As filed with the Securities and Exchange Commission on March 15, 1995.
Registration No. 33-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-8

REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

LOCKHEED MARTIN CORPORATION
(Exact name of registrant as specified in its charter)

Maryland	52-1893632
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6801 Rockledge Drive
Bethesda, Maryland 20817
(Address of principal executive offices)

Lockheed Corporation Hourly Employees
Savings and Stock Investment Plan -
Fort Worth and Abilene Divisions
(Full title of the plan)

Stephen M. Piper, Esquire
Assistant General Counsel
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817
(301) 897-6000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(*)	Proposed maximum offering price per share(**)	Proposed maximum aggregate offering price(**)	Amount of registration fee(**)
Common Stock, par value $1.00 per share..	1,500,000	$ 26.52	$ 39,780,000	$13,717.34

(*) In addition, pursuant to Rule 416(c) under the Securities Act of 1933, this Registration Statement also covers an indeterminate amount of plan interests to be offered or sold pursuant to the plan to which this Registration Statement relates.

(**) At the time of the filing of this Registration Statement on Form S-8, there is no market for the Registrant's securities to be offered. Accordingly, the fee has been computed, pursuant to Rule 457(h)(1) and guidance provided by the Office of Chief Counsel, based on the book value of the securities to be offered as of December 31, 1994.

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PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by the Registrant, Martin Marietta Corporation, Lockheed Corporation or the Plan with the Securities and Exchange Commission (the "Commission") are incorporated by reference and made a part hereof:

(a) The Registrant's Joint Proxy Statement/Prospectus filed pursuant to Registration Statement No. 33-57645 on Form S-4 filed with the Commission on February 9, 1995;

(b) The description of the Registrant's Common Stock contained in the Registrant's Registration Statement on Form 8-B filed with the Commission pursuant to Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act") (as amended on Form 8-B/A filed on March 9, 1995), and any amendment or report filed for the purpose of updating such description; and

(c) Martin Marietta Corporation's Current Report on Form 8-K filed with the Commission on February 13, 1995;

(d) Martin Marietta Corporation's Current Report on Form 8-K filed with the Commission on February 17, 1995;

(e) Lockheed Corporation's Current Report on Form 8-K filed with the Commission on February 21, 1995;

(f) Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Annual Report on Form 11-K filed with the Commission as Exhibit 99.4 to Lockheed Corporation's Annual Report on Form 10-K/A dated June 28, 1994; and

(g) The Registrant's Current Report on Form 8-K filed with the Commission on March 15, 1995.

All documents subsequently filed by the Registrant, Martin Marietta Corporation, Lockheed Corporation or the Plan pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of the filing of such documents.

Item 4. Description of Securities.

Not Applicable

Item 5. Interests of Named Experts and Counsel.

The Opinion of Counsel as to the legality of the securities being issued (constituting Exhibit 5) has been rendered by counsel who is a full-time employee of the Registrant. Counsel rendering such opinion is not eligible to participate in the Plan.

Item 6. Indemnification of Directors and Officers.

The Maryland General Corporation Law authorizes Maryland corporations to limit the liability of directors and officers to the corporation or its stockholders for money damages, except (a) to the extent that it is proved that the person actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received, (b) to the extent that a judgment or other final adjudication adverse to the person is entered in a proceeding based on a finding that the person's action or failure to act was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding or (c) in respect of certain other actions not applicable to the Registrant. Under the Maryland General Corporation Law, unless limited by charter, indemnification is mandatory if a director or an officer has been successful on the merits or otherwise in the defense of any proceeding by reason of his or her service as a director unless such indemnification is not otherwise permitted as described in the following sentence. Indemnification is permissive unless it is established that (a) the act or omission of the director was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, (b) the director actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director had reasonable cause to believe his or her act or omission was unlawful. In addition to the foregoing, a court of appropriate jurisdiction may under certain circumstances order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not the director or officer has met the standards of conduct set forth in the preceding sentence or has been adjudged liable on the basis that a personal benefit was improperly received in a proceeding charging improper personal benefit to the director or officer. If the proceeding was an action by or in the right of the corporation or involved a determination that the director or officer received an improper personal benefit, however, no indemnification may be made if the individual is adjudged liable to the corporation, except to the extent of expenses approved by a court of competent jurisdiction.

