

Pensions-Handbooks (Company)

Crown Zellerbach Corporation.

CROWN ZELLERBACH RETIREMENT PLAN



A RETIREMENT INCOME
PLAN FOR THE EMPLOYEES
OF CROWN ZELLERBACH
CORPORATION

PROPERTY OF INSTITUTE
OF INDUSTRIAL RELATIONS
214 CALIFORNIA HALL

Effective September 1, 1945

CROWN ZELLERBACH CORPORATION

Paper and Paper Products

HEADQUARTERS OFFICE

343 SANSOME STREET

SAN FRANCISCO, CALIFORNIA

Agreement shall be retained by Bankers Trust Company, a New York corporation, as Trustee, and true copies thereof shall be delivered to each and all of the employees affected by or interested in the plan herein referred to at the time of the acceptance thereof by said employee.

(b) That the Trustee shall at all times during the life of said Retirement Plan keep and maintain proper books of record and accounts and shall keep full, true and correct entries therein of all dealings or transactions in relation to the business and affairs of said Retirement Plan.

(c) That a true copy of this Permit, the Crown Zellerbach Retirement Plan and the Crown Zellerbach Retirement Plan Trust Agreement and all books and records of said Trustee, shall at all reasonable times be open to the inspection of the Commissioner of Corporations and any or all of the employees of said Trustor and its participating subsidiaries affected by or interested in said Retirement Plan.

(d) That unless revoked, suspended or renewed upon application filed on or before the date of expiration specified in this condition, all authority to sell securities under issuance clause 1 of this Permit shall terminate and expire on the 4th day of June, 1946. All other issuance clauses and/or conditions of this Permit shall remain in full force and effect until revoked, suspended, altered or amended by appropriate order of the Commissioner.

DATED: San Francisco, California
June 4, 1945

EDWIN M. DAUGHERTY
Commissioner of Corporations

(Seal)

By Ivan T. Crase
IVAN T. CRASE
Assistant Commissioner

JWH:p

**BEFORE THE
DEPARTMENT OF INVESTMENT
DIVISION OF CORPORATIONS
OF THE
STATE OF CALIFORNIA**

**In the matter of the application of
CROWN ZELLERBACH CORPORATION
for a permit authorizing the sale
and issue of Beneficial Interests**

**PERMIT
File No. SF 2047
Rec. No. SF-A06026
SF-A07786**

THIS PERMIT DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF THE RETIREMENT PLAN HEREIN REFERRED TO, BUT IS PERMISSIVE ONLY.

CROWN ZELLERBACH CORPORATION,

a Nevada corporation, Trustor, is hereby authorized to sell and issue securities as below herein set forth:

1. To create and maintain the Beneficial Interests for employees of Crown Zellerbach Corporation and its participating subsidiaries, to be created and maintained under and by virtue of that certain "Crown Zellerbach Retirement Plan" and "Crown Zellerbach Retirement Plan Trust Agreement," copies of which are attached to and made a part of its application filed in the office of the Division of Corporations on the 6th day of November, 1944, as amended on the 26th day of May, 1945, in the aggregate sum of not to exceed \$1,146,000, for the considerations, on the basis, in the manner and for the uses and purposes recited in said application.

This Permit is issued upon each of the following conditions:

(a) That true copies of this Permit, said Crown Zellerbach Retirement Plan and said Crown Zellerbach Retirement Plan Trust

(OVER)

CROWN ZELLERBACH RETIREMENT PLAN



A RETIREMENT INCOME
PLAN FOR THE EMPLOYEES
OF CROWN ZELLERBACH
CORPORATION

Effective September 1, 1945

CONTENTS

CROWN ZELLERBACH RETIREMENT PLAN

SEC.	PAGE
1. Name and Object of Plan	3
2. Effective Date	3
3. Scope of Plan	3
4. Definitions	4
5. Accredited Service	5
6. Eligibility of Employees	6
7. Participation in the Plan	7
8. Participants' Deposits	10
9. Retirement Income	11
10. Accredited Past Service	11
11. Past-Service Benefits	11
12. Current-Service Benefits	12
13. Minimum and Maximum Benefits	13
14. Death Benefits	13
15. Vesting	13
16. Equivalent Payments	13
17. Normal Retirement Date	14
18. Deferred Retirement	14
19. Re-employment After Retirement	15
20. Optional Earlier Retirement	15
21. Disability	16
22. Retirement Income Options	16
23. Proof of Age	18
24. Inalienability of Benefits	18
25. Administration of the Plan	19
26. Method of Funding	20
27. Modification or Termination of Plan	21
TRUST AGREEMENT	25

CROWN ZELLERBACH RETIREMENT PLAN



1. NAME AND OBJECT OF PLAN

The name of this Plan is "Crown Zellerbach Retirement Plan."

The object of the Plan is to provide a method whereby Crown Zellerbach Corporation and its participating subsidiaries, together with their respective eligible employees, may provide definite retirement income benefits for such employees to supplement the benefits provided under the Federal Social Security Act.

2. EFFECTIVE DATE

The effective date of the Plan shall be September 1, 1945.

3. SCOPE OF PLAN

(a) The Plan shall apply to eligible employees of Crown Zellerbach Corporation (a Nevada corporation) and its subsidiaries named herein as participating subsidiaries. Such participating subsidiaries are:

- Zellerbach Paper Company (a California corporation)
- The Zellerbach Paper Company (a Nevada corporation)
- General Paper Company (a California corporation)
- Dependable Paper Company (a California corporation)
- Comfort Paper Corporation (a Nevada corporation)
- Crown Willamette Paper Company of Texas (a Texas corporation)
- Silklin Paper Corporation (a California corporation)
- International Pulpwood Supply Company (a California corporation)
- Pacific Coast Supply Co. (an Oregon corporation)
- Western Transportation Co. (an Oregon corporation)
- Waterway Terminals Company (an Oregon corporation)
- R. W. Burrows Co., Inc. (a California corporation)

(b) Participating subsidiaries may be added or withdrawn by appropriate amendment of the Plan, as provided in Section 27. In

the event of withdrawal from the Plan of any participating subsidiary, its participants shall be deemed to have terminated their employment with the Employer at the date of such withdrawal, and shall have the same rights and be entitled to the same benefits as participants who have terminated their employment with the Employer, other than by retirement.

(c) All acts required of the Employer hereunder shall be performed by Crown Zellerbach Corporation for itself and for each of its participating subsidiaries, and the cost of the Plan shall be equitably apportioned between Crown Zellerbach Corporation and each participating subsidiary.

4. DEFINITIONS

(a) "Employer" is defined as the employing corporation; namely, Crown Zellerbach Corporation or one of its participating subsidiaries.

(b) A "participant" is defined as an employee who is participating in the Plan.

(c) An "annuitant" is defined as a retired former participant who is either receiving retirement income under the Plan or who is entitled to receive retirement income commencing as of some future date.

(d) "Subsidiary" is defined as a corporation, fifty-one per cent (51%) or more of whose shares entitled to vote are owned by Crown Zellerbach Corporation or one of its subsidiaries.

(e) "Predecessor corporations" are defined as any corporation (which shall include partnership and individual businesses) which was joined by merger, consolidation or purchase of assets with another corporation prior to September 1, 1945.

(f) "Board of Directors" is defined as the then current Board of Directors of Crown Zellerbach Corporation.

