment. However, in no event shall such interest rate exceed 120% of the Federal mid-term rate in effect at the beginning of the Plan Year in which the repayment is made. Such Participant may make all or part of such repayment by making a rollover contribution, as defined in Section 408(d)(3) of the Code, of cash only from an Individual Retirement Account and/or a transfer of cash only from another plan qualified under Section 401(a) of the Code.

Vested right for any of such prior Service will be suspended until the Cash-Out is fully repaid. However, any of the years of Accredited Service following reemployment will be vested.



G. Age and Service Required for a Retirement Pension

Except as otherwise provided under paragraph 5 C, only a Participant whose age plus years of Accredited Service equals not less than seventy-five (75) or a Management Employee who attains Normal Retirement Age shall be entitled to retire and receive a retirement Pension under the Management Plan. For any purposes under the Management Plan for which it is necessary to determine whether a Participant's age plus years of Accredited Service equals seventy-five (75) or more, the Participant's age and years of Accredited Service shall each be rounded to the nearest whole number.

H. Entitlement to Retirement Benefits

A Participant shall become one hundred percent (100%) nonforfeitably vested in his accrued benefits upon his attainment of Normal Retirement Age, regardless of his Years of Vesting Service at that time.

6. SURVIVING SPOUSE BENEFITS; OPTIONAL TEN YEAR CERTAIN PENSION

A. Joint & Survivor Annuity

Each Participant who retires under the Management Plan shall be entitled to receive a Pension calculated under paragraph 10 and upon such retired Participant's death, his surviving spouse, if any, who meets the requirements set forth in paragraph 6 C. below shall be entitled to receive an Annuity commencing the first day of the month following the death. The amount of the Annuity shall be calculated under paragraph 10 B(4) unless the Participant has elected the Optional Ten Year Certain Pension provided below. There shall be no reduction in the Participant's Pension to provide the surviving spouse Annuity.

B. Preretirement Surviving Spouse Benefits

( i) The surviving spouse of a Participant on the active payroll or on leave of absence for any reason whose age together with years of Accredited Service total seventy-five (75) or more, and the surviving spouse of a Participant who is a former Employee eligible for an immediate Pension under paragraph 5 D or 5 G, shall be entitled to receive a preretirement survivor Annuity upon the death of the Participant before commencement of a Pension. The amount and commencement of payment of the preretirement survivor Annuity shall be determined as provided under paragraph 10 B(5)(i).

( ii) The surviving spouse of a Participant on the active payroll or on leave of absence for any reason whose age together with years of Accredited Service total less than seventy-five



(75), and the surviving spouse of a Participant who is a former Employee eligible for a deferred pension under paragraph 5 D and whose age at death together with years of Accredited Service total less than seventy-five (75), shall be entitled to receive the preretirement survivor benefit as provided under paragraph 10 B(5)(ii).

(iii) For purposes of calculating the preretirement surviving spouse benefits provided under paragraphs 6 B(i) and (ii) above, there shall be no reduction in the amount of the deceased Participant's Pension which is the basis for such calculation.

#### C. Marriage Requirements for Surviving Spouse Benefits

(a) In order to qualify for a survivor Annuity upon the death of a retired Participant who has commenced to receive a Pension under the Management Plan, a spouse must have been lawfully married to the retired Participant on the Participant's Annuity Starting Date and must survive the retired Participant.

(b) In order to qualify for a preretirement survivor benefit under paragraph 6 B above, a deceased Participant's spouse must have been lawfully married to the deceased Participant on the date of death, and must survive the deceased Participant.

(c) The Plan Administrator may request evidence of marriage from any surviving spouse, and payments of surviving spouse benefits shall not commence until satisfactory evidence is provided by or on behalf of the surviving spouse.

#### D. Optional Ten Year Certain Pension For Unmarried Retirees

Effective February 1, 1988, a Participant who is not married may elect to receive his Pension in the form of a ten year certain option. Such election must be made not less than 30 days nor more than 90 days prior to the Participant's Annuity Starting Date and must be in writing on a form furnished by and filed with the Plan Administrator. A ten year certain option provides for the life of the Participant a Pension reduced by the appropriate factor in Table C, but guarantees that a minimum of one hundred twenty (120) monthly payments will be made. Any of such one hundred twenty (120) payments which are payable after the Participant's death shall be paid to one or more Beneficiaries designated by such Participant, or to the Participant's estate if the Participant has failed to designate a Beneficiary or has failed to designate a new Beneficiary when the designated Beneficiary predeceases the Participant. The Participant's estate shall also receive any of the 120 guaranteed payments which remain to be paid following the death of all designated





Beneficiaries. If the Participant's estate is to receive any payments under this paragraph 6 D, the Management Plan may, upon request of the legal representative of the estate, pay to the estate the present value of all remaining payments, discounted by the rate utilized to calculate the factors set forth on Table C as in effect on the date of Participant's death.

The Participant's election to take the ten year certain option may be revoked at any time up to, but not after, his Annuity Starting Date, and shall automatically be revoked if he marries prior to his Annuity Starting Date. The Participant's election of the ten year certain option shall become effective on the Participant's Annuity Starting Date. If the Participant dies before his Annuity Starting Date, the ten year certain option will not become effective.

E. Optional Ten Year Certain Pension For Married Retirees

Effective July 1, 1988, a Participant who is married may elect to receive his Pension in the form of a ten year certain option. Such election must be made not less than 30 days nor more than 90 days prior to the Participant's Annuity Starting Date and must be in writing on a form furnished by and filed with the Plan Administrator, and must include the written consent of the Participant's spouse witnessed by a Notary Public. This option provides for the life of the married Participant a Pension reduced by the appropriate factor in Table D, but guarantees that a minimum of one hundred twenty (120) monthly payments will be made. Any of such 120 payments which are payable after the Participant's death shall be paid to the Participant's spouse and, if such spouse does not survive for the full ten years following the Participant's Annuity Starting Date, to one or more Beneficiaries designated by such Participant. If the Participant's spouse dies before all of the 120 payments have been made and the Participant has failed to designate a Beneficiary, or if the Participant's spouse and all designated Beneficiaries die before all of the 120 payments have been made, any of the 120 payments remaining after the Participant's death shall be paid to the Participant's estate. If the Participant's estate is to receive any payments under this paragraph 6 E, the Management Plan may, upon request of the legal representative of the estate, pay to the estate the present value of all remaining payments, discounted by the rate utilized to calculate the factors set forth on Table D as in effect on the date of the Participant's death.

At the end of ten years following the married Participant's Annuity Starting Date, the guarantee of one hundred twenty payments shall expire, whether or not any payments have been made to the Participant's spouse and/or Beneficiaries. However, if the Participant and/or the Participant's spouse survive for more



than ten years after the Participant's Annuity Starting Date and such spouse survives the Participant, such spouse shall receive for life, commencing after the later of the expiration of ten years after the Participant's Annuity Starting Date or the Participant's death, a surviving spouse annuity equal to fifty percent of the reduced ten year certain Pension elected by the Participant with the spouse's consent in accordance with this paragraph 6 E.

The Participant's election to take the ten year certain option may be revoked at any time up to, but not after, his Annuity Starting Date. The Participant's election of the ten year certain option shall become effective on the Participant's Annuity Starting Date. If the Participant dies before his Annuity Starting Date, the ten year certain option will not become effective.

F. Optional Ten Year Certain Pension For Former Participants Eligible For Deferred Pensions Under Paragraph 5 C(1)

Effective July 1, 1988, a Participant who is eligible for a deferred Pension under paragraph 5 C(1) may elect to receive his Pension in the form of a ten year certain option. Such election must be made not less than 30 days nor more than 90 days prior to the Participant's Annuity Starting Date and must be in writing on a form furnished by and filed with the Plan Administrator, and, if the Participant is married at the time the election is made, must include the written consent of the Participant's spouse witnessed by a Notary Public. This option provides for the life of the Participant a Pension reduced by the appropriate factor in Table C for an unmarried Participant or Table D for a married Participant, but guarantees that a minimum of one hundred twenty (120) monthly payments will be made commencing in the month following the Participant's retirement or death. Any of such 120 payments which are payable after the Participant's death shall be paid as provided in paragraph 6 D if the Participant was not married at the time Annuity Starting Date or as provided in paragraph 6 E if the Participant was married at the Annuity Starting Date. If the Participant's estate is to receive any payments under this paragraph 6 F, the Management Plan may, upon request of the legal representative of the estate, pay to the estate the present value of all remaining payments, discounted by the rate utilized to calculate the factors set forth on Table C or Table D (whichever Table is applicable) as in effect on the date of the Participant's death.

The Participant's election to take the ten year certain option may be revoked at any time up to, but not after, his Annuity Starting Date, and shall automatically be revoked if he marries prior to his Annuity Starting Date, unless the Participant's spouse consents to the election. The Participant's election of the ten year certain option shall become effective on the Participant's Annuity Starting Date. The election shall become irrevocable upon the Participant's Annuity Starting Date, and the amount of the reduced Pension shall be determined as of the Participant's Annuity Starting Date. If the Participant dies before the Annuity Starting Date, the ten year certain option will not become effective.

7. VESTING

A. Vested Rights

In addition to vesting rights described in paragraph 5 H, a Participant who completes five (5) or more years of Vesting Service will have a nonforfeitable right of one hundred percent (100%) of his accrued pension payable at or after his Normal Retirement Date.





B. Accrued Pension

The accrued pension is a pension which is or would be payable, based on the Employee's Final Average Salary, or Total Salary, as the case may be, and years of Accredited Service as of the date the computation is made.

C. Conditions Under Which Vested Benefits Will Not Be Paid

In no event will a Participant receive a deferred monthly pension if:

(a) He dies before retirement and his spouse is not entitled to benefits under paragraph 6, or

(b) He has received a Cash-Out from the Management Plan.

If a Participant entitled to a deferred pension, or a Beneficiary, fails to make application for a deferred pension or a related benefit on or before the date when either the Participant or Beneficiary would otherwise be entitled to the benefit, no payment will commence before application is made, but no such failure to make an application shall result in the forfeiture of any deferred pension or benefit.

8. SERVICE CREDIT

A. Determination of Vesting Service

Vesting Service shall be determined as follows:

1. (a) Prior to January 1, 1976

Within each calendar year the number of months that the Employee is employed by the Company in other than a temporary status will be added and if the total number of months is six (6) or more, the Employee will be credited with one (1) year of Vesting Service. A fraction of a month will be counted as one (1) month.

(b) After December 31, 1975

In accordance with the definition of Vesting Service, paragraph 2 A of the Management Plan, or if more favorable to the Participant, one year of Vesting Service if the Participant is employed by the Company in continuous employment during any calendar year for six months during the year.



2. The retention or loss of Vesting Service because of Breaks in Service shall be determined in accordance with paragraph 8 D.

B. Determination of Accredited Service for Computation of a Pension

1. (a) For Service Prior to January 1, 1976

Accredited Service for the computation of pension will be the total of the months and years of service the Employee was continuously in the employ of the Company in other than a temporary status. For the purpose of determining service credit, a fraction of a month will be credited as one (1) month. Each period of Accredited Service will be added and the total of such service will be used in computing the pension.

(b) For Service After December 31, 1975

1. The aggregate period of employment to the date of Severance from Service, subject to the Rule of Parity provisions in paragraph 8 D. In addition, if an Employee incurs a Severance from Service by reason of a quit, discharge or retirement and subsequently performs an Hour of Service, the period of severance shall not be counted as Accredited Service.

2. Employees who have acquired five (5) years of Accredited Service shall be credited with all additional years and months of service with the Company regardless of a subsequent Break in Service. However, no period constituting a period of severance will be included in the period of Accredited Service for computation of a pension.

3. If an allowance has been paid under the provisions of the Company's former Pension Plan for Retirement for Age or the Company's former Employees Security Plan (the "plans"), based upon Accredited Service performed prior to August 1, 1975 and such period of Accredited Service is included in the computation of a pension under the Management Plan, the actuarial present value of the pension so computed will be reduced by the total of such allowance payments. The resulting present value, as so reduced, of the pension will be the basis for determining the monthly pension.

4. The application of the foregoing provisions solely as they pertain to Accredited Service prior to the effective date of the Management Plan shall not be interpreted so as to reduce





the years and months of Accredited Service which would have been used in the computation of the Employees's pension under the provisions of the plans.

5. The effect of a Cash-Out of vested rights on Accredited Service will be to deny credit for such Accredited Service until the Cash-Out is fully repaid, as provided in paragraph 5 F.

6. A Participant receiving a pension or annuity under the Management Plan or the plans will, if reemployed after August 1, 1975, continue to receive such pension or annuity payments during the period of employment. Upon subsequent retirement, there will be payable to such participant an addition to his pension or annuity based on the service accredited from the date of reemployment. Pension or annuity payments suspended under the provisions of the plans applicable to employees who were reemployed prior to August 1, 1975 shall continue to be suspended and shall otherwise be subject to the provisions of the plans and Title 29 of the Code of Federal Regulations, Section 2530.203-3.

C. Other Service Recognized for Vesting or Computation of a Pension

Accredited Service and Vesting Service shall include periods of interruptions in service due to:

1. To the extent required by law, active military, naval, marine or related service of the United States or the State of New York, or leaves of absence granted pursuant to Company policy for World War II defense employment (1941-1946);

2. Absence because of illness under sick leave granted; or

3. Absence under leave granted for any other reason, for time not exceeding a total of six (6) months.

D. Additional Rules for Accumulation of Service Credit

For purposes of this paragraph 8 D, a "period of severance" means a continuous period of time during which an individual is not on the active payroll of the Company, which period shall commence upon such individual's Severance from Service. The following rules shall govern crediting of Service under the Management Plan:



( i) For purposes of determining an Employee's initial or continued eligibility to participate in the Management Plan or his nonforfeitable right to a Pension, an Employee will receive credit for the aggregate of all time period(s) commencing with the Employee's first day of employment or reemployment by the Company and ending on the date a Break in Service begins, except for the periods of Service which may be disregarded on account of the "rule of parity" described in subsection (iii). The first day of such employment or reemployment is the first day the Employee performs an Hour of Service.

( ii) In the case of an individual who is absent from work for maternity or paternity reasons or for reasons covered by the Family and Medical Leave Act of 1993 ("FMLA"), the period up to the first anniversary of the first day of such absence shall constitute Service for purposes of vesting and eligibility for benefits under the Management Plan, but shall not constitute Service for accrual or computation of such benefits. If such period of absence for maternity or paternity or FMLA reasons extends beyond the first anniversary of the first day of such absence, the period up to the second anniversary shall constitute neither Service nor a Break in Service, and any further absence shall constitute a period of severance and a Break in Service commencing on such second anniversary. For purposes of this paragraph, (x) an absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the Employee (2) by reason of the birth of a child of the Employee (3) by reason of the placement of a child with the Employee in connection with the adoption of such child by the Employee or (4) for purposes of caring for such child for a period beginning immediately following such birth or placement, and (y) an absence for reasons covered by the FMLA means (1) for the birth of a child or the placement of a child with the Employee for adoption or foster care, (2) for purposes of caring for a spouse, child or parent with a serious health condition, or (3) for the Employee's own serious health condition, pursuant to the FMLA and regulations thereunder.

(iii) In the case of a Participant who has 5 or more consecutive one year Breaks in Service the following "rule of parity" shall apply:

(a) all Service after such Breaks in Service will be disregarded for the purpose of vesting any benefits accrued before such Breaks in Service.



(b) the Participant's pre-break Service will count in vesting benefits accruing after the Break in Service, only if either:

(1) such Participant had a vested right to a Pension at the beginning of the Break in Service; or

(2) upon returning to Service the number of consecutive one year Breaks in Service is less than the number of years of Service.

Pre-break Service which, under this "rule of parity", is not required to be counted for vesting purposes following a particular Break in Service, shall not be counted for such purposes following any subsequent Break in Service.

The foregoing notwithstanding, a Participant shall not lose Vesting Service accrued prior to a Break in Service if the Break in Service resulted from layoff or disability (whether or not constituting Disability as defined in paragraph 2 A of the Management Plan).

9. EFFECTIVE DATE OF RETIREMENT AND COMMENCEMENT OF BENEFIT PAYMENTS

A. The effective date of a Participant's retirement and, unless the Participant shall elect otherwise, the date benefit payments commence, shall be the first day of the calendar month next following the effective date of the separation of the Participant from the active payroll, except that, in the case of Participant entitled to a deferred pension under paragraph 5 C(1) because of Disability, the effective date of retirement and the date benefit payments commence shall be such Participant's Normal Retirement Date.

B. Except as otherwise provided in the Management Plan, benefit payments shall commence not later than the 60th day after the close of the Plan Year in which the later of the following events occurs: (a) the Participant attains his Normal Retirement Date or (b) the termination of the Participant's service with the Company. If a Participant's Service continues after his Normal Retirement Date and such Service constitutes Section 203(a)(3)(B) Service (as defined below), the Participant's benefits will be suspended and the Participant shall be notified of the suspension as provided in Title 29, Code of Federal Regulations Section 2530.203-3. In accordance with such regulations, "Section 203(a)(3)(B) Service" shall be determined on a monthly basis and a Participant shall be deemed to be in Section 203(a)(3)(B) Service in any month in which he shall receive payment from the Company for at least eight days of service during that month. Benefits which are suspended in accordance with this provision shall be paid for any month in which the Participant is not considered to be in Section 203(a)(3)(B) Service.







C. Notwithstanding the foregoing, a Participant not receiving benefit payments under the Management Plan who attains age 70 1/2 shall commence receiving benefits as set forth below in the form of a life annuity and such commencement shall not be considered the Participant's Annuity Starting Date:

(a) Subject to subdivisions (b) and (c) below, the first day of April of the calendar year following the calendar year in which the Participant attains age 70 1/2.

(b) For a Participant who attains age 70 1/2 before January 1, 1988, the date determined in accordance with (1) and (2) below:

(1) For a Participant who is not a 5 percent owner, the first day of April of the calendar year following the calendar year in which the later of retirement or age 70 1/2 occur.

(2) For a Participant who is a 5 percent owner, the first day of April following the later of (x) the calendar year in which the Participant attains age 70 1/2, or (y) the earlier of the calendar year with or within which ends the Plan Year in which the Participant becomes a 5 percent owner, or the calendar year in which the Participant retires.

(c) The date for a Participant who is not a 5 percent owner and who attains age 70 1/2 during 1988 and who has not retired as of January 1, 1989, is April 1, 1990.

(d) A Participant is treated as a 5 percent owner for purposes of this paragraph 9 C if such Participant is a 5 percent owner (as defined in Section 416(i) of the Code) at any time during the Plan Year ending with or within the calendar year in which such owner attains age 66 1/2 or any subsequent Plan Year.

(e) The benefit of any Participant who commences receiving any benefit payments under the paragraph 9 C and who nonetheless continues to accrue years of Accredited Service shall be adjusted each calendar year as of the last day of such year to account for such accruals; provided, however, that such accruals shall be offset (but not below zero) by the actuarial equivalent of the payments made by the Management Plan during such calendar year.

D. Notwithstanding any provision in the Management Plan to the contrary, all distributions under the Management Plan shall be made in accordance with the requirements of Section 401(a)(9) of the Code and the regulations thereunder, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. The provisions of this Section override any provision of the Management Plan that is inconsistent with Section 401(a)(9) of the Code.





10. COMPUTATION OF BENEFITS

A. Computation of Annual Pension - The annual normal amount of pension payable upon retirement at a Participant's Normal Retirement Date will be equal to:

1. For Post-1989 Participants:

1.50% of the Participant's Final Average Salary for each year of Management Service up to and including 24 years, plus, effective September 1, 1992, 2.00% of the Participant's Final Average Salary for each year of the Participant's Management Service from and including the 25th to and including the 30th year,

plus

0.35% of the Participant's Final Average Salary in excess of the Social Security Taxable Wage Base for each year of Management Service up to a maximum of 30 years,

plus

0.50% of the Participant's Final Average Salary for each year of Management Service in excess of 30 years.

2. For 1983-1989 Participants, the greater of:

(a) The pension determined in accordance with paragraph 10 A1. above, or

(b) The pension determined in accordance with the following formula applied as if the Participant had terminated employment on the earlier of the date of the Participant's actual termination of employment or December 31, 1989; provided, however, that for such Participants who are Highly Compensated Employees within the meaning of Section 414(q)(1)(B) of the Code, the formula shall be applied as if the Participant terminated employment on the earlier of the date of the Participant's actual termination of employment or December 31, 1988:



1.833% of the Participant's Final Average Salary  
for each year of Management Service up to a maximum of 30 years,

minus

1.666% of the Participant's Social Security Benefit  
for each year of Management Service up to a maximum of 30 years,

plus

0.50% of the Participant's Final Average Salary for  
each year of Management Service in excess of 30.

3. For Pre-1983 Participants, the greater of:

(a) The pension determined in accordance with  
paragraph 10 A2. above, or

(b) The pension determined by computing 2.2% of  
Total Salary, and by increasing the resulting pension by 0.125%  
for each calendar month of Management Service in excess of 30  
years.

B. Computation of Pension, Annuities, or Benefits Based  
Upon Annual Pension

The following pensions, annuities or benefits as specified,  
will be based upon the annual pension determined in accordance  
with paragraph 10 A. In the event a pension, deferred pension or  
annuity shall have a present value of \$3500 or less, such present  
value shall be paid in a single lump sum to the Participant or  
surviving spouse in lieu of the pension, deferred pension or  
annuity; provided, however, that in no event shall the interest  
rate utilized in determining such lump sum amount exceed the  
interest rate, either immediate or deferred, utilized by the  
Pension Benefit Guaranty Corporation on the first day of the  
month immediately preceding the Participant's Annuity Starting  
Date for valuing a lump sum distribution upon plan termination.

The following computations apply only to an Employee who  
terminates with vested rights but whose age when added to his  
years of Accredited Service at termination is equal to  
seventy-five (75) or more.

(1) Retirement at Age Sixty (60) or Later

The pension payable to an Employee retiring at age  
sixty (60) or later will be the amount determined as follows:

(a) For Post-1989 Participants:







( i) 1.50% of the Participant's Final Average Salary for each year of Management Service up to and including 24 years, plus, effective September 1, 1992, 2.00% of the Participant's Final Average Salary for each year of the Participant's Management Service from and including the 25th to and including the 30th year,

plus

( ii) 0.35% of the Participant's Final Average Salary in excess of the Social Security Taxable Wage Base for each year of Management Service up to a maximum of 30 years, multiplied by the appropriate discount factor in Table E if payment of the benefit commences prior to the Participant's Normal Retirement Age,

plus

(iii) 0.50% of the Participant's Final Average Salary for each year of the Participant's Management Service in excess of 30 years.

(b) For 1983-1989 Participants, the greater of:

( i) The pension determined in accordance with paragraph 10 B(1)(a) above, or

( ii) The pension determined in accordance with the following formula applied as if the Participant had terminated employment on the earlier of the date of the Participant's actual termination of employment or December 31, 1989; provided, however, that for such Participants who are Highly Compensated Employees within the meaning of Section 414(q)(1)(B) of the Code, the formula shall be applied as if the Participant had terminated employment on the earlier of the date of the Participant's actual termination of employment or December 31, 1988:

(x) For Participants retiring at age sixty-two (62) or later 1.833% of the Participant's Final Average Salary for each year of Management Service up to a maximum of 30 years,



minus

1.666% of the Participant's Social Security Benefit for each year of Management Service up to a maximum of 30 years,

plus

0.50% of the Participant's Final Average Salary for each year of Management Service in excess of 30.

(y) For Participants retiring between age sixty (60) and prior to age sixty-two (62) - 1.833% of the Participant's Final Average Salary times Projected Service up to a maximum of 30 years, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column I of Table F,

minus

1.666% of the Participant's Social Security Benefit times Projected Service up to a maximum of 30 years, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column II of Table F,

plus

0.50% of the Participant's Final Average Salary times the years, if any, of Projected Service in excess of 30, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column I of Table F.

(c) For Pre-1983 Participants, the greater of:

( i) The pension determined in accordance with paragraph 10 B(1)(b) above, or

( ii) The pension determined by computing 2.2% of Total Salary, and by increasing the resulting pension by 0.125% for each calendar month of Management Service in excess of 30 years.



(2) Early Optional Retirement and Retirement in the Discretion of the Company

This category applies to a Participant who retires prior to age sixty (60). The pension payable to such a Participant will be the amount determined as follows:

(a) For Post-1989 Participants:

( i) 1.50% of the Participant's Final Average Salary for each year of Management Service up to and including 24 years, plus, effective September 1, 1992, 2.00% of the Participant's Final Average Salary for each year of the Participant's Management Service from and including the 25th to and including the 30th year, multiplied by the appropriate discount factor in Table A,

plus

( ii) 0.35% of the Participant's Final Average Salary in excess of the Social Security Taxable Wage Base for each year of Management Service up to a maximum of 30 years, multiplied by the appropriate discount factor in Table E,

plus

( iii) 0.50% of the Participant's Final Average Salary for each year of Management Service in excess of 30 years, multiplied by the appropriate discount factor in Table A;

provided, however that, effective September 1, 1992, the portion of the pension payable under clauses (i) and (iii) above to a Participant who retires at age fifty-five (55) or above and prior to age sixty (60) and who has at least 30 years of Accredited Service at retirement shall not be discounted for retirement below age sixty (60).

(b) For 1983-1989 Participants, the greater of:

( i) The pension determined in accordance with paragraph 10 B(2)(a) above, or

( ii) The pension determined in accordance with the following formula applied as if the Participant had terminated employment on the earlier of the date of the



Participant's actual termination of employment or December 31, 1989; provided, however, that for such Participants who are Highly Compensated Employees within the meaning of Section 414(q)(1)(B) of the Code, the formula shall be applied as if the Participant had terminated employment on the earlier of the date of the Participant's actual termination of employment and December 31, 1988:

1.833% of the Participant's Final Average Salary times Projected Service up to a maximum of 30 years, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column I of Table F,

minus

1.666% of the Participant's Social Security Benefit times Projected Service up to a maximum of 30 years, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column II of Table F,

plus

0.50% of the Participant's Final Average Salary times the years, if any, of Projected Service in excess of 30, multiplied by the ratio of actual Management Service to Projected Service, and further multiplied by the appropriate discount factor from column I of Table F.

(c) For Pre-1983 Participants, the greater of:

( i) The pension determined in accordance with paragraph 10 B(2)(b) above, or

( ii) The pension determined by computing 2.2% of Total Salary, and by increasing the resulting pension by 0.125% for each calendar month of Management Service in excess of 30 years, multiplied by the appropriate discount factor in Table A; provided, however, that, effective September 1, 1992, the pension payable to a Participant who retires at age fifty-five (55) or above and prior to age sixty (60) and who has at least 30 years of Accredited Service at retirement shall not be discounted for retirement below age sixty (60).





(3) Disability Annuity Prior to Attaining Age Sixty (60)

The Pension payable to a Participant described in paragraph 5 C(2)(i) is the Pension determined in accordance with paragraph 10 B, but without reduction because such Pension shall commence before age sixty (60). The annuity payable to a Participant described in paragraph 5 C(2)(ii) will be equal to the greater of the pension determined in accordance with (x) paragraph 10 B(2)(c)(i) or (y) paragraph 10 B(2)(c)(ii) plus an amount which when added to such pension determined in accordance with paragraph 10 B(2)(c)(ii) will yield an annuity in an amount calculated by reducing the pension determined in accordance with 10 A3(b) by 0.125% for each calendar month (1 1/2% per year) between the Participant's projected date of retirement at age sixty (60) and the date of his retirement for disability.

(4) Joint & Survivor Annuity

A surviving spouse entitled under paragraph 6 A to receive an Annuity upon surviving a deceased retired Participant shall receive an Annuity equal to fifty percent (50%) of the Pension which the deceased Participant had been receiving.

(5) Preretirement Surviving Spouse Benefits

( i ) A surviving spouse entitled under paragraph 6 B(i) to receive an Annuity shall receive an Annuity equal to fifty percent (50%) of the Pension which the deceased Participant would have begun receiving if such Participant had terminated employment on the date of death and had applied for a Pension commencing on the first day of the month following the death. Payment of the Annuity shall commence on the first day of the month following the death unless the surviving spouse elects a later commencement date.

(ii) A surviving spouse entitled under paragraph 6 B(ii) to receive a preretirement survivor benefit shall receive an immediate lump sum payment equal to fifty percent (50%) of the Cash-Out the deceased would have received if he had terminated on the date of death and elected a Cash-Out; provided, however, that in no event shall the interest rate utilized in determining such lump sum amount exceed the interest rate, either immediate or deferred, utilized by the Pension Benefit Guaranty Corporation on



the first day of the month immediately preceding the Participant's Annuity Starting Date for valuing a lump-sum distribution upon plan termination. If the lump sum amount exceeds \$3,500, the surviving spouse must consent to the lump sum payment in writing on a form provided by the Plan Administrator. If the surviving spouse does not consent, he or she shall receive an immediate Annuity equal to fifty percent (50%) of the present Annuity value of the deceased's vested accrued Pension at Normal Retirement Age. Payment of the Annuity shall commence on the first day of the month following the death unless the surviving spouse elects a later commencement date.

(6) Deferred Pension

A Participant, upon termination of employment, may elect to have his pension as determined in accordance with paragraph 10 A deferred to a later date but not beyond Normal Retirement Age. Upon application for payment of the deferred pension, the computation of the pension payable in accordance with paragraph 10 B(1) or (2) will be based on the Participant's age on the Participant's Annuity Starting Date.

The following computations apply only to a Participant who terminates with vested rights but whose age at termination when added to his years of Accredited Service at termination is equal to less than seventy-five (75).

(7) Deferred Pension at Normal Retirement Age

A Participant who elects to defer his pension to Normal Retirement Age will be paid the pension determined in accordance with paragraph 10 A.

(8) Deferred Pension Prior to Normal Retirement Age

A Participant who elects to take his deferred pension prior to Normal Retirement Age on or after the date when his age plus years of Accredited Service are equal to seventy-five (75) will have the pension determined in accordance with paragraph 10 B(2).

(9) Determination of Present Value of Vested Pension Payable at Normal Retirement Age - Cash-Out

The Cash-Out is a lump-sum payment representing the present value of the deferred pension payable to the Participant at Normal Retirement Date and will be computed by multiplying the pension determined in accordance with paragraph 10 B(7) by the



factor in Table B corresponding to the age of the Participant on the first day of the month following termination; provided, however, that in no event shall the interest rate utilized in determining the factors in Table B exceed the interest rate, either immediate or deferred, utilized by the Pension Benefit Guaranty Corporation on the first day of the month immediately preceding the Participant's Annuity Starting Date for valuing a lump-sum distribution upon plan termination. In lieu of the Cash-Out, the Participant may receive an immediate annuity which shall equal the deferred pension payable to the Participant at his Normal Retirement Date, appropriately reduced for commencement prior to such Normal Retirement Date and shall be determined by using the same actuarial assumptions as used for Table B and based on the Participant's age at his Annuity Starting Date.

(10) Ten Year Certain Optional Pension

The Pension payable to an eligible Participant who elects a ten year certain option pursuant to paragraphs 6 D, 6 E or 6 F shall be the Pension determined by the appropriate subsection of paragraph 10 B above, multiplied by the appropriate factor in Table C or Table D, whichever Table is applicable, corresponding to the age of the Participant at the Participant's Annuity Starting Date.

C. 1993 Special Retirement Program

Effective September 1, 1992, notwithstanding any other provision of the Management Plan, the following provision shall be applicable only to the Final Average Salary formula set forth in paragraphs 10 A1, 10 B(1)(a), and 10 B(2)(a) of the Management Plan and shall be available only to Employees who meet the eligibility criteria and only during the limited period of time and on the other terms and conditions set forth below:

(1) Any employee who, prior to February 1, 1993, has reached at least his fifty-fifth (55th) birthday and whose age plus years of Accredited Service equal at least 75 prior to such date and who elects during the period from November 1, 1992 through January 8, 1993 on a form furnished by and filed with the Company to accept the retirement incentives (a) shall retire with an effective retirement date of February 1, 1993, (b) shall be credited with five additional years of Management Service solely for purposes of calculating the Employee's Pension under the Final Average Salary formula, and (c) shall not have the early retirement discount factors applied to the Employee's Pension calculated under the Final Average Salary formula, except for the portion of the formula integrated with the Social Security Taxable Wage Base which portion shall be reduced for retirement before the Participant's Social Security Retirement Age in accordance with federal income tax regulations. The additional years of age shall not be credited for purposes of calculating the Employee's Final Average Salary or Total Salary and shall not be added to the Employee's age for purposes of determining





whether the Employee's age plus years of Accredited Service equal at least 75.

(2) No employee shall be obligated to accept the retirement incentives, and an Employee's election to accept the retirement incentives shall be purely voluntary. As a condition to an Employee's receiving the retirement incentives under (1) above, the Company shall have the right to obtain from the Employee a waiver and/or release of claims against the Company consistent with the requirements of the federal Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act.

#### D. Fresh Start

Notwithstanding any provision in the Management Plan to the contrary, the annual amount of pension of a Participant who is affected by the imposition of the \$150,000 limitation on Annual Basic Straight-Time Compensation provided in the definition of such term in paragraph 2 A shall be equal to the greater of (i) the Participant's pension calculated under the provisions of the Management Plan as determined with regard to such limitation or (ii) the Participant's pension determined as of December 31, 1993 plus the Participant's pension based solely on Accredited Service after such date under the provisions of the Management Plan as determined with regard to such limitation. For purposes of the Management Plan, the Participant's pension determined as of December 31, 1993 shall be equal to the greater of (x) the pension calculated under the provisions of the Management Plan as determined with regard to the \$200,000 limitation on Annual Basic Straight-Time Compensation provided in the definition of such term in paragraph 2 A or (y) the Participant's pension determined as of December 31, 1988 plus the Participant's pension based solely on Accredited Service after such date under the provisions of the Management Plan as determined with regard to such limitation. However, the annual normal amount of pension shall never be less than the greatest amount of reduced early retirement pension which the Participant could have received under paragraph 10 before his Normal Retirement Date.

### 11. LIMITATION OF BENEFITS AND DEDUCTIONS FROM BENEFITS

#### A. Maximum Benefits

Effective January 1, 1987, for purposes of this paragraph 11 A, the terms "Annual Basic Straight-Time Compensation", "Final Average Salary", and "Compensation" shall exclude amounts contributed by the Company on the Employee's behalf under other plans of the Company on a salary reduction basis which are not includible in the gross income of the Employee under Sections 402(a)(8) and 125 of the Code. The maximum annual pension payable under the Management Plan and other Company defined benefit plans shall be equal to the lesser of:

- (1) the defined benefit dollar limitation, and







(2) 100% of the Participant's average compensation for the three consecutive years that produce the highest average.