Article XI of the charter of the Registrant limits the liability of directors and officers to the fullest extent permitted by the Maryland General Corporation Law. Article XI of the charter

of the Registrant also authorizes the Registrant to adopt by-laws or resolutions to provide for the indemnification of directors and officers. Article VI of the By-laws of the Registrant provides for the indemnification of the Registrant's directors and officers to the fullest extent permitted by the Maryland General Corporation Law. In addition, the Registrant's directors and officers are covered by certain insurance policies maintained by the Registrant.

Item 7. Exemption from Registration Claimed.

Not Applicable

Item 8. Exhibits.

4-A. Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions, as amended and restated through March 1, 1995.

4-B. Lockheed Corporation Hourly Employee Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement, effective February 1, 1993 (included as an exhibit to Registration Statement on Form S-8, No. 33-49347 and incorporated herein by reference).

4-C. Amendment 1995-I to Lockheed Corporation Hourly Employee Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement.

5. Opinion of Stephen M. Piper, Esquire

23-A. Consent of Ernst & Young LLP (Washington, D.C.).

23-B. Consent of Ernst & Young LLP (Los Angeles, CA).

23-C. Consent of KPMG Peat Marwick LLP.

23-D. Consent of Arthur Andersen LLP.

23-E. Consent of Stephen M. Piper, Esquire (contained in Exhibit 5 hereof).

25. Powers of Attorney (included as an exhibit to a Registration Statement on Form S-8 relating to Lockheed Martin Corporation Directors Deferred Stock Plan filed by the Registrant with the Commission on March 15, 1994 and incorporated herein by reference).

The Registrant hereby undertakes that the Registrant will submit or has submitted the Plan and any amendment thereto to the Internal Revenue Service ("IRS") in a timely manner and has made or will make all changes required by the IRS in order to qualify the Plan.

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that subparagraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the

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

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the County of Montgomery, State of Maryland.

LOCKHEED MARTIN CORPORATION

Date: March 15, 1995

By: /s/ Frank H. Menaker, Jr.

Frank H. Menaker, Jr.
Vice President and
General Counsel

Pursuant to the requirements of the Securities Act of 1933, the trustees (or other persons who administer the Plan) have duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Calabasas, State of California.

Date: March 15, 1995

LOCKHEED CORPORATION HOURLY EMPLOYEES SAVINGS AND STOCK INVESTMENT PLAN - FORTH WORTH AND ABILENE DIVISIONS

By: /s/ Walter E. Skowronski

Walter E. Skowronski
Chairman, Savings Plan
Committee

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Title	Date
/s/ Daniel M. Tellep --- Daniel M. Tellep*	Chairman of the Board and Chief Executive Officer and Director	March 15, 1995
/s/ Marcus C. Bennett --- Marcus C. Bennett*	Senior Vice President, Chief Financial Officer and Director	March 15, 1995
/s/ Robert E. Rulon --- Robert E. Rulon*	Controller and Chief Accounting Officer	March 15, 1995
/s/ Norman R. Augustine	Director	March 15, 1995

	Norman R. Augustine*		
/s/	Lynne V. Cheney	Director	March 15, 1995
	Lynne V. Cheney*		
/s/	Edwin I. Colodny	Director	March 15, 1995
	Edwin I. Colodny*		
/s/	Lodwrick M. Cook	Director	March 15, 1995
	Lodwrick M. Cook*		
/s/	James L. Everett, III	Director	March 15, 1995
	James L. Everett, III*		
/s/	Houston I. Flournoy	Director	March 15, 1995
	Houston I. Flournoy*		
/s/	James F. Gibbons	Director	March 15, 1995
	James F. Gibbons*		
/s/	Edward E. Hood, Jr.	Director	March 15, 1995
	Edward E. Hood, Jr.*		
/s/	Caleb B. Hurtt	Director	March 15, 1995
	Caleb B. Hurtt*		
/s/	Gwendolyn S. King	Director	March 15, 1995
	Gwendolyn S. King*		

	Signature	Title	Date
/s/	Lawrence O. Kitchen	Director	March 15, 1995
	Lawrence O. Kitchen*		
/s/	Gordon S. Macklin	Director	March 15, 1995
	Gordon S. Macklin*		
/s/	Vincent N. Marafino	Director	March 15, 1995
	Vincent N. Marafino*		
/s/	Eugene F. Murphy	Director	March 15, 1995
	Eugene F. Murphy*		
/s/	Allen E. Murray	Director	March 15, 1995
	Allen E. Murray*		
/s/	Frank Savage	Director	March 15, 1995
	Frank Savage*		
/s/	Carlisle A.H. Trost	Director	March 15, 1995
	Carlisle A.H. