GLIDDEN

Retirement Plan for Salaried Employees

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THE GLIDDEN COMPANY
National Headquarters
Cleveland 2, Ohio

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THE GLIDDEN COMPANY

1396 UNION COMMERCE BUILDING

ADRIAN D. JOYCE
PRESIDENT

CLEVELAND, OHIO

March 28, 1946

TO OUR SALARIED EMPLOYEES:

I am pleased to inform you that our Company, with the approval of our shareholders and with the approval of the United States Treasury Department, has adopted a Retirement Plan for eligible salaried employees of the Company. This Plan became effective on October 31, 1945.

The Company has established this Plan in order to provide, in a systematic manner, for the building up of a fund that will be sufficient to provide retirement incomes or pensions at the retirement age for our salaried employees who have served the Company so loyally over a long period of years and who have contributed so much to its growth and development.

It is our belief that when these employees reach the retirement age of 65 years they will desire to avail themselves of the income provided by the Plan unless specifically requested to remain with the Company. We believe, too, that the retirement of the senior employees will be an incentive for the younger men and women of the Company who are striving for advancement in the organization. It is apparent that if the Company is to maintain a young, vigorous and creative personnel, an ample retirement fund is a necessity.

Under the Plan the Company has reserved the right to amend or discontinue the Plan if conditions arise in the future which would prevent the Company from making its annual contribution. Your Directors believe that through the loyal support and efficient work of its employees, the profits of the Company can be maintained so as to continue the Plan without interruption.

You will be pleased to learn that the Plan does not require any contributions from our employees. The full details of the Plan are set forth in this booklet together with a list of questions and answers. If you have any question that has not been fully answered, our Treasurer will be pleased to give you any additional information that you may desire.

Your Directors feel that the fruition of this Plan will help to strengthen our organization and serve the purpose for which it is intended.

Sincerely yours,

Adrian Joyce

President

THE GLIDDEN COMPANY'S
RETIREMENT PLAN FOR SALARIED EMPLOYEES

The Object

1. The object of the Plan is to provide retirement income for regular salaried employees, including officers, of The Glidden Company (hereinafter referred to as the Company). The benefits under the Plan are to supplement those provided under the Social Security Act, as amended.

The Trustee

2. The Plan will be administered by a Corporate Trustee selected by the Company, operating under a Trust Agreement. It is expected that the benefits under the Plan will be provided through such Trust.

The Fund

3. The Company will pay to the Trustee, subject to the provisions of the Plan, such sums as are required to provide the benefits under the Plan and the expenses thereof. Payments of benefits to covered employees (subject to paragraph 23) will be made from the funds or securities held by the Trustee, and/or may be made through contracts issued by a life insurance company or companies. No liability other than herein set forth for the payment of benefits to covered employees hereunder and for meeting the expenses of the Plan shall be imposed upon the Company or the stockholders. No covered employee shall have any right or interest in any assets held by the Trustee hereunder unless and until he becomes entitled thereto as provided in the Plan, upon his survival to a retirement date as defined herein or upon the termination of the Plan.

Effective Date

4. The effective date of the Plan is October 31, 1945, and each subsequent October 31st shall be an anniversary date.

Covered Employees

5. Any regular salaried employee will be covered by the Plan on its effective date, October 31, 1945, who (a) at that time has completed at least five (5) years of continuous service for the Company and (b) is at that time at least thirty-five (35) years

of age, nearest birthday, but has not reached his sixty-fifth (65th) birthday.

6. Any other regular salaried employee will be covered automatically under the Plan on the anniversary thereof following his (a) completion of five (5) years of continuous service, provided (b) he has attained age thirty-five (35), nearest birthday, but has not reached his sixty-fifth (65th) birthday.

7. Employees whose customary employment with the Company is less than eighteen (18) hours in any one (1) week and employees whose customary employment is for less than five (5) months in any calendar year, shall not be deemed to be "regular employees." Salesmen who are compensated on a commission basis only shall not be deemed to be "regular employees," but the Company may at its discretion pay benefits in accordance with the Plan to a commission salesman on the basis of a fair annual salary.

Retirement Dates

8. The normal retirement date of a covered employee shall be the sixty-fifth (65th) anniversary of his date of birth.

9. If in the opinion of the Company an employee is unable to perform suitable duties with the Company, he may, with the consent of the Company, retire within ten years prior to his normal retirement date on a benefit in accordance with paragraph 11(c).

10. An employee who is covered by the Plan may remain in active service after his normal retirement date with the consent of the Company, but further benefits will not accumulate for him. Upon retirement at a late retirement date the monthly benefit which would have been payable at normal retirement date will commence.