If the annual benefit commences when the Participant has less than 10 years of service with the Company, the maximum benefit payable is reduced by one-tenth for each year of service less than ten.

The defined benefit dollar limitation is \$90,000. Effective on January 1, 1988, and each January thereafter, the \$90,000 limitation above will be automatically adjusted by multiplying such limit by the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code in such manner as the Secretary shall prescribe. The new limitation will apply to limitation years ending with the calendar year of the date of the adjustment.

If the annual benefit of the Participant commences before the Participant's Social Security Retirement Age, but on or after age 62, the defined benefit dollar limitation shall be determined as follows:

( i) If a Participant's Social Security Retirement Age is 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the defined benefit dollar limitation by 5/9 of one percent for each month by which benefits commence before the month in which the Participant attains age 65.

(ii) If a Participant's Social Security Retirement Age is greater than 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the defined benefit dollar limitation by 5/9 of one percent for each of the first 36 months and 5/12 of one percent for each of the additional months (up to 24 months) by which benefits commence before the month of the Participant's Social Security Retirement Age.

If the annual benefit of a Participant commences prior to age 62, the defined benefit dollar limitation shall be the actuarial equivalent of an annual benefit beginning at age 62, as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age 62.

If the annual benefit of a Participant commences after the Participant's Social Security Retirement Age, the defined benefit dollar limitation shall be adjusted so that it is the actuarial equivalent of an annual benefit of such dollar limitation beginning at the Participant's Social Security Retirement Age.



Annual benefit shall mean a benefit payable annually in the form of a straight life annuity with no ancillary benefits. Benefits payable in any other form will be adjusted to the actuarial equivalent of a straight life annuity.

Actuarial equivalent shall be determined by using an interest rate assumption equal to the greater of 5%, or the rate specified in the Management Plan. For benefits payable after a Participant's Social Security Retirement Age, the word "lesser" shall be substituted for the word "greater" in the preceding sentence.

For purposes of the limitations of this paragraph 11, compensation shall mean all compensation of the Participant from the Company for the limitation year.

The limitations of this paragraph 11 will be deemed satisfied if the annual benefit payable to a Participant is not more than \$1,000 multiplied by the Participant's years of service with the Company (not exceeding 10), and the Participant never participated in a defined contribution plan maintained by the Company.

#### Alternative Maximum Benefit

The annual retirement income payments under the Management Plan shall be treated as not exceeding the limitations above in the case of an Employee who was an active Participant before October 2, 1973 if such annual retirement income (calculated on the basis of the Straight Life Annuity form) neither exceeds:

(a) 100% of his annual rate of compensation on the earlier of October 2, 1973 or his termination date, nor

(b) 100% of the annual benefit which would have been payable to such Participant on retirement assuming

( i) all the terms and conditions of the Plan on the earlier of October 2, 1973 or his termination date had continued unchanged, and

(ii) his compensation on October 2, 1973 continued to his termination date.

In the case of an Employee who ceased employment before October 2, 1973 and who becomes entitled to benefit payments beginning on or after August 1, 1975, the annual benefit under



this paragraph shall not be greater than the deferred vested benefit to which he was entitled as of his termination date.

#### Combined Maximum Limits

If the Participant is, or was, covered under a defined benefit plan and a defined contribution plan maintained by the Company the sum of the Participant's defined benefit plan fraction and defined contribution plan fraction may not exceed 1.0 in any limitation year.

The defined benefit plan fraction is a fraction, the numerator of which is the sum of the Participant's projected annual benefits under all defined benefit plans (whether or not terminated) maintained by the Company and the denominator of which is the lesser of (i) 1.25 times the dollar limitation of Section 415(b)(1)(A) of the Code in effect for the limitation year, or (ii) 1.4 times the Participant's average compensation for the three consecutive years that produces the highest average.

The defined contribution plan fraction is a fraction, the numerator of which is the sum of the annual additions to the Participant's account under all defined contribution plans maintained by the Company (whether or not terminated) for the current and all prior limitation years, and the denominator of which is the sum of the lesser of the following amounts determined for such year and for each prior year of service with the Company: (i) 1.25 times the dollar limitation in effect under Section 415(c)(1)(A) of the Code for such year, or (ii) 1.4 times the amount which may be taken into account under Section 415(c)(1)(B) of the Code.

Projected annual benefit means the annual benefit to which the Participant would be entitled under the terms of the Plan, if the Participant continued employment until Normal Retirement Age (or current age, if later) and the Participant's compensation for the limitation year and all other relevant factors used to determine such benefit remained constant until Normal Retirement Age (or current age, if later).

Annual additions means the sum credited to a Participant's account for any limitation year, of :

a. Company contributions,

b. with respect to limitation years beginning before 1987, the lesser of the amount of Employee Contributions in excess of 6% of his compensation for the limitation year, or one half of the Employee contributions for that year, and with respect to limitation years beginning after 1986, all of the Employee contributions, and







c. forfeitures.

If, in any limitation year, the sum of the defined benefit plan fraction and the defined contribution plan fraction will exceed 1.0, the rate of benefit accruals under this Plan will be reduced so that the sum of the fractions equals 1.0.

B. Minimum Benefits

1. The minimum benefits payable to a Participant receiving a pension first payable on or after attaining age sixty-two (62), or a disability annuity after having attained Normal Retirement Age, subject to other provisions of the Management Plan, shall be the greater of:

(a) \$4.40 per month for each year, up to twenty-five (25) years, of Management Service.

(b) \$110 per month for an Employee having twenty-five (25) years of Management Service, plus \$5.50 per month for each additional year of Management Service up to thirty (30) years;

(c) \$137.50 per month for an Employee with thirty (30) or more years of Management Service.

2. The minimum disability annuity payable under the Management Plan, subject to other provisions of the Management Plan, shall be \$55 per month. The benefit payable to a Participant, either

(a) in accordance with the Management Plan's optional early retirement provisions, or

(b) in accordance with the Management Plan's Normal or Mandatory Retirement Date, shall not be less than the greatest early retirement income amount which may be calculated under the optional early retirement provision as of the last day of any computation period which ended before his retirement date.

C. Deductions for Pension or Benefits Under Other Pension Plans

There shall be deducted from any benefit for which an Employee may be eligible under the Management Plan the amount of each and every payment or benefit received by such Employee by reason of his retirement on account of service with any other employer where years of service with such other employer are included in years of Accredited Service under the Management Plan, provided that pension payments by Federal, State or municipal governments for service under those governments shall not be deducted hereunder.





D. Limitation of Deductions

The deductions authorized by paragraph 11 C shall not be applied or made in such a manner as to reduce below ten dollars (\$10.00) in any month the net amount payable to any Employee receiving a benefit under the Management Plan, nor shall any net benefit amount payable be reduced below ten dollars (\$10.00) in any month.

E Pre-July 1, 1989 Transfers

This paragraph 11 E shall apply to a Participant whose benefit under the Weekly Plan is based upon the Weekly Plan formula in effect prior to amendments effective July 1, 1989 and shall not apply to any Participant who has a benefit calculated under the Weekly Plan based upon the plan formulas adopted on or after July 1, 1989. Benefits for such Participants shall be determined as described in paragraph 11 F.

A Participant whose Accredited Service consists of both Weekly Service and Management Service and who is eligible for a benefit under the Management Plan shall in any event be entitled to a benefit under the Management Plan which is not less than the benefit computed under paragraph 10 A (the "Basic Benefit").

If such Participant was a Management Employee at the time of termination of the Participant's employment with the Company, the Participant shall be entitled to the greater of

1. the Basic Benefit, or

2. the benefit which would be payable under the Management Plan if all of the Participant's Accredited Service had been Management Service, reduced by the amount of any benefit to which the Participant shall be entitled under the Weekly Plan.

A Participant who is eligible for a benefit under the Management Plan, but who is a Weekly Employee at the time of termination of the Participant's Service with the Company, shall be paid from the Management Plan a pension benefit equal to the greater of: (A) the benefit calculated under the formula set forth in paragraph 10 A utilizing Total Salary or Final Average Salary for all years of Service with the Company, including Management and Weekly Service, multiplied by a fraction, the numerator of which shall be Years of Management Service, and the denominator of which shall be the sum of Years of Management Service and Years of Weekly Service, or (B) the benefit calculated under the formula set forth in paragraph 10 A utilizing Total Salary or Final Average Salary for Management Service only.





#### F. Post-June 30, 1989 Transfers

If a Participant whose Accredited Service consists of both Weekly Service and Management Service and whose Weekly Service includes periods of employment subsequent to June 30, 1989, such Participant's benefit under the Management Plan shall be calculated as described below.

If the Participant is a Management Employee at the time of termination of the Participant's employment with the Company, then, notwithstanding the provisions of paragraph 10 hereof, the Participant shall be entitled only to a benefit calculated under paragraph 10 of the Management Plan as if all of the Participant's Accredited Service had been Management Service, and reduced by the amount of any benefit to which the Participant shall be entitled under the Weekly Plan.

If the Participant is a Weekly Employee at the time of termination of the Participant's employment with the Company, then the benefit under the Management Plan shall be determined under paragraph 10 based upon Total Salary or Final Average Salary including Management and Weekly Service, multiplied by a fraction, the numerator of which shall be Years of Management Service and the denominator of which shall be the sum of Years of Management Service and Years of Weekly Service. Notwithstanding the preceding, the benefit under the Management Plan shall not be less than the accrued benefit at time of transfer to the Weekly Plan calculated as if the Participant had then terminated employment with the Company.

#### 12. PAYMENT OF BENEFITS

##### A. Manner of Payment of Benefits

(1) All benefits provided by the Management Plan shall be determined on an annual basis and payable, upon application, in the following manner:

(i) in the case of pensions, annuities and surviving spouse benefits, monthly payments equal to one-twelfth (1/12th) of the annual amount;

(ii) in the case of a Cash-Out, there will be a single payment.

Payments in the case of disability may begin, in the discretion of the Company, earlier than the effective date of retirement.

No benefit payable under the Management Plan shall be reduced after the commencement of payments except to correct an error in the determination of the benefits or if required by ERISA or governmental authority.







(2) Effective January 1, 1981, Participants who retired from service of the Company prior to January 1, 1978 and are receiving payments under paragraph A (1) (i) above shall have their payments increased in accordance with the following:

Year Retired	Increase In Monthly Payment
Prior to 1958	10%
1958 - 1965	8%
1966 - 1971	6%
1972 - 1975	4%
1976 - 1977	2%

Payments to widows and surviving spouses shall be increased, in accordance with the above schedule, based upon the year in which the deceased Participant retired.

No monthly payment shall be increased by less than ten (\$10.00).

(3) Effective January 1, 1984, Participants who retired prior to January 1, 1984, and surviving spouses of Participants who retired or died prior to January 1, 1984, and who receive payments under paragraph A(1) (i) above, shall have their monthly payments, as such monthly payments may have been adjusted pursuant to paragraph A(2) above, increased by a percentage which shall equal one percent times the difference between 1984 and the earlier of the year in which the Participant retired or died, provided that no monthly payment shall be increased by less than ten dollars (\$10.00).

(4) Each participant and surviving spouse who is entitled to receive a Pension or Annuity from the Management Plan for the month of November 1986, and who, or in the case of a surviving spouse of a deceased retired participant, whose deceased spouse, commenced receiving a Pension or Annuity prior to December 31, 1985, shall have the Pension or Annuity for the month of November 1986 and each month thereafter, until further changed or terminated in accordance with provisions of the Management Plan, increased by one percent (1%) of such Pension or Annuity multiplied by the number of whole or partial calendar years up to and including 1985 during which the Management Plan was paying a Pension or Annuity to such participant or surviving spouse, or to both such surviving spouse and the deceased participant who retired and commenced to receive a Pension from the Management Plan.

#### B. Termination of Payments

Payments to a Participant or to a Beneficiary shall terminate on the last day of the month in which the Participant or Beneficiary dies.





### C. Direct Rollover of Certain Distributions

1. This paragraph applies to certain distributions made on or after January 1, 1993. Notwithstanding any provision of the Management Plan to the contrary that would otherwise limit a distributee's election under the paragraph, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

2. The following definitions apply to the terms used in this paragraph:

(a) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income;

(b) An "eligible retirement plan" is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity;

(c) A "distributee" includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse; and

(d) A "direct rollover" is a payment by the Management Plan to the eligible retirement plan specified by the distributee.

In the event that the provisions of this paragraph C or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this paragraph C or any applicable part thereof shall be ineffective without the necessity of further amendment to the Management Plan.







### 13. ASSIGNMENT OR NON-ALIENATION OF BENEFITS

Except as provided below, benefits payable under the Management Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, change, garnishment, execution, or levy of any kind, either voluntary or involuntary, including any such liability which is for alimony or other payments for the support of a spouse or former spouse, or for any other relative of the Employee, prior to actually being received by the person entitled to the benefit under the terms of the Management Plan except for a transfer pursuant to a "qualified domestic relations order" within the meaning of Section 414 (p) of the Code. Any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The trust fund shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagement, or torts of any person entitled to benefits hereunder. The Plan Administrator shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders. If the present value of any series of payments under a qualified domestic relations order amounts to \$3,500 or less, a lump sum payment of such present value shall be made in lieu of the series of payments.

After a benefit is in pay status, a Participant receiving such benefit may make a voluntary and revocable assignment (not to exceed ten percent (10%) of any benefit payment) provided the assignment is not for the purpose of defraying administrative costs.

### 14. NO RIGHT TO EMPLOYMENT

The Management Plan shall not be construed to give any Employee the right to be retained in the service of the Company or the right to be reemployed after termination or retirement.

### 15. TRUST FUND

All contributions made by the Company under the Management Plan shall be paid to the trustee or trustees, who shall be designated by the Company, and deposited in a trust fund or funds. In accordance with paragraph 19 B, all assets of the trust funds, including investment income, shall be retained for the exclusive benefit of Participants and Beneficiaries, shall be used to pay benefits to such persons or to pay administrative expenses to the extent not paid by the Company, and shall not revert to or inure to the benefit of the Company prior to the satisfaction of all such benefits.

Payment by the trust in good faith to one who claims to be entitled to payment of a benefit hereunder shall discharge the trust from any further liability therefor to any other claimant.





In the discretion of the Company, the assets of the aforementioned trust fund or funds may be held by a single trustee, together and commingled with the assets of the trust fund or funds provided for under the Weekly Plan, provided that the beneficial interest of each trust fund in the commingled assets shall be separately accounted for and the beneficial interest of the trust fund or funds under the Management Plan shall be applied solely in accordance with the Management Plan and shall not be available to provide benefits under the Weekly Plan, or for any other purpose. Expenses and taxes, to the extent paid from the commingled trust assets, shall be equitably divided between the trust fund or funds under the Management Plan and the trust fund or funds under the Weekly Plan.

The Named Fiduciaries of the Management Plan are hereby authorized to take such action as may be necessary to cause the respective beneficial interests properly allocable to the Weekly Plan and to the Management Plan, in the assets of the trust fund held pursuant to The Consolidated Edison Pension and Benefits Plan on December 31, 1982, to be determined and thenceforth accounted for as two separate trust funds.

## 16. CONTRIBUTIONS

### A. Payment of Contributions

The contributions by the Company shall be made at such times as may be decided upon by the Company.

### B. Funding Policy Procedure and Amount of Contributions

In accordance with the funding policy established by the Company upon recommendation by the Named Fiduciaries based upon the advice of an enrolled actuary, the Company from time to time shall make contributions, determined on an annual basis as a percentage of straight-time annual payroll for Management Employees, in such amounts as it shall deem necessary to carry out the objectives of the Management Plan, but in any event the contributions shall: (1) conform to the funding standards of Section 302 of ERISA; and (2) not be greater than the maximum amount deductible for Federal income tax purposes during the year for which the contribution is made.

### C. Payment of Expenses

All expenses of investment and administration of the trust fund and of administration of the Plan, including any taxes which may be assessed or levied against the trust fund, shall be paid by the Trustee from the trust fund, unless paid by the Company.

### D. Restrictions on Recovery by Company of Contributions

Except as provided in paragraphs 20 B and 23 D, under no circumstances shall amounts of money or other things of value contributed by the Company to the trust fund be recoverable by the Company from the trustee or from any Participant or Beneficiary, or be used for, or diverted to, purposes other than





for the exclusive benefit of the Participants and Beneficiaries of the Management Plan; provided, however, that if a contribution is made by the Company by mistake of fact, the contribution shall be returned to the Company within one (1) year after the payment of the contribution, or if the Management Plan or the trust (or trusts) fails to qualify under Sections 401 and 501 of the Code or (each contribution made to this Plan is expressly conditioned on its deductibility under Section 404 of the Code) if the deduction of any part of any contribution is disallowed, the contribution shall be returned to the Company within one (1) year after the date of denial of qualification of the Management Plan or trust (or trusts) or within one (1) year after the disallowance of the deduction.

E. Management Plan is Non-Contributory

No contributions by Employees shall be required hereunder.

17. FIDUCIARIES

A. Named Fiduciaries

1. Persons from time to time occupying the following offices of the Company are hereby designated as Named Fiduciaries and shall have authority jointly to control and manage the operation and administration of the Management Plan (including the appointment of the Plan Administrator): Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer. The Company may designate other persons who, upon acceptance of such designation, shall serve as Named Fiduciaries either instead of or in addition to those named above. Any such designation and acceptance shall be in writing and retained by the Plan Administrator.

2. The Named Fiduciaries may allocate fiduciary responsibilities (other than trustee responsibilities as defined in ERISA) among Named Fiduciaries and may designate persons other than Named Fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities as defined in ERISA) under the Management Plan, in accordance with the following procedure:

The Chief Executive Officer of the Company shall in writing allocate fiduciary responsibilities among the Named Fiduciaries, and the acceptance of such responsibilities by the Named Fiduciaries shall be in writing. Any designation by a Named Fiduciary of persons other than Named Fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities





as defined in ERISA) shall be in writing, a copy of which shall be delivered to the designee, and shall specify the fiduciary responsibilities to be carried out by the designee. Written notice of any such designation shall be given to all other Named Fiduciaries by the Named Fiduciary who makes the designation. Any such allocations and acceptances and designations, shall be retained by the Plan Administrator.

3. A Named Fiduciary, or a fiduciary designated by a Named Fiduciary pursuant to the procedure set forth in paragraph 17 A 2., may employ one or more persons to render advice with regard to any responsibility such fiduciary has under the Management Plan.

4. A person who is a Named Fiduciary with respect to control or management of the assets of the Management Plan may appoint, or terminate the appointment of, an investment manager or managers to manage (including the power to acquire and dispose of) any assets of the Management Plan.

5. A majority of the Named Fiduciaries may jointly, with the prior approval of the Board of Trustees of the Company, direct any trustee appointed pursuant to paragraph 15 to invest all or any part of the trust fund held by such trustee in insurance policies and contracts, including group annuity contracts, and in tax-exempt group trusts, and from time to time to liquidate any such investment in whole or in part.

#### B. Fiduciary Responsibilities

The Named Fiduciaries, and all other persons having fiduciary responsibilities under the law, shall discharge their duties with respect to the Management Plan in accordance with the law, and solely in the interest of the Participants and Beneficiaries and

1. for the exclusive purpose of:

(a) providing benefits to Participants and their Beneficiaries; and

(b) defraying reasonable expenses of administering the Management Plan;

2. with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the



conduct of an enterprise of a like character and with like aims;

3. by diversifying the investments of the Management Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

4. in accordance with the documents and instruments governing the Management Plan insofar as such documents and instruments are consistent with the law.

#### C. General Provisions Concerning Fiduciaries

1. Any person or group of persons may serve in more than one fiduciary capacity with respect to the Management Plan (including service both as trustee and administrator).

2. Responsibilities for the operation and administration of the Management Plan may be allocated in accordance with the following procedure:

The Chief Executive Officer of the Company shall allocate responsibilities for operation and administration of the Management Plan, and shall notify all Named Fiduciaries of any such allocation. Any such allocation shall be in writing, a copy of which shall be delivered to the person to whom the responsibilities are allocated, and shall be retained by the Plan Administrator.

### 18. POWERS AND DUTIES OF PLAN ADMINISTRATOR

#### A. Rules and Decisions

The Plan Administrator may adopt such rules as he deems necessary, desirable, or appropriate. All rules and decisions of the Plan Administrator shall be uniform and consistent as to all Participants and Beneficiaries in similar circumstances. When making a determination or calculation, the Plan Administrator shall be entitled to rely upon information furnished by a Participant or Beneficiary, the Company, the legal counsel of the Company, the enrolled actuary, any trustee of the trusts, or the independent qualified public accountant.



## B. Records and Reports

The Plan Administrator shall exercise such authority and responsibility, and perform such duties, as may be required in order to comply with ERISA and governmental regulations issued thereunder relating to records of Participants' service, accrued benefits, and benefits which are nonforfeitable under the Management Plan; notifications to participants, annual registration with the Internal Revenue Service; annual reports to the Department of Labor; and reports to the Pension Benefit Guaranty Corporation.

## C. Other Plan Administrator Powers and Duties

The Plan Administrator shall have such other duties and powers as may be necessary to discharge his duties hereunder, including but not by way of limitation, the following:

1. to decide all claims and questions of eligibility and determine the amount, manner and time of payment of any benefits hereunder and to construe and interpret the Management Plan or the plans as may be necessary in connection therewith;

2. to prescribe procedures to be followed by Participants or Beneficiaries filing applications for benefits;

3. to prepare and distribute, in such manner as he determines to be appropriate, information explaining the Management Plan;

4. to receive from the Company and from Participants such information as shall be necessary for the proper administration of the Management Plan;

5. to furnish the Company, upon request, such annual reports with respect to the administration of the Management Plan as are reasonable and appropriate;

6. to receive and review the periodic valuation of the Management Plan made by the enrolled actuary;

7. to receive, review and keep on file (as he deems convenient or proper) reports of the financial condition, and of the receipts and disbursements, of the trust fund from the trustee or trustees;



8. to appoint or employ individuals to assist in the administration of the Management Plan and to perform the specific operational and administrative duties and functions necessary to plan administration;

9. to receive service of legal process, as agent for the Management Plan.

The Plan Administrator shall have no power to add to, subtract from or modify any of the terms of the Management Plan, or to change or add to any benefits provided by the Management Plan, or to waive or fail to apply any requirements of eligibility for a pension under the Management Plan.

## 19. ADMINISTRATION

### A. Restriction on Powers

No rule or regulation under the Management Plan shall be made and no action under its provision shall be taken which, with respect to contributions or benefits, or in any other respect, discriminates in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees.

### B. Ascertainment of Benefits

It shall be the duty of the Plan Administrator to examine into the facts relating to each Employee and determine his rights under the Management Plan and the amount and extent of the benefit which shall be payable to him or his spouse and the dates such benefit shall commence and cease. Such determination, if made in conformance with the provisions of the Management Plan, shall be final and binding upon such Employee and Employee's spouse.

In making such determination, the Plan Administrator shall follow the provisions of the Management Plan and shall not pay or cause to be paid any benefit, either during the existence or upon the discontinuance of the Management Plan, which would cause any part of the trust fund or funds to be used for or diverted to purposes other than for the exclusive benefit of the Employees of the Company or their spouses pursuant to the provisions of the Management Plan at any time prior to the satisfaction of all liabilities with respect thereto under the Management Plan.

### C. Claims

1. When any claim for benefits by a Participant or a Beneficiary is denied, the claimant shall be notified in writing







sent by certified mail of the specific reasons for the denial, in a manner calculated to be understood by the claimant.

2. If the claim for benefits of a Participant or Beneficiary is denied, the claimant shall have the right to a full and fair review of the decision denying such benefits, provided that the request for review, which shall be in writing and addressed to the Plan Administrator, shall be made within ninety (90) days after the claimant receives notice of the denial of benefits.

#### D. Records

The Plan Administrator shall maintain or cause to be maintained accounts showing the fiscal transactions of the Management Plan, and shall cause to be kept, in convenient form, such data as may be necessary for actuarial valuations under the Management Plan and such other matters and records as may be required to comply with ERISA.

### 20. TERMINATION OR MODIFICATION OF THE MANAGEMENT PLAN

#### A. Right to Terminate or Modify

The Company expects to continue the Management Plan indefinitely and to make contributions to the trust fund or funds under the Management Plan to meet the costs of all benefits provided hereunder, as a current charge upon operating expenses. The Company, however, except as it may have otherwise expressly agreed, reserves the right in its absolute discretion at any time and from time to time, and retroactively if deemed necessary or appropriate by it to conform with governmental regulations or other policies, by action of its Board of Trustees or pursuant to authority granted by its Board of Trustees, to amend, modify or terminate in whole or in part the Management Plan and the contributions thereunder. No such amendment, modification or termination, however, shall vest in the Company directly or indirectly any interest, ownership or control in the trust fund, except to the extent of any balance remaining after satisfaction of all liabilities under the Management Plan. No such amendment or modification shall retroactively decrease or otherwise affect adversely Employees' accrued benefits under the Management Plan as in effect on the later of the date on which the amendment is adopted or becomes effective.

#### B. Rights Upon Termination

In the event of termination of the Management Plan, each Participant's interest as of the date of the termination to the extent then funded or protected by law, if greater, shall be nonforfeitable. The funds of the Management Plan shall be used for the exclusive benefit of persons entitled to benefits under





the Management Plan as of the date of termination, except as provided in paragraph 16 D. However, any funds not required to satisfy all liabilities of the Management Plan for benefits because of erroneous actuarial computation shall be returned to the Company. The Plan Administrator shall determine on the basis of actuarial valuation the share of the funds of the Management Plan allocable to each person entitled to benefits under the Management Plan in accordance with Section 4044 of ERISA or corresponding provision of any applicable law in effect at the time. In the event of a partial termination of the Management Plan, the provisions of this paragraph 20 B shall be applicable to the Employees affected by that partial termination.

## 21. MISCELLANEOUS

### A. Merger or Consolidation

In the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan, each Participant in the Management Plan shall (if the Management Plan is terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer (if the Management Plan had then terminated).

### B. Limitation of Benefits Payable to Highly Compensated Employees

(1) The provisions of this paragraph 21 B shall apply (i) in the event the Management Plan is terminated, to any Employee who is a highly compensated employee or highly compensated former employee (as those terms are defined in Section 414(q) of the Code) of the Company and (ii) in any other event, to any Employee who is one of the 25 highly compensated employees or highly compensated former employees of the Company with the greatest compensation in any Plan Year. The amount of the annual payments to any one of the Employees to whom this paragraph 21 B applies shall not be greater than an amount equal to the annual payments that would be made on behalf of the Employee during the year under a single life annuity that is of equivalent actuarial value to the sum of the Employee's accrued benefit and the Employee's other benefits under the Management Plan. Equivalent actuarial value means equivalent value determined on the basis of the same actuarial assumptions as used for Table A or Table F, whichever Table is applicable.

(2) If, (i) after payment of Pension or other benefits to any one of the Employees to whom this paragraph 21 B applies, the value of Management Plan assets equals or exceeds 110 percent





of the value of current liabilities (as that term is defined in Section 412(1)(7) of the Code) of the Management Plan, (ii) the value of the accrued benefit and other benefits of any one of the Employees to whom this paragraph 21 B applies is less than one per cent of the value of current liabilities of the Management Plan, or (iii) the value of the benefits payable to an Employee to whom this paragraph 21 B applies does not exceed the amount described in Section 411(a)(11)(A) of the Code, the provisions of subdivision (1) above will not be applicable to the payment of benefits to such Employee.

(3) If an Employee to whom this paragraph 21 B applies elects to receive a lump sum payment in lieu of his accrued benefit and the provisions of subdivision (2) above are not met with respect to such Employee, the Employee shall be entitled to receive his benefit in full provided he shall agree to repay to the Management Plan any portion of the lump sum payment which would be restricted by operation of the provisions of subdivision (1), and shall provide adequate security to guarantee that repayment.

(4) Notwithstanding subdivision (1) of this paragraph 21 B, in the event the Management Plan is terminated, the restriction of this paragraph 21 B shall not be applicable if the benefit payable to any highly compensated employee and any highly compensated former employee is limited to a benefit that is nondiscriminatory under Section 401(a)(4) of the Code.

(5) If it should subsequently be determined by statute, court decision acquiesced in by the Commissioner of Internal Revenue, or ruling by the Commissioner of Internal Revenue, that the provisions of this paragraph 21 B are no longer necessary to qualify the Management Plan under the Code, this paragraph 21 B shall be ineffective without the necessity of further amendment to the Management Plan.

#### C. Forfeitures

Any forfeitures arising under the Management Plan shall be used to reduce the Company's contribution.

## 22. TOP-HEAVY PROVISIONS

A. The following definitions apply to the terms used in this paragraph 22:





(i) "applicable determination date" means the last day of the preceding Plan Year;

(ii) "top-heavy ratio" means the ratio of (x) the present value of the cumulative accrued benefits under the Management Plan for key employees to (y) the present value of the cumulative accrued benefits under the Management Plan for all key employees and non-key employees; provided however, that if an individual has not performed services for the Company at any time during the 5-year period ending on the applicable determination date, any accrued benefit for such individual (and the account of such individual) shall not be taken into account;

(iii) "applicable valuation date" means the date within the preceding Plan Year as of which annual Plan costs are or would be computed for minimum funding purposes;

(iv) "key employee" means an employee who is in a category of employees determined in accordance with the provisions of Section 416(i)(1) and (5) of the Code and any regulations thereunder, and, where applicable, on the basis of the Employee's remuneration which, with respect to any Employee, shall mean the wages, salaries and other amounts paid in respect of such Employee by the Company for personal services actually rendered, determined before any pre-tax contributions under a "qualified cash or deferred arrangement" (as defined under Section 401(k) of the Code and its applicable regulations) or under a "cafeteria plan" (as defined under Section 125 of the Code and its applicable regulations), and shall include, but not by way of limitation, bonuses, overtime payments and commissions; and shall exclude deferred compensation, stock options and other distributions which receive special tax benefits under the Code;

(v) "non-key employee" means any employee who is not a key employee;

(vi) "average remuneration" means the average annual remuneration of a Participant for the five consecutive years of his service after December 31, 1983 during which he received the greatest aggregate remuneration, as limited by Section 401(a)(17) of the Code, from the Company, excluding any remuneration for service after the last Plan Year with respect to which the Management Plan is top-heavy;



(vii) "required aggregation group" means each other qualified plan of the Company (including plans that terminated within the five-year period ending on the determination date) in which there are participants who are key employees or which enables the Management Plan to meet the requirements of Section 401(a)(4) or 410 of the Code; and

(viii) "permissive aggregation group" means each plan in the required aggregation group and any other qualified plan(s) of the Company in which all members are non-key employees, if the resulting aggregation group continues to meet the requirements of Sections 401(a)(4) and 410 of the Code.

B. For purposes of this paragraph 22, the Management Plan shall be "top-heavy" with respect to any Plan Year beginning on or after January 1, 1984, if as of the applicable determination date the top-heavy ratio exceeds 60 percent. The top-heavy ratio shall be determined as of the applicable valuation date in accordance with Section 416(g)(3) and (4)(B) of the Code on the basis of the 1971 TPF&C Forecast Mortality Table and an interest rate of 5 1/2 percent per year compounded annually. For purposes of determining whether the Management Plan is top-heavy, the present value of accrued benefits under the Management Plan will be combined with the present value of accrued benefits or account balances under each other plan in the required aggregation group, and, in the Company's discretion, may be combined with the present value of accrued benefits or account balances under any other qualified plan(s) in the permissive aggregation group. The accrued benefit of a non-key employee under the Management Plan or any other defined benefit plan in the aggregation group shall be (i) determined under the method, if any, for accrual purposes under all plans maintained by the Company or (ii) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule described in Section 411(b)(1)(C) of the Code.

C. The following provisions shall be applicable to Participants for any Plan Year with respect to which the Management Plan is top-heavy:

- (i) In lieu of the vesting rights specified in paragraph 7, a Participant shall be vested in, and have a nonforfeitable right to, a percentage of his accrued benefit determined in accordance with the provisions of the Management Plan and subparagraph (ii) below, as set forth in the following vesting schedule:





Years of Vesting Service	Percentage Vested
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years	80%
6 or more years	100%

(ii) The accrued benefit of a Participant who is a non-key employee shall not be less than two percent of his average remuneration multiplied by the number of years of his Accredited Service, not in excess of 10, during the Plan Years for which the Management Plan is top-heavy. That minimum benefit shall be payable at a Participant's Normal Retirement Date. If payments commence at a time other than the Participant's Normal Retirement Date, the minimum accrued benefit shall be of equivalent actuarial value to that minimum benefit.

(iii) The multiplier "1.25" in Sections 415(e)(2)(B)(i) and (3)(B)(i) of the Code shall be reduced to "1.0," and the dollar amount "\$51,875" in Section 415(e)(6)(B)(i)(I) of the Code shall be reduced to "\$41,500."

D. If the Plan is top-heavy with respect to a Plan Year and ceases to be top-heavy for a subsequent Plan Year, the following provisions shall be applicable.

(i) The accrued benefit in any such subsequent Plan Year shall not be less than the minimum accrued benefit provided in paragraph (C)(ii) above, computed as of the end of the most recent Plan Year for which the Management Plan was top-heavy.

(ii) If a Participant has completed three years of Vesting Service on or before the last day of the most recent Plan Year for which the Management Plan was top-heavy, the vesting schedule set forth in paragraph (C)(i) above shall continue to be applicable.

(iii) If a Participant has completed at least two, but less than three, years of Vesting Service on or before the last day of the most recent Plan Year for which the Management Plan was top-heavy, the vesting provisions of paragraph 7 shall again be applicable; provided, however, that in no event shall the vested percentage of a Participant's accrued benefit be less than the percentage determined under paragraph (C)(i) above as of the





last day of the most recent Plan Year for which the Management Plan was top-heavy.

23. RETIREE HEALTH PROGRAM ("PROGRAM")

A. Effective Date

This paragraph 23 shall become effective on January 1, 1986. Prescription drug benefits coverage is extended to dependents (as defined in Appendix I, Part A), effective May 1, 1988. Vision care benefits described in Appendix I, Part A are added to the Program effective June 1, 1988.

B. Benefits Provided

Appendix I, Part A to the Management Plan specifies the benefits to be provided under this paragraph 23 to eligible participants; provided, however, that, effective January 1, 1990, the Plan Administrator shall have authority to maintain the benefit limits so specified at levels the Plan Administrator determines to be reasonable and customary. The company or companies selected by the Plan Administrator to provide medical/hospital benefits and/or to administer medical/hospital claims and benefit payments and to provide prescription drugs and/or to administer prescription drug and vision care claims and benefit payments shall have final authority to decide all claims and the amount of benefit payments under provisions of Appendix I, Part A.