(g) "Compensation" is defined as all compensation of every kind and character which the participant has received or shall receive from the Employer as a part of his regular rate or basic formula of compensation, including overtime pay, commissions

or other contingent compensation regularly included in determining such participant's rate or basic formula of compensation, but excluding any non-recurring or contingent compensation not regularly paid in accordance with a rate or basic formula of compensation.

(h) "Totally and permanently disabled" is defined to mean that a participant has become incapable of engaging in any occupation or performing any work for profit, and that it is reasonably certain that such incapacity will exist during the remainder of his life.

(i) Masculine pronouns as used herein include both men and women, unless the context indicates otherwise.

5. ACCREDITED SERVICE

The determination of accredited service under the Plan shall be in accordance with this section, and shall not be governed by the Employer's policy of recognizing service for the purpose of awarding service emblems.

(a) Accredited service shall include all employment which occurred prior to September 1, 1945, with the Employer and its subsidiaries, including interruptions of service and layoffs not exceeding three (3) months each, but excluding such portion of each interruption of service or layoff that exceeded three (3) months, and such employment with the Employer's predecessor corporations and its subsidiaries' predecessor corporations, of employees who were employed by such predecessor corporations at the time of their acquisition by the Employer or its subsidiaries.

(b) Accredited service shall include all continuous employment which occurs subsequent to September 1, 1945, with the Employer and its subsidiaries. Resignation or discharge from service with the Employer or its subsidiaries, or interruption of service for a continuous period of one (1) month or more, which occurs subsequent to September 1, 1945, shall be deemed to break the employee's continuous employment, and if the em-

ployee is subsequently re-employed, he shall not receive any accredited service prior to the date of such re-employment. Continuous employment shall be deemed not to be broken by absence during seasonal or other temporary layoffs at the request of the Employer or any of its subsidiaries, provided that the employee returns to active service at the end of the layoff period or within ten (10) days thereafter, and provided further that such layoff period shall not exceed twelve (12) consecutive months.

(c) Any employee who has been or shall be on leave of absence shall receive accredited service for such period of absence, provided that he returns to active service with the Employer or one of its subsidiaries within the period allowed by such leave of absence.

(d) Any former employee who left the employ of the Employer or one of its subsidiaries to serve in the armed forces of the United States or one of its allies, or any employee who shall so enter said service, shall receive accredited service for such period of absence, provided that he is re-employed within three (3) months after his release or discharge from the armed forces.

6. ELIGIBILITY OF EMPLOYEES

The following employees of the Employer shall be eligible to participate in the Plan, except those who are customarily employed for less than twenty (20) hours per week or for less than five (5) months per year:

(a) Such employees who have completed five (5) years or more of accredited service on or before September 1, 1945, shall be eligible to commence participation in the Plan on September 1, 1945.

(b) Such employees who have not completed five (5) years of accredited service on or before September 1, 1945, and employees whose employment begins after September 1, 1945, shall become eligible to commence participation in the Plan on the first day of the pay roll period next following their completion of five (5) years of accredited service.

(c) Such employees whose employment with the Employer begins after September 1, 1945, and who were prior thereto employees of any subsidiary which was not a participating subsidiary, shall become eligible to commence participation in the Plan as of the respective dates they would have been eligible to commence participation if such subsidiary had been at all times a participating subsidiary.

(d) Such employees of any corporation (which shall include partnership and individual businesses) which may be joined by merger, consolidation or purchase of assets with the Employer subsequent to September 1, 1945, shall become eligible to commence participation in the Plan on the first day of the pay roll period next following their completion of five (5) years of accredited service, which shall include continuous employment with such corporation prior to the date of its acquisition by the Employer.

(e) Officers or directors who are also employees shall be eligible to participate in the Plan on the same basis as other employees.

7. PARTICIPATION IN THE PLAN

(a) On or before July 1, 1945, the Plan shall be communicated to all persons then employed by the Employer, and shall subsequently be communicated to persons employed after that date, in such manner as the Retirement Plan Committee shall deem suitable. Eligible employees may obtain enrollment forms from the Secretary of the Retirement Plan Committee. Participation in the Plan shall be optional with eligible employees. In order to commence participation in the Plan, an eligible employee must first enroll in the Plan by filling out and signing an enrollment form in which he agrees to the provisions of the Plan, authorizes the required pay roll deductions, and names a beneficiary or beneficiaries. The participant shall have the right to change the beneficiary or beneficiaries by written notice to the Retirement Plan Committee on a form provided by the Retirement Plan Com-

mittee for that purpose. The spouse must join in and sign the enrollment form and notice of change in beneficiary, and the enrollment and change in beneficiary shall become effective upon written notice of receipt of same from the Retirement Plan Committee to the employee.

(b) Any employee who is in active service with the Employer and eligible to commence participation on September 1, 1945, shall be considered to have commenced participation as of that date if he enrolls in the Plan on or before September 1, 1945, and pays the required deposits under the Plan commencing with the first pay roll period which ends in September, 1945. Such employee must commence participation as of September 1, 1945, in order to be eligible to receive past-service benefits under the Plan, otherwise he shall be eligible to receive only current-service benefits accruing during his participation in the Plan.

(c) Any employee who is on leave of absence on September 1, 1945, shall be eligible to receive past-service benefits provided that he returns to active service with the Employer within the period allowed by such leave of absence, and provided further that he is eligible to and does commence participation as of the date of his return to active service. Such employee shall be considered to have commenced participation as of the date of his return to active service if he enrolls in the Plan at any time within two (2) months after the date of his return to active service and pays the required deposits under the Plan commencing with the date of his return to active service. If such employee does not commence participation as of the date of his return to active service, he shall be eligible to receive only current-service benefits accruing during his participation in the Plan.

(d) Any former employee who left the employ of the Employer to serve in the armed forces of the United States or one of its allies and who is in such service on September 1, 1945, or any employee who subsequently so enters said service, shall be eligible to receive past-service benefits, provided that he is re-employed by the Employer within three (3) months after his release or dis-

charge from the armed forces, and provided further that he is eligible to and does commence participation as of the date of his re-employment. Such employee shall be considered to have commenced participation as of the date of his re-employment if he enrolls in the Plan at any time within two (2) months after the date of his re-employment and pays the required deposits under the Plan commencing with the date of his re-employment. If such employee does not commence participation as of the date of his re-employment he shall be eligible to receive only current-service benefits accruing during his participation in the Plan.

(e) Any employee whose employment with the Employer begins after September 1, 1945, and who was prior thereto an employee of any subsidiary which was not a participating subsidiary, shall be eligible to receive past-service benefits, provided that he is eligible to and does commence participation as of the date he was first eligible to commence participation in accordance with Section 6(c). Such employee shall be considered to have commenced participation as of the date he was first eligible if he enrolls in the Plan at any time within two (2) months after the date he becomes an employee of the Employer, and pays the required deposits under the Plan commencing with the date as of which he was first eligible. If such employee does not commence participation as of the date he was first eligible, he shall be eligible to receive only current-service benefits accruing during his participation in the Plan.

(f) Any employee who is seventy (70) years of age or more on September 1, 1945, but who is otherwise eligible, may commence participation as of that date by enrolling in the Plan on or before September 1, 1945, but only for the purpose of receiving past-service benefits, and he shall not pay any deposits nor accrue any current-service benefits under the Plan.