Retirement Benefits

11. (a) For purposes of the Plan, an employee's "base annual compensation" means his annual rate of compensation, exclusive of bonuses, overtime and commissions: initially, this shall be at the rate in effect on October 31, 1945 (or the anniversary date for employees newly covered in the future); changes in "base annual compensation" shall be determined each year during the sixty days preceding the anniversary of the Plan.

(b) Subject to the capacity of the Trust Fund, to the continuance of the Plan and to the temporary limitations of paragraph 25 hereof, the benefit at normal retirement date for each covered employee shall be determined as follows:

His average "base annual compensation" for the ten (10) highest consecutive years (or shorter service in case an employee has less than 10 years service) preceding his normal retirement date shall be his "benefit compensation." His annual benefit under the Plan (payable monthly) shall be (i) forty per cent (40%) (maximum $12,000, minimum $960) of his "benefit compensation," minus (ii) an approximation to his Primary Insurance Benefit under the Social Security Act, as amended, by applying the percentage formula of such Act on that portion of his "benefit compensation" (average wage) which would be credited "wages" under such Act and counting as "increment years" his continuous service for the Company after the effective date of this Plan up to his normal retirement date.

For an employee to receive the full benefit under the Plan as stated above he must have completed thirty (30) years of service at his normal retirement date (all service after the effective date of the Plan to be continuous service, subject to paragraph 17). For a covered employee who will have less than thirty (30) years of service (as described above) at normal retirement date the benefits otherwise payable under the Plan will be reduced 1/30th for each complete year by which his service will fall short of thirty (30) years at that date.

(c) In the event of early retirement under paragraph 9, the employee's retirement benefit will be the amount he would have received at normal retirement date, assuming his salary had remained the same, reduced actuarially to the age at which such early retirement occurs.

(d) The amount of the employee's retirement benefit will be paid to the employee out of the available funds or securities held by the Trustee under the Plan, or may be provided through contracts purchased from a life insurance company or companies by the Trustee from such funds.

(e) Retirement benefits will be payable without regard to a retired employee's acceptance of other employment or self-employment.

Forms of Retirement Benefits

12. The retirement benefit described in paragraph 11 will be normally payable on a monthly basis for the lifetime of the employee. Benefits begin at the end of the calendar month in which normal, early or late retirement date occurs; benefits cease with the payment falling due at the end of the month in which death occurs.

Termination of Service

13. (a) If for any reason, except early retirement under paragraph 9 hereof, the services of an employee are terminated prior to his normal retirement date the employee will not be entitled to any benefits under the Plan.

(b) The Plan is primarily for old-age protection and no death benefit is provided either before or after retirement.

Company Contributions

14. The Company, subject to paragraph 23 hereof, intends to contribute annually to the Trustee sums which are deemed appropriate actuarially to fulfill the purposes of the Plan. No contribution will be required from employees.

Administration of the Plan

15. The contributions of the Company under the Plan will be received and held for the benefit of covered employees by a Corporate Trustee under an Agreement of Trust between the Company and the Trustee. The Trustee will pay retirement benefits from the Trust Fund, directly or through its agent, as such benefits become due under the Plan, or the Trustee may be directed by the Company to purchase for eligible employees insurance company contracts to provide part or all of the benefits of the Plan.

Trustee Authority

16. The Trustee, except where otherwise specifically provided, shall be charged with administering the Plan, subject to the terms of the Trust Agreement, the insurance company contracts in force, if any, and the provisions of law that there shall be no discrimination in favor of employees who are officers, stock-

holders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees. Covered employees may consult with the Trustee.

Absences

17. If an employee's earnings are suspended as a result of temporary absence from work because of leave, sickness, accident or other cause, he shall continue to remain under the Plan as long as his service is not officially terminated.

18. If the service of a covered employee is terminated after the effective date of the Plan and prior to retirement date and he is subsequently re-employed as a salaried employee, he will again be covered under the Plan on the anniversary date thereof following his completion of one year of continuous service as a salaried employee under his re-employment but his benefit will be determined from such anniversary date.

19. Absence of a salaried employee in military or other war services, including a period of forty (40) days immediately following such service or such longer period as may be determined by the Company in a non-discriminatory manner, will be deemed to be service with the Company for the purposes of determining eligibility for coverage and benefits under the Plan as a regular salaried employee.

General Provisions

20. Whenever the masculine gender is used herein it is intended also to cover the feminine gender. The term "employees" shall include officers.