Effective January 1, 1993, a participant in the Program shall not be entitled to reimbursement for medical/hospital, vision care or prescription drug benefits under the Program to the extent that similar benefits have actually been paid under any other group coverage provided by or through the Company or a Voluntary Employees' Beneficiary Association (VEBA), as defined in Section 501(c)(9) of the Code, sponsored by the Company. In the event that benefits shall have been paid with respect to such participant by or through the Company or such VEBA, the amount payable under this Program shall be the difference, if any, between the amount that would have been payable under the Program after application of all deductibles, coinsurance and benefit limits, and the amount actually paid by or through the Company or such VEBA.

C. Participants' Contributions

Appendix I, Part B sets forth the monthly contribution for each covered person for medical/hospital and vision care benefits coverage, which is required to be paid by a participating retired Employee or surviving spouse. Effective January 1, 1993, the contribution for a month shall be reduced by any contribution for the same month made by the Employee or surviving spouse for





similar medical/ hospital and vision care benefits coverage under any other group coverage provided by or through the Company or a VEBA sponsored by the Company. Participants' contributions shall be deducted monthly from their Pension or Annuity payments, unless another form of payment is approved by the Plan Administrator.

Effective May 1, 1992, participants need not contribute toward the cost of prescription drug benefits but are required to pay an annual deductible and to make a copayment for each prescription or refill as set forth in Appendix I, Part B.

#### D. Funding

The cost of the Program set forth in this paragraph 23 and in Appendix I shall be funded by the contributions of participants and of the Company through the Trust Fund described in paragraph 15. All such contributions may be commingled with Pension- and Annuity-related assets for investment and custody purposes, but all Program contributions and earnings thereon, if any, together with all disbursements under the Program, shall be recorded and accounted for in one or more separate accounts relating solely to this Program.

In the event the Company shall make a contribution to the Trust Fund which includes contributions allocable both to Pension and Annuity benefits and to the Program, the Company shall clearly specify the portion of such contribution allocable to Pension and Annuity Benefits and the portion allocable to the Program.

In the event that all liabilities of the Program shall have been fully satisfied and there are no persons participating in the Program or eligible therefor, the entire balance in the separate account relating to the Program shall be paid by the Trustee to the Company.

#### E. Eligibility and Enrollment

(a) Only Employees who retire and immediately commence receiving a retirement Pension from the Management Plan, their spouses and dependents (as defined in Appendix I, Part A), and surviving spouses who are receiving Annuities from the Management Plan and their dependents (as defined in Appendix I, Part A) shall be eligible for medical/ hospital benefits, and only such retirees, their spouses and surviving spouses shall be eligible for prescription drug benefits; provided, however, that former Employees whose employment terminated because of disability and who are eligible for an immediate Pension under the Management Plan but have deferred commencement of such pension to continue to receive Long Term Disability benefits, shall also be eligible to enroll in the Program. Effective May 1, 1988, dependents (as defined in Appendix I, Part A) shall be eligible for prescription drug benefits, and, effective June 1, 1988, all persons enrolled for medical/hospital benefits shall be eligible for vision care benefits. Retirees and surviving spouses and their eligible



dependents are eligible for prescription drug benefits whether or not they enroll for medical/hospital benefits. A person not otherwise eligible to participate in the Retiree Health Program shall not become eligible to so participate solely by reason of receiving payments as a Beneficiary pursuant to paragraphs 6 D, 6 E or 6 F.

(b) Each eligible retired Employee and surviving spouse must enroll and commence participation in the Program upon the earlier of the Effective Date or the earliest date she or he may participate. However, an Employee who retires and immediately commences receiving a retirement Pension from the Management Plan, and/or the spouse of such Employee, who at that time participates in a group (not individual) medical/hospital benefit program provided by any source other than the Company and the surviving spouse of such retired Employee whose death terminates such other group coverage for such surviving spouse, may delay commencement of participation in this Program until expiration of such other group coverage, provided that such retired Employee or surviving spouse continues to receive a Pension or Annuity from the Management Plan at the time participation in this Program is to commence. Any such retired Employee, spouse or surviving spouse who desires to participate in this Program shall so notify the Plan Administrator and shall furnish to the Plan Administrator proof of such other group coverage and of its expiration. In addition, a surviving spouse who is receiving an annuity from the Management Plan, but who is also actively employed by the Company and/or covered by its group coverage, must delay commencement of participation in this Program until termination of employment with the Company or other discontinuance of participation in the Company's group coverage.

FAILURE BY AN ELIGIBLE PERSON TO ELECT TO PARTICIPATE SHALL BE DEEMED TO BE A DECLINATION BY SUCH PERSON. IF AN ELIGIBLE PERSON DECLINES TO PARTICIPATE OR IS DEEMED TO HAVE DECLINED TO PARTICIPATE, SUCH PERSON AND SUCH PERSON'S SURVIVING SPOUSE AND DEPENDENTS SHALL NOT PARTICIPATE IN THE PROGRAM AND SHALL NOT BE ELIGIBLE TO PARTICIPATE AT A LATER DATE.

(c) Each retiree or surviving spouse eligible for medical/hospital benefits beginning on the Effective Date shall be notified, not less than 90 days before the Effective Date, of such eligibility and of the terms and conditions of such benefits. After the Program is effective, each Employee or surviving spouse shall be notified not more than 90 days prior to the earliest date she or he may participate, of such eligibility and of the terms and conditions of such benefits. Such notice shall be in writing and written in such manner as to be understood by a person of average intellect and ability. Each eligible person desiring to participate shall elect to participate by completing and signing enrollment forms provided by the Plan Administrator not later than 30 days before the earliest day she or he may commence participation (or within 60 days after receipt of notification in the case of a surviving







spouse of a suddenly deceased Employee). Each retiree or surviving spouse eligible for vision care benefits shall receive instructions for securing such benefits.

(d) Each retiree or surviving spouse eligible for prescription benefits shall receive an identification card and instructions for securing such benefits.

#### F. Limitations and Restrictions

Except as provided in paragraph 23 D., all contributions to the Program and earnings thereon, if any, shall be for the exclusive benefit of enrolled participants, and no part of such assets shall be diverted to any other purpose. In no event shall assets of the Management Plan relating to Pension and Annuity benefits be utilized for health benefits, and in no event shall assets of the Program be utilized for Pension or Annuity benefits.

The Program shall be administered in such manner that it shall not discriminate in favor of shareholders, officers and highly compensated Employees of the Company. Any Employee who during any Plan Year was a Key Employee, as defined in Section 416(i) of the Code, shall not be eligible to participate in the Program.

#### G. Termination or Modification

THE COMPANY RESERVES THE RIGHT IN ITS ABSOLUTE DISCRETION AT ANY TIME AND FROM TIME TO TIME AND WITHOUT PRIOR NOTICE TO PARTICIPANTS, BY ACTION OF ITS BOARD OF TRUSTEES OR PURSUANT TO AUTHORITY GRANTED BY ITS BOARD OF TRUSTEES, TO AMEND, MODIFY OR TERMINATE IN WHOLE OR IN PART THE RETIREE HEALTH PROGRAM SET FORTH ABOVE AND IN APPENDIX I AND TO REDUCE, CEASE OR INCREASE ITS CONTRIBUTIONS TO THE PLAN FOR THE PROGRAM. NO SUCH AMENDMENT, MODIFICATION, TERMINATION OR CHANGE IN COMPANY CONTRIBUTIONS SHALL RETROACTIVELY AFFECT ADVERSELY ANY PARTICIPANT'S BENEFIT UNDER THE PROGRAM.

### 24. COST-OF-LIVING ADJUSTMENTS

#### A. Effective Date

This paragraph 24 is effective as of January 1, 1987.





## B. Eligibility

All Pensions and Annuities payable under the Plan for the month of April in a calendar year, which Pensions and Annuities commenced to be paid prior to December 31 of the prior calendar year, shall be eligible for an adjustment hereunder. In the case of an Annuity payable to a surviving spouse of a retired participant, the surviving spouse's Annuity shall be deemed to have commenced on the date the retired participant's Pension commenced.

## C. Pensions and Annuities Adjusted Annually

Beginning with 1987, all eligible Pensions and Annuities being paid from time to time under the Management Plan shall be increased annually by the percentage determined under paragraph 24 D. Such adjustment shall be made for the month of April each year and for each month thereafter, until further changed or terminated in accordance with provisions of this Plan.

## D. Percentage of Adjustment

Each annual adjustment shall equal seventy five percent (75%) of the percentage increase rounded to the nearest one-tenth percent (1/10%), in the Index specified in paragraph 24 F for the preceding December over the Index for the next-preceding December; provided, however, that such annual adjustment shall not:

( i ) exceed three percent (3%) or

(ii) be less than zero percent (0%), of the eligible Pension or Annuity.

## E. Limitation on Adjustments

No adjustment in a Pension or Annuity provided under this paragraph 24 may cause such Pension or Annuity, as adjusted, to be greater than the product of (A) the amount of such Pension or Annuity paid for the month of December 1986 or the later month in which the Pension or Annuity commenced ("Commencement Month"), multiplied by (B) a fraction, the numerator of which shall be the Index for the December immediately preceding the month of April in which the adjustment is to be made, and the denominator of which shall be the Index for the December immediately preceding the Commencement Month. For all purposes of calculating this limitation, the Annuity of a surviving spouse of an employee who retired and commenced to receive a Pension, shall be 50% of such retired employee's initial Pension, and the denominator of (B) shall be the Index for December 1985 or the Index for the December preceding the later month in which the retired employee commenced to receive the Pension. Any increase pursuant to this





paragraph 24 shall be reduced to the extent required to satisfy the limitation set forth in this paragraph 24E.

#### F. Index

The Index to be used for purposes of this paragraph 24 shall be the Consumer Price Index, all urban consumers-U.S. city average, as published by the United States Department of Labor. If at any time such Index is revised or discontinued, or if the Named Fiduciaries determine that a different index, device or other form of measurement more accurately measures the impact of inflation on the purchasing power of retirees, the Named Fiduciaries, with the advice of the Plan's Actuary, may substitute such other index, device or other form of measurement as they, in their discretion, determine to be appropriate.

#### G. Cash-Outs

In converting the deferred pension otherwise payable to an Employee to a Cash-Out, the actuarial assumptions underlying such conversion shall reflect 75 percent of the anticipated inflation related component of long term interest rates, which shall be calculated by subtracting an assumed real interest rate of 5.5 percent from the single interest rate that would produce a value equal to the value produced by the interest rates used under Section 417(e) of the Code, except that in no event shall the rate of the assumed postretirement cost of living adjustment exceed 3 percent or be less than zero.





APPENDIX I - RETIREE HEALTH PROGRAM

PART A - BENEFITS

I. HOSPITAL/MEDICAL BENEFITS

Description:

A hospital and medical plan for eligible retirees, and spouses, eligible surviving spouses of retirees, and unmarried dependent children to the end of the calendar year in which they attain age 19, or to the end of the calendar month in which they attain age 23 if full-time unmarried students, or unmarried handicapped children fully dependent on the eligible retiree or surviving spouse for support and maintenance regardless of age, provided such handicap was suffered prior to attaining age 19 or while covered by this plan. Benefits will be provided to those not eligible for Medicare and those eligible for Medicare except that benefits provided shall, for those Participants who are eligible for Medicare Parts A and B benefits, exclude benefits available under Medicare Parts A and B, whether or not such Participants have enrolled in Part A and/or Part B. Coverage will be provided through a combination of three premium rates established for: Single person not eligible for Medicare, single person eligible for Medicare, and coverage for dependents (spouse and/or children).

Annual Deductibles:

HOSPITAL - 50% of the Part A Medicare annual per person deductible amount in effect at the time of the hospitalization (subject to a maximum \$50 per person annual out-of-pocket expense for home health care expenses).

MEDICAL - \$200 per person per year (includes the Medicare Part B deductible). For families with 4 or more persons covered, the maximum annual deductible is \$600 and no more than \$200 of any one person's covered medical expenses will be applied toward the family deductible.

Medical Expense Reimbursement Level:

Reasonable and customary charges as determined by the company providing or administering medical expense benefits.



Medical Expense Copayments:

20% for expenses from \$200 to \$7,500 per person per year.

None for expenses over \$7,500 per person per year.

Medical Expense Lifetime Maximum Reimbursement:

\$1,000,000 paid by the Plan for each individual.

Benefits:

HOSPITAL (Paid-in-Full)

A. Up to 365 days for semiprivate room and board and other usual charges in a legally constituted hospital, skilled nursing facility approved by Medicare, or hospice.

B. Up to 100 days of rehabilitative care in a JCHA rehabilitation institution per person per year.

C. 30 days per person per year for treatment of mental, psychoneurotic, or personality disorders in semiprivate room in an approved facility.

D. Up to 200 home health care visits per person per year by a licensed approved Home Health Care Agency.

E. Emergency room charges for accidental injury or sudden and serious illness (not subject to deductible).

F. Outpatient preadmission testing (not subject to the deductible).

G. Pregnancy is treated the same as any other sickness.

H. Effective January 1, 1992, precertification for hospital admission for a person who is not Medicare-eligible and concurrent review of length of hospital stay. The precertification program will review the medical necessity and length of hospital stays. If a participant does not call the insurance carrier administering the program for precertification before a scheduled hospital admission or within two business days after an emergency hospital admission, the participant will be responsible for \$100 per day of the hospital charges normally covered under the plan, up to a maximum cost to the participant



of \$500. This amount shall be in addition to the plan's hospital deductible. If a participant stays in the hospital for more days than the insurance carrier has certified, the participant may be responsible for the full cost of the uncertified days.

I. Effective January 1, 1993, inpatient diagnosis and treatment in a hospital or in an alcohol or substance abuse treatment center of alcoholism or alcohol abuse and substance abuse or substance dependence subject to the following limitations as to days of care:

- Up to 7 days of alcohol detoxification in any calendar year and up to 30 days of alcohol rehabilitation in any calendar year, but not more than 60 days in a lifetime.

- Up to 14 days of substance detoxification in any calendar year and up to 30 days of substance rehabilitation in any calendar year, but not more than 60 days in a lifetime.

#### MEDICAL

A. Payment of 100% of reasonable and customary charges (not subject to the deductible) for:

Charges for outpatient surgery, provided a second opinion has been obtained, if required by the Plan

Mandatory second opinion, which is required by the Plan for the following elective surgical procedures:

- All foot surgery, including bunionectomy, arthrotomy, phalangectomy, capsulotomy, arthrodesis, arthroplasty, and straightening of hammer toe.

- Varicose vein ligation and stripping

- Knee surgery, including arthrectomy, arthrotomy, arthroscopy with partial meniscectomy, and arthroplasty.

- Coronary Bypass procedures

- Dilation and Curettage

- Cataract surgery

- Varicocelelectomy



- Hysterectomy
- Mastectomy
- Prostate surgery
- Intervertebral disc or spinal surgery
- Hemorrhoidectomy
- Deviated septum repair or reconstruction

B. Payment of 50% of reasonable and customary charges, subject to deductible, for:

- Elective surgical procedures for which mandatory second opinion has not been obtained
- Outpatient treatment of mental, psychoneurotic and personality disorders (effective January 1, 1993, subject to a \$1,500 annual maximum per person provided, however, that a minimum reimbursement of \$30 a visit will apply).
- Routine foot care (\$250 maximum per person per year)
- Licensed Chiropractor services (\$500 maximum per person per year)

C. Payment of reasonable and customary charges, subject to deductibles and copayments, for:

- Hospital services and supplies not covered under Hospital benefits
- Physician's services and supplies furnished as part of those services
- Inpatient surgical charges, provided a second opinion has been obtained, if required by the Plan
- X-Rays; X-Ray, Radium and Radioactive isotope therapies; Chemotherapy
- Laboratory services and diagnostic testing
- Surgical dressings, casts, splints, and other devices used for reductions, fractures and dislocations





- Anesthetics and their administration

- Rental or purchase of durable medical equipment when medically necessary

- Inpatient and outpatient private duty nursing care at a level determined to be appropriate and medically necessary by the insurance company insuring the benefits under the Plan

- Medically necessary ambulance services

- Artificial limbs, larynxes, eyes and other non-dental prosthetic devices

- Braces, trusses and crutches

- Heart pacemakers

- Treatment of accidentally injured natural teeth within 12 months of accident, including dental surgery and prosthetic devices

- Manual manipulation of the spine to correct a subluxation demonstrated by X-ray

- Oxygen

- Examination, purchase, and fitting of hearing aids, not subject to 20% copayment, but subject to a maximum of \$300 per ear per lifetime

- Physical, speech, and occupational therapy when medically necessary

- Transfusions of blood and blood components and charges for the administration of the same

- Renal dialysis

D. Effective January 1, 1993, payment of 80% of reasonable and customary charges, subject to deductible, for diagnostic and medically necessary outpatient treatment of alcoholism or alcohol abuse and substance abuse or substance dependence for up to 60 outpatient visits per person in a calendar year. Up to an aggregate of 20 of the visits may be used for counseling covered family members.



Exclusions:

- Injuries arising out of, or in the course of, employment for pay
- Injury or sickness caused by an act of war
- Prescription drugs and medications (except those dispensed during a hospital stay)
- Custodial Care
- Doctor's services or X-rays relating to teeth (except for treatment of accidental injury to natural teeth or removal of malignant mouth tumor)
- Services and supplies provided by any government agencies, or covered by worker's compensation, governmental agencies, no-fault insurance, or where there is no obligation to pay
- Routine check-ups
- Eyeglasses, contact lenses, eye examinations, vision training, and eye surgery to correct near- or far-sightedness or astigmatism
- Immunizations
- Acupuncture except when medically necessary and provided by a licensed physician
- Cosmetic surgery (except reconstructive surgery required as a result of injury, infection, disease or bodily function impairment due to birth disease or defect)
- Personal comfort items
- Experimental procedures or therapies
- Orthotic devices
- Blood or blood plasma replaced by or for the patient
- Actual or attempted impregnation or fertilization



- Nursing or any therapy provided by the retiree, or retiree's spouse, child, brother, sister, parent or parent-in-law

- Services or supplies not reasonable or customary or not medically necessary

## II. PRESCRIPTION DRUG BENEFITS

### Description:

A prescription drug payment Plan for retirees and their spouses, or surviving spouses of retirees, and, effective May 1, 1988, for their unmarried dependent children to the end of the calendar year in which they attain age 19, or to the end of the calendar month in which they attain age 23 if they are full-time students, and for their unmarried handicapped children who are fully dependent on the retiree or surviving spouse for support and maintenance regardless of age, provided such handicap was suffered prior to attaining age 19 or while covered by this Plan. Benefits are processed and administered by one or more companies selected by the Plan Administrator from time to time.

### Cost to Participants:

Effective May 1, 1992, there is an annual deductible per family set forth in Appendix I, Part B, that must be met before the Plan will reimburse a participant for prescriptions obtained under the prescription card program. The annual deductible shall not apply to prescriptions obtained under the mail service program.

Each prescription or refill requires the copayment set forth in Part B (the "required copayment") to be made by the retiree, but the Plan pays the entire balance of the cost for prescriptions filled under mail service coverage and, after the annual deductible is met, the entire balance of the cost of prescriptions filled at pharmacies designated as participating pharmacies for basic benefits.

Effective January 1, 1993, participants using non-participating pharmacies must pay for their prescriptions and submit reimbursement claims to the Plan. After the annual deductible is met, the Plan will reimburse participants an amount equal to one hundred percent (100%) of the average wholesale price of the prescription less the applicable co-payment.



Basic Coverage:

Virtually all legend drugs and medicines requiring a prescription from a doctor are eligible for payment. Compounded medication must include at least one prescription legend drug. A quantity sufficient for 34 days may be dispensed. Included are insulin and drugs prescribed for chronic conditions. Certain chronic prescription drugs may be dispensed in amounts up to 100 unit doses.

Refills of prescriptions are also covered. Authorized refills may be filled only up to one year from the date of the original prescription. After one year, the Plan requires a new prescription from the physician.

There is no limit to the number of prescriptions that may be filled, but the Participant must make the required co-payment for each prescription and each refill.

Prescription costs are covered whether the prescribing doctor is a doctor of medicine, a doctor of osteopathy, a dentist or a podiatrist.

Mail Service Coverage:

Prescription drugs taken on an ongoing basis are available in up to 180 day supply quantities by mail from the provider selected by the Plan Administrator. The same drugs are included for mail service benefits as for basic coverage.

Exclusions:

- Medicines and drugs ordinarily available without a doctor's prescription.
- Charges for the administration or injection of any drug.
- Therapeutical devices or appliances, including hypodermic needles, syringes, support garments and other non-medical substances, regardless of intended use (except that hypodermic needles and syringes are covered under the mail service program).
- Investigational or experimental drugs.
- Immunization agents, biological sera, blood or blood plasma.





- Medication taken or administered to an individual, while he or she is a patient in a licensed hospital, rest home, sanitarium, extended care facility, convalescent facility, nursing home, etc., which operates on its premises a facility for dispensing pharmaceutical.

Securing Basic Benefits:

Eligible participants will receive from the firm administering the benefits an identification card to be presented with the required co-payment at participating pharmacies. If prescriptions are purchased at nonparticipating pharmacies, the pharmacist must complete an approved Prescription Drug Claim Form for submission to the firm administering the benefits.

Securing Mail Service Benefits:

Eligible participants should submit a Patient Profile Questionnaire to the firm selected by the Plan Administrator to administer mail service prescriptions together with the first prescription for up to a 180 day supply (refillable if applicable), and the required co-payment for each prescription. Only the required co-payment for each prescription or refill must be submitted with all future prescriptions or refills.

III. VISION CARE BENEFITS

Description

Vision care benefits provided within the medical/hospital benefit plan for retirees and their spouses, or surviving spouses of retirees, and for their dependent children who are eligible for medical/hospital benefits under the Program. Benefits are processed and administered by one or more companies selected by the Plan Administrator from time to time.

SCHEDULE OF BENEFITS

The maximum reimbursable amounts are:

I. Vision Care Examination                    \$20

II. A. or B., effective January 1, 1990:

A. Pair of eyeglass lenses            \$25  
   Eyeglass frames                    \$20

B. Contact Lenses                        \$45



Covered Vision Care:

Each eligible Participant is entitled to one eye examination and one pair of eyeglasses or contact lenses once in every 24 consecutive calendar months, as follows:

1. Eye Examination:

Vision examination when performed by a physician licensed to perform vision examinations and prescribe lenses, an ophthalmologist, or optometrist who evaluate the health and visual status of the eyes. An examination usually includes: case history, visual acuity (clearness of vision), external examination and measurement, interior examination with ophthalmoscope, pupillary reflexes and eye movements, retinoscopy (shadow test), subjective refraction, coordination measurements (far and near), tonometry (glaucoma test), medicating agents for diagnostic purposes, if applicable, and an analysis of the findings with recommendations and a prescription, if required.

2. Either A. or B.:

A. Eyeglasses, including:

(i) Two glass or plastic lenses, when they are prescribed by an ophthalmologist, a physician licensed to perform vision examinations and prescribe lenses or an optometrist. Lenses must meet the standards of the American National Standards Institute.

(ii) Frames adequate to hold lenses.

B. Contact Lenses

3. Dispensing Services

The allowances stated above include dispensing services performed by an ophthalmologist, a physician licensed to perform vision examinations and prescribe lenses, an optometrist or an optician who, based on a prescription prepares or orders the eyeglasses or contact lenses selected, verifies the accuracy of the lenses and assures that the eyeglasses or contact lenses fit properly.



Limitations and Exclusions:

Benefits are not payable for:

- The difference between the actual charge for services, lenses and/or frames, and the maximum amount therefor in the schedule of benefits.

- Service or supplies for which the covered person is entitled to or receives benefits under any other plan or program, insured or uninsured, for which the covered person's employer directly or indirectly pays all or part of the cost;

- Drugs or any other medication not administered for the purpose of a vision examination;

- Services and supplies in connection with medical or surgical treatment of the eye;

- Services and supplies in connection with special procedures such as, but not limited to, orthoptics, vision training, subnormal vision aids, aniseikonic lenses and tonography;

- Vision examination rendered and lenses or frames ordered:

1. before the person became eligible for vision care benefits coverage; or

2. after termination of vision care benefits coverage;

- Services or supplies not prescribed as necessary by a licensed physician, optometrist or optician;

- Charges for services or supplies that are experimental in nature;

- Replacement of lenses or frames that are lost or broken unless at the time of replacement the covered person is otherwise eligible under the frequency of services provision;

- Services or supplies that are covered by any worker's compensation laws or similar legislation;

- Services or supplies for which no charge is made that the covered person is legally obligated to pay or for which no charge would be made in the absence of vision care benefits coverage;



- Sunglasses or other tinted glasses of any kind, photosensitive or anti-reflective lenses and aniseikonic lenses, to the extent any such charges exceed the charges for clear white plastic or glass lenses;

- Services or supplies required by an employer as a condition of employment, or which the employer is required to provide directly to the employee according to the terms of a labor contract;

- Services or supplies required by a government body;

- Services or supplies furnished by any government and any charges to the extent benefits are provided by government programs.

#### Securing Benefits

To file a claim a Participant should obtain a Retiree Health Plan claim form from the Company. The Participant should fill in the Participant portion of the claim form and have the form completed by the provider. The Participant should then send the completed form to the benefit processor who will reimburse Participant for the actual charge paid by the Participant for covered vision expenses but not for more than the amounts set forth in the schedule for maximum reimbursement amounts.

Alternatively, the Participant may on the Retiree Health Plan claim form request an assignment of the benefits to the provider, in which event the benefits processor will send the reimbursement check directly to the provider. The Participant is responsible for paying the full difference between the actual charges and the amount reimbursed.

#### IV. MODIFICATION OR TERMINATION OF PROGRAM

THE COMPANY RESERVES THE RIGHT IN ITS ABSOLUTE DISCRETION AT ANYTIME AND FROM TIME TO TIME AND WITHOUT PRIOR NOTICE TO PARTICIPANTS, BY ACTION OF ITS BOARD OF TRUSTEES OR PURSUANT TO AUTHORITY GRANTED BY ITS BOARD OF TRUSTEES, TO AMEND, MODIFY OR TERMINATE IN WHOLE OR IN PART THE RETIREE HEALTH PROGRAM SET FORTH IN THIS APPENDIX I, AND TO REDUCE, CEASE OR INCREASE ITS CONTRIBUTIONS TO THE PLAN FOR THE PROGRAM. NO SUCH AMENDMENT, MODIFICATION, TERMINATION OR CHANGE IN COMPANY CONTRIBUTIONS SHALL RETROACTIVELY AFFECT ADVERSELY ANY PARTICIPANT'S BENEFITS UNDER THE PROGRAM.





PART B - COSTS

Retiree Monthly Contribution for Medical/Hospital Benefits

Effective October 1, 1994 the following amounts for each participating eligible individual shall be deducted from the monthly Pension or Annuity payments to the retiree or surviving spouse:

A. Where Employee Retired Before June 1, 1988:

	Not Eligible for Medicare	Eligible for Medicare
Retiree	\$ 48	\$ 19
One or more Dependents	\$ 72	\$ 29
Surviving Spouse	\$ 48	\$ 19

B. Where Employee Retired After May 31, 1988:

	Not Eligible for Medicare	Eligible for Medicare
Retiree	\$ 72	\$ 19
One or more Dependents	\$ 108	\$ 29
Surviving Spouse	\$ 72	\$ 19.

Required Deductible and Copayment For Prescription Drugs

Effective May 1, 1992, a \$25 annual deductible per family must be met before the Plan pays for any prescriptions obtained under the prescription card program. Effective May 1, 1992, the required copayment for basic coverage shall be \$6.00 for brand name products and \$3.00 for generic products, and there shall be no copayment for prescription drugs obtained under the mail service program.

Company Contribution

Each plan year, the Company will contribute an amount equal to the excess of the actuarially determined cost over total retiree contributions; provided, however, that the Company's



aggregate actual contributions for medical benefits shall not exceed 25 percent of the Company's total actual contributions to the Management Plan (other than contributions to fund past service credits) after January 1, 1986, the date on which the Program was established.

#### Effective Dates

The contribution and prescription drug annual deductible and co-payment levels set forth above are effective for the time periods indicated. New contribution, deductible and co-payment levels will be established by the Company from time to time, and Participants will be notified in advance of the effective date thereof. ANY INCREASES IN COSTS SHALL BE THE SOLE RESPONSIBILITY OF PARTICIPATING INDIVIDUALS, except to the extent the Company, in its sole discretion, elects to increase its contribution over levels in effect upon the dates indicated above.



TABLE A

EARLY RETIREMENT DISCOUNT FACTORS

APPLIED TO THE EMPLOYEE'S ACCRUED PENSION FOR RETIREMENTS PRIOR  
TO THE ATTAINMENT OF THE OPTIONAL RETIREMENT DATE

(MONTHS PRIOR IS THE NUMBER OF MONTHS BETWEEN AN EMPLOYEE'S RETIREMENT DATE  
AFTER HIS SIXTIETH BIRTHDAY AND THE DATE OF RETIREMENT)  
(ALSO APPLIED IN CALCULATION OF SURVIVING SPOUSE BENEFIT)

Months Prior	Discount Factor	Months Prior	Discount Factor	Months Prior	Discount Factor	Months Prior	Discount Factor
1	0.99875	49	0.93875	97	0.46900	145	0.36200
2	0.99750	50	0.93750	98	0.46600	146	0.36000
3	0.99625	51	0.93625	99	0.46300	147	0.35800
4	0.99500	52	0.93500	100	0.46000	148	0.35600
5	0.99375	53	0.93375	101	0.45700	149	0.35400
6	0.99250	54	0.93250	102	0.45400	150	0.35200
7	0.99125	55	0.93125	103	0.45100	151	0.35000
8	0.99000	56	0.93000	104	0.44800	152	0.34800
9	0.98875	57	0.92875	105	0.44500	153	0.34600
10	0.98750	58	0.92750	106	0.44200	154	0.34400
11	0.98625	59	0.92625	107	0.43900	155	0.34200
12 (59)	0.98500	60 (55)	0.92500	108 (51)	0.43600	156 (47)	0.34000
13	0.98375	61	0.57700	109	0.43400	157	0.33800
14	0.98250	62	0.57400	110	0.43200	158	0.33600
15	0.98125	63	0.57100	111	0.43000	159	0.33400
16	0.98000	64	0.56800	112	0.42800	160	0.33200
17	0.97875	65	0.56500	113	0.42600	161	0.33000
18	0.97750	66	0.56200	114	0.42400	162	0.32800
19	0.97625	67	0.55900	115	0.42200	163	0.32600
20	0.97500	68	0.55600	116	0.42000	164	0.32400
21	0.97375	69	0.55300	117	0.41800	165	0.32200
22	0.97250	70	0.55000	118	0.41600	166	0.32000
23	0.97125	71	0.54700	119	0.41400	167	0.31800
24 (58)	0.97000	72 (54)	0.54400	120 (50)	0.41200	168 (46)	0.31600
25	0.96875	73	0.54100	121	0.41000	169	0.31400
26	0.96750	74	0.53800	122	0.40800	170	0.31200
27	0.96625	75	0.53500	123	0.40600	171	0.31000
28	0.96500	76	0.53200	124	0.40400	172	0.30800
29	0.96375	77	0.52900	125	0.40200	173	0.30600
30	0.96250	78	0.52600	126	0.40000	174	0.30400
31	0.96125	79	0.52300	127	0.39800	175	0.30200
32	0.96000	80	0.52000	128	0.39600	176	0.30000
33	0.95875	81	0.51700	129	0.39400	177	0.29800
34	0.95750	82	0.51400	130	0.39200	178	0.29600
35	0.95625	83	0.51100	131	0.39000	179	0.29400
36 (57)	0.95500	84 (53)	0.50800	132 (49)	0.38800	180 (45)	0.29200
37	0.95375	85	0.50500	133	0.38600		
38	0.95250	86	0.50200	134	0.38400		
39	0.95125	87	0.49900	135	0.38200		
40	0.95000	88	0.49600	136	0.38000		
41	0.94875	89	0.49300	137	0.37800		
42	0.94750	90	0.49000	138	0.37600		
43	0.94625	91	0.48700	139	0.37400		
44	0.94500	92	0.48400	140	0.37200		
45	0.94375	93	0.48100	141	0.37000		
46	0.94250	94	0.47800	142	0.36800		
47	0.94125	95	0.47500	143	0.36600		
48 (56)	0.94000	96 (52)	0.47200	144 (48)	0.36400		

Exact ages shown in parenthesis Retirement Plan for Management Employees - 1989



TABLE B

LUMP-SUM DISTRIBUTION FACTORS  
(Present Value Factors)

Factor Corresponding to Age of Employee at Termination  
Which When Applied to Vested Pension Payable at Age 65  
Will Determine "Cashout" Value

Age *	Factor	Age *	Factor
20	0.6969	45	2.7271
21	0.7335	46	2.8859
22	0.7743	47	3.0552
23	0.8173	48	3.2359
24	0.8628	49	3.4289
25	0.9108	50	3.6354
26	0.9615	51	3.8566
27	1.0151	52	4.0937
28	1.0717	53	4.3482
29	1.1315	54	4.6216
30	1.1947	55	4.9158
31	1.2614	56	5.2325
32	1.3320	57	5.5737
33	1.4066	58	5.9415
34	4.4855	59	6.3387
35	1.5689	60	6.7692
36	1.6571	61	7.2372
37	1.7504	62	7.7472
38	1.8492	63	8.3042
39	1.9538	64	8.9143
40	2.0645		
41	2.1817		
42	2.3060		
43	2.4379		
44	2.5781		

\* Age at termination is age nearest birthday.  
(Age 43 and 6 months = Age 44)

Mortality: 1971 TPF&C Forecast  
Interest: 5.50%





TABLE C

10 Year Certain Annuity  
Conversion Factors

Age	Factor	Age	Factor
45	.9948	61	.9716
46	.9942	62	.9679
47	.9935	63	.9637
48	.9927	64	.9589
49	.9919	65	.9535
50	.9911	66	.9474
51	.9901	67	.9405
52	.9891	68	.9329
53	.9880	69	.9243
54	.9868	70	.9148
55	.9854	71	.9042
56	.9838	72	.8925
57	.9820	73	.8796
58	.9800	74	.8654
59	.9776	75	.8499
60	.9748		

## Basis:

GATT GAM (1983 GAM with Margins Weighted 50% male and 50% female)