(g) Any employee who becomes eligible subsequent to September 1, 1945, or any employee who was eligible on September 1, 1945, and who did not enroll when first eligible, may enroll in the Plan at any time after becoming eligible and shall commence

participation on the first day of the pay roll period next following his enrollment in the Plan. Such employees shall not be eligible to receive past-service benefits, except as provided in paragraphs (c), (d) and (e) of this section.

8. PARTICIPANTS' DEPOSITS

During his participation in the Plan, each participant shall be required to deposit under the Plan, by means of pay roll deductions, two per cent (2%) of the first three thousand dollars (\$3,000) of his compensation received during each calendar year, or portion thereof, of participation in the Plan, and four per cent (4%) of that portion of such compensation which is in excess of three thousand dollars (\$3,000).

These deposits shall be refunded, with interest at the rate of two per cent (2%) per annum, compounded annually, as follows:

(a) A participant may withdraw from the Plan at any time and have his deposits, with interest, refunded to him, but he shall thereby forfeit all benefits under the Plan. He may subsequently re-enroll and commence participation in the Plan if he is eligible, but he shall thereafter accrue only current-service benefits.

(b) Upon termination of his employment, a participant who is not eligible to receive retirement income payments under the Plan shall have his deposits, with interest, refunded to him, and thereupon he shall forfeit all benefits under the Plan. Upon termination of his employment, a participant who is eligible to receive the retirement income payments provided for in Section 20 and does not elect to receive such payments shall receive his deposits, with interest, in lieu of such payments, and thereupon he shall forfeit all benefits under the Plan.

(c) Upon the death of a participant prior to his retirement, such participant's deposits, with interest, shall be refunded to his named beneficiary. Upon the death of an annuitant, there shall be refunded to the annuitant's named beneficiary the excess, if any, of the annuitant's deposits, with interest to retirement date, over the total retirement income payments made to such annui-

tant, provided the annuitant has not selected either optional form of retirement income provided in Section 22. If there is no named beneficiary to receive such refund payments, then such payments shall be made to the participant's or annuitant's estate.

9. RETIREMENT INCOME

Upon retirement at normal retirement date, an annuitant shall be entitled to receive an annual retirement income, payable in monthly installments equal to one-twelfth (1/12) of such annual retirement income, and consisting of:

(a) Annual past-service benefits, if any, to be provided wholly by the Employer's contributions; and

(b) Annual current-service benefits, to be provided in part by the Employer's contributions and in part by the annuitant's deposits.

The first payment of such retirement income shall be made as of the last day of the calendar month in which retirement shall occur, and the last payment shall be made to the annuitant's beneficiary or annuitant's estate as of the end of the calendar month in which the death of the annuitant occurs.

Such retirement income shall be in addition to and separate from the benefits under the Federal Social Security Act.

10. ACCREDITED PAST SERVICE

Accredited past service shall be such accredited service of participants who are eligible to receive past-service benefits, as occurred prior to the date as of which a participant commenced participation in the Plan, except that any employee who shall enter the armed forces after becoming a participant in the Plan, and who shall be entitled to receive accredited service for such period of absence in accordance with Section 5(d), shall receive accredited past service for such period of absence.

11. PAST-SERVICE BENEFITS

(a) A participant's annual past-service benefits shall be one-

half per cent ($\frac{1}{2}\%$) of the first three thousand dollars (\$3,000) of past-service compensation, plus one per cent (1%) of that portion of past-service compensation which is in excess of three thousand dollars (\$3,000), for each year of accredited past-service except the first five (5) years. Fractions of years shall be accounted for proportionately.

(b) The past-service compensation, upon which past-service benefits shall be based, shall be participants' average annual compensation during the calendar years 1940 and 1941, with the following exceptions:

(i) In the event a participant files with the Retirement Plan Committee a written claim that his annual compensation in the year 1940 or the year 1941 was reduced because of a reduction from his normal rate of compensation or because of a reduction from his normal working time, then the Retirement Plan Committee shall adjust his past-service compensation so that it shall fairly represent his normal compensation and normal working time for those years, provided that such written claim is filed at the time of enrollment or within thirty (30) days after the participant shall have received a written statement from the Retirement Plan Committee stating his annual compensation during the calendar years 1940 and 1941.

(ii) In the case of employees on leave of absence or in service with the armed forces who are eligible to receive past-service benefits in accordance with Section 7(c) and Section 7(d), and who entered the Employer's employ subsequent to January 1, 1940, the Retirement Plan Committee shall determine the past-service compensation so that it shall fairly represent the employee's normal compensation and normal working time in the first two years of his employment by the Employer.

12. CURRENT-SERVICE BENEFITS

(a) A participant's annual current-service benefits shall be three-fourths per cent ($\frac{3}{4}\%$) of the first three thousand dollars (\$3,000) of current-service compensation, plus one and one-half

per cent (1½%) of that portion of current-service compensation which is in excess of three thousand dollars (\$3,000), for each calendar year, or portion thereof, while participating in the Plan prior to such participant's normal retirement date.

(b) The current-service compensation, upon which current-service benefits shall be based, shall be the compensation received during each calendar year, or portion thereof, of participation in the Plan.

13. MINIMUM AND MAXIMUM BENEFITS

(a) Any annuitant who has completed fifteen (15) years or more of accredited service and who retires on or after his normal retirement date shall be entitled to receive under the Plan a minimum retirement income of twenty-five dollars (\$25.00) per month. Such minimum retirement income shall not be provided in cases where the annuitant retires prior to normal retirement date.

(b) The maximum retirement income which any annuitant may receive under the Plan shall be one thousand dollars (\$1,000) per month. Whenever the annual past-service benefits and annual current-service benefits accrued for the benefit of any participant entitle such participant to a retirement income of one thousand dollars (\$1,000) per month, no further deposits shall be made by such participant.

14. DEATH BENEFITS

No death benefits shall be payable under the Plan, other than the refund of deposits described in Section 8(c).

15. VESTING

No portion of the retirement income benefits provided under the Plan shall vest in the participant prior to his normal retirement date, except as provided in Sections 20 and 21.

16. EQUIVALENT PAYMENTS

In the event that the retirement income payable shall be less than ten dollars (\$10) per month, such retirement income shall

be payable in quarterly installments. In the event that the retirement income payable shall be less than ten dollars (\$10) per quarter, the actuarial equivalent of such retirement income shall be paid in a lump sum.

17. NORMAL RETIREMENT DATE

Each participant shall be retired on his normal retirement date, unless his retirement has been deferred in accordance with Section 18, or unless he has retired earlier in accordance with Sections 20 or 21. The normal retirement date of both men and women who are participants on September 1, 1945, or who become participants thereafter, shall be as follows:

(a) For participants who have not yet attained age sixty (60) at September 1, 1945, the normal retirement date shall be the first day of the calendar month next following the attainment of age sixty-five (65).

(b) For participants who have attained age sixty (60) but have not yet attained age sixty-five (65) at September 1, 1945, the normal retirement date shall be the first day of the calendar month next following the attainment of the fifth birthday subsequent to September 1, 1945.

(c) For participants who have attained age sixty-five (65) but have not yet attained age seventy (70) at September 1, 1945, the normal retirement date shall be the first day of the calendar month next following the attainment of age seventy (70).