21. To the extent permitted by law, benefits under the Plan are not alienable either voluntarily or involuntarily, since they are primarily for the support and maintenance of the employee after retirement.

22. Coverage in the Plan will not give an employee the right to be retained in the service of the Company, nor any right or claim to a retirement benefit unless such right has specifically accrued under the terms of the Plan.

Future of the Plan

23. The Company hopes and expects to continue the Plan, but necessarily reserves the right at any time to reduce or dis-

continue contributions provided to be made by it hereunder. The Company also reserves the right to amend or discontinue the Plan at any time, but no such action shall operate to recapture for the Company any contributions previously made under the Plan by the Company nor, except to the extent required to permit the Plan to meet the requirements of the Internal Revenue Code, or the requirements of any governmental authority, to affect adversely in any way any rights theretofore acquired by the employees, subject, however, to the temporary limitations of paragraph 25 hereof.

Provisions in Case of Discontinuance of Plan

24. In the event of any final termination of the Plan, the fund then in the possession of the Trustee shall be applied by the Trustee in the purchase of annuity contracts, or by way of cash distribution, for the exclusive benefit of the employees then covered by the Plan in the following order: First, toward meeting the benefit liabilities for covered employees already retired under the Plan at that time; and secondly, should any funds remain, toward any potential rights, according to actuarial standards, of other covered employees at the time of the Plan's termination. The allocation of funds according to this paragraph shall be subject to the provisions of paragraph 25 hereof and no retired or other employee shall have any rights hereunder beyond the capacity of the fund to provide benefits in accordance with the above order of application.

Temporary Limitation

25. (a) Until October 31, 1955, the retirement income and benefits provided by the Company's contributions for the twenty-five highest-paid employees as of the time of establishment of the Plan, including any such high-paid employees who are not covered by the Plan at that time but may later be covered, but excluding any employees whose annual retirement income provided by Company contributions will not exceed $1,500 will be subject to the conditions set forth in sub-paragraphs (c) and (d) of this paragraph.

(b) For the purposes of these conditions:

(1) "Unrestricted benefits" at any time means benefits of the form called for by the Plan, which have been provided by

Company contributions not exceeding the larger of the following amounts: (a) $20,000, or (b) an amount equal to 20 per cent of the first $50,000 of the employee's average annual earnings for purposes of the Plan multiplied by the number of years since establishment of the Plan.

(2) "Supplemental retirement payments" means any current payments to a retired employee sufficient together with his "unrestricted benefits," to bring the total current payments to him up to the full retirement income provided under the Plan.

(c) If the Plan is terminated or the past and current Company contributions thereof have not been met at any time prior to October 31, 1955, the retirement income or benefits which any of the employees in sub-paragraph (a) above may receive from the Company's contributions (including any "unrestricted benefits" but exclusive of any "supplemental retirement payments" he has already received up to that time) shall not exceed his "unrestricted benefits" at that time.

(d) If any employee in sub-paragraph (a) above terminates service with the Company or becomes ineligible under the Plan and the past and current Company contributions have been met, the retirement income which he may receive from the Company's contributions (including any retirement income or benefits he has already received) shall not, at any time prior to October 31, 1955, exceed his "unrestricted benefits" at that time.

(e) The foregoing conditions do not restrict the current payment of full retirement income called for by the Plan for any retired employee while the Plan is in full effect and its past and current Company contributions have been met.

(f) Any amounts in excess of "unrestricted benefits" which become due but, because of the limitations herein, cannot be made available to or for the employee (either currently or later), will be used by the Trustee to reduce subsequent Company contributions but if the Company has ceased contributions to the Plan, such amounts will be used by the Trustee for the benefit of employees (which may include retired employees) not affected by this paragraph 25 in an equitable and non-discriminatory manner.

QUESTIONS AND ANSWERS

The following questions and answers are intended merely for informative purposes. If there is any apparent conflict between the Retirement Plan and Trust Agreement and any statement made in these answers, the provisions of the Plan and Agreement shall govern. Paragraph numbers in parentheses refer to those in the Plan.

Membership

1. *Q. Who is covered by the Plan?*

   A. Any regular salaried employee will be covered by the Plan on October 31, 1945, who has then completed at least five years of continuous service as a salaried employee of the Company and is at that time at least 35 years of age (nearest birthday), but has not reached his 65th birthday, or who has on any October 31 subsequent to October 31, 1945, completed at least five years of continuous service as a salaried employee with the Company and is at that time at least 35 years of age. (Paragraph 5.)