7.50%

Effective Date: January 1, 1995



TABLE D  
 CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34		35
20	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	20
21	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	21
22	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	22
23	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	23
24	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	24
25	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	25
26	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	26
27	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	27
28	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	28
29	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	29
30	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	30
31	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	31
32	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	32
33	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	33
34	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	34
35	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	35
36	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	36
37	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	37
38	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	38
39	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	39
40	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	40
41	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	41
42	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	42
43	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	43
44	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	44
45	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	45
46	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	46
47	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	47
48	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	48
49	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	49
50	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	50
51	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	51
52	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	52
53	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	53
54	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	54
	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
 BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
 CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34		35
55	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	55
56	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	56
57	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	57
58	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	58
59	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	59
60	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	60
61	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	61
62	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	62
63	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	63
64	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	64
65	....	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	65
66	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	66
67	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	67
68	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	68
69	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	69
70	....	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	70
71	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	71
72	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	72
73	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	73
74	....	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	74
75	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	75
76	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	76
77	....	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	77
78	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	78
79	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	79
80	....	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	80
81	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	81
82	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	82
83	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	83
84	....	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	84
85	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	85
86	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	86
87	....	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	87
88	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	88
89	....	....	....	....	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	.999	89

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
 BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49		50
20	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	20
21	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	21
22	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	22
23	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	23
24	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	24
25	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	25
26	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	26
27	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	27
28	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	28
29	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	29
30	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	30
31	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	31
32	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	32
33	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	33
34	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	34
35	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	35
36	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	36
37	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	37
38	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	38
39	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	39
40	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	40
41	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	41
42	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	42
43	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	43
44	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	44
45	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	45
46	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	46
47	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	47
48	.999	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	48
49	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.996	49
50	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.996	50
51	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	51
52	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	52
53	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	53
54	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	54
	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE





TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49		50
55	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	55
56	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	56
57	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	57
58	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	58
59	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	59
60	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	60
61	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	61
62	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	62
63	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	63
64	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	64
65	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	65
66	.999	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.996	.996	.996	.995	66
67	.999	.999	.999	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.996	.995	67
68	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.996	.995	68
69	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	69
70	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	70
71	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	71
72	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	72
73	.999	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	73
74	.999	.999	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.996	.995	.995	74
75	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	75
76	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	76
77	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	77
78	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	78
79	.999	.999	.999	.999	.998	.998	.998	.998	.997	.997	.996	.996	.996	.995	.995	.994	79
80	.999	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.995	.995	.994	.994	80
81	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.994	81
82	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.994	82
83	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.993	83
84	.999	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.993	84
85	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.996	.995	.994	.994	.993	85
86	.999	.999	.998	.998	.998	.998	.998	.997	.997	.996	.996	.995	.995	.994	.994	.993	86
87	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.994	.993	87
88	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.993	.993	88
89	.999	.999	.998	.998	.998	.998	.997	.997	.997	.996	.996	.995	.995	.994	.993	.993	89

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64		65
20	.996	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.983	.980	20
21	.996	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.983	.980	21
22	.996	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	22
23	.996	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	23
24	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	24
25	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	25
26	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	26
27	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	27
28	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	28
29	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	29
30	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	30
31	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	31
32	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	32
33	.996	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	33
34	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	34
35	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	35
36	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	36
37	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	37
38	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	38
39	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	39
40	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	40
41	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	41
42	.996	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	42
43	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.986	.984	.982	.979	43
44	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.984	.982	.979	44
45	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.984	.982	.979	45
46	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.984	.981	.979	46
47	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.983	.981	.979	47
48	.996	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.983	.981	.979	48
49	.996	.995	.995	.994	.994	.993	.992	.991	.991	.989	.988	.987	.985	.983	.981	.979	49
50	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	50
51	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	51
52	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	52
53	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.978	53
54	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	54

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64		65
55	.996	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	55
56	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.980	.978	56
57	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	.978	57
58	.996	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	.978	58
59	.995	.995	.995	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	59
60	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	60
61	.995	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	61
62	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.986	.984	.982	.979	.977	62
63	.995	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.984	.981	.979	.976	63
64	.995	.995	.994	.994	.993	.992	.991	.991	.989	.988	.987	.985	.983	.981	.979	.976	64
65	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.978	.976	65
66	.995	.995	.994	.994	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	.975	66
67	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.980	.978	.975	67
68	.995	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.984	.982	.980	.978	.975	68
69	.995	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	.974	69
70	.995	.994	.994	.993	.992	.992	.991	.990	.989	.987	.986	.984	.982	.979	.977	.974	70
71	.995	.994	.994	.993	.992	.992	.991	.990	.988	.987	.985	.984	.981	.979	.976	.973	71
72	.995	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	.976	.973	72
73	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	.975	.972	73
74	.995	.994	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.980	.978	.975	.972	74
75	.994	.994	.993	.993	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	.974	.971	75
76	.994	.994	.993	.992	.992	.991	.990	.989	.987	.986	.984	.982	.979	.977	.974	.970	76
77	.994	.994	.993	.992	.991	.990	.989	.988	.987	.985	.984	.981	.979	.976	.973	.970	77
78	.994	.993	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	.976	.973	.969	78
79	.994	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	.975	.972	.968	79
80	.994	.993	.992	.992	.991	.990	.989	.988	.986	.984	.982	.980	.978	.975	.971	.968	80
81	.994	.993	.992	.992	.991	.990	.989	.987	.986	.984	.982	.980	.977	.974	.971	.967	81
82	.994	.993	.992	.991	.990	.989	.988	.987	.985	.984	.982	.979	.977	.974	.970	.966	82
83	.993	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	.976	.973	.970	.966	83
84	.993	.993	.992	.991	.990	.989	.988	.986	.985	.983	.981	.979	.976	.973	.969	.965	84
85	.993	.992	.992	.991	.990	.989	.988	.986	.985	.983	.981	.978	.975	.972	.968	.964	85
86	.993	.992	.992	.991	.990	.989	.987	.986	.984	.982	.980	.978	.975	.972	.968	.964	86
87	.993	.992	.991	.990	.990	.988	.987	.986	.984	.982	.980	.977	.974	.971	.967	.963	87
88	.993	.992	.991	.990	.989	.988	.987	.985	.984	.982	.980	.977	.974	.970	.967	.962	88
89	.993	.992	.991	.990	.989	.988	.987	.985	.983	.981	.979	.977	.973	.970	.966	.962	89

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:																BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT
	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	
20	.980	.978	.975	.972	.969	.966	.962	.958	.953	.948	.942	.937	.931	.924	.918	.911	20
21	.980	.978	.975	.972	.969	.966	.962	.958	.953	.948	.942	.937	.931	.924	.917	.911	21
22	.980	.978	.975	.972	.969	.966	.962	.958	.953	.948	.942	.937	.930	.924	.917	.911	22
23	.980	.978	.975	.972	.969	.966	.962	.957	.953	.948	.942	.937	.930	.924	.917	.910	23
24	.980	.978	.975	.972	.969	.966	.962	.957	.953	.948	.942	.936	.930	.924	.917	.910	24
25	.980	.978	.975	.972	.969	.966	.962	.957	.953	.948	.942	.936	.930	.924	.917	.910	25
26	.980	.978	.975	.972	.969	.965	.962	.957	.953	.948	.942	.936	.930	.924	.917	.910	26
27	.980	.978	.975	.972	.969	.965	.962	.957	.953	.947	.942	.936	.930	.924	.917	.910	27
28	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.942	.936	.930	.923	.917	.910	28
29	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.942	.936	.930	.923	.917	.910	29
30	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.942	.936	.930	.923	.916	.910	30
31	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.942	.936	.930	.923	.916	.909	31
32	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.941	.936	.929	.923	.916	.909	32
33	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.941	.935	.929	.923	.916	.909	33
34	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.941	.935	.929	.923	.916	.909	34
35	.980	.978	.975	.972	.969	.965	.961	.957	.952	.947	.941	.935	.929	.922	.916	.908	35
36	.980	.977	.975	.972	.968	.965	.961	.956	.952	.947	.941	.935	.929	.922	.915	.908	36
37	.980	.977	.975	.972	.968	.965	.961	.956	.952	.946	.941	.935	.928	.922	.915	.908	37
38	.980	.977	.975	.972	.968	.965	.961	.956	.951	.946	.941	.935	.928	.922	.915	.908	38
39	.980	.977	.975	.972	.968	.965	.961	.956	.951	.946	.940	.934	.928	.921	.914	.907	39
40	.980	.977	.974	.971	.968	.964	.960	.956	.951	.946	.940	.934	.928	.921	.914	.907	40
41	.980	.977	.974	.971	.968	.964	.960	.956	.951	.946	.940	.934	.927	.921	.914	.907	41
42	.980	.977	.974	.971	.968	.964	.960	.956	.951	.945	.940	.934	.927	.920	.913	.906	42
43	.979	.977	.974	.971	.968	.964	.960	.955	.951	.945	.939	.933	.927	.920	.913	.906	43
44	.979	.977	.974	.971	.968	.964	.960	.955	.950	.945	.939	.933	.927	.920	.913	.905	44
45	.979	.977	.974	.971	.967	.964	.960	.955	.950	.945	.939	.933	.926	.919	.912	.905	45
46	.979	.977	.974	.971	.967	.963	.959	.955	.950	.944	.939	.932	.926	.919	.912	.904	46
47	.979	.977	.974	.971	.967	.963	.959	.955	.950	.944	.938	.932	.925	.918	.911	.904	47
48	.979	.976	.974	.970	.967	.963	.959	.954	.949	.944	.938	.932	.925	.918	.911	.903	48
49	.979	.976	.973	.970	.967	.963	.959	.954	.949	.943	.937	.931	.924	.917	.910	.903	49
50	.979	.976	.973	.970	.967	.963	.958	.954	.949	.943	.937	.931	.924	.917	.910	.902	50
51	.979	.976	.973	.970	.966	.962	.958	.953	.948	.943	.937	.930	.923	.916	.909	.901	51
52	.979	.976	.973	.970	.966	.962	.958	.953	.948	.942	.936	.930	.923	.916	.908	.901	52
53	.978	.976	.973	.970	.966	.962	.958	.953	.948	.942	.936	.929	.922	.915	.908	.900	53
54	.978	.976	.973	.969	.966	.962	.957	.952	.947	.941	.935	.929	.922	.914	.907	.899	54

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE





TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:																BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT
	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	
55	.978	.975	.972	.969	.965	.961	.957	.952	.947	.941	.935	.928	.921	.914	.906	.898	55
56	.978	.975	.972	.969	.965	.961	.957	.952	.946	.940	.934	.927	.920	.913	.905	.897	56
57	.978	.975	.972	.969	.965	.961	.956	.951	.946	.940	.933	.927	.919	.912	.904	.896	57
58	.978	.975	.972	.968	.965	.960	.956	.951	.945	.939	.933	.926	.919	.911	.903	.895	58
59	.977	.975	.971	.968	.964	.960	.955	.950	.945	.939	.932	.925	.918	.910	.902	.894	59
60	.977	.974	.971	.968	.964	.959	.955	.950	.944	.938	.931	.924	.917	.909	.901	.892	60
61	.977	.974	.971	.967	.963	.959	.954	.949	.943	.937	.930	.923	.916	.908	.899	.891	61
62	.977	.974	.970	.967	.963	.959	.954	.948	.943	.936	.929	.922	.914	.906	.898	.889	62
63	.976	.973	.970	.966	.962	.958	.953	.948	.942	.935	.928	.921	.913	.905	.896	.888	63
64	.976	.973	.970	.966	.962	.957	.952	.947	.941	.934	.927	.920	.912	.903	.895	.886	64
65	.976	.973	.969	.966	.961	.957	.952	.946	.940	.933	.926	.918	.910	.902	.893	.884	65
66	.975	.972	.969	.965	.961	.956	.951	.945	.939	.932	.925	.917	.909	.900	.891	.882	66
67	.975	.972	.968	.964	.960	.955	.950	.944	.938	.931	.923	.915	.907	.898	.889	.879	67
68	.975	.971	.968	.964	.959	.955	.949	.943	.937	.930	.922	.914	.905	.896	.887	.877	68
69	.974	.971	.967	.963	.959	.954	.948	.942	.935	.928	.920	.912	.903	.894	.884	.874	69
70	.974	.970	.967	.962	.958	.953	.947	.941	.934	.927	.919	.910	.901	.892	.882	.872	70
71	.973	.970	.966	.962	.957	.952	.946	.940	.933	.925	.917	.908	.899	.889	.879	.869	71
72	.973	.969	.965	.961	.956	.951	.945	.939	.931	.924	.915	.906	.897	.887	.876	.866	72
73	.972	.969	.965	.960	.955	.950	.944	.937	.930	.922	.913	.904	.894	.884	.873	.863	73
74	.972	.968	.964	.959	.954	.949	.943	.936	.928	.920	.911	.902	.892	.881	.870	.859	74
75	.971	.967	.963	.958	.953	.948	.941	.934	.927	.918	.909	.899	.889	.878	.867	.856	75
76	.970	.967	.962	.958	.952	.946	.940	.933	.925	.916	.907	.897	.886	.875	.864	.852	76
77	.970	.966	.961	.957	.951	.945	.938	.931	.923	.914	.905	.894	.884	.872	.860	.848	77
78	.969	.965	.961	.956	.950	.944	.937	.930	.921	.912	.902	.892	.881	.869	.857	.844	78
79	.968	.964	.960	.955	.949	.943	.936	.928	.919	.910	.900	.889	.878	.866	.853	.841	79
80	.968	.964	.959	.954	.948	.941	.934	.926	.918	.908	.898	.887	.875	.863	.850	.837	80
81	.967	.963	.958	.953	.947	.940	.933	.925	.916	.906	.895	.884	.872	.860	.846	.833	81
82	.966	.962	.957	.952	.946	.939	.931	.923	.914	.904	.893	.882	.869	.856	.843	.829	82
83	.966	.961	.956	.951	.944	.937	.930	.921	.912	.902	.891	.879	.866	.853	.839	.825	83
84	.965	.960	.955	.950	.943	.936	.928	.920	.910	.900	.888	.876	.863	.850	.836	.821	84
85	.964	.960	.954	.949	.942	.935	.927	.918	.908	.898	.886	.874	.861	.847	.832	.817	85
86	.964	.959	.954	.948	.941	.934	.925	.916	.906	.896	.884	.871	.858	.843	.829	.813	86
87	.963	.958	.953	.947	.940	.932	.924	.915	.905	.894	.881	.869	.855	.840	.825	.810	87
88	.962	.957	.952	.946	.939	.931	.923	.913	.903	.891	.879	.866	.852	.837	.822	.806	88
89	.962	.957	.951	.945	.938	.930	.921	.912	.901	.889	.877	.863	.849	.834	.818	.802	89

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94		95
20	.911	.904	.897	.889	.882	.874	.866	.859	.850	.842	.834	.826	.818	.809	.801	.793	20
21	.911	.904	.896	.889	.882	.874	.866	.858	.850	.842	.834	.826	.817	.809	.801	.793	21
22	.911	.904	.896	.889	.882	.874	.866	.858	.850	.842	.834	.825	.817	.809	.801	.793	22
23	.910	.903	.896	.889	.881	.874	.866	.858	.850	.842	.834	.825	.817	.809	.801	.792	23
24	.910	.903	.896	.889	.881	.874	.866	.858	.850	.842	.833	.825	.817	.809	.800	.792	24
25	.910	.903	.896	.889	.881	.873	.866	.858	.850	.841	.833	.825	.817	.808	.800	.792	25
26	.910	.903	.896	.888	.881	.873	.865	.857	.849	.841	.833	.825	.816	.808	.800	.792	26
27	.910	.903	.895	.888	.881	.873	.865	.857	.849	.841	.833	.824	.816	.808	.799	.791	27
28	.910	.903	.895	.888	.881	.873	.865	.857	.849	.841	.832	.824	.816	.807	.799	.791	28
29	.910	.903	.895	.888	.880	.873	.865	.857	.849	.840	.832	.824	.815	.807	.799	.791	29
30	.910	.902	.895	.888	.880	.872	.865	.857	.848	.840	.832	.823	.815	.807	.798	.790	30
31	.909	.902	.895	.887	.880	.872	.864	.856	.848	.840	.831	.823	.815	.806	.798	.790	31
32	.909	.902	.895	.887	.880	.872	.864	.856	.848	.839	.831	.823	.814	.806	.798	.789	32
33	.909	.902	.894	.887	.879	.872	.864	.856	.847	.839	.831	.822	.814	.805	.797	.789	33
34	.909	.902	.894	.887	.879	.871	.863	.855	.847	.839	.830	.822	.813	.805	.797	.788	34
35	.908	.901	.894	.886	.879	.871	.863	.855	.847	.838	.830	.821	.813	.804	.796	.788	35
36	.908	.901	.894	.886	.878	.871	.863	.854	.846	.838	.829	.821	.812	.804	.795	.787	36
37	.908	.901	.893	.886	.878	.870	.862	.854	.846	.837	.829	.820	.812	.803	.795	.787	37
38	.908	.900	.893	.885	.878	.870	.862	.854	.845	.837	.828	.820	.811	.803	.794	.786	38
39	.907	.900	.893	.885	.877	.869	.861	.853	.845	.836	.828	.819	.810	.802	.793	.785	39
40	.907	.900	.892	.885	.877	.869	.861	.852	.844	.836	.827	.818	.810	.801	.793	.784	40
41	.907	.899	.892	.884	.876	.868	.860	.852	.843	.835	.826	.818	.809	.800	.792	.783	41
42	.906	.899	.891	.884	.876	.868	.860	.851	.843	.834	.825	.817	.808	.800	.791	.782	42
43	.906	.898	.891	.883	.875	.867	.859	.851	.842	.833	.825	.816	.807	.799	.790	.781	43
44	.905	.898	.890	.882	.875	.866	.858	.850	.841	.833	.824	.815	.806	.798	.789	.780	44
45	.905	.897	.890	.882	.874	.866	.857	.849	.840	.832	.823	.814	.805	.797	.788	.779	45
46	.904	.897	.889	.881	.873	.865	.857	.848	.839	.831	.822	.813	.804	.795	.787	.778	46
47	.904	.896	.888	.881	.872	.864	.856	.847	.839	.830	.821	.812	.803	.794	.785	.777	47
48	.903	.896	.888	.880	.872	.863	.855	.846	.838	.829	.820	.811	.802	.793	.784	.775	48
49	.903	.895	.887	.879	.871	.863	.854	.845	.836	.827	.818	.809	.800	.792	.783	.774	49
50	.902	.894	.886	.878	.870	.862	.853	.844	.835	.826	.817	.808	.799	.790	.781	.772	50
51	.901	.893	.885	.877	.869	.861	.852	.843	.834	.825	.816	.807	.798	.789	.779	.771	51
52	.901	.893	.885	.876	.868	.859	.851	.842	.833	.824	.814	.805	.796	.787	.778	.769	52
53	.900	.892	.884	.875	.867	.858	.850	.841	.831	.822	.813	.804	.794	.785	.776	.767	53
54	.899	.891	.883	.874	.866	.857	.848	.839	.830	.821	.811	.802	.793	.783	.774	.765	54

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE D  
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

CONVERSION FROM 50% J & S TO 10 YEAR CERTAIN WITH 50% J & S

BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	PENSIONER WHOSE RETIREMENT AGE IS:															BENEFICIARY'S AGE AT PENSIONER'S RETIREMENT	
	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94		95
55	.898	.890	.882	.873	.865	.856	.847	.838	.828	.819	.810	.800	.791	.781	.772	.763	55
56	.897	.889	.880	.872	.863	.854	.845	.836	.827	.817	.808	.798	.789	.779	.770	.760	56
57	.896	.888	.879	.871	.862	.853	.844	.834	.825	.815	.806	.796	.786	.777	.767	.758	57
58	.895	.886	.878	.869	.860	.851	.842	.833	.823	.813	.803	.794	.784	.774	.765	.755	58
59	.894	.885	.876	.868	.859	.849	.840	.830	.821	.811	.801	.791	.781	.771	.762	.752	59
60	.892	.884	.875	.866	.857	.847	.838	.828	.818	.808	.798	.788	.778	.768	.759	.749	60
61	.891	.882	.873	.864	.855	.845	.836	.826	.816	.806	.796	.785	.775	.765	.755	.745	61
62	.889	.880	.871	.862	.853	.843	.833	.823	.813	.803	.792	.782	.772	.762	.752	.742	62
63	.888	.878	.869	.860	.850	.840	.830	.820	.810	.800	.789	.779	.768	.758	.748	.737	63
64	.886	.876	.867	.857	.848	.838	.828	.817	.807	.796	.786	.775	.764	.754	.743	.733	64
65	.884	.874	.865	.855	.845	.835	.825	.814	.803	.792	.782	.771	.760	.749	.739	.728	65
66	.882	.872	.862	.852	.842	.832	.821	.810	.800	.789	.778	.767	.756	.745	.734	.723	66
67	.879	.870	.860	.849	.839	.828	.818	.807	.796	.784	.773	.762	.751	.740	.729	.718	67
68	.877	.867	.857	.846	.836	.825	.814	.803	.791	.780	.768	.757	.746	.734	.723	.712	68
69	.874	.864	.854	.843	.832	.821	.810	.798	.787	.775	.763	.752	.740	.728	.717	.706	69
70	.872	.861	.851	.840	.828	.817	.806	.794	.782	.770	.758	.746	.734	.722	.711	.699	70
71	.869	.858	.847	.836	.825	.813	.801	.789	.777	.765	.752	.740	.728	.716	.704	.692	71
72	.866	.855	.843	.832	.820	.808	.796	.784	.772	.759	.746	.734	.721	.709	.697	.685	72
73	.863	.851	.840	.828	.816	.804	.791	.779	.766	.753	.740	.727	.714	.702	.689	.677	73
74	.859	.848	.836	.824	.811	.799	.786	.773	.760	.747	.733	.720	.707	.694	.681	.669	74
75	.856	.844	.831	.819	.806	.794	.780	.767	.754	.740	.726	.713	.699	.686	.673	.660	75
76	.852	.840	.827	.814	.801	.788	.775	.761	.747	.733	.719	.705	.692	.678	.665	.651	76
77	.848	.836	.823	.810	.796	.783	.769	.755	.740	.726	.712	.698	.683	.670	.656	.642	77
78	.844	.831	.818	.805	.791	.777	.763	.748	.734	.719	.704	.690	.675	.661	.647	.633	78
79	.841	.827	.814	.800	.786	.771	.757	.742	.727	.712	.697	.682	.667	.652	.638	.624	79
80	.837	.823	.809	.795	.780	.766	.751	.735	.720	.704	.689	.674	.658	.643	.628	.614	80
81	.833	.819	.804	.790	.775	.760	.744	.729	.713	.697	.681	.665	.650	.634	.619	.604	81
82	.829	.815	.800	.785	.770	.754	.738	.722	.706	.690	.673	.657	.641	.626	.610	.595	82
83	.825	.810	.795	.780	.764	.748	.732	.716	.699	.682	.666	.649	.633	.617	.601	.585	83
84	.821	.806	.791	.775	.759	.743	.726	.709	.692	.675	.658	.641	.624	.608	.591	.576	84
85	.817	.802	.786	.770	.754	.737	.720	.703	.685	.668	.650	.633	.616	.599	.582	.566	85
86	.813	.798	.782	.765	.748	.731	.714	.696	.678	.660	.643	.625	.607	.590	.573	.557	86
87	.810	.794	.777	.760	.743	.726	.708	.690	.672	.653	.635	.617	.599	.581	.564	.547	87
88	.806	.789	.773	.755	.738	.720	.702	.683	.665	.646	.627	.609	.591	.573	.555	.528	88
89	.802	.785	.768	.751	.733	.714	.696	.677	.658	.639	.620	.601	.582	.564	.546	.528	89
80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95		

PENSIONER WHOSE RETIREMENT AGE IS:

.... = 1.000

INTEREST - 7.5000%

PENSIONER'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE  
BENEFICIARY'S MORTALITY - SPECIAL PENSIONER MORTALITY TABLE



TABLE E

EARLY RETIREMENT FACTORS - EXCESS FORMULA

Applied to the Portion of the Pension Formula Calculated on Final Average Salary  
in Excess of the Social Security Wage Base

MONTHS PRIOR TO AGE 65	FACTOR	MONTHS PRIOR TO AGE 65	FACTOR	MONTHS PRIOR TO AGE 65	FACTOR	MONTHS PRIOR TO AGE 65	FACTOR	MONTHS PRIOR TO AGE 65	FACTOR
0 (65)	1.00000	48 (61)	0.73100	96 (57)	0.57700	144 (53)	0.42566	192 (49)	0.32511
1	0.99358	49	0.72775	97	0.57300	145	0.42315	193	0.32343
2	0.98717	50	0.72450	98	0.56900	146	0.42063	194	0.32176
3	0.98075	51	0.72125	99	0.56500	147	0.41812	195	0.32008
4	0.97433	52	0.71800	100	0.56100	148	0.41561	196	0.31841
5	0.96792	53	0.71475	101	0.55700	149	0.41309	197	0.31673
6	0.96150	54	0.71150	102	0.55300	150	0.41058	198	0.31506
7	0.95508	55	0.70825	103	0.54900	151	0.40807	199	0.31338
8	0.94867	56	0.70500	104	0.54500	152	0.40555	200	0.31170
9	0.94225	57	0.70175	105	0.54100	153	0.40304	201	0.31003
10	0.93583	58	0.69850	106	0.53700	154	0.40053	202	0.30835
11	0.92942	59	0.69525	107	0.53300	155	0.39801	203	0.30668
12 (64)	0.92300	60 (60)	0.69200	108 (56)	0.52900	156 (52)	0.39550	204 (48)	0.30500
13	0.91658	61	0.68883	109	0.52542	157	0.39299	205	0.30332
14	0.91016	62	0.68567	110	0.52183	158	0.39047	206	0.30165
15	0.90374	63	0.68250	111	0.51825	159	0.38796	207	0.29997
16	0.89732	64	0.67933	112	0.51467	160	0.38544	208	0.29830
17	0.89090	65	0.67617	113	0.51108	161	0.38293	209	0.29662
18	0.88448	66	0.67300	114	0.50750	162	0.38041	210	0.29495
19	0.87806	67	0.66983	115	0.50392	163	0.37790	211	0.29327
20	0.87164	68	0.66667	116	0.50033	164	0.37539	212	0.29159
21	0.86522	69	0.66350	117	0.49675	165	0.37287	213	0.28992
22	0.85880	70	0.66033	118	0.49317	166	0.37036	214	0.28824
23	0.85238	71	0.65717	119	0.48958	167	0.36784	215	0.28657
24 (63)	0.84600	72 (59)	0.65400	120 (55)	0.48600	168 (51)	0.36533	216 (47)	0.28489
25	0.83958	73	0.65075	121	0.48349	169	0.36365	217	0.28321
26	0.83316	74	0.64750	122	0.48097	170	0.36198	218	0.28154
27	0.82674	75	0.64425	123	0.47846	171	0.36030	219	0.27986
28	0.82032	76	0.64100	124	0.47594	172	0.35863	220	0.27819
29	0.81390	77	0.63775	125	0.47343	173	0.35695	221	0.27651
30	0.80748	78	0.63450	126	0.47091	174	0.35528	222	0.27484
31	0.80106	79	0.63125	127	0.46840	175	0.35360	223	0.27316
32	0.79464	80	0.62800	128	0.46589	176	0.35192	224	0.27148
33	0.78822	81	0.62475	129	0.46337	177	0.35025	225	0.26981
34	0.78180	82	0.62150	130	0.46086	178	0.34857	226	0.26813
35	0.77538	83	0.61825	131	0.45834	179	0.34690	227	0.26646
36 (62)	0.76900	84 (58)	0.61500	132 (54)	0.45583	180 (50)	0.34522	228 (46)	0.26478
37	0.76583	85	0.61183	133	0.45332	181	0.34354	229	0.26310
38	0.76266	86	0.60867	134	0.45080	182	0.34187	230	0.26143
39	0.75949	87	0.60550	135	0.44829	183	0.34019	231	0.25975
40	0.75632	88	0.60233	136	0.44577	184	0.33852	232	0.25808
41	0.75315	89	0.59917	137	0.44326	185	0.33684	233	0.25640
42	0.74998	90	0.59600	138	0.44074	186	0.33517	234	0.25473
43	0.74681	91	0.59283	139	0.43823	187	0.33349	235	0.25305
44	0.74364	92	0.58967	140	0.43572	188	0.33181	236	0.25137
45	0.74047	93	0.58650	141	0.43320	189	0.33014	237	0.24970
46	0.73730	94	0.58333	142	0.43069	190	0.32846	238	0.24802
47	0.73413	95	0.58017	143	0.42817	191	0.32679	239	0.24635
								240 (45)	0.24467

Exact Ages in ( ).

Retirement Plan for Management Employees - January 1990





TABLE F  
 EARLY RETIREMENT DISCOUNT FACTORS  
 APPLIED TO THE EMPLOYEE'S ACCRUED PENSION AND SOCIAL SECURITY OFFSET FOR  
 RETIREMENTS PRIOR TO THE ATTAINMENT OF THE OPTIONAL RETIREMENT DATE  
 (MONTHS PRIOR IS THE NUMBER OF MONTHS BETWEEN AN EMPLOYEE'S RETIREMENT DATE  
 AFTER HIS SIXTY-SECOND BIRTHDAY AND THE THE DATE OF RETIREMENT)  
 (ALSO APPLIED IN CALCULATION OF SURVIVING SPOUSE BENEFIT)

MONTHS PRIOR	COLUMN I DISCOUNT FACTOR	COLUMN II DISCOUNT FACTOR	MONTHS PRIOR	COLUMN I DISCOUNT FACTOR	COLUMN II DISCOUNT FACTOR	MONTHS PRIOR	COLUMN I DISCOUNT FACTOR	COLUMN II DISCOUNT FACTOR	MONTHS PRIOR	COLUMN I DISCOUNT FACTOR	COLUMN II DISCOUNT FACTOR
1	0.99358	0.99000	52	0.93500	0.70700	103	0.52300	0.52300	154	0.39200	0.39200
2	0.99750	0.98000	53	0.93375	0.70300	104	0.52000	0.52000	155	0.39000	0.39000
3	0.99625	0.97000	54	0.93250	0.70000	105	0.51700	0.51700	156 (49)	0.38800	0.38800
4	0.99500	0.96000	55	0.93125	0.69700	106	0.51400	0.51400	157	0.38600	0.38600
5	0.99375	0.95000	56	0.93000	0.69300	107	0.51100	0.51100	158	0.38400	0.38400
6	0.99250	0.94000	57	0.92875	0.69000	108 (53)	0.50800	0.50800	159	0.38200	0.38200
7	0.99125	0.92900	58	0.92750	0.68700	109	0.50500	0.50500	160	0.38000	0.38000
8	0.99000	0.91900	59	0.92625	0.68300	110	0.50200	0.50200	161	0.37800	0.37800
9	0.98875	0.90900	60 (57)	0.92500	0.68000	111	0.49900	0.49900	162	0.37600	0.37600
10	0.98750	0.89900	61	0.92375	0.67600	112	0.49600	0.49600	163	0.37400	0.37400
11	0.98625	0.88900	62	0.92250	0.67100	113	0.49300	0.49300	164	0.37200	0.37200
12 (61)	0.98500	0.87900	63	0.92125	0.66700	114	0.49000	0.49000	165	0.37000	0.37000
13	0.98375	0.87200	64	0.92000	0.66300	115	0.48700	0.48700	166	0.36800	0.36800
14	0.98250	0.86600	65	0.91875	0.65800	116	0.48400	0.48400	167	0.36600	0.36600
15	0.98125	0.85900	66	0.91750	0.65400	117	0.48100	0.48100	168 (48)	0.36400	0.36400
16	0.98000	0.85300	67	0.91625	0.65000	118	0.47800	0.47800	169	0.36200	0.36200
17	0.97875	0.84600	68	0.91500	0.64500	119	0.47500	0.47500	170	0.36000	0.36000
18	0.97750	0.84000	69	0.91375	0.64100	120 (52)	0.47200	0.47200	171	0.35800	0.35800
19	0.97625	0.83300	70	0.91250	0.63700	121	0.46900	0.46900	172	0.35600	0.35600
20	0.97500	0.82600	71	0.91125	0.63200	122	0.46600	0.46600	173	0.35400	0.35400
21	0.97375	0.82000	72 (56)	0.91000	0.62800	123	0.46300	0.46300	174	0.35200	0.35200
22	0.97250	0.81300	73	0.90875	0.62400	124	0.46000	0.46000	175	0.35000	0.35000
23	0.97125	0.80600	74	0.90750	0.62000	125	0.45700	0.45700	176	0.34800	0.34800
24 (60)	0.97000	0.80000	75	0.90625	0.61600	126	0.45400	0.45400	177	0.34600	0.34600
25	0.96875	0.79700	76	0.90500	0.61200	127	0.45100	0.45100	178	0.34400	0.34400
26	0.96750	0.79300	77	0.90375	0.60800	128	0.44800	0.44800	179	0.34200	0.34200
27	0.96625	0.79000	78	0.90250	0.60400	129	0.44500	0.44500	180 (47)	0.34000	0.34000
28	0.96500	0.78600	79	0.90125	0.60000	130	0.44200	0.44200	181	0.33800	0.33800
29	0.96375	0.78300	80	0.90000	0.59600	131	0.43900	0.43900	182	0.33600	0.33600
30	0.96250	0.78000	81	0.89875	0.59200	132 (51)	0.43600	0.43600	183	0.33400	0.33400
31	0.96125	0.77600	82	0.89750	0.58800	133	0.43400	0.43400	184	0.33200	0.33200
32	0.96000	0.77300	83	0.89625	0.58400	134	0.43200	0.43200	185	0.33000	0.33000
33	0.95875	0.76900	84 (55)	0.89500	0.58000	135	0.43000	0.43000	186	0.32800	0.32800
34	0.95750	0.76600	85	0.57700	0.57700	136	0.42800	0.42800	187	0.32600	0.32600
35	0.95625	0.76200	86	0.57400	0.57400	137	0.42600	0.42600	188	0.32400	0.32400
36 (59)	0.95500	0.75900	87	0.57100	0.57100	138	0.42400	0.42400	189	0.32200	0.32200
37	0.95375	0.75600	88	0.56800	0.56800	139	0.42200	0.42200	190	0.32000	0.32000
38	0.95250	0.75300	89	0.56500	0.56500	140	0.42000	0.42000	191	0.31800	0.31800
39	0.95125	0.74900	90	0.56200	0.56200	141	0.41800	0.41800	192 (46)	0.31600	0.31600
40	0.95000	0.74600	91	0.55900	0.55900	142	0.41600	0.41600	193	0.31400	0.31400
41	0.94875	0.74300	92	0.55600	0.55600	143	0.41400	0.41400	194	0.31200	0.31200
42	0.94750	0.74000	93	0.55300	0.55300	144 (50)	0.41200	0.41200	195	0.31000	0.31000
43	0.94625	0.73600	94	0.55000	0.55000	145	0.41000	0.41000	196	0.30800	0.30800
44	0.94500	0.73300	95	0.54700	0.54700	146	0.40800	0.40800	197	0.30600	0.30600
45	0.94375	0.73000	96 (54)	0.54400	0.54400	147	0.40600	0.40600	198	0.30400	0.30400
46	0.94250	0.72700	97	0.54100	0.54100	148	0.40400	0.40400	199	0.30200	0.30200
47	0.94125	0.72300	98	0.53800	0.53800	149	0.40200	0.40200	200	0.30000	0.30000
48 (58)	0.94000	0.72000	99	0.53500	0.53500	150	0.40000	0.40000	201	0.29800	0.29800
49	0.93875	0.71700	100	0.53200	0.53200	151	0.39800	0.39800	202	0.29600	0.29600
50	0.93750	0.71300	101	0.52900	0.52900	152	0.39600	0.39600	203	0.29400	0.29400
51	0.93625	0.71000	102	0.52600	0.52600	153	0.39400	0.39400	204 (45)	0.29200	0.29200

Exact ages shown in parenthesis

Column I is applicable to Employee's Gross Pension. Column II is applicable to Employee's Social Security Offset



Consolidated Edison Company of New York, Inc.

---

---

Con Edison Thrift Savings Plan  
for Management Employees  
and  
Tax Reduction Act Stock Ownership Plan

---

---

As Amended and Restated Effective as of January 1, 1989  
Except as Otherwise Noted.

10/18/95



PURPOSE. . . . .	1
ARTICLE 1. . . . .	2
Definitions . . . . .	2
ARTICLE 2. . . . .	18
Eligibility and Participation . . . . .	18
2.01 Eligibility . . . . .	18
2.02 Participation . . . . .	18
2.03 Reemployment of Former Employees and Former Participants. . . . .	19
2.04 Transferred Participants. . . . .	19
2.05 Termination of Participation. . . . .	19
ARTICLE 3. . . . .	19
Contributions . . . . .	19
3.01 Pre-Tax Contributions . . . . .	19
3.02 After-Tax Contributions . . . . .	21
3.03 Company Contributions . . . . .	22
3.04 Participating and Nonparticipating Contributions . . . . .	22
3.05 Rollover Contributions and Trust to Trust Transfers . . . . .	23
3.06 Changes in Contributions. . . . .	24
3.07 Suspension in Contributions . . . . .	25
3.08 Payment To Trust. . . . .	25
3.09 No Contributions to TRASOP. . . . .	25
ARTICLE 4. . . . .	26
Company Contributions . . . . .	26
4.01 Company Contributions Election. . . . .	26
4.02 Change of Election. . . . .	26
4.03 Certification to Trustee. . . . .	26
4.04 Forfeitures . . . . .	26
ARTICLE 5. . . . .	27
The Trust Fund; Investments . . . . .	27
5.01 Trust Agreement . . . . .	27
5.02 Investment of Trust Fund. . . . .	27
5.03 Rules for Investment Elections. . . . .	27
5.04 Fixed Income Fund . . . . .	30
5.05 Equity Index Fund . . . . .	31
5.06 Company Stock Fund. . . . .	32



5.07	Temporary Investments . . . . .	35
5.08	Accounts and Subaccounts. . . . .	35
5.09	Pre-January 1, 1985 Contributions . . . . .	36
5.10	Statements of Account . . . . .	36
5.11	Treasury Bill Fund. . . . .	36
5.12	Balanced Fund . . . . .	37
5.13	Responsibility for Investments. . . . .	38

ARTICLE 6. . . . .		39
Vesting . . . . .		39
6.01	Participant Contributions . . . . .	39
6.02	Company Contributions . . . . .	39
6.03	TRASOP Account. . . . .	39

ARTICLE 7. . . . .		39
Distributions, Withdrawals and Forfeitures. . . . .		39
7.01	Retirement. . . . .	39
7.02	Voluntary Termination or Termination by the Company; Forfeitures . . . . .	40
7.03	Death . . . . .	41
7.04	Withdrawals . . . . .	41
7.05	Hardship Withdrawals. . . . .	45
7.06	Distribution from Company Stock Fund. . . . .	51
7.07	Leaves of Absence and Transfers to Weekly Payroll . . . . .	51
7.08	Age 70 1/2 Required Distribution. . . . .	52
7.09	Form and Timing of Distributions. . . . .	53
7.10	Status of Account Pending Distribution. . . . .	55
7.11	Proof of Death and Right of Beneficiary or Other Person. . . . .	55
7.12	Distribution Limitation. . . . .	55
7.13	Direct Rollover of Certain Distributions. . . . .	55

ARTICLE 8 . . . . .		57
Non-Discrimination and Limitation . . . . .		57
8.01	Actual Deferral Percentage Test . . . . .	57
8.02	Actual Contribution Percentage Test . . . . .	59
8.03	Aggregate Contribution Limitation . . . . .	61
8.04	Additional Discrimination Testing Provisions. . . . .	61
8.05	Maximum Annual Additions. . . . .	64
8.06	Defined Benefit Plan Limitation . . . . .	67





ARTICLE 9 . . . . .	67
Loans . . . . .	67
9.01 Loans Permitted . . . . .	67
9.02 Amount of Loans . . . . .	68
9.03 Source of Loans . . . . .	68
9.04 Interest Rate . . . . .	69
9.05 Repayment . . . . .	69
9.06 Multiple Loans. . . . .	70
9.07 Pledge. . . . .	70
9.08 Loan Reserve. . . . .	70
9.09 Minimum Account Balance . . . . .	71
9.10 Consent . . . . .	71
9.11 Other Terms . . . . .	71
 ARTICLE 10 . . . . .	 72
Administration of the Plan. . . . .	72
10.01 Named Fiduciaries and Plan Administrator. . . . .	72
10.02 Authority of Plan Administrator . . . . .	72
10.03 Reliance on Reports . . . . .	73
10.04 Delegation of Authority . . . . .	73
10.05 Administration Expenses . . . . .	73
10.06 Fiduciary Insurance . . . . .	74
10.07 Claim Review. . . . .	75
10.08 Appointment of Trustee. . . . .	76
10.09 Limitation of Liability . . . . .	76
 ARTICLE 11 . . . . .	 77
Miscellaneous . . . . .	77
11.01 Exclusive Benefit; Amendments . . . . .	77
11.02 Termination; Sale of Assets of Subsidiary . . . . .	77
11.03 Beneficiaries . . . . .	79
11.04 Assignment of Benefits. . . . .	81
11.05 Merger. . . . .	81
11.06 Conditions of Employment Not Affected by Plan . . . . .	82
11.07 Facility of Payment. . . . .	82
11.08 Information . . . . .	82
11.09 Additional Participating Employers. . . . .	82
11.10 IRS Determination . . . . .	83
11.11 Mistaken Contributions. . . . .	84
11.12 Prevention of Escheat . . . . .	85
11.13 Limitations Imposed on Insider Participants . . . . .	85
11.14 Construction. . . . .	86



ARTICLE 12 . . . . .	86
Top-Heavy Provisions. . . . .	86
12.01 Application of Top-Heavy Provisions . . . . .	86
12.02 Minimum Benefit for Top-Heavy Year. . . . .	86
12.03 Aggregation Groups. . . . .	87
12.04 Special Benefit Limits. . . . .	87
12.05 Special Distribution Rule . . . . .	88
ARTICLE 13 . . . . .	88
Tax Reduction Act Stock Ownership Plan. . . . .	88
13.01 Purpose; Separate Entity. . . . .	88
13.02 TRASOP Accounts; Application of Dividends . . . . .	89
13.03 Voting Rights; Options; Rights; Warrants. . . . .	90
13.04 Distribution of Shares. . . . .	90
13.05 Diversification of TRASOP Accounts. . . . .	96



CON EDISON THRIFT SAVINGS PLAN  
FOR MANAGEMENT EMPLOYEES  
AND  
TAX REDUCTION ACT STOCK OWNERSHIP PLAN

---

---

PURPOSE

The purpose of this Plan is to establish a convenient way for management employees of the Company to supplement their retirement income by saving on a regular and long-term basis and to provide additional financial security for emergencies, thereby offering these employees an additional incentive to continue their careers with the Company. This Plan is intended to satisfy the requirements of Sections 401(k) and 401(m) of the Code and to qualify under Section 401(a) of the Code, and the trust described in Article 5 of this Plan is intended to qualify under Section 501(a) of the Code, so as to provide Participants an option to defer a portion of their compensation on a pre-tax and/or after-tax basis and to invest and reinvest their savings under the Plan on a tax-deferred basis. It is intended that a Participant's Pre-Tax Contributions, as defined in this Plan, shall constitute payments by the Company as contributions to the Trust Fund on behalf of the Participant, within the meaning of Section 401(k) of the Code.

Effective as of July 1, 1988, the Company's Tax Reduction Act Stock Ownership Plan ("TRASOP") for management employees has been included within this plan document, and all TRASOP Accounts and all transactions with respect to TRASOP and TRASOP Accounts shall be governed by this plan document, but this Plan and the TRASOP shall be separate plans. All TRASOP matters relating to the period up to June 30, 1988 shall be governed by

10/18/95



TRASOP as amended to February 19, 1988. There shall be no transfers between TRASOP Accounts and other Plan Accounts and Subaccounts, and Plan Accounts and Subaccounts and TRASOP Accounts shall continue to be operated as separate entities, albeit within a single plan document and trust.

On December 28, 1994, the Plan was amended and restated in its entirety effective as of January 1, 1994 except as otherwise provided therein. The Plan, as so amended and restated, was submitted to the Internal Revenue Service for a determination of its qualified status. Following consideration of comments received from the Internal Revenue Service after its review of the Plan, the Company decided to change the effective date of the Plan. Accordingly, the Plan is amended and restated in its entirety, as amended through October 18, 1995, and this amendment and restatement is effective as of January 1, 1989, except as otherwise provided herein and except that Sections 301(b), (c) and (d), 8.05 and 8.06 are effective as of January 1, 1987.

## ARTICLE 1

### Definitions

The following words and phrases have the following meanings unless a different meaning is plainly required by the context:

1.01 "Account" means the record maintained pursuant to Section 5.08 by the Trustee for each Participant relating to thrift savings contributions to the Plan.

1.02 "Act" means the Tax Reduction Act of 1975, as amended from time to time.

1.03 "Actual Contribution Percentage," or "ACP," means, with respect to a specified group of Employees, the average of the





ratios, calculated separately for each Employee in the group, of (a) the sum of the Employee's After-Tax Contributions and Company Contributions for that Plan Year (excluding any Company Contributions forfeited under the provisions of Sections 3.01 and 8.01), to (b) his Statutory Compensation for that entire Plan Year; provided that, upon direction of the Plan Administrator, Statutory Compensation for a Plan Year shall only be counted if received during the period an Employee is, or is eligible to become, a Participant. The Actual Contribution Percentage for each group and the ratio determined for each Employee in the group shall be calculated to the nearest one one-hundredth of one percent.

1.04 "Actual Deferral Percentage," or "ADP," means, with respect to a specified group of Employees, the average of the ratios, calculated separately for each Employee in that group, of (a) the amount of Pre-Tax Contributions made pursuant to Section 3.01 for a Plan Year (including Pre-Tax Contributions returned to a Highly Compensated Employee under Section 3.01(c) and Pre-Tax Contributions returned to any Employee pursuant to Section 3.01(d)), to (b) the Employee's Statutory Compensation for that entire Plan Year, provided that, upon direction of the Plan Administrator, Statutory Compensation for a Plan Year shall only be counted if received during the period an Employee is, or is eligible to become, a Participant. The Actual Deferral Percentage for each group and the ratio determined for each Employee in the group shall be calculated to the nearest one one-hundredth of one percent. For purposes of determining the Actual Deferral Percentage for a Plan Year, Pre-Tax Contributions may be taken into account for a Plan Year only if they:



(a) relate to compensation that either would have been received by the Employee in the Plan Year but for the deferral election, or are attributable to services performed by the Employee in the Plan Year and would have been received by the Employee within 2 1/2 months after the close of the Plan Year but for the deferral election,

(b) are allocated to the Employee as of a date within that Plan Year and the allocation is not contingent on the participation or performance of service after such date, and

(c) are actually paid to the Trustee no later than 12 months after the end of the Plan Year to which the contributions relate.

1.05 "Adjustment Factor" means the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code for calendar years beginning on or after January 1, 1988, and applied to such items and in such manner as the Secretary shall provide.

1.06 "Affiliated Employer" means any company which is a member of a controlled group of corporations (as defined in Section 414(b) of the Code) which also includes as a member the Company; any trade or business under common control (as defined in Section 414(c) of the Code) with the Company; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Section 414(m) of the Code) which includes the Company; and any other entity required to be aggregated with the Company pursuant to regulations under Section 414(o) of the Code. Notwithstanding the foregoing, for purposes of Sections 1.34 and 8.05, the definitions in Sections 414(b) and (c) of the Code shall be modified by substituting the phrase



"more than 50 percent" for the phrase "at least 80 percent" each place it appears in Section 1563(a)(1) of the Code.

1.07 "After-Tax Contribution" shall have the meaning set forth in Section 3.02.

1.08 "After-Tax Subaccount" shall have the meaning set forth in Section 5.08.

1.09 "Annual Dollar Limit" means for Plan Years beginning on or after January 1, 1989 and before January 1, 1994, \$200,000 multiplied by the Adjustment Factor. Commencing with the 1994 Plan Year, the Annual Dollar Limit means \$150,000, except that if for any calendar year after 1994 the Cost-of-Living Adjustment as hereafter defined is equal to or greater than \$10,000, then the Annual Dollar Limit (as previously adjusted under this Section) for any Plan Year beginning in any subsequent calendar year shall be increased by the amount of such Cost-of-Living Adjustment, rounded to the next lowest multiple of \$10,000. The Cost-of-Living Adjustment shall equal the excess of (i) \$150,000 increased by the adjustments made under Section 415(d) of the Code for the calendar years after 1994 except that the base period for purposes of Section 415(d)(1)(A) of the Code shall be the calendar quarter beginning October 1, 1993 over (ii) the Annual Dollar Limit in effect for the Plan Year beginning in the calendar year.

1.10 "Annuity Starting Date" means the first day of the first period for which an amount is paid following a Participant's Retirement or other termination of employment.

1.11 "Balanced Fund" shall have the meaning set forth in Section 5.12.

1.12 "Beneficiary" means the person or persons determined in accordance with the provisions of Section 11.03 to succeed to a Participant's benefits under the Plan in the event of death of



such Participant prior to the entire distribution of such benefits.

1.13 "Board" means the Board of Trustees of the Company.

1.14 "Break in Service" means an event affecting forfeitures, which shall occur to the extent that a Participant's nonforfeitable rights in his Company Contributions Subaccount are determined under the cliff vesting provisions of Section 6.02, as of the Participant's Severance Date if he is not reemployed by the Company or an Affiliated Employer within one year after a Severance Date. However, if an Employee is absent from work immediately following his or her active employment, irrespective of whether the Employee's employment is terminated, because of the Employee's pregnancy, the birth of the Employee's child, the placement of a child with the Employee in connection with the adoption of that child by the Employee or for purposes of caring for that child for a period beginning immediately following that birth or placement and that absence from work began on or after the first day of the Plan Year which began in 1985, a Break in Service shall occur to the extent that a Participant's nonforfeitable rights in his Company Contributions Subaccount are determined under the cliff vesting provisions of Section 6.02 only if the Participant does not return to work within two years of his Severance Date. A Break in Service shall not occur during an approved leave of absence or during a period of military service which is included in the Employee's Vesting Service pursuant to Section 1.61.

1.15 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

1.16 "Company" means Consolidated Edison Company of New York, Inc. or any successor by merger, purchase or otherwise,





with respect to its employees; or any other company participating in the Plan as provided in Section 11.09 with respect to its employees.

1.17 "Company Contribution" means any contributions to the Trust Fund by the Company pursuant to Section 3.03.

1.18 "Company Contribution Subaccount" shall have the meaning set forth in Section 5.08.

1.19 "Company Stock Fund" shall have the meaning set forth in Section 5.06.

1.20 "Compensation" means base salary paid to an Employee for services rendered to the Company, determined prior to any reduction for Pre-Tax Contributions pursuant to Section 3.01 or amounts contributed on the Employee's behalf on a salary reduction basis to a cafeteria plan under Section 125 of the Code and excluding bonuses, overtime pay, incentive compensation, deferred compensation and all other forms of special pay. However, for Plan Years beginning after 1988, Compensation shall not exceed the Annual Dollar Limit. The Annual Dollar Limit applies to the aggregate Compensation paid to a Highly Compensated Employee referred to in Section 8.04, his spouse and his lineal descendants who have not attained age 19 before the end of the Plan Year. If, as a result of the application of the family aggregation rule, the Annual Dollar Limit is exceeded, then the Limit shall be prorated among the affected individuals in proportion to each such individual's Compensation as determined under this Section 1.20 prior to the application of the Limit.

1.21 "Defined Benefit Plan" means a "defined benefit plan" as defined in Section 414(j) of the Code which is maintained by



the Company or an Affiliated Employer for its employees.

1.22 "Defined Benefit Plan Fraction" means, for any Participant, for any calendar year, a fraction:

(a) The numerator of which is the Projected Annual Benefit of the Participant under all Defined Benefit Plans (determined as of the close of the year); and

(b) The denominator of which is the lesser of:

(i) The product of 1.25 multiplied by \$90,000 as adjusted by the Adjustment Factor; or

(ii) The product of 1.4 multiplied by the average of the Participant's aggregate remuneration as defined in Section 8.05 for his highest three consecutive years.

1.23 "Defined Contribution Plan" means a "defined contribution plan" as defined in Section 414(i) of the Code which is maintained by the Company or an Affiliated Employer for its employees.

1.24 "Defined Contribution Plan Fraction" means, for any Participant, for any calendar year, a fraction:

(a) The numerator of which is the sum of the Participant's Annual Additions for the year determined as of the end of such year; and



(b) The denominator of which is the sum of the lesser of the following amounts determined for such year and for each prior year of Service:

(i) The product of 1.25 multiplied by \$30,000, as adjusted by the Adjustment Factor; or

(ii) The product of 1.4 multiplied by 25% of the Participant's aggregate remuneration as defined in Section 8.05 for the year.

1.25 "Disability" means total and permanent physical or mental disability, as evidenced by (a) receipt of a Social Security disability pension or (b) receipt of disability payments under the Company's long-term disability program.

1.26 "Earnings" means the amount of income to be returned with any excess deferrals, excess contributions or excess aggregate contributions under Section 3.01, 8.01, 8.02 or 8.03. Earnings on excess deferrals and excess contributions shall be determined by multiplying the income earned on the Pre-Tax Subaccount for the Plan Year by a fraction, the numerator of which is the excess deferrals or excess contributions, as the case may be, for the Plan Year and the denominator of which is the Pre-Tax Subaccount balance at the end of the Plan Year, disregarding any income or loss occurring during the Plan Year. Earnings on excess aggregate contributions shall be determined in a similar manner by substituting the sum of the Company Contributions Subaccount and After-Tax Subaccount for the Pre-Tax Subaccount, and the excess aggregate contributions for the excess deferrals and excess contributions in the preceding sentence.



1.27 "Employee" means a salaried employee of the Company who is on the management payroll and receives stated compensation other than a pension, severance pay, retainer, or fee under contract; however, the term "Employee" excludes any Leased Employee and any person who is included in a unit of employees covered by a collective bargaining agreement which does not provide for his participation in the Plan.

1.28 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.29 "Equity Index Fund" shall have the meaning set forth in Section 5.05.

1.30 "Fixed Income Fund" shall have the meaning set forth in Section 5.04.

1.31 "Highly Compensated Employee" means any employee of the Company or an Affiliated Employer (whether or not eligible for participation in the Plan) who satisfies the criteria of paragraph (a), (b), (c) or (d):

(a) During the look-back year the employee:

(i) received Statutory Compensation in excess of \$75,000 multiplied by the Adjustment Factor;

(ii) received Statutory Compensation in excess of \$50,000 multiplied by the Adjustment Factor and was among the highest 20 percent of employees for that year when ranked by Statutory Compensation paid for that year excluding, for purposes of determining the number of such employees, such employees as the Company may determine on a consistent basis pursuant to Section 414(q)(8) of the Code; or





(iii) was at any time an officer of the Company or an Affiliated Employer and received Statutory Compensation greater than 50 percent of the dollar limitation on maximum benefits under Section 415(b)(1)(A) of the Code for such Plan Year. The number of officers is limited to 50 (or, if lesser, the greater of 3 employees or 10 percent of employees excluding those employees who may be excluded in determining the top-paid group). If no officer has Statutory Compensation in excess of 50 percent of the dollar limitation on maximum benefits under Section 415(b)(1)(A) of the Code, the highest paid officer is treated as a Highly Compensated Employee.

(b) During the determination year, the employee satisfies the criteria under (i), (ii), or (iii) of (a) above and is one of the 100 highest paid employees of the Company or an Affiliated Employer.

(c) During the determination year or the look-back year the employee was at any time a five percent owner of the Company.

(d) For purposes of Section 8.04(a), a Highly Compensated Employee shall include a former employee who separated from service prior to the determination year and who was a five percent owner for either (i) the year he separated from service or (ii) any determination year ending on or after the employee's 55th birthday.

(e) Notwithstanding the foregoing, employees who are nonresident aliens and who receive no earned income from the Company or an Affiliated Employer which constitutes income from



sources within the United States shall be disregarded for all purposes of this Section.

(f) For purposes of this Section 1.31, the "determination year" means the Plan Year and "look-back year" means the 12 month period immediately preceding the determination year. However, to the extent permitted under regulations, the Plan Administrator may elect to determine the status of Highly Compensated Employees on a current calendar year basis.

(g) The provisions of the Section shall be further subject to such additional requirements as shall be described in Section 414(q) of the Code and its applicable regulations, which shall override any aspects of this Section inconsistent therewith.

1.32 "Hour of Service" means each hour for which the employee is paid or entitled to payment for the performance of duties for the Company or an Affiliated Employer.

1.33 "Investment Manager" means an investment manager as defined in Section 3(38) of ERISA, which is appointed by the Named Fiduciaries pursuant to Sections 5.04, 5.05, 5.11 or 5.12.

1.34 "Leased Employee" means any person performing services for the Company or an Affiliated Employer as a leased employee as defined in Section 414(n) of the Code. In the case of any person who is a Leased Employee before or after a period of service as an Employee, the entire period during which he has performed services as a Leased Employee shall be counted as service as an Employee for all purposes of the Plan, except that he shall not, by reason of that status, become a Participant of the Plan.



1.35 "Loan Reserve" shall have the meaning set forth in Section 9.08.

1.36 "Named Fiduciaries" means the persons designated as named fiduciaries of the Plan pursuant to Section 10.01.

1.37 "Nonparticipating Contribution" shall have the meaning set forth in Section 3.04.

1.38 "Participant" means any person who has a balance to his credit in the Trust Fund and/or shares beneficially owned under a TRASOP Account.

1.39 "Participating Contribution" shall have the meaning set forth in Section 3.04.

1.40 "Plan" means the Con Edison Thrift Savings Plan for Management Employees and, effective as of July 1, 1988, the TRASOP, as amended from time to time, as set forth herein.

1.41 "Plan Administrator" means the Plan Administrator appointed pursuant to Section 10.01 to administer the Plan.

1.42 "Plan Year" means the calendar year.

1.43 "Pre-Tax Contribution" shall have the meaning set forth in Section 3.01.

1.44 "Pre-Tax Subaccount" shall have the meaning set forth in Section 5.08.

1.45 "Projected Annual Benefit" means, for any Participant, for any calendar year, the annual benefit payable in the form of a straight life annuity to which the Participant would be entitled under a Defined Benefit Plan on the assumptions that he continues in the employment of the Company until the normal retirement age under the Defined Benefit Plan (or his current age, if later), that his compensation, as defined in such Defined Benefit Plan, continues at the same rate in effect for the year



under consideration until such age, and that all other relevant factors used to determine benefits under the Defined Benefit Plan remain constant as of the year under consideration for all future years.

1.46 "Retirement" means a termination of service by a Participant either (a) by reason of disability, or (b) under circumstances in which he is entitled to receive a retirement pension under any Defined Benefit Plan, or (c) in the case of any Participant who is employed after age 60 and who is not entitled to receive a retirement pension under any Defined Benefit Plan, on or after his sixty-fifth birthday.

1.47 "Rollover Subaccount" means the account credited with the Rollover Contributions made by a Participant and earnings on those contributions.

1.48 "Rollover Contributions" means amounts contributed pursuant to Section 3.05.

1.49 "Severance Date" means the earlier of (a) the date an employee quits, retires, is discharged or dies, or (b) the first anniversary of the date on which an employee is first absent from service, with or without pay, for any reason such as vacation, sickness, disability, layoff or leave of absence.

1.50 "Statutory Compensation" means the wages, salaries, and other amounts paid in respect of an employee for services actually rendered to the Company or an Affiliated Employer, including by way of example, overtime and bonuses, but excluding deferred compensation, stock options and other distributions which receive special tax benefits under the Code. For purposes of determining Highly Compensated Employees under Section 1.31 and key employees under Article 12, Statutory Compensation shall include Pre-Tax Contributions and amounts contributed on a Participant's behalf on a salary reduction basis to a cafeteria plan under Section 125 of the Code. For all other purposes, each Plan Year the Plan Administrator may direct that Statutory





Compensation shall include Pre-Tax Contributions and amounts contributed on a Participant's behalf on a salary reduction basis to a cafeteria plan under Section 125 of the Code. For Plan Years beginning on or after January 1, 1989, Statutory Compensation shall not exceed the Annual Dollar Limit, provided that such Limit shall not be applied in determining Highly Compensated Employees under Section 1.31. The Annual Dollar Limit applies to the aggregate Statutory Compensation paid to a Highly Compensated Employee referred to in Section 8.04(a), his spouse and his lineal descendants who have not attained age 19 before the close of the Plan Year. If, as a result of the application of the family aggregation rule, the Annual Dollar Limit is exceeded, then the Limit shall be prorated among the affected individuals in proportion to each such individual's Statutory Compensation as determined under this Section 1.50 prior to the application of the Limit.

1.51 "Shares" means issued and outstanding shares of common stock of the Company and shall include fractional shares of such common stock.

1.52 "Treasury Bill Fund" shall have the meaning set forth in Section 5.11.

1.53 "Top-Heavy Plan" means any Defined Contribution Plan or Defined Benefit Plan under which more than 60% of the sum of (i) its aggregate account balances and (ii) the present value of its aggregate accrued benefits is allocated to key employees. For the purposes of this definition "present value" shall be determined on the basis of an interest rate of 5-1/2% and mortality as set forth in 1971 TPF&C Forecast Mortality.

1.54 "Top Heavy Group" means any "required aggregation group" (as defined in Section 12.03) or any "permissive aggregation group" (as defined in Section 12.03) in which more than 60% of the sum of (i) the aggregate account balances under all plans in the group and (ii) the aggregate present value of



accrued benefits under all plans in the group is allocated to key employees. For the purpose of this definition, "present value" shall be determined on basis of an interest rate of 5-1/2% and mortality as set forth in 1971 TPF&C Forecast Mortality.

1.55 "TRASOP" means the Tax Reduction Act Stock Ownership Plan of the Company, as included within this plan document effective as of July 1, 1988.

1.56 "TRASOP Account" means an account maintained on behalf of an Employee by the Trustee under the TRASOP, in which is shown the number of Shares beneficially owned thereunder by the Employee, as determined under the provisions and requirements of the TRASOP.

1.57 "Trust Fund" means the trust fund described in Article 5.

1.58 "Trustee" means the trustee at any time appointed and acting as trustee of the Trust Fund.

1.59 "Units" shall have the meaning set forth in Section 5.06.

1.60 "Vested Portion" means the portion of the Account in which the Participant has a nonforfeitable interest as provided in Article 6 or, if applicable, Article 12.

1.61 "Vesting Service" means, with respect to any employee, his period of employment with the Company or any Affiliated Employer, whether or not as an Employee, beginning on the date he first completes an Hour of Service and ending on his Severance Date, provided that:



(a) if his employment terminates and he is reemployed within one year of the earlier of (i) his date of termination or (ii) the first day of an absence from service immediately preceding his date of termination, the period between his Severance Date and his date of reemployment shall be included in his Vesting Service;

(b) if he is absent from the service of the Company or any Affiliated Employer because of service in the Armed Forces of the United States and he returns to service with the Company or an Affiliated Employer having applied to return while his reemployment rights were protected by law, the absence shall be included in his Vesting Service;

(c) if he is on a leave of absence covered by the Family and Medical Leave Act of 1993, as it may be amended from time to time, the period of leave shall be included in his Vesting Service;

(d) if he is on leave of absence approved by the Company, under rules uniformly applicable to all Employees similarly situated, the Company may authorize the inclusion in his Vesting Service of any portion of that period of leave which is not included in his Vesting Service under (a), (b) or (c) above; and

(e) if his employment terminates and he is reemployed after he has incurred a Break in Service, his Vesting Service after reemployment shall be aggregated with his previous period or periods of Vesting Service if (i) he was vested in his Company Contribution Subaccount or (ii) the period from his Break in Service to his subsequent reemployment does not equal or exceed the greater of five years or his period of Vesting Service before his Break in Service.



1.62 "Weekly Plan" means the Con Edison Retirement Income Savings Plan for Weekly Employees as from time to time in effect.

1.63 The masculine pronoun wherever used includes the feminine pronoun.

## ARTICLE 2

### Eligibility and Participation

2.01 Eligibility. Any Employee shall be eligible for participation in the Plan, except that only an Employee who was a Participant in, and had an account under TRASOP on June 30, 1988, shall be eligible to continue to participate in TRASOP and have a TRASOP Account under this Plan, because applicable laws do not permit additional tax credit contributions to TRASOP.

2.02 Participation. An Employee may become a Participant by completing such enrollment process as may be prescribed by the Plan Administrator and by electing to make monthly contributions to the Trust Fund in an amount equal to any percentage of his Compensation permitted by Sections 3.01 and/or 3.02. An Employee may also become a Participant by electing to contribute to the Trust Fund amounts allocated to the Employee by the Company under a cafeteria plan of the Company under Section 125 of the Code and otherwise available under such plan to be contributed under this Plan. A Participant's contributions shall be made by regular payroll deductions authorized from time to time by such Participant in such manner and on such conditions as may be prescribed by the Plan Administrator, including a form furnished by the Company under a cafeteria plan of the Company under Section 125 of the Code. An Employee may become a Participant





beginning with any calendar month by making such election on or before the 15th day of the preceding calendar month.

2.03 Reemployment of Former Employees and Former Participants. Any person reemployed by the Company as an Employee, who was previously a Participant or who was previously eligible to become a Participant, shall become a Participant upon completing the enrollment process and making an election in accordance with Section 2.02.

2.04 Transferred Participants. A Participant who remains in the employ of the Company or an Affiliated Employer but ceases to be an Employee shall continue to be a Participant of the Plan but shall not be eligible to make After-Tax Contributions, Pre-Tax Contributions or to have Company Contributions made on his behalf while his employment status is other than as an Employee.

2.05 Termination of Participation. A Participant's participation shall terminate on the date he is no longer employed by the Company or any Affiliated Employer unless the Participant is entitled to benefits under the Plan, in which event his participation shall terminate when those benefits are distributed to him.

### ARTICLE 3

#### Contributions

##### 3.01 Pre-Tax Contributions.

(a) A Participant may elect in accordance with Section 2.02 to reduce his Compensation payable while a Participant by at least 1% and, effective January 1, 1994, not more than 18%, in multiples of 1% and have that amount contributed to the Plan by the Company as Pre-Tax Contributions. An amount contributed to the Plan pursuant to the election of a Participant under a cafeteria plan of the Company under Section 125 of the Code may



be designated as a Pre-Tax Contribution by the Participant. Pre-Tax Contributions shall be further limited as provided below and in Sections 8.01, 8.04 and 8.05.

(b) In no event shall the Participant's Pre-Tax Contributions and similar contributions made on his behalf by the Company or an Affiliated Employer to all plans, contracts or arrangements subject to the provisions of Section 401(a)(30) of the Code in any calendar year exceed \$7,000 multiplied by the Adjustment Factor. If a Participant's Pre-Tax Contributions in a calendar year reach that dollar limitation, his election of Pre-Tax Contributions for the remainder of the calendar year will be canceled and, if so elected by the Participant, then recharacterized as an election to make After-Tax Contributions under Section 3.02 at the same rate as was previously in effect for his Pre-Tax Contributions. Each Participant affected by this paragraph (b) may elect to change or suspend the rate at which he makes After-Tax Contributions. As of the first pay period of the calendar year following such cancellation, the Participant's election of Pre-Tax Contributions shall again become effective at the rate in accordance with his most recent election.

(c) In the event that the sum of the Pre-Tax Contributions and similar contributions to any other qualified Defined Contribution Plan maintained by the Company or an Affiliated Employer exceeds the dollar limitation in Section 3.01(b) for any calendar year, the Participant shall be deemed to have elected a return of Pre-Tax Contributions in excess of such limit ("excess deferrals") from this Plan. The excess deferrals, together with Earnings, shall be returned to the Participant no later than the April 15 following the end of the calendar year in which the excess deferrals were made. The amount of excess deferrals to be returned for any calendar year shall be reduced by any Pre-Tax Contributions previously returned to the Participant under Section 8.01 for that calendar year. In the event any Pre-Tax



Contributions returned under the this paragraph (c) were matched by Company Contributions under Section 3.03, those Company Contributions, together with Earnings, shall be forfeited and used to reduce future Company contributions.

(d) If a Participant makes tax-deferred contributions under another qualified defined contribution plan maintained by an employer other than the Company or an Affiliated Employer for any calendar year and those contributions when added to his Pre-Tax Contributions exceed the dollar limitation under Section 3.01(b) for that calendar year, the Participant may allocate all or a portion of such excess deferrals to this Plan. In that event, such excess deferrals, together with Earnings, shall be returned to the Participant no later than the April 15 following the end of the calendar year in which such excess deferrals were made. However, the Plan shall not be required to return excess deferrals unless the Participant notifies the Plan Administrator, in writing, by March 1 of that following calendar year of the amount of the excess deferrals allocated to this Plan. The amount of such excess deferrals to be returned for any calendar year shall be reduced by any Pre-Tax Contributions previously returned to the Participant under Section 8.01 for that calendar year. In the event any Pre-Tax Contributions returned under this paragraph (d) were matched by Company Contributions under Section 3.03, those Company Contributions, together with Earnings, shall be forfeited and used to reduce future Company contributions.

3.02 After-Tax Contributions. Any Participant may make After-Tax Contributions under this Section whether or not he has elected to have Pre-Tax Contributions made on his behalf pursuant to Section 3.01. The amount of After-Tax Contributions shall be at least 1% and, effective January 1, 1994, not more than 18% of his Compensation while a Participant, in multiples of 1%. An amount contributed to the Plan pursuant to the election of a



Participant under a cafeteria plan of the Company under Section 125 of the Code may be designated as any After-Tax Contribution by the Participant. If the Participant has made an election under Section 3.01, the maximum percentage of Compensation which the Participant may elect to contribute under this Section shall be equal to the excess of 18% over the percentage elected by the Participant under Section 3.01.

3.03 Company Contributions. The Company shall contribute on behalf of each of its Participants who elects to make Pre-Tax Contributions or After-Tax Contributions an amount equal to 50% of the sum of the Pre-Tax Contributions and After-Tax Contributions made on behalf of or by the Participant to the Plan during each month, not to exceed 6% of the Participant's Compensation for such month, in the following order of priority: (a) Pre-Tax Contributions, and then (b) After-Tax Contributions. In no event, however, shall the Company Contributions for a month pursuant to this Section exceed 3% of the Participant's Compensation for such month. The Company Contributions are made expressly conditional on the Plan satisfying the provisions of Sections 3.01, 8.01, 8.02 and 8.03. If any portion of the Pre-Tax Contribution or After-Tax Contribution to which the Company Contribution relates is returned to the Participant under Section 3.01, 8.01, 8.02 or 8.03, the corresponding Company Contribution shall be forfeited, and if any amount of the Company Contribution is deemed an excess aggregate contribution under Section 8.03, such amount shall be forfeited in accordance with the provisions of that Section. Company Contributions shall be paid to the Trustee each calendar month.

3.04 Participating and Nonparticipating Contributions. The portion of a Participant's Pre-Tax Contribution or After-Tax Contribution to which the Company Contribution relates shall be Participating Contributions, and the portion of a Participant's





Pre-Tax Contribution or After-Tax Contribution in excess of the Participant's Participating Contributions shall be Nonparticipating Contributions.

### 3.05 Rollover Contributions and Trust to Trust Transfers.

(a) Subject to such terms and conditions as the Plan Administrator may determine to be appropriate, applied in a uniform and non-discriminatory manner to all Participants, and without regard to any limitations on contributions set forth in this Article 3, the Plan may receive from a Participant for credit to his Rollover Subaccount, in cash, any amount previously distributed (or deemed to have been distributed) to him from a qualified plan. The Plan may receive such amount either directly from the Participant or, effective at such time as the Plan Administrator shall determine practicable, in the form of a direct rollover from an individual retirement account or from a qualified plan. Notwithstanding the foregoing, the Plan shall not accept any amount unless such amount is eligible to be rolled over in accordance with applicable law and the Participant provides evidence satisfactory to the Plan Administrator that such amount qualifies for rollover treatment. Unless received by the Plan in the form of a direct rollover, the Rollover Contribution must be paid to the Trustee on or before the 60th day after the day it was received by the Participant or be rolled over through the medium of an individual retirement account that contains no assets other than those representing employer contributions to a qualified plan, any earnings thereon and any earnings from employee contributions to that plan. At the time received by the Plan, the Participant shall, in such manner and on such conditions as may be prescribed by the Plan Administrator, elect to invest the Rollover Contribution in the investment funds then available under the Plan to the Participant. If the Participant fails to make an investment election, 100% of the Rollover Contribution shall be invested in the Fixed Income Fund.



(b) Rollovers and direct rollovers shall only be accepted from a Participant who is an Employee except that the Plan shall accept a rollover or direct rollover from a former Employee who is a Participant of an amount received from either a Defined Benefit Plan or the TRASOP.

(c) Subject to such terms and conditions as the Plan Administrator may determine to be appropriate, applied in a uniform and non-discriminatory manner to all Participants, and effective at such time as the Plan Administrator shall determine practicable, the Plan shall receive on behalf of a Participant a trust-to-trust transfer from the Weekly Plan of the Participant's benefits and liabilities under the Weekly Plan. Any Participant whose benefits are the subject of a trust-to-trust transfer from the Weekly Plan to this Plan will be entitled to receive benefits, rights and features from the Plan that are no less than the benefits, rights and features he would be entitled to receive from the Weekly Plan immediately preceding the transfer. Following the transfer, the Participant's rights to the non-vested portion of any benefits transferred from the Weekly Plan shall vest in accordance with Section 6.02 of this Plan. To the extent feasible, such transfer shall be made on an in-kind basis. To the extent that such transfer is made in the form of cash, at the time received by the Plan the Participant shall, in such manner and on such terms as may be prescribed by the Plan Administrator, elect to invest the cash in the investment funds then available under the Plan except that the Participant may elect to invest in the Company Stock Fund only cash derived from the sale of shares in the Company Stock Fund under the Weekly Plan.

3.06 Changes in Contributions. A Participant may increase or reduce his contributions within the limits prescribed by Sections 3.01 and 3.02, effective as of the first day of any calendar month, by making a new election on or before the 15th



day of the preceding calendar month in such manner and on such conditions as may be prescribed by the Plan Administrator. A Participant may make changes in contribution levels four times within each Plan Year.

3.07 Suspension in Contributions. A Participant may at any time suspend his contributions as of the last day of any calendar month by making an election on or before the 15th day of such month in such manner and on such conditions as may be prescribed by the Plan Administrator. A Participant may resume making contributions, effective as of any calendar month, by making an election on or before the 15th day of the preceding calendar month in such manner and as such conditions as may be prescribed by the Plan Administrator. A suspension or resumption of contributions is counted as one of four changes in contribution levels permitted within each Plan Year under the Plan.

3.08 Payment To Trust.

(a) Amounts contributed by Participants shall be paid by the Company to the Trustee promptly and credited by the Trustee to their Accounts in accordance with the certification of the Plan Administrator as to the names of the contributing Participants and the respective amounts contributed by each Participant as Participating Contributions, Nonparticipating Contributions, Pre-Tax Contributions and After-Tax Contributions.

(b) Each Company Contribution shall be paid by the Company promptly to the Trustee and shall be allocated among the Participants and credited to their respective Accounts in proportion to their Participating Contributions made during the calendar month for which the Company Contribution is being made.

3.09 No Contributions to TRASOP. No contributions to TRASOP by the Company or by Participants are permitted.



## ARTICLE 4

### Company Contributions

4.01 Company Contributions Election. A Participant may elect to have Company Contributions allocated to his Account invested in the Company Stock Fund described in Section 5.06, the Equity Index Fund described in Section 5.05, the Treasury Bill Fund described in Section 5.11, the Balanced Fund described in Section 5.12, and the Fixed Income Fund described in Section 5.04. A Participant may elect, through February 28, 1994, to have Company Contributions invested in multiples of 25% and effective March 1, 1994 may elect to have Company Contributions invested in multiples of 1%. If the Participant fails to make an election as to Company Contributions, 100% of such Contributions shall be invested in the Fixed Income Fund. Any such election shall be made in such manner and on such conditions as may be prescribed by the Plan Administrator.

4.02 Change of Election. A Participant may change his investment election regarding future Company Contributions not more than four times in any calendar year. Any such election shall be made in such manner and on such conditions as may be prescribed by the Plan Administrator and shall be effective as of the first day of the calendar month immediately following the calendar month in which the election change is made.

4.03 Certification to Trustee. The Plan Administrator shall certify to the Trustee the amount of Company Contributions that each Participant has most recently elected, pursuant to Section 4.01 or 4.02, to have invested for his Account in the Company Stock Fund, the Equity Index Fund, the Balanced Fund, the Treasury Bill Fund or the Fixed Income Fund.

4.04 Forfeitures. The total amount of the Trust Fund forfeited by Participants pursuant to Section 7.02 or otherwise,





during any calendar month shall be applied to reduce future Company Contributions due under the Plan. The Trustee shall promptly advise the Company of any such forfeiture and the amount thereof.

## ARTICLE 5

### The Trust Fund; Investments

5.01 Trust Agreement. Contributions and TRASOP Accounts shall be held in a Trust Fund by the Trustee under a written trust agreement between the Company and the Trustee. No person shall have any rights to or interest in the Trust Fund except as provided in the Plan.

5.02 Investment of Trust Fund. Subject to Section 5.07, and except for that portion of the Trust Fund to be invested in the Company Stock Fund pursuant to Section 5.06 or in a Participant's Loan Reserve pursuant to Section 9.08 or in Shares pursuant to Section 13.02, the Trust Fund shall, subject to the election rules set forth in Section 5.03, be invested in the Fixed Income Fund described in Section 5.04 and, to the extent a Participant so elects, in the Equity Index Fund described in Section 5.05, the Treasury Bill Fund described in Section 5.11 or the Balanced Fund described in Section 5.12.

5.03 Rules for Investment Elections. Each Participant in the Plan may elect to invest the Participant's contributions and Account balance in accordance with the following rules:

(a) Investment Election for March 31, 1994. The fixed interest contracts that compose, as of January 1, 1994, the Fixed Income Fund described in Section 5.04 that mature on March 31, 1994 are herein called "Class Year Contracts". Amounts invested in the Fixed Income Fund earn a blended rate of return that is a composite rate based on all of the assets (other than the Class



Year Contracts) in the Fixed Income Fund. Participants may select investments for the portion of their Account balance invested in the Class Year Contracts (the "Class Year Balance"), for the portion of their Account balance invested in the blended-rate portion of the Fixed Income Fund, for their balances in the Equity Index Fund, the Company Stock Fund, the Balanced Fund and for their future contributions after March 31, 1994.

(i) A Participant may elect to transfer all or a portion, in multiples of 1%, of his Class Year Balance to the Treasury Bill Fund, the Equity Index Fund or the Balanced Fund or the blended rate portion of the Fixed Income Fund. Failure by a Participant to make an election for his Class Year Balance shall be deemed to be an election to invest 100% thereof in the Fixed Income Fund.

(ii) A Participant may elect to transfer all or a portion, in multiples of 1%, of his balance in the blended-rate portion of the Fixed Income Fund to the Equity Index Fund or the Balanced Fund.

(iii) A Participant may elect to transfer all or a portion, in multiples of 1%, of his balance in the Equity Index Fund to the Fixed Income Fund or the Balanced Fund.

(iv) A Participant may elect to transfer all or a portion, in multiples of 1%, of his balance in the Company Stock Fund to the Equity Index Fund, the Balanced Fund, the Treasury Bill Fund or the Fixed Income Fund.

(v) The elections provided in the foregoing clauses (i), (ii), (iii) and (iv) above shall be made in such manner and on such conditions as may be prescribed by the Plan Administrator



and shall not be counted as one of the changes permitted annually under the Plan. Any amounts transferred to the Treasury Bill Fund shall not thereafter be permitted to be transferred out of the Treasury Bill Fund to any other Fund.

(vi) Future transfers of Account balances shall be permitted only in accordance with subsection 5.03(c) below.

(b) Future Contributions. A Participant may elect, in such manner and on such conditions as may be prescribed by the Plan Administrator, to invest future contributions after February 28, 1994, in multiples of 1%, in the Fixed Income Fund, Equity Index Fund, the Treasury Bill Fund and the Balanced Fund. A Participant may change his investment election regarding future contributions not more than four times in any Plan Year. Such change of election shall be made in such manner and on such conditions as may be prescribed by the Plan Administrator and shall become effective as of the first day of the calendar month immediately following the calendar month in which the election change is made. A Participant's elections shall remain in effect until changed or until contributions are ceased or suspended.

(c) Accumulated Balances. Effective as of April 1, 1994, Participants may elect to transfer Account balances, in multiples of 1%, once in any three-month period, as set forth below:

(i) From the Fixed Income Fund to the Equity Index Fund or the Balanced Fund;

(ii) From the Balanced Fund to the Equity Index Fund or the Fixed Income Fund;



(iii) From the Equity Index Fund to the Fixed Income Fund or the Balanced Fund; and

(iv) From the Company Stock Fund to the Fixed Income Fund, the Equity Index Fund, the Balanced Fund or the Treasury Bill Fund.

Any such elections shall be made by a Participant in such manner and on such conditions as may be prescribed by the Plan Administrator. An election to make a transfer shall be effective as of the last day of the calendar month in which the election is made. A Participant shall not be permitted to make any transfer of all or any portion of his Account balance in the Treasury Bill Fund to the Fixed Income Fund, the Equity Index Fund, the Balanced Fund or the Company Stock Fund.

5.04 Fixed Income Fund. The Named Fiduciaries shall have the power to appoint an Investment Manager to manage (including the power to acquire and dispose of) the assets in the Fixed Income Fund. The Fixed Income Fund shall include one or more agreements with one or more insurance companies or other financial institutions as may be directed in writing from time to time by the Investment Manager, or, if there is no Investment Manager appointed, by the Named Fiduciaries in their discretion. Notwithstanding anything in this Article to the contrary, any contributions invested in the Fixed Income Fund shall be subject to any and all terms and conditions of such agreements, including any limitations placed on the exercise of any rights otherwise granted to a Participant under any other provisions of the Plan with respect to such contributions. The Investment Manager or the Named Fiduciaries, as the case may be, shall direct the Trustee in writing as to any elections or other actions to be taken by the Trustee with respect to any such agreement. If at any time the Investment Manager or the Named Fiduciaries, as the





case may be, shall determine, in its or their discretion, that it is not feasible to secure such an agreement or agreements on desirable terms which will permit investment of the entire amount to be invested pursuant to this Section 5.04, then the Investment Manager or the Named Fiduciaries, as the case may be, shall so inform the Trustee in writing. In such event, such part of the amount to be invested pursuant to this Section 5.04 as cannot be invested in such an agreement or agreements shall, until such time as such agreement or agreements are secured, be invested in obligations of the United States Government or agencies thereof, or obligations guaranteed as to the payment of principal and interest by the United States government or agencies thereof, or deposits in fully insured savings accounts or in any common, collective or commingled trust fund maintained by the Trustee that is qualified under Section 401(a) of the Code and exempt under Section 501(a) of the Code, or any combination thereof, as the Trustee in its discretion shall determine. Prompt written notice of any such determination by the investment manager or the Named Fiduciaries, as the case may be, shall be given to all Participants.

5.05 Equity Index Fund. The Equity Index Fund shall include one or more portfolios of equity securities constructed and maintained with the objective of providing investment results which approximate the overall performance of the portfolio comprising the Standard & Poor's 500 Composite Stock Index, selected by the Named Fiduciaries in their discretion, or by an Investment Manager (which may be the bank acting as Trustee) selected by the Named Fiduciaries in their discretion, although temporary investments in money market funds or instruments or accounts shall be permitted. If at any time the Investment Manager or the Named Fiduciaries, as the case may be, shall determine, in their discretion, that it is not feasible to secure



such portfolios on desirable terms which will permit investment of the entire amount to be invested pursuant to this Section 5.05, then the Investment Manager or Named Fiduciaries shall so inform the Trustee in writing. In such event, such part of the amount to be invested pursuant to this Section 5.05 as cannot be invested in such a portfolio shall be invested in obligations of the United States Government or agencies thereof, or obligations guaranteed as to the payment of principal and interest by the United States Government or agencies thereof, or deposits in fully insured savings accounts or in any common, collective or commingled trust fund maintained by the Trustee that is qualified under Section 401(a) of the Code and exempt under Section 501(a) of the Code, or any combination thereof, as the Trustee in its discretion shall determine. Prompt written notice of any such determination by the Investment Manager or Named Fiduciaries shall be given to all Participants.

#### 5.06 Company Stock Fund.

(a) Investments in Fund. There shall be established within the Trust Fund a separate Company Stock Fund, as described in this Section, for the investment of those portions of the Company Contributions specified by Participants pursuant to Section 4.01 and 4.02. All Company Contributions so specified shall be invested solely in Shares, except that a portion of the Company Stock Fund may be maintained temporarily in cash, or may be invested temporarily in investments permitted by Section 5.07. The Trustee shall regularly purchase Shares for the Company Stock Fund in accordance with a nondiscretionary purchasing program. Such purchases may be made on any securities exchange where Shares are traded, in the over-the-counter market, or in negotiated transactions, and may be on such terms as to price, delivery and otherwise as the Trustee may determine to be in the best interests of the Participants. Dividends, interest and other



income received on assets held in the Company Stock Fund shall be reinvested in the Company Stock Fund. All funds to be invested in the Company Stock Fund shall be invested by the Trustee in one or more transactions promptly after receipt by the Trustee, subject to any applicable requirement of law affecting the timing or manner of such transactions. All brokerage commissions and other expenses incurred by the Trustee in the purchase or sale of Shares under the Plan will be paid by the Company.

(b) Units. The interests of Participants in the Company Stock Fund shall be measured in Units, the number and value of which shall be determined, in the manner set forth in this subsection, as of the last day of each calendar month and at such other times as the Plan Administrator shall direct. As of the first valuation date after January 1, 1985, the market value of all assets held in the Company Stock Fund (including any uninvested cash, accrued dividends, interest and other assets), reduced by the amount of any liabilities chargeable to the Company Stock Fund, shall be determined by the Trustee. As of such first valuation date, each Unit shall be assigned a value of \$1 and the total number of Units shall be determined by dividing the market value determined in accordance with the preceding sentence by \$1. The resulting total number of Units shall be allocated among the Accounts of the Participants in proportion to the respective amounts of Company Contributions received by the Trustee since January 1, 1985 for the Account of each Participant for investment in the Company Stock Fund. As of each valuation date thereafter, the market value of all assets held in the Company Stock Fund (including any uninvested cash, accrued dividends, interest and other assets), reduced by the amount of any liabilities chargeable to the Company Stock Fund, and reduced by any Company Contributions received for investment in the



Company Stock Fund since the last previous date, shall be determined by the Trustee. The market value determined in accordance with the preceding sentence shall be divided by the total number of Units determined as of the last previous valuation date. The resulting quotient shall be the value of a Unit as of the current valuation date, and Units shall be allocated, at such value, to and from the Accounts of Participants for all transactions by them or on their behalf since the last preceding valuation date. Fractional units shall be calculated to at least three decimal places. If part or all of a Participant's interest in the Company Stock Fund shall be transferred from the Company Stock Fund pursuant to subsection 5.03(c)(iv), distributed pursuant to Sections 7.01, 7.02, 7.03, 7.05, or 7.06, withdrawn pursuant to Section 7.04, or forfeited pursuant to Section 7.02, the number of Units representing the interests or parts thereof transferred, distributed, withdrawn or forfeited as of the applicable valuation date shall be cancelled for purposes of any subsequent determination of the number and value of Units in the Company Stock Fund. The Trustee's determination of market values pursuant to this subsection and Section 5.08 shall be conclusive.

(c) Voting of Shares. Each Participant shall be entitled to direct the Trustee as to the manner in which any Shares or fractional Share represented by Units allocated to the Participant's Account are to be voted. Any such Shares or fractional Share for which the Participant does not give voting directions shall be voted by the Trustee in the same manner and proportions as all other Shares held by the Trustee for which voting directions are given by Participants. The Trustee shall keep confidential a Participant's voting instructions and information regarding a Participant's purchases, holdings and sales of Shares. The Plan Administrator shall be responsible for





monitoring the Trustee's performance of its confidentiality obligations.

5.07 Temporary Investments. Any funds which are to be invested by the Trustee pursuant to Section 5.04, 5.05, 5.06, 5.11, 5.12 or 13.02 may be invested by the Trustee, either temporarily or during any period when it is not possible to invest such funds in the manner provided in such Sections, in marketable United States obligations, or, in the discretion of the Trustee, in any common, collective or commingled trust fund maintained by the Trustee that is qualified under Section 401(a) of the Code and is exempt under Section 501(a) of the Code. Any income or gains resulting from such investment shall ultimately be invested in the same manner as the funds producing such income or gains.

5.08 Accounts and Subaccounts. The Trustee shall maintain in any equitable manner, which shall to the extent necessary include a monthly revaluation at current market values, as determined by the Trustee, a separate TRASOP Account for each Participant eligible therefor and a separate Account for each Participant, and within each such Account a Pre-Tax Subaccount, an After-Tax Subaccount, a Rollover Subaccount and a Company Contribution Subaccount, in which the Trustee shall keep a separate record of the respective shares of such Participant in the Trust Fund, including the Company Stock Fund, the Fixed Income Fund, the Equity Index Fund, the Balanced Fund, the Treasury Bill Fund, and the Loan Reserve, attributable to amounts credited to his Pre-Tax Subaccount, his After-Tax Subaccount, his Rollover Subaccount and his Company Contribution Subaccount. A Participant's Pre-Tax Contributions shall be credited to his Pre-Tax Subaccount. A Participant's After-Tax Contributions shall be credited to his After-Tax Subaccount. A Participant's Rollover Contributions shall be credited to his Rollover Subaccount. A Participant's share of Company Contributions made



on or after January 1, 1985 shall be credited to his Company Contribution Subaccount.

5.09 Pre-January 1, 1985 Contributions. Any contributions to the Trust Fund made by a Participant prior to January 1, 1985 shall, as of January 1, 1985, be credited to his After-Tax Subaccount. Any contributions to the Trust Fund made by the Company and allocated to a Participant's Account prior to January 1, 1985 shall be credited to the Participant's Company Contribution Subaccount.

5.10 Statements of Account. As soon as practicable after June 30, and December 31, of each year the Trustee shall cause to be sent to each Participant a written statement showing, as of such date, the respective amounts of the Trust Fund, including the Company Stock Fund, Fixed Income Fund, Equity Index Fund, Treasury Bill Fund, Balanced Fund and Loan Reserve, attributable to the Participant's Pre-Tax Subaccount, his After-Tax Subaccount, his Rollover Subaccount and his Company Contribution Subaccount and the Participant's balance in his TRASOP Account, if any. With respect to the Participant's After-Tax Subaccount, the statement shall show separately the amount of the Participant's own contributions (less any withdrawals) credited to his After-Tax Subaccount. The Plan Administrator may direct the Trustee from time to time to issue comparable statements to Participants as of other dates during the calendar year.

5.11 Treasury Bill Fund. Effective March 31, 1991 a new investment option shall become available under the Plan. The new investment option shall be known as the Treasury Bill Fund, shall consist of short-term United States Treasury Bills, and shall be managed by an investment manager (which may be the Trustee)



selected by the Named Fiduciaries in their discretion. This Fund may also be invested in short-term fixed obligations of the United States Government or agencies thereof, or other obligations guaranteed as to the payment of principal and interest by the United States Government or agencies thereof, or deposits in fully insured savings accounts, or in any common, collective or commingled trust fund maintained by the Trustee that is qualified under Section 401(a) of the Code and exempt under Section 501(a) of the Code, or any combination thereof, as the investment manager in its discretion may determine.

5.12 Balanced Fund. Effective March 31, 1992 a new investment option shall become available under the Plan. The new investment option shall be the Strategic Asset Allocation fund, sponsored and managed by Bankers Trust Company. The new fund, to be known as the Balanced Fund, consists of three components: (i) a common stock index fund that invests in common stock included in the S&P 500 Composite Stock Index and has the objective of providing investment results that replicate the overall performance of the S&P 500 Composite Stock Index; (ii) a broad market fixed income index fund that invests primarily in fixed income securities of the U.S. Government or any agency thereof, publicly-issued fixed rate investment-grade domestic debt and government agency and corporate mortgage backed securities and has the objective of providing investment results that replicate the overall performance of the Salomon Brothers Broad Investment Grade Index; and (iii) a money market fund that invests in debt obligations having maturities of six months or less including securities of the U.S. Government or agencies thereof; collateralized repurchase agreements; asset-backed securities;



open-ended demand master notes; commercial paper; loan participation; and issues offered by US, Canadian, European and Japanese banking institutions; provided that the issuer's senior debt is rated A or higher by either Moody's or S&P and if its commercial paper is rated either P1 or higher by Moody's or A1 or higher by S&P; if neither Moody's nor S&P rates an issuer's securities, the fund will acquire such securities only if Bankers Trust Company determines their quality to be equivalent to the quality of issuers that satisfy such rating standards. Each of the component funds of the Balanced Fund is maintained within the common, commingled or collective trust fund known as the General Employee Benefit Trust established by Bankers Trust Company which acts as trustee of such General Trust. Bankers Trust Company will determine amounts to be allocated to each component fund. Over the long term, the common stock index portion is expected to average about 55 percent of the Balanced Fund, but would not exceed 70 percent, the fixed income index portion is expected to average about 35 percent and the money market portion about 10 percent.

5.13 Responsibility for Investments. Each Participant is solely responsible for the selection of his investment options. The Trustee, the Named Fiduciaries, the Plan Administrator, the Company and the trustees, officers and other employees of the Company are not empowered to advise a Participant as to the manner in which his Account shall be invested. The fact that an investment fund is available to Participants for investment under the Plan shall not be construed as a recommendation for a particular Participant to invest in that investment fund.





ARTICLE 6

Vesting

6.01 Participant Contributions. The amount to the credit of a Participant's Account which is attributable to his Pre-Tax Contributions, After-Tax Contributions and Rollover Contributions to the Trust Fund made by the Participant shall be 100% vested at all times.

6.02 Company Contributions. The amount to the credit of a Participant's Account which is attributable to Company Contributions, including contributions to the Trust Fund made by the Company prior to January 1, 1985, shall become 100% vested, subject to Article 8, on the later of (i) January 1, 1985, and (ii) the first day of the calendar month in which the Participant completes three years of Vesting Service; provided, however, that all amounts to the credit of a Participant's Account which are attributable to Company Contributions, shall become 100% vested upon the Participant's attainment of age 65, his Disability, termination of his service by reason of Retirement or death or by the Company for reasons other than cause. Except to the extent that they shall have become vested, amounts to the credit of a Participant's Account which are attributable to Company Contributions are subject to forfeiture as provided in Section 7.02.

6.03 TRASOP Account. A Participant's balance in his TRASOP Account, if any, shall always be 100% vested.

ARTICLE 7

Distributions, Withdrawals and Forfeitures

7.01 Retirement. If a Participant's service is terminated by reason of Retirement, the entire amount to the credit of his Account (including any amount due under any outstanding loan



pursuant to Article 9) shall be distributed to him in accordance with Section 7.09.

7.02 Voluntary Termination or Termination by the Company;  
Forfeitures.

(a) If a Participant's service is terminated by the Company for cause or if the Participant voluntarily terminates his service otherwise than by reason of Retirement, the non-vested portion of the Participant's Company Contributions Subaccount shall not be forfeited until the Participant incurs a period of Break in Service of five years or receives a distribution of the Vested Portion of his Account, if earlier. The Vested Portion to the credit of such Participant's Account (including any amount due under any outstanding loan pursuant to Article 9) shall be distributed to such Participant in accordance with Section 7.09. Termination of service for cause shall be determined by the Plan Administrator under rules uniformly applied to all Participants. If the Participant is not reemployed by the Company or an Affiliated Employer before he incurs a period of Break in Service of five years or receives a distribution, the non-vested portion of his Company Contribution Subaccount shall be forfeited.

(b) If an amount to the credit of a Participant's Company Contributions Subaccount has been forfeited in accordance with paragraph (a) above, such amount shall subsequently be restored to his Company Contribution Subaccount by the Company provided (i) he is reemployed by the Company or an Affiliated Employer prior to incurring a period of Break in Service of five years and (ii) either he has elected or is deemed to have elected a deferred distribution in accordance with Section 7.09 or during his reemployment and within five years after his reemployment date he makes a lump sum payment to the Trust Fund in cash in an amount equal to that portion of the distribution received which represents the Participant's Participating Contributions relating



directly to Company Contributions which were forfeited at the time of distribution. The forfeited amount so restored shall vest in accordance with Section 6.02 as a Company Contribution and shall be credited to the Participant's Company Contribution Subaccount. The lump sum payment by the Participant shall immediately be 100% vested and shall be credited to the Participant's Account.

(c) If any amounts to be restored by the Company to a Participant's Company Contributions Subaccount have been forfeited under paragraph (a) above, those amounts shall be taken first from any forfeitures which have not as yet been applied against Company contributions and if any amounts remain to be restored, the Company shall make a special Company contribution equal to those amounts.

(d) A Participant may elect, in such manner and on such terms as may be prescribed by the Plan Administrator, to invest a repayment in the investment funds available under the Plan to the Participant at the time of the repayment.

7.03 Death. Upon the death of a Participant the entire amount to the credit of his Account (including any amount due under any outstanding loan pursuant to Article 9) shall be distributed to his Beneficiary in accordance with Section 11.03 as soon as practicable (but in any event within 90 days) after the calendar month in which his death occurs.

7.04 Withdrawals. Effective March 1, 1994, a Participant may request cash withdrawals from his Account by making a withdrawal application in such manner and on such conditions as may be prescribed by the Plan Administrator. Withdrawal applications shall be effective as of the last day of the calendar month during which the application is made. Payment of the amount withdrawn shall be made as soon as practicable after such application is effective. Withdrawals shall be permitted not more than four times in any calendar year and only in accordance with the following terms:



(a) No withdrawals from the Company Stock Fund shall be permitted except following a transfer pursuant to Section 5.03(c)(iv); provided, however, that effective at such time as the Plan Administrator shall determine practicable, withdrawals shall be permitted directly from the Company Stock Fund. Withdrawals will be made on a first-in-first-out basis within each category below and pro rata from the Participant's balances available for withdrawal.

(b) A Participant may at any time withdraw an amount up to the entire amount to the credit of his After-Tax and Company Contribution Subaccounts, except that a Participant may not withdraw an amount attributable to a Company Contribution until December 31 of the second calendar year beginning after the calendar month for which the Company Contribution was made. A Participant shall not be permitted to make any such withdrawal amounting to less than \$300 unless the maximum amount available under this paragraph (b) is less than \$300 in which case the Participant shall only be permitted to withdraw such maximum amount. Withdrawals shall be made in the following order from a Participant's Account:

1. If the Participant requests a nontaxable withdrawal:

(i) Nonparticipating After-Tax Contributions made before January 1, 1987, excluding any earnings thereon, and

(ii) Participating After-Tax Contributions made before January 1, 1987, excluding any earnings thereon.

2. If the Participant requests a taxable withdrawal, without incurring a suspension as provided in (f) below:

(i) Nonparticipating After-Tax Contributions made before January 1, 1987, excluding any earnings thereon;





(ii) Participating After-Tax Contributions made before January 1, 1987, excluding earnings thereon;

(iii) Nonparticipating After-Tax Contributions made on or after January 1, 1987, including any earnings thereon;

(iv) Participating After-Tax Contributions made on or after January 1, 1987 that have been in the Account two full calendar years after the year contributed, including any earnings thereon;

(v) Any earnings attributable to Nonparticipating After-Tax Contributions made before January 1, 1987;

(vi) Any earnings attributable to Participating After-Tax Contributions made before January 1, 1987; and

(vii) Company Contributions in the Account for two full calendar years after the contribution year, including any earnings thereon.

3. If the Participant requests a taxable withdrawal resulting in a suspension as provided in (f) below:

(i) Nonparticipating After-Tax Contributions made before January 1, 1987, excluding any earnings thereon;

(ii) Participating After-Tax Contributions made before January 1, 1987, excluding any earnings thereon;

(iii) Nonparticipating After-Tax Contributions made on or after January 1, 1987, including any earnings thereon;

(iv) Participating After-Tax Contributions made on or after January 1, 1987, including any earnings thereon;



(v) Any earnings attributable to Nonparticipating After-Tax Contributions made before January 1, 1987;

(vi) Any earnings attributable to Participating After-Tax Contributions made before January 1, 1987; and

(vii) Company Contributions in the Account for two full calendar years after the contribution year, including any earnings thereon.

(c) A Participant who has withdrawn at least the entire amount available under (b) above without incurring a suspension may at any time withdraw an amount up to the entire amount to the credit of his Rollover Subaccount.

(d) Participant who has attained the age of 59 years and six months and who has withdrawn at least the entire amounts available for withdrawal under paragraphs (b) and (c) above without incurring a suspension, may withdraw an amount up to the entire amount to the credit of his Pre-Tax Subaccount in the following order:

1. If the Participant requests a withdrawal, without resulting in a suspension under (f) below:

(i) Nonparticipating Pre-Tax Contributions, including any earnings thereon, and

(ii) Participating Pre-Tax Contributions that have been in the Account for two full calendar years after the year contributed, including any earnings thereon.

2. If the Participant requests a withdrawal resulting in a suspension under (f) below:



(i) Participating After-Tax Contributions, made on or after January 1, 1987 that have been in the Account for less than two full calendar years after the contribution year, including any earnings thereon;

(ii) Nonparticipating Pre-Tax Contributions, including any earnings thereon; and

(iii) Participating Pre-Tax Contributions including any earnings thereon.

A Participant shall not be permitted to make any such withdrawal amounting to less than \$300 unless the maximum amount available under this Section 7.04 is less than \$300 in which case the Participant shall only be permitted to withdraw such maximum amount.

(e) Notwithstanding the preceding paragraphs (b), (c) and (d), a Participant may not withdraw any amount that would cause the balance of his Account to be less than the minimum amount required under Section 9.09.

(f) In the event a Participant withdraws any amounts which represent After-Tax Participating Contributions made at any time during the two full calendar years preceding the calendar year in which the withdrawal is made, the Participant's right to make any contributions to the Plan shall be suspended for the six full calendar months as soon as practicable following the effective date of the withdrawal application. To resume contributions following such suspension, the Participant must elect, in such manner and on such conditions as may be prescribed by the Plan Administrator, to resume making contributions. The election must be made on or before the 15th day of the calendar month preceding the calendar month in which such contributions are to resume.

7.05 Hardship Withdrawals. Effective January 1, 1989, a Participant may, in the event of hardship, withdraw all or any part of the amount of Pre-Tax Contributions to the credit of the Account of the Participant (excluding any earnings after December 31, 1988 attributable to Pre-Tax Contributions) in excess of any



minimum Account balance required under Section 9.09. Effective March 1, 1994, a Participant may apply for a hardship withdrawal in such manner and on such conditions as may be prescribed by the Plan Administrator. For purposes of the Plan a Participant shall be deemed to have a hardship if the Participant has an immediate and heavy financial need and if the withdrawal is necessary to satisfy such financial need as set forth below. The Plan Administrator or his delegate shall determine whether the Participant satisfies the requirements for a hardship and the amount of any hardship withdrawal. Any withdrawal under this Section shall be made pro-rata from the Participant's balances in the investment funds from which withdrawal may be made as provided in Section 7.04. A withdrawal pursuant to this Section 7.05 shall not be subject to the limitations on number of withdrawals permitted under Section 7.04.