(d) For participants who have attained age seventy (70) at September 1, 1945, the normal retirement date shall be September 1, 1945.

18. DEFERRED RETIREMENT

Upon request of the Board of Directors and with the consent of the participant, a participant may remain in active service after his normal retirement date for a period terminating at the end of any calendar month and not to exceed twelve (12) months, and for such additional period, or periods, terminating at the end

of any calendar month, as the Board of Directors may determine, no one of which periods shall exceed twelve (12) months.

In cases where a participant's retirement is so deferred, his deposits under the Plan shall cease at the commencement of the pay roll period next following his normal retirement date, and thereafter he shall not accrue any current-service benefits. The first payment of his monthly retirement income under the Plan shall be made as of the last day of the calendar month next following that in which his active service shall terminate. His monthly retirement income shall be increased in amount to the actuarial equivalent of that which he would have received if he had retired on his normal retirement date.

19. RE-EMPLOYMENT AFTER RETIREMENT

In the event that the Employer shall re-employ an annuitant, any retirement income payments to such annuitant shall be discontinued during the period of such re-employment, but shall be resumed when he again retires, increased in amount to the actuarial equivalent of that which he would have received had he not been re-employed. During the period of such re-employment he shall not make any deposits nor accrue any current-service benefits.

20. OPTIONAL EARLIER RETIREMENT

Any participant who has attained age fifty-five (55) and who has completed twenty (20) years or more of accredited service may be retired prior to his normal retirement date, upon filing a written request with the Retirement Plan Committee. Such earlier retirement date shall be the first day of any calendar month specified in the request which is subsequent to the date such request is made. Any participant who is retired prior to his normal retirement date, in accordance with this section, must at the time of his retirement elect to receive one of the following optional retirement income payments:

- (a) The full monthly retirement income payable at age sixty-

five (65) which has accrued to the annuitant's credit to such date of earlier retirement, with payments commencing as of the last day of the calendar month next following his attainment of age sixty-five (65) and continuing for his life; or

(b) A reduced monthly retirement income, with payments commencing as of the last day of such calendar month as he names in his election between his earlier retirement date and his normal retirement date and continuing for his life, but identical in actuarial value as of his earlier retirement date to the amounts described in option (a).

In the event that a participant's employment with the Employer is terminated for any reason other than by death, he shall be entitled to receive the benefits provided in this section, provided that at the time of such termination of employment he has attained age fifty-five (55) and has completed twenty (20) years or more of accredited service, and further provided that he elects one of the optional retirement income payments provided in this section.

21. DISABILITY

Any participant who becomes totally and permanently disabled after the completion of fifteen (15) years or more of accredited service shall be entitled to receive the actuarial equivalent of the retirement income commencing at age sixty-five (65) accrued to his credit on the date of such disability. The date of commencement, the number of such payments, and the amount of each payment shall be determined by the Retirement Plan Committee after giving consideration to the participant's needs. The Retirement Plan Committee's determination of whether the participant is totally and permanently disabled shall be conclusive in each case.

22. RETIREMENT INCOME OPTIONS

The normal form of retirement income shall be an annuity which provides full monthly retirement income payments continuing during the annuitant's life and ceasing with the month of his death, with refund of deposits as provided under Section

8(c). In lieu of this annuity, a participant who retires on or after his normal retirement date may select either of the following optional forms of retirement income, which shall be equivalent in actuarial value to the normal form of annuity:

(a) A full joint and survivor annuity which provides reduced monthly retirement income payments during the annuitant's life and, upon his death, continues payments in the same amount to one other person, hereinafter referred to as the "joint annuitant," during the life of such joint annuitant, without refund of any portion of the annuitant's deposits upon his death after normal retirement date.

(b) A modified joint and survivor annuity which provides reduced monthly retirement income payments during the annuitant's life and, upon his death, continues payments in one-half of the amount to the joint annuitant during the life of such joint annuitant, without refund of any portion of the annuitant's deposits upon his death after normal retirement date.

The selection of either optional form of retirement income shall not be effective unless it is made in writing by the participant on forms supplied by the Retirement Plan Committee and filed with said Committee at least three (3) years prior to the participant's normal retirement date; provided that any participant whose normal retirement date is prior to March 1, 1949, may select one of the optional forms of retirement income at any time prior to his retirement and prior to March 1, 1946. Once an optional form of retirement income has been selected by a participant, the participant may not revoke or change either the optional form of retirement income or the joint annuitant named therein, except with the written consent of the Retirement Plan Committee.

If the joint annuitant named by the participant dies prior to the participant's normal or later retirement date, the selection shall become inoperative and the participant shall be considered to have elected a normal form of annuity.

In the event that a participant who has selected an optional form of retirement income, remains in active service after his

normal retirement date, in accordance with Section 18, or is re-employed after his retirement, in accordance with Section 19, and dies prior to his retirement, retirement income payments shall be made to the joint annuitant, if surviving, as though the participant had retired on his normal retirement date and died thereafter. Such payments shall be increased in amount to the actuarial equivalent of that which would have been paid if the participant had retired on his normal retirement date or had not been re-employed.

A participant shall not be entitled to name as a joint annuitant any person other than his spouse or a dependent relative of the participant by blood, adoption or marriage, and if such joint annuitant, other than a spouse, is a minor at the time such joint annuitant is named, such joint annuitant shall not be entitled to receive any payments after attaining the age of twenty-one (21) years.

23. PROOF OF AGE

Proof of age satisfactory to the Retirement Plan Committee may be required of participants and joint annuitants. After a participant or joint annuitant has once so advised the Retirement Plan Committee as to his date of birth, no further correction shall be permitted without the consent of the Retirement Plan Committee. Any such permitted correction shall require proper actuarial adjustment of retirement benefits payable.

24. INALIENABILITY OF BENEFITS

Except to the extent that the following may be contrary to the laws of any state having jurisdiction in the premises, no participant, annuitant, joint annuitant, or beneficiary hereunder shall have the right to assign, transfer, encumber, or anticipate his interest in any retirement funds accumulated under the Plan and in any retirement income being paid therefrom, and such funds and income shall not in any way be subject to any legal process to levy upon or attach the same for the payment of any claim against any participant, annuitant, joint annuitant or beneficiary.

25. ADMINISTRATION OF THE PLAN

The Plan shall be administered under the direction of the Board of Directors by a Retirement Plan Committee, which shall consist of not less than five (5) nor more than nine (9) members appointed by and holding office at the pleasure of the Board of Directors, and the decision of the majority of the number of members then acting shall constitute the final and binding act of the Retirement Plan Committee. The Retirement Plan Committee shall interpret, construe and apply all provisions of the Plan, and its decisions with respect thereto shall be final. Its duties, among others, shall include:

(a) It shall authorize the employment of such legal, actuarial, and other professional services as it may deem appropriate.

(b) It shall be responsible for compiling and maintaining personnel records necessary for the operation of the Plan.

(c) It shall authorize the payment of retirement incomes under the Plan and it shall instruct the Corporate Trustee to provide funds for that purpose.

(d) It shall approve the mortality tables, interest rates and other actuarial factors to be used in determining the requirements of the Plan.

All expenses incurred in the administration of the Plan, including legal, actuarial and trustee's fees and expenses, shall be paid by the Employer for the account of the Employer.

The members of the Retirement Plan Committee and the Employer and its officers and directors shall be entitled to rely upon all tables, valuations, certificates and reports furnished by any actuary, upon all certificates and reports made by any accountant, and upon all opinions given by any legal counsel, in each case selected or approved by said Committee; and the members of said Committee and the Employer and its officers and directors shall be fully protected in respect of any action taken or suffered by them in good faith in reliance upon any such tables, valuations, certificates, reports or opinions and all action so taken or

suffered shall be conclusive upon each of them and upon all persons having or claiming to have any interest in or under the Plan; and no member of said Committee shall be personally liable by reason of any instrument made or executed by him or on his behalf as a member of said Committee, or for any mistake of judgment made by himself or any other member, or for any neglect, omission or wrongdoing of any other member or of anyone employed by said Committee, or for any loss unless resulting from his own wilful misconduct.

26. METHOD OF FUNDING

A Corporate Trustee, acting under a trust agreement, shall be selected by the Board of Directors, and may be changed from time to time by the Board of Directors. The duties of such Corporate Trustee shall include the following:

(a) It shall receive from the Employer, the participants' deposits and the Employer's contributions to the trust fund.

(b) It shall invest and reinvest the corpus and income of the trust fund.

(c) It shall receive all of the income from the trust fund.

(d) It shall pay to or for the account of the Retirement Plan Committee upon its written instructions the funds required for payments under the Plan.

(e) It shall maintain such records and accounts and shall render such financial statements and reports as may be required from time to time by the Retirement Plan Committee.

The Employer shall pay over to said trust fund from time to time such amounts as are deposited by participants under the Plan.

Funds will be contributed by the Employer to said trust fund in amounts which, when added to the amounts which have been or are to be accumulated in the trust fund, including participants' deposits, are actuarially determined as adequate to provide the retirement benefits set forth herein, and shall be paid by the Employer at such times and in such amounts as may be determined

by the Board of Directors, subject to the right of discontinuance or termination as provided in Section 27. While the Employer expects to contribute such funds which, when added to the amounts accumulated through participants' deposits, will secure the payment of retirement incomes under the Plan, the Employer does not guarantee to do so, and each participant, annuitant, joint annuitant, and beneficiary shall look solely to the assets of the trust fund for payments under the Plan. The Employer does, however, guarantee to contribute sufficient funds to insure the return of the amounts deposited by each participant, plus interest at two per cent (2%) per annum, compounded annually, as provided in Section 8.

Notwithstanding any other provisions of the Plan to the contrary, the contributions by the Employer for retirement benefits on behalf of participants each of whom owns, directly or indirectly, more than ten per cent (10%) of the voting stock of the Employer, shall not in the aggregate exceed in any year thirty per cent (30%) of the contributions by the Employer for retirement benefits for all participants. For the purpose hereof, an individual is considered as owning the stock owned by his spouse or minor lineal descendants.

Notwithstanding any other provision hereof or any amendment hereto to the contrary, at no time shall any assets of the trust fund revert to or be recoverable by the Employer, or be used for, or diverted to, purposes other than for the exclusive benefit of participants, annuitants, joint annuitants and beneficiaries under the Plan, except such funds, if any, as may remain at termination of the trust after satisfaction of all liabilities with respect to participants, annuitants, joint annuitants and beneficiaries under the Plan, and are due to erroneous actuarial calculations.

27. MODIFICATION OR TERMINATION OF PLAN

The Board of Directors reserves the right to alter, amend or terminate the Plan or any part thereof, in such manner as it may

determine, and any such alteration, amendment, or termination shall take effect upon notice thereof from the Board of Directors to the Corporate Trustee; provided that no such alteration or amendment shall provide that the retirement income payable to any annuitant shall be less than that provided by his deposits, with interest at the rate of two per cent (2%) per annum, compounded annually, or affect the right of any participant to receive a refund of his deposits, with interest, as provided in Section 8, and provided further that no alteration, amendment or termination of the Plan or any part thereof shall permit any part of the trust fund to revert to or be recoverable by the Employer or be used for, or diverted to, purposes other than for the exclusive benefit of participants, annuitants, joint annuitants and beneficiaries under the Plan, except such funds, if any, as may remain at termination of the trust after satisfaction of all liabilities with respect to participants, annuitants, joint annuitants and beneficiaries under the Plan, and are due to erroneous actuarial calculations.

The Board of Directors reserves the right at any time and for any reason satisfactory to it, to discontinue permanently all contributions by the Employer under this Plan. Such discontinuance shall be deemed to be a complete termination of the Plan.

In the event of the complete termination of the Plan, all funds in the custody of the Corporate Trustee shall be applied in the following order for the purpose of providing (1) refund payments to participants under the Plan at the date of termination who elect, within thirty (30) days after such date of termination, to receive a refund of their respective deposits, with interest at the rate of two per cent (2%) per annum, compounded annually, (2) retirement income payments to annuitants and joint annuitants, and to participants eligible to retire under the Plan at the date of termination who do not elect to receive the refund payments described in item (1) of this paragraph, and (3) payments for participants who are not eligible to retire under the Plan at

the date of termination and who do not elect to receive the refund payments described in item (1) of this paragraph. The application of such funds under each of the foregoing classifications shall be in accordance with a non-discriminatory formula adopted by the Retirement Plan Committee, on the basis of retirement benefits accrued under the provisions of the Plan and the accredited service of all participants. When the application of such funds has been calculated on the foregoing basis, the Trust shall be terminated and the respective interests distributed, such distribution to be in the form of cash or annuity contracts as determined by the Retirement Plan Committee, providing that any funds remaining after the satisfaction of all liabilities to participants, annuitants, joint annuitants and beneficiaries under the Plan and due to erroneous actuarial calculations may be withdrawn by the Board of Directors from the trust fund for the account of the Employer.

Notwithstanding any other provisions of the Plan to the contrary, the retirement income payments provided for under the Plan for those participants and annuitants who are among the twenty-five (25) most highly compensated employees as of September 1, 1945, shall be subject to the following conditions:

If, on or before September 1, 1955, contributions hereunder are discontinued by the Employer, or should the Plan be terminated, no monthly retirement income payable under Section 9 shall exceed one-twelfth (1/12) of the sum of (1) the greater of (a) one thousand five hundred dollars (\$1,500), or (b) an amount determined by multiplying the number of years from September 1, 1945, up to such date of discontinuance or termination by one and three-fourths per cent ($1\frac{3}{4}\%$) of the first fifty thousand dollars (\$50,000) of average annual compensation during the five (5) calendar years immediately preceding such date or immediately preceding the date of commencement of retirement income payments hereunder, if earlier, plus (2) one-fifteenth (1/15) of the aggregate deposits under the Plan made by the participant or annuitant. In the event of such discontin-

uance or termination prior to September 1, 1955, no other monthly retirement income payments shall exceed amounts which have the same actuarial values as monthly retirement income payments commencing at age sixty-five (65), based on amounts computed within the limitations of (1) and (2) above. The foregoing limitations shall be in addition to the limitation on the amount of monthly retirement income payments specified in Section 13(b).

If, at any time prior to September 1, 1955, the contributions under the Plan have been insufficient to meet the cost of the Plan, no retirement income payments provided for any such participants or annuitants shall exceed those which would be provided if the Plan were discontinued at that time unless and until any later time when contributions have been sufficient to meet the cost of the Plan. For the purpose of this section, in determining whether the costs of the Plan have been met, there shall be used the plan of funding, the method of actuarial valuation, and the assumptions as to future experience used in determining the amount of deduction claimed under Section 23 (p) of the Internal Revenue Code as amended for the first taxable year, but in any case it shall be considered that the costs have not been met at any time if the contributions up to that time have been less than the sum of the normal costs of the Plan as defined in Section 29.23 (p)-7 of Regulations 111 in effect for the first taxable year, plus interest on the unfunded costs of retirement income payments based on service prior to September 1, 1945, for the period from September 1, 1945, up to that time on the basis of the same assumptions as to future experience. If, at any time prior to September 1, 1955, the Plan is changed so as to reduce the value of retirement income payments to be provided thereafter by Employer contributions for any other participant, or so as to increase the value of retirement income payments to be provided thereafter by Employer contributions for the twenty-five (25) most highly compensated employees, the limitations applicable in the case of a discontinuance or termination of the Plan shall apply.

**CROWN ZELLERBACH RETIREMENT PLAN
TRUST AGREEMENT**

THIS INDENTURE, made of as the 1st day of September, 1945, by and between CROWN ZELLERBACH CORPORATION, a Nevada corporation, hereinafter called the "Corporation," and BANKERS TRUST COMPANY, a New York corporation, hereinafter called the "Trustee,"

W I T N E S S E T H :

That whereas the Corporation is adopting a Retirement Plan for the benefit of such employees as shall participate in the Plan and designates the Trustee as the trustee under such Plan and depository of the funds to be deposited pursuant to such Plan;

Now, Therefore, in consideration of the premises and of the mutual covenants herein contained, the parties hereto agree as follows:

First. The Corporation shall pay to the Trustee from time to time as the Retirement Plan Committee shall decide, the contributions of employees participating in the Plan, and shall pay to the Trustee from time to time the Corporation's contribution under the Plan in such amounts and at such times as may be determined by its Board of Directors. All such payments and the accruals thereto from time to time held by the Trustee shall be hereinafter referred to as the "Fund," which Fund shall be held by the Trustee in trust hereunder and shall be invested and applied by it as hereinafter provided.

Second. The Trustee shall hold, invest, reinvest, manage and administer the Fund for the benefit of the participants, annuitants, joint annuitants and beneficiaries under and in accordance with the Plan, a copy of which is attached hereto as "Exhibit A" and made a part hereof. Notwithstanding any other provision hereof or any amendment hereto to the contrary, at no time shall

any part of the Fund revert to or be recoverable by the Corporation, or be used for, or diverted to, purposes other than for the exclusive benefit of the participants, annuitants, joint annuitants and beneficiaries under the Plan, except such funds, if any, as may remain at termination of the trust after satisfaction of all liabilities with respect to participants, annuitants, joint annuitants and beneficiaries under the Plan and are due to erroneous actuarial calculations.

Third. The Plan shall be administered by the Retirement Plan Committee. The Trustee shall not itself be responsible in any respect for the administration of the Plan. The sole responsibilities of the Trustee hereunder shall be to hold and to invest and reinvest from time to time the Fund in its possession or under its control as Trustee, in accordance with the powers and subject to the restrictions stated in this indenture or in any modification or amendment hereof, and to pay moneys therefrom to or for the account of the Retirement Plan Committee for the use of the Plan, and if the Retirement Plan Committee shall so direct, to participants, to annuitants, to joint annuitants, and to beneficiaries under the Plan, in the amounts and as directed by the Retirement Plan Committee upon orders to the Trustee signed by the Retirement Plan Committee from time to time. The Trustee shall be fully protected in paying out moneys from the Fund from time to time upon such written orders, and shall be charged with no responsibility whatsoever respecting the application of such moneys paid by it upon such written orders.

Fourth. Except to the extent hereinafter provided, and having regard for the cash requirements of the Plan as stated to it from time to time by the Committee, the Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested without distinction between principal and income, in securities which are at the time legal investments for life insurance companies under the laws of the State of New York; or, to the extent from time to time approved by the Board of Directors

of the Corporation, shall use the Fund to purchase annuities; provided, however, that no investment of the assets of the Fund shall at any time be made in the securities of any corporation or other issuer if by reason of such investment the book value of the securities of such corporation or issuer held in the Fund immediately after such investment shall be equal to or exceed ten per cent (10%) of the then book value of the Fund, except that this limitation shall not apply to bonds or other securities of the United States or securities guaranteed as to payment of principal and interest by the United States; provided further, that the Trustee may, with the prior written approval of the Board of Directors of the Corporation, invest and reinvest the principal and income of the Fund in securities, including common and preferred stocks, which are not at the time legal investments for life insurance companies under the laws of the State of New York; and provided further, that, on the written request of the Committee to retain cash to meet contemplated requisitions of the Committee, the Trustee shall retain so much cash as shall be specified in such written request and shall be under no obligation to invest the same as herein provided, and, also, that the Trustee in its discretion may retain cash temporarily awaiting investment.

From time to time the Trustee may sell any securities of the Fund, and in the event that the Trustee shall purchase any securities which are not at the time legal investments for life insurance companies under the laws of the State of New York, as hereinabove in this Article Fourth provided, the Trustee shall sell any or all of such securities promptly at the written request of the Board of Directors of the Corporation. Failure or refusal by the Trustee to sell securities pursuant to the provisions of this Trust Agreement upon the written request of the Board of Directors of the Corporation shall constitute wilful misconduct.

No purchaser upon any sale of securities of the Fund shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale.

Fifth. The Trustee may vote upon any stocks, bonds or other securities of any corporation or other issuer at any time held in the Fund or otherwise consent to or request any action on the part of such corporation or other issuer and may give general or specific proxies or powers of attorney with or without power of substitution, and participate in reorganizations, recapitalizations, consolidations, mergers and similar transactions with respect to such securities; and may deposit such stocks or other securities in any voting trust, or with any protective or like committee, or with a trustee, or with depositaries designated thereby, and may exercise any subscription rights and conversion privileges and, generally, may exercise any of the powers of an owner with respect to stocks or other securities or property comprising the Fund.

The Trustee may register any securities held by it hereunder in its own name or in the name of a nominee with or without the addition of words indicating that such securities are held in a fiduciary capacity, and may hold any securities in bearer form, but the books and records of the trust shall at all times show that all such investments are part of the Fund.

Sixth. The Trustee may employ suitable agents and counsel and may pay their reasonable expenses and compensation. The expenses incurred by the Trustee in the performance of its duties hereunder, including fees for legal services rendered to the Trustee, such compensation to the Trustee as may be agreed upon in writing from time to time between the Board of Directors of the Corporation and the Trustee, and all other proper charges and disbursements of the Trustee, including all real and personal property taxes, income taxes, if any, and other taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon or in respect of the trust hereby created or the Fund or any money, property or securities forming a part thereof, shall be charged to and paid by the Corporation.

Seventh. The Trustee shall not be liable for the making, retention, or sale of any investment or reinvestment made by it as

herein provided nor for any loss to or diminution of the Fund, except due to its own negligence, wilful misconduct, or lack of good faith. The Trustee may from time to time consult with counsel, who may be of counsel to the Corporation, and shall be fully protected in acting upon such advice of counsel as respects legal questions.