2. *Q. What must I do to join the Plan?*

   A. No application is necessary. Your coverage will be automatic when you have met the eligibility requirements. (Paragraphs 6 and 7.)

Retirement Dates

3. *Q. What is the normal retirement date?*

   A. The sixty-fifth (65th) birthday of a covered employee. (Paragraph 8.)

4. *Q. May I retire earlier than my normal retirement date?*

   A. Yes, with the consent of the Company, if you are unable to perform suitable duties. In such a case, however, your retirement benefits will be in a reduced amount. (Paragraphs 9 and 11(c).)

5. *Q. May I continue to work beyond my normal retirement date?*

   A. Yes, with the consent of the Company, but you will receive no additional benefits. (Paragraph 10.)

Retirement Benefits

6. *Q. What are the retirement income benefits under the Plan?*

   A. Your retirement benefit if you retire at age 65 will be 40% of your average salary for the ten (10) highest consecutive years preceding retirement (exclusive of overtime, bonuses or commission) but not less than $80.00 per month minus an amount approximately equal to your primary insurance benefit under the Social Security Act, provided you have 30 years of service, and your service after October 31, 1945, the effective date of the Plan, is continuous. (Paragraph 11(b).) For illustrations of retirement benefits under the Plan, see the Schedule following these Questions and Answers.

7. *Q. How will my retirement income be provided?*

   A. Benefits will be provided from funds held by the National City Bank of Cleveland, Trustee, administering the Plan under a Trust Agreement entered into with the Company. (Paragraph 2.)

8. *Q. When does my retirement income begin?*

   A. At the end of the month during which you retire and it will be continued monthly thereafter as long as you live unless the Plan is terminated because of some unforeseen condition, in which event your benefit may be reduced but will be paid from funds in the hands of the Trustee as long as they last. (Paragraphs 12 and 24.)

9. *Q. If an employee covered by the Plan reaches age 65 with less than 30 years of service, how will the retirement benefit be determined?*

   A. The full retirement benefit requires 30 years of service by the time an employee reaches age 65 and for each complete year by which his service at that time is short of such 30 years, a 1/30th reduction in such full benefit will be made. (Paragraph 11(b).)

10. *Q. May I accept other employment after I have retired and am receiving my retirement benefit?*

    A. Yes, you may work elsewhere if you wish to do so and this will have no effect on your rights to benefits. However, under the present Social Security Act if you accept other employment which is subject to inclusion under such Act for which you are paid wages in excess of $14.99 per month, you will lose your right to your Federal Social Security benefits for each month in which such wages are earned. (Paragraph 11(e).)

11. Q. *What if I should die before reaching retirement age?*

    A. No death benefits are included in the Plan which is solely for old-age protection. Our Group Life Insurance Plan provides for death benefits. (Paragraph 13(b).)

12. Q. *How will my retirement benefit be paid to me?*

    A. By benefit check which will be mailed each month to your home address either by the Trustee or his designated agent.

Termination of Service

13. Q. *What happens if I leave the employ of the Company?*

    A. If your services are terminated prior to your sixty-fifth (65th) birthday for any reason, except earlier retirement as provided in paragraph 9, you will not be entitled to any benefits under the Plan. (Paragraphs 9 and 13.)

14. Q. *If I leave the employ of the Company after October 31, 1945, and am later reemployed, will I again be covered under the Plan?*

    A. Yes, on the anniversary of the Plan following completion of one year of continuous service after reemployment, but your previous service will not count toward benefits. (Paragraph 18.)

General

15. Q. *Will service prior to October 31, 1945, and continuous service after October 31, 1945, with a company which has been acquired by The Glidden Company be included in determining years of service?*

    A. If the Company was acquired prior to October 31, 1945, such service will be included. If the Company is acquired after October 31, 1945, The Glidden Company reserves the right to determine whether or not such service shall be included.

16. *Q. Will it be necessary for me to pay Federal Income Tax on my retirement benefit?*

    A. As long as the present Federal Income Tax Law continues, you will be required to pay Federal Income Tax on that part of your retirement benefit which exceeds your deductions and exemptions.

17. *Q. Are years of service prior to age 35 included in determining years of service?*

    A. If the service of an employee prior to October 31, 1945, has not been continuous and it is necessary to include service prior to age 35 in order to make a total of thirty (30) years of service, such service prior to age 35 will be included provided service after October 31, 1945, has been continuous. Service after October 31, 1945, must be continuous in order to be included as part of the thirty (30) years of service. (Paragraph 11(b).) Service in excess of thirty (30) years does not increase the benefit payable for thirty (30) years of service.