(a) Immediate and Heavy Financial Need - A Participant will be deemed to have an immediate and heavy financial need if the withdrawal is to be made on account of any of the following:

(1) Medical expenses described in Section 213(d) of the Code previously incurred by the Participant, the Participant's spouse or any dependent (as defined in Section 152 of the Code) of the Participant, or expenses necessary for those persons to obtain medical care described in Section 213(d) of the Code;

(2) Costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Participant;

(3) Payment of tuition and related educational fees for the next twelve-months of post- secondary education for the





Participant, or the Participant's spouse, children or dependents;

(4) Payment of amounts necessary to prevent the eviction of the Participant from his principal residence or to avoid foreclosure on the mortgage of the Participant's principal residence; or

(5) Any other need added to the foregoing items of deemed immediate and heavy financial needs by the Commissioner of the Internal Revenue Service through the publication of revenue rulings, notices and other documents of general availability, rather than on an individual basis.

A Participant shall not be permitted to make a withdrawal in the event of a hardship on account of any reason other than as set forth above.

(b) Necessary to Satisfy Such Need - The requested withdrawal will not be treated as necessary to satisfy the Participant's immediate and heavy financial need to the extent that the amount of the requested withdrawal is in excess of the amount required to relieve the financial need or to the extent such need may be satisfied from other sources that are reasonably available to the Participant. The amount of an immediate and heavy financial need may include any amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the hardship withdrawal. The Plan Administrator or his delegate shall generally make this determination on the basis of all relevant facts and



circumstances. In evaluating the relevant facts and circumstances the Plan Administrator or his delegate shall act in a nondiscriminatory fashion and shall treat uniformly those Participants who are similarly situated. The Participant shall furnish the Plan Administrator or his delegate such supporting documents as may be requested in evaluating the relevant facts and circumstances. The Plan Administrator or his delegate may generally treat a withdrawal as necessary to satisfy a financial need if he or his delegate reasonably relies upon the Participant's representation that the need cannot be relieved, unless the Plan Administrator or his delegate has actual knowledge to the contrary:

(1) Through reimbursement or compensation by insurance or otherwise;

(2) By reasonable liquidation of the Participant's assets, to the extent such liquidation would not itself cause an immediate and heavy financial need;

(3) By cessation of Pre-Tax and After-Tax Contributions under the Plan;

(4) By other distributions or non-taxable loans from plans maintained by the Company or any other employer; or

(5) By borrowing from commercial sources on reasonable commercial terms.

For purposes of this subdivision, the Participant's resources shall be deemed to include those assets of his spouse and minor children that are reasonably available to the Participant.



(c) Effective at such time as the Plan Administrator shall determine practicable, as a condition for receiving a hardship withdrawal, a Participant must comply with (1) or (2) as follows:

(1) The Participant must certify to the Plan Administrator or his delegate, on such form as the Plan Administrator or his delegate may prescribe, that the financial need cannot be fully relieved out of the sources listed in (b) (1) - (5) above. The sources listed must be used to the extent necessary to relieve the hardship but any source that would have the effect of increasing the hardship need not be used. For purposes of this clause (1), the Participant's resources shall be deemed to include those assets of his spouse and minor children that are reasonably available to the Participant. The Participant shall furnish to the Plan Administrator or his delegate such supporting documents as the Plan Administrator or his delegate may request in accordance with uniform and nondiscriminatory rules prescribed by the Plan Administrator or his delegate. If, on the basis of the Participant's certification and the supporting documents, the Plan Administrator or his delegate find that he can reasonably rely on the Participant's certification, then the Plan Administrator or his delegate shall find that the requested withdrawal is necessary to meet the Participant's financial need.

(2) The Participant must request, on such form as the Plan Administrator or his delegate may prescribe, that the Plan Administrator or his delegate make its determination of the



necessity for the withdrawal solely on the basis of the Participant's certification, without any supporting documents. In that event, the Plan Administrator or his delegate shall make such determination, provided all of the following requirements are met: (1) the Participant has obtained all distributions and withdrawals, other than distributions available only on account of hardship, and all nontaxable loans currently available under all plans of the Company and Affiliated Employers, (2) the Participant is prohibited from making Pre-Tax Contributions and After-Tax Contributions to the Plan and all other plans of the Company and Affiliated Employers under the terms of such plans or by means of an otherwise legally enforceable agreement for at least 12 months after receipt of the distribution, and (3) the limitation described in Section 3.01(b) under all plans of the Company and Affiliated Employers for the calendar year following the year in which the distribution is made must be reduced by the Participant's elective deferrals made in the calendar year of the distribution for hardship. For purposes of clause (2), "all other plans of the Company and Affiliated Employers" means all qualified and non-qualified plans of deferred compensation maintained by the Company and Affiliated Employers and includes a





stock option, stock purchase (including the Company's Discount Stock Purchase Plan though it isn't a deferred compensation plan) and such other plans as may be designated under regulations issued under Section 401(k) of the Code, but shall not include health and welfare benefit plans and the mandatory employee contribution portion of a defined benefit plan.

7.06 Distribution from Company Stock Fund. Where an amount to be distributed pursuant to Section 7.01, 7.02, or 7.03 is represented in part by Units, the distributee may elect, in such manner and on such conditions as may be prescribed by the Plan Administrator, to have distributed the number of whole Shares represented by such Units, together with an amount of dollars representing the balance of the current value of such Units. In the absence of such an election, the distribution shall be made entirely in dollars. Withdrawals pursuant to Section 7.04 or 7.05 and loans pursuant to Article 9 to be made from the Company Stock Fund shall be made entirely in cash.

7.07 Leaves of Absence and Transfers to Weekly Payroll. If a Participant shall be granted a leave of absence by the Company or shall transfer from the management payroll to the weekly payroll, neither such event shall be deemed a termination of service, but such Participant's Pre-Tax Contributions and After-Tax Contributions under this Plan shall be suspended as of the last day of the calendar month in which such leave commences, or transfer occurs, as the case may be. Such Participant may resume making Pre-Tax Contributions and After-Tax Contributions, as of the first day of any calendar month following the



termination of such leave of absence or his return to the management payroll, as the case may be, by making a new payroll deduction authorization in such manner and on such conditions as may be prescribed by the Plan Administrator, on or before the 15th day of the calendar month preceding the calendar month in which such contributions are to resume.

7.08 Age 70 1/2 Required Distribution.

(a) In no event shall the provisions of this Article operate so as to extend the time by which a distribution is to be made under any other provision of the Plan or to allow the distribution of a Participant's Account to begin later than the April 1 following the calendar year in which he attains age 70 1/2, provided that such commencement in active service shall not be required with respect to a Participant (i) who does not own more than five percent of the outstanding stock of the Company (or stock possessing more than five percent of the total combined voting power of all stock of the Company), and (ii) who attained age 70 1/2 prior to January 1, 1988.

(b) In the event a Participant in active service is required to begin receiving payments while in service under the provisions of paragraph (a) above, the Plan shall distribute to the Participant in each distribution calendar year the minimum amount required to satisfy the provisions of Section 401(a)(9) of the Code provided, however, that the payment for the first distribution calendar year shall be made on or before April 1 of the following calendar year. Such minimum amount will be determined on the basis of the joint life expectancy of the Participant and his Beneficiary. Such life expectancy will be



recalculated once each year; however, the life expectancy of the Beneficiary will not be recalculated if the Beneficiary is not the Participant's spouse. The amount of the withdrawal shall be allocated among the investment funds in proportion to the value of the Accounts as of the date of each withdrawal. The commencement of payments under this Section 7.08 shall not constitute an Annuity Starting Date for purposes of Sections 72, 401(a)(11) and 417 of the Code. Upon the Participant's subsequent termination of employment, payment of the Participant's Account shall be made in accordance with the provisions of Section 7.09.

7.09 Form and Timing of Distributions.

(a) Distributions pursuant to Sections 7.01 and 7.02 shall be made as follows:

(i) the Vested Portion of the Participant's Account balance which equals \$3500 or less shall be distributed in a single lump sum as soon as practicable, but not later than 60 days after the end of the calendar year in which the Participant's termination of employment occurs; or

(ii) unless the Participant makes an election under Section 7.09(b), the Vested Portion of the Participant's Account balance which exceeds \$3500 shall be deferred until the Participant attains age 65 and the amount to the credit of the Participant's Account as of the last day of the calendar month in which he attains age 65 shall be distributed to him in a single lump sum as soon as practicable after such calendar month. If the Participant fails to make an election under Section 7.09(b),



the Participant shall be deemed to have elected the deferred distribution under this Section 7.09(a)(ii).

(b) In lieu of the deferred distribution upon attaining age 65 provided in Section 7.09(a)(ii), the Participant may elect, in such manner and on such conditions as may be prescribed by the Plan Administrator, one of the following:

(i) a distribution in a single lump sum as soon as practicable, but not later than 60 days after the end of the calendar year in which the Participant's termination occurs;

(ii) a distribution deferred until the last day of a calendar month not later than the calendar month in which the Participant attains age 70 as designated by the Participant, in which event distribution of the Participant's Account balance as of the last day of the calendar month so designated by the Participant shall be made in a single lump sum as soon as practicable after such calendar month; or

(iii) a distribution in five annual installments as promptly as practicable after the end of each calendar year commencing in the calendar year immediately following the calendar year in which the termination occurs, in which event each such annual installment shall be an amount equal to the Participant's Account balance as of December 31 of the previous year divided by the number of annual installments remaining to be made hereunder, except that the fifth such installment shall equal the entire balance in the Participant's Account as of the preceding December 31. Each such annual installment shall be





taken pro rata from the Participant's balances in the investment funds under the Plan.

7.10 Status of Account Pending Distribution. Until completely distributed the Account of a Participant who is entitled to a distribution shall continue to be invested as part of the funds of the Plan.

7.11 Proof of Death and Right of Beneficiary or Other Person. The Plan Administrator may require and rely upon such proof of death and such evidence of the right of any Beneficiary or other person to receive the value of the Account of a deceased Participant as the Plan Administrator may deem proper and his determination of the right of that Beneficiary or other person to receive payment shall be conclusive.

7.12 Distribution Limitation. Notwithstanding any other provision of this Article 7, all distributions from this Plan shall conform to the regulations issued under Section 401(a)(9) of the Code, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. Further, such regulations shall override any Plan provision that is inconsistent with Section 401(a)(9) of the Code.

7.13 Direct Rollover of Certain Distributions. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, in such manner and on such conditions as may be prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover. The following definitions apply to the terms used in this Section:



(a) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more, any distribution to the extent such distribution is required under Section 401(a)(9) of the Code, and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities);

(b) "Eligible retirement plan" means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity;

(c) "Distributee" means an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse; and

(d) "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the distributee.



ARTICLE 8

Non-Discrimination and Limitation

8.01 Actual Deferral Percentage Test. The Actual Deferral Percentage for Highly Compensated Employees who are Participants or eligible to become Participants shall not exceed the Actual Deferral Percentage for all other Employees who are Participants or eligible to become Participants multiplied by 1.25. If the Actual Deferral Percentage for Highly Compensated Employees does not meet the foregoing test, the Actual Deferral Percentage for Highly Compensated Employees may not exceed the Actual Deferral Percentage for all other Employees who are Participants or eligible to become Participants by more than two percentage points, and the Actual Deferral Percentage for Highly Compensated Employees may not be more than 2.0 times the Actual Deferral Percentage for all other Employees (or such lesser amount as the Plan Administrator shall determine to satisfy the provisions of Section 8.03). The Plan Administrator may implement rules limiting the Pre-Tax Contributions which may be made on behalf of some or all Highly Compensated Employees so that this limitation is satisfied. If the Plan Administrator determines that the limitation under this Section 8.01 has been exceeded in any Plan Year, the following provisions shall apply:

(a) The amount of Pre-Tax Contributions made on behalf of some or all Highly Compensated Employees shall be reduced until the provisions of this Section are satisfied as follows. The actual deferral ratio of the Highly-Compensated Employee with the highest actual deferral ratio shall be reduced to the extent necessary to meet the test or to cause such ratio to equal the actual deferral ratio of the Highly Compensated Employee with the next highest ratio. This process will be repeated until the actual deferral percentage test is passed. Each ratio shall be



rounded to the nearest one one-hundredth of one percent of the Participant's Statutory Compensation.

(b) Pre-Tax Contributions subject to reduction under this Section, together with Earnings thereon, ("excess contributions") shall be paid to the Participant before the close of the Plan Year following the Plan Year in which the excess contributions were made and, to the extent practicable, within 2 1/2 months of the close of the Plan Year in which the excess contributions were made. However, any excess contributions for any Plan Year shall be reduced by any Pre-Tax Contributions previously returned to the Participant under Section 3.01 for that Plan Year. In the event any Pre-Tax Contributions returned under this Section 8.01 were matched by Company Contributions, such corresponding Company Contributions, with Earnings thereon, shall be forfeited and used to reduce Company contributions. The Participant may elect, in lieu of a return of the excess contributions, to have the Plan treat all or a portion of the excess contributions to the Plan as After-Tax Contributions for the Plan Year in which the excess contributions were made, subject to the limitations of Section 3.02. Recharacterized excess contributions shall be considered After-Tax Contributions made in the Plan Year to which the excess contributions relate for purposes of Section 8.02 and shall be subject to the withdrawal provisions applicable to After-Tax Contributions under Article 7. The Participant's election to recharacterize Pre-Tax Contributions shall be made within 2 1/2 months of the close of the Plan Year in which the excess contributions were made, or within such shorter period as the Plan Administrator may prescribe. In the absence of a timely election by the Participant, the Plan shall return his excess contributions as provided in the paragraph (b).





8.02 Actual Contribution Percentage Test. The Actual Contribution Percentage for Highly Compensated Employees who are Participants or eligible to become Participants shall not exceed the Actual Contribution Percentage for all other Employees who are Participants or eligible to become Participants multiplied by 1.25. If the Actual Contribution Percentage for the Highly Compensated Employees does not meet the foregoing test, the Actual Contribution Percentage for Highly Compensated Employees may not exceed the Actual Contribution Percentage of all other Employees who are Participants or eligible to become Participants by more than two percentage points, and the Actual Contribution Percentage for Highly Compensated Employees may not be more than 2.0 times the Actual Contribution Percentage for all other Employees (or such lesser amount as the Plan Administrator shall determine to satisfy the provisions of Section 8.03). The Plan Administrator may implement rules limiting the After-Tax Contributions which may be made by some or all Highly Compensated Employees so that this limitation is satisfied. If the Plan Administrator determines that the limitation under this Section 8.02 has been exceeded in any Plan Year, the following provisions shall apply:

(a) The amount of After-Tax Contributions and Company Contributions made by or on behalf of some or all Highly Compensated Employees in the Plan Year shall be reduced until the provisions of this Section are satisfied as follows. The actual contribution ratio of the Highly Compensated Employee with the highest actual contribution ratio shall be reduced to the extent necessary to meet the test or to cause such ratio to equal the actual contribution ratio of the Highly-Compensated Employee with the next highest actual contribution ratio. This process will be repeated until the actual contribution percentage test is passed.



Each ratio shall be rounded to the nearest one one-hundredth of one percent of a Participant's Statutory Compensation.

(b) Any After-Tax Contributions and Company Contributions subject to reduction under this Section, together with Earnings thereon ("excess aggregate contributions"), shall be reduced and allocated in the following order:

(i) Nonparticipating After-Tax Contributions, to the extent of the excess aggregate contributions, together with Earnings, shall be paid to the Participant; and then, if necessary,

(ii) so much of the Participating After-Tax Contributions and corresponding Company Contributions, together with Earnings, as shall be necessary to meet the test shall be reduced, with the After-Tax Contributions, together with Earnings, being paid to the Participant and the Company Contributions, together with Earnings, being reduced, with vested Company Contributions being paid to the Participant, and Company Contributions which are forfeitable under the Plan being forfeited and applied to reduce Company contributions; then if necessary,

(iii) so much of the Company Contributions, together with Earnings, as shall be necessary to equal the balance of the excess aggregate contributions shall be reduced, with vested Company Contributions being paid to the Participant and Company Contributions which are forfeitable under the Plan being forfeited and applied to reduce Company contributions.



(c) Any repayment or forfeiture of excess aggregate contributions shall be made before the close of the Plan Year following the Plan Year for which the excess aggregate contributions were made and, to the extent practicable, any repayments or forfeiture shall be made within 2 1/2 months of the close of the Plan Year in which the excess aggregate contributions were made.

8.03 Aggregate Contribution Limitation. Notwithstanding the provisions of Sections 8.01 and 8.02, in no event shall the sum of the Actual Deferral Percentage of the group of eligible Highly Compensated Employees and the Actual Contribution Percentage of such group, after applying the provisions of Sections 8.01 and 8.02, exceed the "aggregate limit" as provided in Section 401(m)(9) of the Code and the regulations issued thereunder. In the event the aggregate limit is exceeded for any Plan Year, the Actual Contribution Percentages of the Highly Compensated Employees shall be reduced to the extent necessary to satisfy the aggregate limit in accordance with the procedure set forth in Section 8.02.

8.04 Additional Discrimination Testing Provisions.

(a) If any Highly Compensated Employee is either (i) a five percent owner or (ii) one of the 10 highest paid Highly Compensated Employees, then any Statutory Compensation paid to or any contribution made by or on behalf of any member of his "family" shall be deemed paid to or made by or on behalf of such Highly Compensated Employee for purposes of Sections 8.01, 8.02 and 8.03, to the extent required under regulations prescribed by the Secretary of the Treasury or his delegate under Sections 401(k) and 401(m) of the Code. The contributions required to be aggregated under the preceding sentence shall be disregarded in determining the Actual Deferral Percentage and Actual Contribution Percentage for the group of non-highly compensated employees for purposes of Sections 8.01, 8.02 and 8.03. Any



return of excess contributions or excess aggregate contributions required under Sections 8.01, 8.02 and 8.03 with respect to the family group shall be made by allocating the excess contributions or excess aggregate contributions among the family members in proportion to the contributions made by or on behalf of each family member that is combined. For purposes of this paragraph, the term "family" means, with respect to any employee, such employee's spouse, any lineal ascendants or descendants and spouses of such lineal ascendants or descendants.

(b) If any Highly Compensated Employee is a member of another qualified plan of the Company or an Affiliated Employer, other than an employee stock ownership plan described in Section 4975(e)(7) of the Code or any other qualified plan which must be mandatorily disaggregated under Section 410(b) of the Code, under which deferred cash contributions or matching contributions are made on behalf of the Highly Compensated Employee or under which the Highly Compensated Employee makes after-tax contributions, the Plan Administrator shall implement rules, which shall be uniformly applicable to all employees similarly situated, to take into account all such contributions for the Highly Compensated Employee under all such plans in applying the limitations of Section 8.01, 8.02 and 8.03. If any other such qualified plan has a plan year other than the Plan Year defined in Section 1.42, the contributions to be taken into account in applying the limitations of Sections 8.01, 8.02 and 8.03 will be those made in the plan years ending with or within the same calendar year.

(c) In the event that this Plan is aggregated with one or more other plans to satisfy the requirements of Sections 401(a)(4) and 410(b) of the Code (other than for purposes of the average benefit percentage test) or if one or more other plans is aggregated with this Plan to satisfy the requirements of such





sections of the Code, then the provisions of Sections 8.01, 8.02 and 8.03 shall be applied by determining the Actual Deferral Percentage and Actual Contribution Percentage of employees as if all such plans were a single plan. If this Plan is permissively aggregated with any other plan or plans for purposes of satisfying the provisions of Section 401(k)(3) of the Code, the aggregated plans must also satisfy the provisions of Section 401(a)(4) and 410(b) of the Code as though they were a single plan. For Plan Years beginning after December 31, 1989, plans may be aggregated under this paragraph (c) only if they have the same plan year.

(d) The Company may elect to use Pre-Tax Contributions to satisfy the tests described in Sections 8.02 and 8.03, provided that the test described in Section 8.01 is met prior to such election, and continues to be met following the Company's election to shift the application of those Pre-Tax Contributions from Section 8.01 to Section 8.02.

(e) The Company may authorize that special "qualified nonelective contributions" shall be made for a Plan Year, which shall be allocated in such amounts and to such Participants, who are not Highly Compensated Employees, as the Named Fiduciaries shall determine. The Plan Administrator, shall establish such separate accounts as may be necessary. Qualified nonelective contributions shall be 100% nonforfeitable when made. Any qualified nonelective contributions made on or after January 1, 1994 and any earnings credited on any qualified nonelective contributions after such date shall only be available for withdrawal under the provisions of Section 7.04(d). Qualified nonelective contributions made for the Plan Year may be used to satisfy the tests described in Sections 8.01, 8.02 and 8.03, where necessary.



(f) Notwithstanding any provision of the Plan to the contrary, employees included in a unit of employees covered by a collective bargaining agreement shall be disregarded in applying the provisions of Sections 8.01, 8.02 and 8.03 except that the provisions of Section 8.01 above shall be applicable to that group of employees on and after January 1, 1993 on the basis that those employees are included in a separate cash-or-deferred arrangement.

8.05 Maximum Annual Additions.

(a) The annual addition to a Participant's Account for any Plan Year, which shall be considered the "limitation year" for purposes of Section 415 of the Code, when added to the Participant's annual addition for that Plan Year under any other qualified Defined Contribution Plan of the Company or an Affiliated Employer, shall not exceed an amount which is equal to the lesser of (i) 25% of his aggregate remuneration for the Plan Year or (ii) the greater of \$30,000 or one-quarter of the dollar limitation in effect under Section 415(b)(1)(A) of the Code.

(b) For purposes of this Section, the "annual addition" to a Participant's Account under this Plan or any other qualified Defined Contribution Plan maintained by the Company or an Affiliated Employer shall be the sum of:

(i) the total contributions, including Pre-Tax Contributions, made on the Participant's behalf by the Company and all Affiliated Employers,

(ii) all Participant contributions, exclusive of any Rollover Contributions, and

(iii) forfeitures, if applicable,

that have been allocated to the Participant's Account under this Plan or his accounts under any other such qualified Defined Contribution Plan. For purposes of this paragraph (b), any Pre-



Tax Contributions distributed under Section 8.01 and any Company Contributions or After-Tax Contributions distributed or forfeited under the provisions of Section 3.01, 8.01, 8.02 or 8.03 shall be included in the annual addition for the year allocated.

(c) For purposes of this Section, the term "remuneration" with respect to any Participant shall mean the wages, salaries and other amounts paid in respect of the Participant by the Company or an Affiliated Employer for personal services actually rendered, determined after any reduction of Compensation pursuant to Section 3.01 or pursuant to a cafeteria plan as described in Section 125 of the Code, including (but not limited to) bonuses, overtime payments and commissions, but excluding deferred compensation, stock options and other distributions which receive special tax benefits under the Code.

(d) If the annual addition to a Participant's Account for any Plan Year, prior to the application of the limitation set forth in paragraph (a) above, exceeds that limitation due to a reasonable error in estimating a Participant's annual compensation or in determining the amount of Pre-Tax Contributions that may be made with respect to a Participant under Section 415 of the Code, or as the result of the allocation of forfeitures, the amount of contributions credited to the Participant's Account in that Plan Year shall be adjusted to the extent necessary to satisfy that limitation in accordance with the following order of priority:

(i) The Participant's Nonparticipating After-Tax Contributions under Section 3.02 shall be reduced to the extent necessary. The amount of the reduction shall be returned to the Participant, together with any earnings on the contributions to be returned.



(ii) The Participant's Nonparticipating Pre-Tax Contributions under Section 3.01 shall be reduced to the extent necessary. The amount of the reduction shall be returned to the Participant, together with any earnings on the contributions to be returned.

(iii) The Participant's Participating After-Tax Contributions and corresponding Company Contributions shall be reduced to the extent necessary. The amount of the reduction attributable to the Participant's Participating After-Tax Contributions shall be returned to the Participant, together with any earnings on those contributions to be returned, and the amount attributable to the Company Contributions shall be forfeited and used to reduce subsequent contributions payable by the Company.

(iv) The Participant's Participating Pre-Tax Contributions and corresponding Company Contributions shall be reduced to the extent necessary. The amount of the reduction attributable to the Participant's Participating Pre-Tax Contributions shall be returned to the Participant, together with any earnings on those contributions to be returned, and the amount attributable to the Company Contributions shall be forfeited and used to reduce subsequent contributions payable by the Company.

Any Pre-Tax Contributions returned to a Participant under this paragraph (d) shall be disregarded in applying the dollar limitation of Pre-Tax Contributions under Section 3.01(b), and in performing the Actual Deferral Percentage Test under Section 8.01. Any After-Tax Contributions returned under this paragraph





(d) shall be disregarded in performing the Actual Contribution Percentage Test under Section 8.02.

8.06 Defined Benefit Plan Limitation. If a Participant is or ever was a participant in a Defined Benefit Plan then prior to restricting any Annual Addition under this Plan the rate of benefit accruals under such Defined Benefit Plan shall first be reduced so as to cause the sum, for any limitation year, of the Participant's Defined Benefit Plan Fraction and the Participant's Defined Contribution Plan Fraction not to exceed 1.0.

## ARTICLE 9

### Loans

9.01 Loans Permitted. On and after January 1, 1986, a Participant who is not on a leave of absence and remains on the active payroll may, with the approval of the Plan Administrator under such uniform rules as the Plan Administrator may adopt, borrow from his Account upon terms and conditions set forth in this Article 9. Any loans made prior to October 19, 1989 shall be subject to this Article 9 and the rules in effect thereunder at the time such loans were made. Any loans made, renewed, renegotiated, modified or extended on or after October 19, 1989 shall be subject to this Article 9 as amended effective as of such date. Effective as of October 19, 1989 the Plan Administrator is authorized to administer the loan program under this Article 9. Any Participant who is an Employee, and any Participant who is a former Employee and a "party-in-interest" (as defined in Section 3(14) of ERISA) to the Plan, may borrow from his Account, upon application made in such manner and on such conditions as the Plan Administrator may prescribe and under such uniform and non-discriminatory rules as the Plan Administrator may adopt.



9.02 Amount of Loans. The minimum amount of any loan pursuant to this Article 9 shall be \$1,000. The amount of any such loan to a Participant, together with the outstanding balance of all other such loans to the same Participant, shall not exceed the lesser of (a) or (b) where (a) is \$50,000 reduced by the excess (if any) of (i) the highest outstanding balance of loans to the Participant from the Plan during the one year period ending on the day before the date on which such loan is made, over (ii) the outstanding balance of loans to the Participant from the Plan on the date on which such loan is made, and (b) is one-half of the Vested Portion of the Participant's Account balance. Outstanding balance of loans means the outstanding amount of all loans from the Plan and any other plans of the Company.

9.03 Source of Loans. Funds for loans from a Participant's Account shall be taken from the Participant's Subaccounts in the following order:

(i) Nonparticipating Pre-Tax Contributions and earnings thereon;

(ii) Participating Pre-Tax Contributions and earnings thereon;

(iii) Rollover Contributions and earnings thereon;

(iv) Vested Company Contributions (except the Company Stock Fund) that have been in the Account for two full calendar years after the contribution year and earnings thereon;

(v) Vested Company Contributions (except the Company Stock Fund) that have been in the Account for less than two full calendar years after the contribution year and earnings thereon;

(vi) Nonparticipating After-Tax Contributions and earnings thereon; and

(vii) Participating After-Tax Contributions and earnings thereon.



Effective at such time as the Plan Administrator shall determine practicable, vested Company Contributions in the Company Stock Fund may be used as a source of funds for loans. No loan shall be made from a Subaccount or a part of a Subaccount until exhaustion of the entire balance in the Subaccount or part of the Subaccount preceding it on the above list. Within each Subaccount or part thereof, funds for loans will be taken on a last-in-first-out basis and pro-rata from each investment fund within the Subaccount or part of the Subaccount and such pro-rata portion of each investment fund will be converted to cash for the loan based upon the market value of the investment on the date of conversion.

9.04 Interest Rate. The interest rate to be charged on loans pursuant to this Article 9 shall be a reasonable rate of interest determined from time to time by the Plan Administrator. In determining such rate the Plan Administrator shall seek to provide to the Plan a rate of return commensurate with the interest rates charged by persons in the business of lending money for loans that would be made under similar circumstances on the date the loan is approved. The interest rate will be fixed for the entire term of the loan.

9.05 Repayment. The Participant may select a period of one, two, three, four or five years for repayment of a loan, except that the Participant may, at his option, select a longer period of whole years, not exceeding ten, for repayment of a loan for the purpose of purchasing his principal residence. Repayment shall be made by level monthly payments in such amount as shall be sufficient to pay the principal and interest thereon over the period for repayment. Repayment shall be made by payroll deductions, except that in the case of a Participant who is not on the active payroll, repayment shall be made by check or other similar means as the Plan Administrator shall determine. Prepayment of a loan in full may be made without penalty at any time. Partial prepayment of a loan may be made at any time



without penalty by a cash payment of not less than \$1000.00 or by additional repayments of principal made by payroll deduction. The amount of each monthly payment shall be restored to the Participant's Subaccounts in the same proportion as the loan was taken from such Subaccounts. However, the amount of each such monthly payment shall be placed into investment funds, except the Company Stock Fund, in accordance with the most recent investment election made by the Participant with respect to the Participant's Contributions.

9.06 Multiple Loans. No more than one loan may be granted to a Participant in a calendar year unless all earlier loans made in the same calendar year to the Participant shall have been repaid in full.

9.07 Pledge. The Vested Portion of the Participant's Account balance shall be pledged as security for all loans to the Participant pursuant to this Article 9. The amount pledged shall not be greater than fifty percent of the Participant's Vested Portion. If a default shall occur in the repayment of a loan, the entire unpaid principal balance plus accrued interest if any: (i) shall be charged, when the Participant becomes eligible to receive a distribution, against that portion of the Participant's Vested Portion which serves as security for the loan; (ii) shall be deducted, if a distribution is to be made, from the amount payable to the Participant or the Participant's Beneficiary; or (iii) if neither (i) nor (ii) applies, shall continue to encumber that portion of the Participant's Vested Plan Account balance Portion that serves as security for the loan.

9.08 Loan Reserve. The amount of each loan to a Participant shall be transferred from the portion of the Trust Fund held for the Participant's Account and invested pursuant to Section 5.02 to a special Loan Reserve maintained for such Participant's Account. Such Loan Reserve shall be invested solely in the loan or loans made to the Participant. Payments on





any such loan will reduce the Participant's Loan Reserve and shall be reinvested for the Participant's Account in accordance with Section 9.05.

9.09 Minimum Account Balance. So long as any amount of a loan shall remain outstanding to a Participant, the Participant may not make any withdrawal from his Account that would reduce the value of his Vested Portion to less than his Loan Reserve.

9.10 Consent. No loan shall be made pursuant to this Article 9 without the prior consent of the Participant and the Participant's spouse, if any, at the time of application for the loan. Such consent shall be required for (1) the making of the loan from the Participant's Account and (2) the deduction of the full outstanding loan balance, including interest and principal, from the Participant's Account in the event of default, as provided in this Article 9. Such consent may not be revoked by the Participant or the Participant's spouse after the loan proceeds are paid to the Participant. Such consent shall be in writing on a form furnished by the Company and shall be witnessed by a Notary Public. Any renegotiation, extension, renewal or other revision of a loan shall also require prior consent by the Participant and the Participant's spouse, if any, in the manner described above. Spousal consent shall not be required for loans made after March 1, 1994.

9.11 Other Terms. Each loan made pursuant to this Article 9 shall be evidenced by a promissory note payable to the Trustee. Such loans shall be upon such additional terms and conditions as the Plan Administrator shall determine, applied in a uniform and non-discriminatory manner. The terms and conditions of any loan may be adjusted at any time, to the extent determined by the Plan Administrator to be necessary for compliance with law or to maintain the qualification of the Plan under the Code.



ARTICLE 10

Administration of the Plan

10.01 Named Fiduciaries and Plan Administrator. The following persons from time to time occupying the following offices of the Company are hereby designated as Named Fiduciaries: Chief Executive Officer, Chief Financial Officer, and Chief Accounting Officer. The Company may designate other persons who, upon acceptance of such designation, shall serve as Named Fiduciaries either instead of or in addition to those named above. Any such designation and acceptance shall be in writing and retained by the Plan Administrator. The Named Fiduciaries shall act by majority rule. The Named Fiduciaries shall appoint from among the officers of the Company a Plan Administrator who shall serve at the discretion of the Named Fiduciaries. The Plan Administrator shall serve without compensation for his services as such and shall act solely in the interest of the Participants and their Beneficiaries.

10.02 Authority of Plan Administrator. The Plan Administrator shall have discretionary authority to control and manage the operation and administration of the Plan; and, without limiting the generality of the foregoing, may interpret the Plan, determine eligibility for benefits under the Plan, determine any facts or resolve any questions relevant to the administration of the Plan and, in connection therewith, may remedy and correct any ambiguities, inconsistencies, or omissions in the Plan. Any such action taken by the Plan Administrator shall be conclusive and binding on all Participants, Beneficiaries and other persons.



10.03 Reliance on Reports. The Named Fiduciaries and the Plan Administrator shall be entitled to rely upon any opinions, reports, or other advice which shall be furnished by specialists, subject to fiduciary responsibilities imposed by ERISA.

10.04 Delegation of Authority. With approval of the Named Fiduciaries, the Plan Administrator may designate one or more persons to exercise any power, or perform any duty, of the Plan Administrator. Any such designation shall be in writing and signed by the Plan Administrator and the Named Fiduciaries and a copy thereof shall be delivered to the Trustee.

10.05 Administration Expenses. All expenses arising in connection with the administration of the Plan shall be paid by the Company, except expenses arising from administration of TRASOP within the Trust shall be paid in accordance with the following paragraph.

The expenses of administration of the TRASOP within the Trust shall include, without limitation, transfer taxes, postage, brokerage commissions and other direct selling expenses incurred by the Trustee in the sale of Shares pursuant to Section 13.04, losses incurred by the Trustee in transactions pursuant to Section 5.07 only to the extent applicable to funds which are to be invested pursuant to Section 13.02, and fees of the Trustee in connection with the administration of TRASOP within this Trust, including fees for legal services rendered to the Trustee (whether or not rendered in connection with a judicial or administrative proceeding and whether or not incurred while it is acting as Trustee), but shall exclude brokerage fees and commissions for purchases of Shares pursuant to Section 13.02, which brokerage fees and commissions shall be paid out of the dividends being reinvested thereby. Such expenses of



administration of TRASOP within the Trust shall, to the extent permitted by law, be paid:

first, out of any available income of TRASOP;

second, out of any available dividends received by the Trustee on Shares allocated to Participants pursuant to Section 13.02, which dividends have not then been applied to the purchase of additional Shares pursuant to Section 13.02; and

third, by the Company.

Provided, however, that in no event shall the amounts paid by the Trustee during such Plan Year pursuant to clauses "first" and "second" above, exceed the smaller of:

(a) the sum of 10 percent of the first \$100,000 and 5 percent of any amount in excess of \$100,000 of the income from dividends paid to the Trustee with respect to common stock of the Company during such Plan Year; or

(b) \$100,000.