Eighth. The Trustee shall keep accurate and detailed accounts of all investments, receipts and disbursements and other transactions hereunder, and all accounts, books and records relating thereto shall be open to inspection by any person designated by the Retirement Plan Committee or by the Board of Directors of the Corporation, at all reasonable times.

Ninth. The Trustee may be removed by the Board of Directors of the Corporation at any time upon ninety (90) days' notice in writing to the Trustee. The Trustee may resign at any time upon ninety (90) days' notice in writing to the Corporation.

Upon removal or resignation of the Trustee, the Board of Directors of the Corporation shall appoint and designate a new trustee with the same powers and duties as those conferred upon the Trustee hereunder, and the Trustee shall assign, transfer and pay over to such successor trustee the funds and properties then constituting the trust hereunder.

Tenth. Within ninety (90) days following the close of each calendar year or the removal or resignation of the Trustee, the Trustee shall file with the Corporation and with the Retirement Plan Committee a written report setting forth all investments, receipts and disbursements, and other transactions effected by it during the calendar year or part thereof upon which the report is filed and containing an exact description of all securities purchased and sold, the cost or net proceeds of sale (excluding accrued interest paid or received), and showing the securities and investments held at the end of such period, and the cost of each item thereof as carried on the books of the Trustee. Upon the expiration of ninety (90) days from the date of filing such ac-

count, the Trustee shall be forever released and discharged from any liability or accountability to anyone as respects the propriety of its acts or transactions shown in such account, except with respect to any such acts or transactions as to which the Corporation or the Retirement Plan Committee shall within such ninety-day period file with the Trustee a written statement setting forth its exceptions or objections. The Trustee shall also, in the administration of the trust, render monthly statements to the Corporation, and shall from time to time advise the Corporation of any purchases which it may make in the Fund.

Eleventh. Any action by the Board of Directors of the Corporation, pursuant to any of the provisions of this indenture, may be evidenced by a resolution of such Board certified to the Trustee over the signature of the Secretary or Assistant Secretary of the Corporation under its corporate seal, and the Trustee shall be fully protected in acting in accordance with such resolutions so certified to it. All requests, directions, requisitions and instructions of the Retirement Plan Committee to the Trustee shall be in writing, signed by a majority of the members of the Retirement Plan Committee or by a representative of the Retirement Plan Committee authorized to sign such documents by a majority of the members of the Retirement Plan Committee, and the Trustee shall act and shall be fully protected in acting in accordance with such requests, directions, requisitions and instructions. The Corporation shall furnish the Trustee from time to time with certified copies of the resolutions of its Board of Directors evidencing the appointment and termination of office of any members of the Retirement Plan Committee and the appointment of successors thereto.

Twelfth. The Corporation shall have the right at any time, by an instrument in writing, duly executed and acknowledged and delivered to the Trustee, to modify, alter or amend this indenture, in whole or in part, in accordance with the express provisions of the Plan, provided, however, that the duties, powers and lia-

bilities of the Trustee hereunder shall not be substantially increased without its written consent, and provided further that no modification, alteration or amendment of this indenture or termination of the Trust shall permit any part of the Fund to revert to, or be recoverable by the Corporation, or be used for, or diverted to purposes other than for the exclusive benefit of the participants, annuitants, joint annuitants and beneficiaries under the Plan, except such funds, if any, as may remain at the termination of the trust after satisfaction of all liabilities with respect to participants, annuitants, joint annuitants and beneficiaries under the Plan and are due to erroneous actuarial calculations.

Thirteenth. The Corporation has the right to terminate the Plan, and in the event of such termination, the Board of Directors of the Corporation shall advise the Trustee in writing of such termination, in which event the Fund then held by the Trustee shall be paid to the persons entitled thereto as may then be provided in such Plan, and to effect this purpose the Trustee shall disburse such Fund to such persons and in such amounts and at such times as it may be directed to do by the Board of Directors of the Corporation or the Retirement Plan Committee, and the Trustee shall be entitled to rely upon the instructions and directions of either the Board of Directors of said Corporation or the Retirement Plan Committee, and shall be liable to no one in so doing. The term "persons entitled thereto" shall include the Corporation if, upon termination of the Plan, it shall be determined that the Fund is in excess of the amount required fully to fund the Plan, and that such excess was due to erroneous actuarial calculations, and in such event and notwithstanding the provisions of Article Second hereof, the Board of Directors of the Corporation shall have the right to withdraw any such excess funds from the Trustee for the account of the Corporation upon termination of the Plan.

Fourteenth. The Trustee hereby accepts this trust and agrees

to hold all the property constituting the Fund hereunder, subject to all the terms and conditions of this indenture.

Fifteenth. This indenture shall be construed and enforced according to the laws of the State of New York, and all provisions hereof shall be administered according to the laws of said State.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their officers thereunto duly authorized.

CROWN ZELLERBACH CORPORATION,
By J. D. ZELLERBACH,
President

[SEAL]

Attest:

D. J. GALEN,
Secretary

BANKERS TRUST COMPANY,
By W. B. DUNCKEL,
Vice-President

[SEAL]

Attest:

H. C. BURROWES,
Assistant Trust Officer

AMENDMENTS TO CROWN ZELLERBACH RETIREMENT PLAN

Section 5(b) amended June 26, 1947 by adding at the end thereof a new sentence as follows:

"Transfer of any employee between the Employer and its subsidiaries shall not be deemed to be a break in continuous employment for the purpose of this section."

Section 6(c) amended June 26, 1947 to read as follows:

"Such employees whose employment with the Employer begins after September 1, 1945, and who were prior thereto employees of any subsidiary which was not a participating subsidiary, except any employee of Pacific Mills Limited or one of its subsidiaries participating in the Pacific Mills Retirement Income Plan, shall become eligible to commence participation in the Plan as of the respective dates they would have become eligible to commence participation if such subsidiary had been at all times a participating subsidiary."

The first sentence of Section 7(c) amended June 26, 1947, to read as follows:

"Any employee whose employment with the Employer begins after September 1, 1945, and who was prior thereto an employee of any subsidiary which was not a participating sub-

sidiary, except any employee of Pacific Mills Limited or one of its subsidiaries participating in the Pacific Mills Retirement Income Plan, shall be eligible to receive past-service benefits, provided that he is eligible to and does commence participation as of the date he was first eligible to commence participation in accordance with section 6(c)."

Section 8(b) amended June 26, 1947 by adding at the beginning thereof a new phrase as follows:

"Except as provided in section 7(h),"

Section 7 amended June 26, 1947 by adding at the end thereof a new subsection as follows:

"(h) Upon the transfer of a participant subsequent to September 1, 1945, to Pacific Mills Limited or any of its subsidiaries participating in its retirement income plan, said participant shall continue to be entitled to all of the benefits provided by this Plan which accrued to his credit while in the employ of the Employer and shall continue to receive accredited service under section 5 and be subject to the provisions of this Plan while in the employ of Pacific Mills Limited or any of its subsidiaries, provided he en-

rolls and participates in the Pacific Mills Limited Retirement Income Plan until normal or earlier retirement or total and permanent disability or until he is transferred back to the employ of the Employer. Upon such a transfer back to the employ of the Employer, the period of his employment by Pacific Mills Limited or any of its subsidiaries shall be treated as a leave of absence under section 5(c)."