18. *Q. If I am laid off does this affect my record of continuous employment?*

    A. As long as your employment is not officially terminated, any temporary absence from work because of leave, sickness, accident or other cause will not affect your continuous employment record.

19. *Q. Will it be necessary for me to give evidence of my legal age?*

    A. Yes. The same proof of age will be required as that required by the Social Security Board. If there is any question about your exact date of birth, we suggest you establish proof of age by one or more of the following means. This is important also for your claim to Social Security benefits.

    (a) Birth Certificate.

    (b) Baptismal Certificate.

    If neither of the above can be obtained, use may be made of the following:

(a) Family Bible showing your date of birth.

(b) An insurance policy (not our Group policies).

(c) Certificate of naturalization.

(d) Passport.

(e) Military Records.

(f) Marriage record which shows date of birth.

(g) Birth Certificate of a child on which your age at that time appears.

20. Q. *Does this Plan affect my Group Life Insurance in any way?*

A. The Company intends to provide Gratis Group Life Insurance and Contributory Group Life Insurance in accordance with the plan outlined in Mr. Adrian D. Joyce's letter to Employees dated February 28, 1946. The paragraphs in said letter relative to the policy of the Company are as follows:

"After carefully considering the whole proposition, our directors have decided that it will be advisable to establish the following policy relative to the Company's Group Insurance Plan, effective immediately. Each employee, while on active duty with the Company, shall continue to have the benefit of the same protection afforded under the present Plan until he has reached age 65, at which time the following adjustments will be made. The Contributory Group Life Insurance will be discontinued. The Gratis Group Life Insurance in effect will be continued at the maximum of $3600 for twelve months after the sixty-fifth birthday when it will be reduced to $2400. At the expiration of two years after age 65, the Gratis Group Life Insurance will be further reduced to $1200, which amount the Company intends to carry for life whether the employee has retired or remains in active service.

"If an employee retires or resigns or his services are terminated prior to reaching age 65, the Gratis Group Life Insurance and the Contributory Group Life Insurance will be discontinued except in cases where the employee has completed fifteen years or more of service with the Company and has retired because of illness which will prevent his following any other gainful occupation or would make him eligible for total and permanent disability benefits under the terms and conditions of our master Group Life contract, in which cases the Company will provide Gratis Group Life Insurance in the same amounts that are provided for an active employee who has reached age 65. In other words, the Contributory Insurance will be cancelled immediately and the maximum Gratis Group Life Insurance in the amount of $3600 will be carried for one full year, reduced to $2400 at the end of the first year and further reduced to $1200 at the end of the second year which amount the Company intends to carry for the life of the employee.

"Each employee retains his conversion privilege which permits him to purchase directly from The Equitable Life Assurance Society life insurance (except term insurance) in an amount equal to the reduction of his Contributory and Gratis Group Life Insurance at the prevailing rates for his age without medical examination and provided the application is made within thirty-one days following the date of the reduction or discontinuance. This modification of our Group Life Insurance Plan will affect all active and inactive employees who are now 65 years of age and older and all existing Contributory Group Insurance on this group will be terminated as of March 15, 1946."

21. *Q. If I have questions about the Plan, whom may I consult?*

A. You may consult the Treasurer of the Company at Cleveland, Ohio.

SCHEDULE OF ILLUSTRATIVE BENEFITS

Upon reaching 65 years of age the following benefits will be payable by the Company to each employee eligible under the Plan based upon average annual salary for the ten highest consecutive years and the years of service indicated, provided no change is made in the present Social Security Act. If Social Security Benefits are increased, the Company's Benefit will be reduced correspondingly.

Years of Service	Average Annual Salary	Benefit to be Paid by Company	Estimated Primary Social Security Benefit	Total
30	$2400.00	$414.00	$546.00	$ 960.00
25	2400.00	345.00	525.00	870.00
20	2400.00	276.00	504.00	780.00
30	3000.00	576.00	624.00	1200.00
25	3000.00	480.00	600.00	1080.00
20	3000.00	384.00	576.00	960.00
30	3600.00	816.00	624.00	1440.00
25	3600.00	680.00	600.00	1280.00
20	3600.00	544.00	576.00	1120.00

The benefits shown above are illustrative only and are subject to the provisions of the Plan.

If the employee's base annual compensation is less than $2400.00 per year, he will receive the minimum benefit at the rate of $960.00 per year, less an amount approximately equal to his primary insurance benefit under the Social Security Act provided he has 30 years of service. If he has less than 30 years of service at age 65, such amount will be reduced by 1/30 for each complete year short of 30 years of service at age 65.