10.06 Fiduciary Insurance. The Company may purchase and carry fiduciary responsibility insurance under which each member of the Board, each Named Fiduciary, the Plan Administrator, or any person to whom there may be delegated any responsibility in connection with the administration of the Plan, including the Trustee, will be indemnified against any cost or expense (including counsel's fees) or liability which may be incurred arising out of any act or failure to act in the administration of this Plan, except for gross negligence or willful misconduct.





10.07 Claim Review.

(a) Any denial by the Plan Administrator of a claim for benefits under the Plan by a Participant or Beneficiary shall be stated in writing by the Plan Administrator and delivered or mailed to the Participant or Beneficiary within 90 days following the date on which the claim is filed; and such notice shall set forth the specific reasons for the denial, written in a plain and understandable manner, specific reference to pertinent Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary and an explanation of the Plan's claim review procedure. If special circumstances require an extension of time for processing the claim, written notice of an extension shall be furnished to the claimant prior to the end of the initial period of 90 days following the date on which the claim was filed. Such an extension may not exceed a period of 90 days beyond the end of the initial period. If the claim has not been granted, and if written notice of the denial of the claim is not furnished within 90 days following the date on which the claim is filed, the claim shall be deemed denied for the purpose of proceeding to the claim review procedure.

(b) Claim Review Procedure. A Participant, Beneficiary, or the authorized representative of either shall have 60 days after receipt of written notification of denial of a claim to request a review of the denial by making written request to the Plan Administrator. Within 30 days following receipt of such requests for review, the Plan Administrator shall review his prior decision denying the claim. The Plan Administrator shall give



the Participant, Beneficiary, or the authorized representative of either an opportunity to appear to review pertinent documents, to submit issues and comments in writing, and to present evidence supporting the claim.

Not later than 60 days after receipt of the request for review, the Plan Administrator shall render and furnish to the claimant a written decision which shall include specific reasons for the decision, and shall make specific references to pertinent Plan provisions on which it is based. If special circumstances require an extension of time for processing, the decision shall be rendered as soon as possible, but not later than 120 days after receipt of the request for review, provided that written notice and explanation of the delay are given to the claimant prior to commencement of the extension. Such decision by the Plan Administrator shall not be subject to further review. If a decision on review is not furnished to a claimant within the specified time period, the claim shall be deemed to have been denied on review.

(c) Exhaustion of Remedy. No claimant shall institute any action or proceeding in any state or federal court of law or equity, or before any administrative tribunal or arbitrator, for a claim for benefits under the Plan, until he or she has first exhausted the procedures set forth in this section.

10.08 Appointment of Trustee. The Trustee and any successor thereto shall be appointed by the Board.

10.09 Limitation of Liability. The Company, the Board, the Named Fiduciaries, the Plan Administrator, and any officer, employee or agent of the Company shall not incur any liability individually or on behalf of any other individuals or on behalf of the Company for any act or failure to act, made in good faith



in relation to the Plan or the funds of the Plan. However, this limitation shall not act to relieve any such individual or the Company from a responsibility or liability for any fiduciary responsibility, obligation or duty under Part 4, Title I, of ERISA.

## ARTICLE 11

### Miscellaneous

11.01 Exclusive Benefit; Amendments. It shall be impossible for any part of the corpus or income of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of Participants, Beneficiaries and other persons entitled to benefits under the Plan and for paying the expenses of the Plan not paid by the Company, or to deprive any of them of his vested interest in the Trust Fund. No person shall have any interest in, or right to, any part of the Trust Fund except as and to the extent expressly provided in the Plan. Subject to the foregoing, the Plan may be amended, in whole or in part, at any time and from time to time by the Board or pursuant to authority granted by the Board and any amendment may be given such retroactive effect as the Board or its duly authorized delegate may determine.

#### 11.02 Termination; Sale of Assets of Subsidiary.

(a) The Plan may be terminated or partially terminated or contributions under the Plan may be permanently discontinued for any reason at any time by the Board. In the event of termination or partial termination of the Plan or permanent discontinuance of contributions under the Plan: (i) no contribution shall be made thereafter except for a month the last day of which coincides



with or precedes such termination or discontinuance; (ii) no distribution shall be made except as provided in the Plan; (iii) the rights of all Participants to the entire amounts to the credit of their Accounts as of the date of such termination or partial termination or discontinuance shall become 100% vested; (iv) no person shall have any right or interest except with respect to the Trust Fund; and (v) the Trustee shall continue to act until the Trust Fund shall have been distributed in accordance with the Plan.

(b) Upon termination of the Plan, Pre-Tax Contributions, with earnings thereon, shall only be distributed to Participants if (i) neither the Company nor an Affiliated Employer establishes or maintains a successor defined contribution plan, and (ii) payment is made to the Participants in the form of a lump sum distribution (as defined in Section 402(d)(4) of the Code, without regard to clauses (i) through (iv) of subparagraph (A), subparagraph (B), or subparagraph (F) thereof). For purposes of this paragraph, a "successor defined contribution plan" is a defined contribution plan (other than an employee stock ownership plan as defined in Section 4975(e)(7) of the Code ("ESOP") or a simplified employee pension as defined in Section 408(k) of the Code ("SEP")) which exists at the time the Plan is terminated or within the 12 month period beginning on the date all assets are distributed. However, in no event shall a defined contribution plan be deemed a successor plan if fewer than two percent of the employees who are eligible to participate in the Plan at the time of its termination are or were eligible to participate under another defined contribution plan of the Company or an Affiliated Employer (other than an ESOP or a SEP) at any time during the





period beginning 12 months before and ending 12 months after the date of the Plan's termination.

(c) Upon the disposition by the Company of at least 85 percent of the assets (within the meaning of Section 409(d)(2) of the Code) used by the Company in a trade or business or upon the disposition by the Company of its interest in a subsidiary (within the meaning of Section 409(d)(3) of the Code), Pre-Tax Contributions, with earnings thereon, may be distributed to those Participants who continue in employment with the employer acquiring such assets or with the sold subsidiary, provided that (a) the Company maintains the Plan after the disposition, (b) the buyer does not adopt the Plan or otherwise become a participating employer in the Plan and does not accept any transfer of assets or liabilities from the Plan to a plan it maintains in a transaction subject to Section 414(l)(1) of the Code, an (c) payment is made to the Participant in the form of a lump sum distribution (as defined in Section 402(d)(4) of the Code, without regard to clauses (i) through (iv) of subparagraph (A), subparagraph (B), or subparagraph (F) thereof).

11.03 Beneficiaries. Upon the death of a Participant his entire nonforfeitable accrued benefit under the Plan shall be payable in a lump sum to his surviving spouse unless there is no surviving spouse of the Participant or such surviving spouse has consented, in the manner provided in this Section 11.03, to a designation of a different Beneficiary and such designation is in effect at the time of the Participant's death. Each Participant may designate a Beneficiary or Beneficiaries to receive the Participant's benefits under the Plan in a lump sum in the event of death of such Participant prior to distribution of such benefits, by filing prior to his death, a written designation



with the Plan on a form furnished by the Plan Administrator or his delegate, provided that such designation shall be effective only if (1) such designation is accompanied by the written consent of the Participant's spouse which acknowledges the effect on the spouse of the designation and is witnessed by a Notary Public, or (2) the Participant is not married. Any such designation made by an unmarried Participant shall become null and void during any subsequent marriage (unless consented to in the manner described above by the spouse of that marriage) and any consent of a spouse shall be effective only with respect to such spouse. If, at the time of a Participant's death, there is no surviving spouse of the Participant and no designation of a Beneficiary by such Participant is in effect, then the Participant's benefits shall be payable in a lump sum to his estate or legal representative. A Participant may revoke a designation made pursuant to this Section 11.03 by signing and filing with the Plan Administrator a written instrument to that effect, in such manner and on such conditions as may be prescribed by the Plan Administrator, or by filing a new designation pursuant to this Section 11.03. The consent of a Participant's spouse may not be revoked, but such spouse's consent shall be required for every designation of a Beneficiary other than the Participant's spouse and for every change in any such designation. The requirement for spousal consent may be waived by the Plan Administrator if he believes there is no spouse, or the spouse cannot be located, or because of such other circumstances as may be established by applicable law.



#### 11.04 Assignment of Benefits.

(a) No Participant or Beneficiary shall have the right to assign, transfer, alienate, pledge, encumber or subject to lien any benefits to which he is entitled under the Plan, and benefits under the Plan shall not be subject to adverse legal process of any kind, except that nothing in this Section shall preclude payment of Plan benefits pursuant to a qualified domestic relations order as defined in Section 414(p) of the Code and Section 206(d) of ERISA. The Plan Administrator shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders.

(b) Notwithstanding anything herein to the contrary, if the amount payable to the alternate payee under the qualified domestic relations order is less than \$3,500, such amount shall be paid in one lump sum as soon as practicable following the qualification of the order. If the amount exceeds \$3,500, it may be paid as soon as practicable following the qualification of the order if the alternate payee consents thereto; otherwise it may not be payable before the earliest of (i) the Participant's termination of employment, (ii) the time such amount could be withdrawn under Article 7 or (iii) the Participant's attainment of age 50.

11.05 Merger. The Plan may not be merged or consolidated with, or its assets or liabilities may not be transferred to any other plan unless each person entitled to benefits under the Plan would, if the resulting plan were then terminated, receive immediately after the merger or consolidation, or transfer of assets or liabilities, a benefit which is equal to or greater



than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer if the Plan had then terminated.

11.06 Conditions of Employment Not Affected by Plan. The establishment and maintenance of the Plan shall not confer any legal rights upon any Employee or other person for a continuation of employment, nor shall it interfere with the rights of the Company to discharge any Employee and to treat him without regard to the effect which that treatment might have upon him as a Participant or potential Participant of the Plan.

11.07 Facility of Payment. If the Plan Administrator shall find that a Participant or other person entitled to a benefit is unable to care for his affairs because of illness or accident or is a minor, the Plan Administrator may direct that any benefit due him, unless claim shall have been made for the benefit by a duly appointed legal representative, be paid to his spouse, a child, a parent or other blood relative, or to a person with whom he resides. Any payment so made shall be a complete discharge of the liabilities of the Plan for that benefit.

11.08 Information. Each Participant, Beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the Plan, shall file with the Plan Administrator the information that the Plan Administrator shall require to establish his rights and benefits under the Plan.

11.09 Additional Participating Employers.

(a) If any company is or becomes a subsidiary of or associated with the Company, the Board may include the employees of that subsidiary or associated company in the participation of





the Plan upon appropriate action by that company necessary to adopt the Plan. In that event, or if any persons become Employees of the Company as the result of merger or consolidation or as the result of acquisition of all or part of the assets or business of another company, the Board shall determine to what extent, if any, previous service with the subsidiary, associated or other company shall be recognized under the Plan, but subject to the continued qualification of the trust for the Plan as tax-exempt under the Code.

(b) Any subsidiary or associated company may terminate its participation in the Plan upon appropriate action by it. In that event the funds of the Plan held on account of Participants in the employ of that company, and any unpaid balances of the Account of all Participants who have separated from the employ of that company, shall be determined by the Plan Administrator. Those funds shall be distributed as provided in Section 11.02 if the Plan should be terminated, or shall be segregated by the Trustee as a separate trust, pursuant to certification to the Trustee by the Plan Administrator, continuing the Plan as a separate plan for the employees of that company under which the board of directors of that company shall succeed to all the powers and duties of the Board, including the appointment of the Named Fiduciaries and Plan Administrator.

11.10 IRS Determination. All contributions made to the Trust Fund after December 31, 1984, and all loans made pursuant to Article 9, which are made prior to the receipt by the Company of a determination from the Internal Revenue Service to the effect that the Plan, as amended, is a qualified plan under Sections 401(a) and 401(k) of the Code or the refusal of the IRS in writing to issue such a determination, shall be made on the express condition that such determination is received. In the



event the Internal Revenue Service determines that the Plan is not so qualified or refuses in writing to make such determination, such contributions, increased by any earnings thereon, and reduced by any losses thereon and by the outstanding balance (principal and interest) on any loans made under Article 9, shall be returned to the Company and Participants, as appropriate, as promptly as practicable after such determination. In the event the Internal Revenue Service requires reductions in such contributions and/or changes in the terms and conditions of such loans as a condition of its determination that the Plan is so qualified, the required reductions in contributions, increased by any earnings and reduced by any losses attributable thereto, shall be returned to the Company and Participants, as appropriate, and/or the amounts and terms and conditions of any such outstanding loans shall be modified to meet Internal Revenue Service requirements, as promptly as practicable after notification from the Internal Revenue Service. If all or part of the Company's deductions under Section 404 of the Code for Company Contributions to the Plan are disallowed by the Internal Revenue Service, the portion of the Company Contributions to which the disallowance applies shall be returned to the Company without earnings thereon, but reduced by any losses attributable thereto. The return shall be made within one year after the denial of qualification or disallowance of deduction, as the case may be.

11.11 Mistaken Contributions. Any contribution made by mistake of fact shall be returnable, without any earnings thereon but reduced by any losses attributable thereto, to the Company



and/or Participants, as appropriate within one year after the payment of the contribution.

11.12 Prevention of Escheat. If the Plan Administrator cannot ascertain the whereabouts of any person to whom a payment is due under the Plan, the Plan Administrator may, no earlier than three years from the date such payment is due, mail a notice of such due and owing payment to the last known address of such person, as shown on the records of the Plan or Company. If such person has not made written claim therefor within three months of the date of the mailing, the Plan Administrator may, if he so elects and upon receiving advice from counsel to the Plan, direct that such payment and all remaining payments otherwise due such person be canceled on the records of the Plan and the amount thereof applied to reduce the contributions of the Company. Upon such cancellation, the Plan and the Trust shall have no further liability therefor except that, in the event such person or his beneficiary later notifies the Plan Administrator of his whereabouts and requests the payment or payments due to him under the Plan, the amount so applied shall be paid to him in accordance with the provisions of the Plan.

11.13 Limitations Imposed on Insider Participants. Notwithstanding any other provision of the Plan to the contrary, an Insider Participant's right to direct investments under the Plan, and his right to withdrawals and loans under Articles 7 and 9 shall be subject to such limitations and restrictions as may be imposed by the Plan Administrator from time to time to comply with the conditions for the employee benefit plan exemptions to the short-swing trading liability rules of Section 16(b) of the Securities Exchange Act of 1934.



11.14 Construction. The Plan shall be construed, regulated and administered under ERISA and the laws of the State of New York, except where ERISA controls.

## ARTICLE 12

### Top-Heavy Provisions

12.01 Application of Top-Heavy Provisions. For any Plan Year beginning on or after January 1, 1984 in which the Plan shall on the last day of such Plan Year ("Determination Date"), be either (i) a Top-Heavy Plan or (ii) a part of a "required aggregation group" (as defined in Section 12.03) that is a Top-Heavy Group and not also a part of a "permissive aggregation group" (as defined in Section 12.03) that is not a Top-Heavy Group, the provisions of Article 12 shall apply, notwithstanding any other conflicting provisions of the Plan.

12.02 Minimum Benefit for Top-Heavy Year. For any Plan Year for which this Section 12 is applicable, each Participant, who is employed by the Company on the last day of such year and who is not a Key Employee, shall accrue the Minimum Benefit for Top-Heavy year provided under paragraph 22 of the Consolidated Edison Retirement Plan for Management Employees. For purposes of this Article 12, "Key Employee" means an employee who is in the category of employees determined in accordance with the provisions of Sections 416(i)(1) and (5) of the Code and any regulations thereunder, and where applicable, on the basis of the Employee's Statutory Compensation from the Company or an Affiliated Employer.





12.03 Aggregation Groups.

(a) Notwithstanding anything to the contrary herein, this Plan shall not be a Top-Heavy Plan if it is part of either a "required aggregation group" or a "permissive aggregation group" that is not a Top-Heavy Group.

(b) The "required aggregation group" consists of:

(i) each Defined Contribution Plan or Defined Benefit Plan in which at least one Key Employee participates; and

(ii) each other Defined Contribution Plan or Defined Benefit Plan which enables a plan referred to in the preceding subparagraph (i) to meet the nondiscrimination requirements of Section 401(a)(4) or 410 of the Code.

(c) A "permissive aggregation group" consists of the plans included in the "required aggregation group" plus any one or more other Defined Contribution Plans or Defined Benefit Plans which, when considered as a group with the "required aggregation group", would continue to meet the nondiscrimination requirements of Section 401(a)(4) and 410 of the Code.

12.04 Special Benefit Limits. For any Plan Year for which this Article 12 is applicable the definitions of "Defined Benefit Plan Fraction" and "Defined Contribution Plan Fraction" in Sections 1.22 and 1.24, respectively, shall be modified in each case by substituting "1.0" for "1.25".



12.05 Special Distribution Rule. For any Plan Year for which this Article 12 is applicable, Section 7.08(a) shall apply to Key Employees.

## ARTICLE 13

### Tax Reduction Act Stock Ownership Plan

#### 13.01 Purpose; Separate Entity.

(a) TRASOP, which is a stock bonus plan established under the Act, is intended to give eligible participants an equity interest in the Company and to encourage them to remain in the employ of the Company. TRASOP is designed to invest primarily in Shares. Applicable laws do not permit additional contributions to TRASOP by the Company or by Employees, but the Company desires to continue the TRASOP Accounts of Participants having such accounts. Accordingly, effective as of July 1, 1988, all TRASOP Accounts were transferred to this Plan, and all TRASOP provisions which continue to be applicable were added to this Plan and shall, together with other applicable provisions of this Plan, govern TRASOP Accounts.

(b) Accounts and TRASOP Accounts shall be administered separately, although they shall be held as part of the same Trust Fund. There shall be no transfers between TRASOP Accounts and Accounts and Sub-Accounts.

(c) All matters relating to TRASOP which relate to or arise out of facts, circumstances or conditions in effect prior to July 1, 1988, shall be governed by the provisions of TRASOP as in effect on June 30, 1988 prior to the merger, unless expressly otherwise provided in this Plan.



13.02 TRASOP Accounts; Application of Dividends.

(a) The TRASOP Account of each Participant in TRASOP who remained in the employ of the Company on July 1, 1988 was transferred to this Plan effective as of July 1, 1988. Each such Participant shall continue to have a nonforfeitable right to all Shares allocated and all amounts credited to such Participant's TRASOP Account.

(b) All dividends received by the Trustee with respect to Shares allocated to the TRASOP Accounts of Participants shall be applied to the purchase of additional Shares. Such purchases shall be made promptly after the receipt of each such dividend. The Trustee shall purchase, in one or more transactions, the maximum number of whole Shares obtainable at then prevailing prices, including brokerage commissions and other reasonable expenses incurred in connection with such purchases. Such purchases may be made on any securities exchange where Shares are traded, in the over-the-counter market, or in negotiated transactions, and may be on such terms as to price, delivery and otherwise as the Trustee may determine to be in the best interest of the Participants. The Trustee shall complete such purchases as soon as practical after receipt of such dividends, having due regard for any applicable requirements of law affecting the timing or manner of such purchases. The additional Shares so purchased shall be allocated among the respective TRASOP Accounts of the Participants in proportion to the number of Shares in each TRASOP Account at the record date for the payment of the dividend so applied. Such allocation shall be made as promptly as practicable but for purposes of determining the time at which such additional Shares shall become distributable pursuant to Section 13.04, the additional Shares so allocated to each



Participant's TRASOP Account shall be deemed to have been allocated as of the respective allocation dates of the Shares in such TRASOP Account at such record date, in proportion to the number of such Shares previously allocated as of each such allocation date.

13.03 Voting Rights; Options; Rights; Warrants.

(a) Each Participant shall be entitled to direct the Trustee as to the manner in which any Shares or fractional Shares allocated to the Participant's TRASOP Account are to be voted.

(b) In the event that any option, right, or warrant shall be granted or issued with respect to any Shares allocated to the Participant's TRASOP Account, each Participant shall be entitled to direct the Trustee whether to exercise, sell, or deal with such option, right, or warrant.

(c) The Trustee shall keep confidential the Participant's voting instructions and instructions as to any option, right or warrant and any information regarding a Participant's purchases, holdings and sales of Shares.

13.04 Distribution of Shares.

A. Each Share allocated to a Participant's TRASOP Account shall be available for distribution to such Participant promptly after the earlier of (i) the end of the 84th month beginning after the month in which such Share was allocated to such Participant's TRASOP Account, and (ii) the death, disability or termination of employment of such Participant. No Shares may be distributed from a TRASOP Account before the end of the 84th





month beginning after the month in which Shares were allocated to the TRASOP Account, except in the case of termination of employment, death or disability, and in accordance with this Section 13.04.

B. Each Share which shall become distributable to a Participant by reason of clause A.(i) above is herein called, from the time such Share shall become so distributable, an "Unrestricted Share". Notwithstanding the provisions of the aforesaid clause A.(i), Unrestricted Shares shall be distributed to Participants as follows:

(a) From time to time, a Participant may request, in such manner and on such conditions as may be prescribed by the Company, that Unrestricted Shares held in the Participant's TRASOP Account be distributed to the Participant. If such Participant is married, the written application shall include written consent of the Participant's spouse witnessed by a Notary Public. Spousal consent shall not be required with respect to withdrawal requests made on or after March 1, 1994. Applications made in a calendar month shall be effective as of the last day of such calendar month. Any such request must be for whole Shares only and must be for at least ten Shares or the number of whole Unrestricted Shares in the TRASOP Account, whichever is less.

(b) Certificates for Unrestricted Shares requested in accordance with the preceding paragraph B(a) shall be delivered, or a cash distribution in respect of such Unrestricted Shares if elected by the Participant pursuant to Section 13.04D below shall be made, to the Participant as soon as practicable after the effective date of the application.



(c) Any Unrestricted Share which shall become distributable by reason of any provision of this Plan other than clause A.(i) above (including, without limitation, provision for distribution upon the death, disability or termination of employment of the Participant) shall be distributed in accordance with such provision.

C. In the case of death of a Participant, distributions in respect of Shares allocated to the Participant's TRASOP Account shall be made to the Participant's Beneficiary. In the case of disability or termination of employment with the Company of a Participant, distributions in respect of Shares allocated to the Participant's TRASOP Account shall be made to the Participant.

All distributions under TRASOP will begin, subject to Section 7.08 and Subsection 13.04.F, not later than the 60th day after the close of the Plan Year in which the latest of the following events occurs: (1) the Participant attains age 65, (2) the 10th anniversary of the year in which the Participant commenced participation in TRASOP, or (3) the Participant becomes disabled, dies or terminates service with the Company.

D. All distributions from a Participant's TRASOP Account shall be made in Shares; provided, however, that a Participant or Beneficiary shall have the right to elect, on a form furnished by and submitted to the Company, to receive a distribution, other than a distribution upon termination of TRASOP, in cash. Except in the case of a final distribution from a Participant's TRASOP Account and a distribution of the Participant's entire TRASOP Account balance after such time as all Shares in a Participant's TRASOP Account have become Unrestricted Shares, all distributions



from such TRASOP Account shall be made in respect of whole Shares only, and any fractional Share which is otherwise distributable shall be retained in such TRASOP Account until it can be combined, in whole or in part, with another fractional Share which shall subsequently become distributable, so as to make up a whole Share. In the case of a final distribution from a Participant's TRASOP Account (except a distribution upon termination of TRASOP) or in the case of a distribution of the Participant's entire TRASOP Account balance after such time as all of the Shares in the Participant's TRASOP Account have become Unrestricted Shares, such distribution shall be made in respect of the number of whole Shares then remaining in the Participant's TRASOP Account, together with a cash payment in respect of any fractional Share based on the closing price of a Share as reported on the New York Stock Exchange consolidated tape on the last trading day of the month immediately preceding the month in which such final distribution is made. The Trustee, in each such case, shall purchase such fractional Share from the Participant at a price equal to the cash payment to be made to the Participant. Whenever the Trustee requires funds for the purchase of fractional Shares, such funds shall be drawn from the accumulated income of the Trust, if any, and otherwise shall be advanced by the Company upon the Trustee's request, subject to reimbursement from future income of the Trust. All fractional Shares so purchased by the Trustee shall be allocated to the TRASOP Accounts of the remaining Participants at such intervals as shall be determined by the Plan Administrator, but no later than the end of the next succeeding Plan Year. The Trustee shall



sell any Shares in respect of which a cash distribution is to be made. The Trustee may make such sales on any securities exchange where Shares are traded, in the over-the-counter market, or in negotiated transactions. Such sales may be on such terms as to price, delivery and otherwise as the Trustee may determine to be in the best interests of the Participants. The Trustee shall complete such sales as soon as practical under the circumstances having due regard for any applicable requirements of law affecting the timing or manner of such sales. All brokerage commissions and other direct selling expenses incurred by the Trustee in the sale of Shares under this Subsection 13.04D shall be paid as provided in Section 10.05.

E. Upon any termination of TRASOP pursuant to Section 11.02, the Trust shall continue until all Shares which have been allocated to Participants' TRASOP Accounts have been distributed to the Participants, unless the Board directs an earlier termination of the Trust. Upon the final distribution of Shares, or at such earlier time as the Board shall have fixed for the termination of the Trust, the Plan Administrator shall direct the Trustee to allocate to the Participants any Shares then held by the Trustee and not yet allocated, and the Trustee shall distribute to the Participants any whole Shares which have been allocated to their TRASOP Accounts but which have not been distributed, shall sell all fractional Shares and distribute the proceeds to the respective Participants entitled to such fractional Shares, shall liquidate any remaining assets (other than Shares) held by the Trust, and shall apply the proceeds of such liquidation and any remaining funds held by the Trustee, the disposition of which is not otherwise provided for, to a distribution to all Participants then receiving a final distribution of Shares, in proportion to the whole and fractional Shares to which each is entitled; and the Trust shall thereupon terminate.





F. Notwithstanding any other provision of this Plan, unless a Participant otherwise elects in writing on a form furnished by the Company:

(a) Distribution of a Participant's TRASOP Account balance will commence not later than one (1) year after the close of the Plan Year -

(i) in which the Participant terminates employment with the Company by reason of Retirement upon or after attainment of Normal Retirement Age, death, or disability, or

(ii) which is the fifth Plan Year following the Plan Year in which the Participant terminates employment with the Company for any other reason, and the Participant is not reemployed by the Company before such Plan Year.

AND

(b) Distribution of the Participant's TRASOP Account balance will be in five (5) annual distributions as promptly as practicable after the end of each Plan Year; provided, however, that a TRASOP Account balance that equals \$3500 or less shall be distributed in a single distribution as soon as practicable, but not later than 60 days after the close of the Plan Year in which the Participant's termination of employment occurs. Each such annual distribution shall be in respect of the number of Shares, rounded down to the nearest number of whole Shares, which most closely approximates the entire balance in the Participant's TRASOP Account as of December 31 of the previous year divided by



the number of annual distributions remaining to be made under this subsection, except that the fifth such distribution shall be respect of the entire balance in the Participant's TRASOP Account as of the preceding December 31. Each such annual distribution shall be taken pro rata from all contribution years in Participant's TRASOP Account.

G. A Participant whose employment with the Company is terminated by reason of Retirement, disability or any other reason (other than death) may elect in such a manner and on such conditions as may be prescribed by the Company to have his TRASOP Account balance distributed in one of the following forms:

(i) a single lump sum distribution as soon as practicable, but not later than 60 days after the end of the Calendar Year in which the Participant's termination of employment occurs; or

(ii) a distribution deferred until the last day of a calendar month not later than the calendar month in which the Participant attains age 70, as designated by the Participant, in which event the distribution of the Participant's TRASOP Account balance as of the last day of the calendar month so designated by the Participant shall be made in a single lump sum as soon as practicable after such calendar month.

#### 13.05 Diversification of TRASOP Accounts.

##### A. Definitions

The following terms shall have the following meanings for purposes of this Section 13.05:



(a) "Qualified Participant" shall mean a Participant who has a TRASOP Account and has attained at least age 55 and completed at least 10 years of participation in TRASOP.

(b) "Qualified Election Period" shall mean the first ninety (90) days following the end of Plan Year 1987 and of each Plan Year thereafter.

(c) "Eligible Shares" shall mean Shares added to a Participant's TRASOP Account after December 31, 1986.

(d) "Diversifiable Amount" shall, with respect to any Qualified Election Period, mean twenty-five percent (25%) of the number of Eligible Shares in the Participant's TRASOP Account as of the end of the preceding Plan Year. However, if the Diversifiable Amount for any Qualified Election Period shall have a value which may be deemed "de minimis" under regulations issued by the Secretary of the United States Department of the Treasury, then there shall be no Diversifiable Amount available for such Qualified Election Period.

#### B. Eligibility for Diversification

Each Qualified Participant shall, beginning with the Qualified Election Period in 1988, have the right to elect to diversify, by means of a distribution of whole Eligible Shares only, all or some portion of the Diversifiable Amount in his TRASOP Account during each of the six (6) consecutive Qualified Election Periods following the 1987 Plan Year or the later Plan Year in which such Participant first became a Qualified Participant, provided, however, that, notwithstanding subsection



13.05.A.(d), the Diversifiable Amount in the sixth Qualified Election Period for each Qualified Participant shall be fifty percent (50%) of the number of Eligible Shares in his TRASOP Account as to the end of the preceding Plan Year. A distribution pursuant to this Article 13.05 must be a minimum of ten (10) Shares, or all Whole Shares comprising the Diversifiable Amount for such Qualified Election Period if less than 10. Each Qualified Participant who desires to elect diversification under this Section shall, during the Qualified Election Period, complete and execute a diversification election and consent form provided by the Company. Such election may be revoked or modified or a new election may be made in its stead within the Qualified Election Period, upon the expiration of which the diversification election shall be irrevocable.

#### Diversification Procedure

(i) TRASOP shall, within the 90 day period following each Qualified Election Period, distribute to each Qualified Participant who has elected to diversify under this Section, the number of whole Eligible Shares which most closely approximates, but does not exceed, the number of Eligible Shares duly elected to be diversified by each such Qualified Participant. Failure by a Qualified Participant to provide required consents to distribution of any Diversifiable Amount, shall relieve TRASOP of all obligation to make any such distribution.

(ii) To the extent a Qualified Participant has Eligible Shares which are Unrestricted Shares in his TRASOP Account, such Unrestricted Shares shall be distributed pursuant to this Section 13.05. Only upon exhaustion of all such Unrestricted Shares may additional Eligible Shares then be distributed hereunder.





Amendment No. 6 to  
Eugene R. McGrath Employment Agreement

WHEREAS, Eugene R. McGrath (the "Employee") and Consolidated Edison Company of New York, Inc. (the "Company") entered into an Employment Agreement effective September 1, 1990 (the "Agreement");

WHEREAS, the parties to the Agreement desire to amend the Agreement to increase the basic salary payable to the Employee; and

WHEREAS, paragraph 12 of the Agreement provides that the Agreement may be amended from time to time by a written instrument executed by the Company and the Employee;

NOW, THEREFORE, in consideration of the foregoing the parties hereto agree as follows:

1. The Agreement is amended, effective September 1, 1995, to increase the Employee's basic salary set forth in clause (i) of paragraph 3(a) of the Agreement from \$615,000 per annum to \$675,000 per annum, subject to all the terms and conditions set forth in the Agreement relating to the basic salary.

2. In all other respects, the Agreement remains in full force and effect as amended hereby.

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed by its duly authorized officer and its Corporate seal to be affixed hereto, and the Employee has hereto set his hand the day and year set forth below.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

By: CHARLES F. SOUTAR  
Executive Vice President

EUGENE R. MCGRATH

Dated: August 22, 1995

Attest:  
Approved by the Board of Trustees  
the 22nd day of August, 1995.

ARCHIE M. BANKSTON  
Secretary



CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.  
RATIO OF EARNINGS TO FIXED CHARGES  
TWELVE MONTHS ENDED

(Thousands of Dollars)

	SEPTEMBER 30 1995	SEPTEMBER 30 1994
Earnings		
Net Income	\$ 728,605	\$ 733,685
Federal Income Tax	289,250	378,120
Federal Income Tax Deferred	138,350	54,560
Investment Tax Credits Deferred	(9,400)	(10,180)
Total Earnings Before		
Federal Income Tax	1,146,805	1,156,185
Fixed Charges*	345,063	323,414
Total Earnings Before Federal Income Tax and Fixed Charges	\$1,491,868	\$1,479,599
*Fixed Charges		
Interest on Long-Term Debt	\$ 286,192	\$ 274,461
Amortization of Debt Discount, Premium and Expenses	11,610	11,409
Interest Component of Rentals	18,948	18,540
Other Interest	28,313	19,004
Total Fixed Charges	\$ 345,063	\$ 323,414
Ratio of Earnings to Fixed Charges	4.32	4.57





UT

THE SCHEDULE CONTAINS SUMMARY  
FINANCIAL INFORMATION EXTRACTED  
FROM CONSOLIDATED BALANCE SHEET,  
INCOME STATEMENT AND STATEMENT  
OF CASH FLOWS AND IS QUALIFIED  
IN ITS ENTIRETY BY REFERENCE  
TO SUCH FINANCIAL STATEMENTS  
AND THE NOTES THERETO  
1,000

DEC-31-1995

SEP-30-1995

9-MOS

PER-BOOK

10,706,281

135,465

1,469,029

673,975

1,045,442

14,030,192

587,372

838,189

4,112,624

5,538,185

100,000

539,976

4,020,261  
0  
0  
109,206  
0  
45,890  
2,553  
3,674,121  
14,030,192  
5,008,513  
337,820  
3,821,878  
4,159,698  
848,815  
7,300  
856,115  
245,389  
610,726  
26,676  
584,050  
359,437  
297,802





966,196

2.49

2.49





UT

THE SCHEDULE CONTAINS SUMMARY  
FINANCIAL INFORMATION EXTRACTED  
FROM CONSOLIDATED BALANCE SHEET,  
INCOME STATEMENT AND STATEMENT OF  
CASH FLOWS AND IS QUALIFIED  
IN ITS ENTIRETY BY REFERENCE  
TO SUCH FINANCIAL STATEMENTS  
AND THE NOTES THERETO

1,000

DEC-31-1994

SEP-30-1994

9-MOS

PER-BOOK

10,393,588

110,390

1,459,118

749,930

1,113,880

13,826,906

587,238

837,592

3,896,475

5,321,305

100,000

540,387

3,932,799  
0  
0  
135,743  
0  
48,443  
2,549  
3,745,680  
13,826,906  
4,911,838  
357,100  
3,713,197  
4,070,297  
841,541  
1,833  
843,374  
226,983  
616,391  
26,692  
589,699  
352,111  
288,854



941,598

2.51

2.51