Section 13 amended June 26, 1947 by adding at the end thereof a new subsection as follows:

"(c) In the case of an annuitant who is entitled to benefits both under this Plan and under the Pacific Mills Retirement Income Plan the minimum benefits provided under paragraph (a) of this section and the maximum benefits authorized under paragraph (b) of this section shall be decreased by the amount which such annuitant receives per month under the Pacific Mills Retirement Income Plan."

AMENDMENTS TO CROWN ZELLERBACH RETIREMENT PLAN

Section 7(d) amended June 26, 1947 to read as follows:

"Any former employee who left the employ of the Employer to serve in the armed forces of the United States or one of its allies and who is in such service on September 1, 1945, or any employee who subsequently so enters said service, except as provided in the last sentence of this paragraph, shall be eligible to receive past-service benefits, provided that he is re-employed by the Employer within three (3) months after his release or discharge from the armed forces, and provided further that he is eligible to and does commence participation as of the date of his re-employment. Such employee shall be considered to have commenced participation as of the date of his re-employment if he enrolls in the Plan at any time within two (2) months after the date of his re-employment and pays the required deposits under the Plan commencing with the date of his re-employment. If such employee does not commence participation as of the date of his re-employment he shall be eligible to receive only current-service benefits accruing during his participation in the Plan. Any employee who enters the armed forces of the United States or one of its allies or extends his period of duty therein by accepting additional service,

or by re-enlistment, after September 1, 1947, shall not be eligible for any past-service benefits under section 10 for the periods of such duty entered upon after said date."

Section 10 amended June 26, 1947 by adding at the end thereof a new clause as follows:

"for which he is eligible to receive past-service benefits under section 7(d)."

Section 6 (d) amended February 27, 1947 to read as follows:

"Such employees of any after-acquired corporation shall be eligible to commence participation in the Plan on the first day of the payroll period next following their completion of five (5) years of accredited service.";

Section 7 (g) amended February 27, 1947 by adding at the end thereof the following new sentence:

"Notwithstanding any other provisions of the Plan, any such employee who does not enroll within thirty (30) days after written notice by the Retirement Plan Committee of eligibility to enroll shall not receive more than five (5) years of accredited service for employment which occurs prior to participation in the Plan."

Footnote

** The above provision shall take effect on September 1, 1948 but shall be applicable to employees whether or not they receive written notice or become eligible to enroll prior to or subsequent to said date.

AMENDMENTS TO CROWN ZELLERBACH RETIREMENT PLAN

Section 4 amended February 27, 1947 by adding at the end thereof a new subsection as follows:

"(j) 'After-acquired corporations' are defined as corporations (which shall include partnership and individual businesses) which become subsidiaries subsequent to September 1, 1945, or which subsequent to said date may be joined by merger, consolidation, or purchase of assets with the Employer or its subsidiaries.";

Section 5 amended February 27, 1947 by adding at the end thereof a new subsection as follows:

"(e) Accredited service shall include continuous employment of not to exceed five (5) years with after-acquired corporations which occurs prior to the time of acquisition of such corporations by the Employer or its subsidiaries or prior to the time such corporations become subsidiaries, provided, however, that no employee shall receive accredited service for such employment unless he was employed by an after-acquired corporation at such time of acquisition or at the time such corporation became a subsidiary. The determination of continuous employment under this subsection shall be subject to the same provisions applicable in determining continuous employment for the purposes of section 5 (b) but without regard to whether the events affecting such continuous employment occur prior to or subsequent to September 1, 1945.";

AMENDMENTS TO CROWN ZELLERBACH RETIREMENT PLAN

Section 13 (a) amended October 25, 1945, to read as follows:

"Any annuitant who has completed fifteen (15) years or more of accredited service and who retires on or after his normal retirement date shall be entitled to receive under the Plan a minimum retirement income of twenty-five dollars (\$25.00) per month. Such minimum retirement income shall not be provided in cases where the annuitant retires prior to normal retirement date, except that any annuitant who has completed twenty (20) years or more of accredited service and who retires on or after the attainment of age sixty-five (65) shall be entitled to receive such minimum retirement income."

The first sentence of Section 26 amended December 27, 1945, to read as follows:

"A Corporate Trustee, acting under a trust agreement, shall be selected by the Board of Directors, and may be changed from time to time by the Board of Directors, provided, however, that in no event shall the Corporate Trustee or successor Corporate Trustee be other than a bank which is a member of a Federal Reserve Bank or a bank or trust company qualified and doing business in the

State of California and subject to the supervision of the Superintendent of Banks or the Controller of Currency."

AMENDMENT OF CROWN ZELLERBACH RETIREMENT PLAN
TRUST AGREEMENT

Article Ninth amended December 27, 1945, by adding at the end thereof the following:

"In no event shall the trustee or the successor trustee be other than a bank which is a member of a Federal Reserve Bank or a bank or trust company qualified and doing business in the State of California and subject to the supervision of the Superintendent of Banks or the Controller of Currency."

AMENDMENTS TO CROWN ZELIERSBACH RETIREMENT PLAN

Section 3 (b) amended March 28, 1946 to read as follows:

"Participating subsidiaries may be added or withdrawn by appropriate amendment of the Plan, as provided in Section 27. In the event of withdrawal from the Plan of any participating subsidiary, such withdrawal shall be deemed to be a termination of the Plan as to such participating subsidiary. Thereupon there shall be allocated a portion of the funds in the custody of the Corporate Trustee, such allocation to be made in accordance with a nondiscriminatory formula, taking into consideration the age, sex, and accredited service of the participants of said subsidiary and the contributions of said subsidiary and its participants and amounts paid as benefits to its participants, annuitants and joint annuitants. Said amount so allocated shall be divided into two portions, in accordance with a similar nondiscriminatory formula, one of which portions shall be allocable to the participants of said subsidiary who on said date of termination or within thirty (30) days thereafter shall be employed by one of the continuing Employers, and who shall not have withdrawn their contributions with interest after such termination; and the other of which shall be allocable to the remaining participants, annuitants and joint annuitants of said subsidiary.

The first portion so allocated shall remain a part of the funds in the custody of the Corporate Trustee to be held and administered subject to the provisions of the Trust and the Plan. The second portion so allocated shall be applied for the benefit of said remaining participants, annuitants and joint annuitants of said subsidiary in the same manner as provided in Section 27 in the case of a complete termination of the Plan."

The first sentence in the third paragraph of Section 27 amended March 28, 1946 to read as follows:

"In the event of the complete termination of the Plan, all funds in the custody of the Corporate Trustee shall be allocated in the following order: (1) An amount equal to the deposits with interest at the rate of two per cent (2%) per annum compounded annually of all participants at the date of termination other than annuitants and joint annuitants shall first be set aside. (2) The balance shall be applied in the following order for the purpose of providing (a) retirement income payments to annuitants and joint annuitants; (b) retirement income payments to those participants eligible to

retire under the Plan at the date of termination; and (c) payments for those participants not included in (a) and (b) above. Any participant not included in (a) above may receive the refund of his respective deposits with interest at the rate of two per cent (2%) per annum compounded annually upon application within thirty (30) days after date of termination. Any such participant who does not elect to receive such refund within said period shall have the amount of his payments under (2) (b) and (2) (c) increased by the amount that may be provided by his deposits and interest."

PRINTED IN U.S.A.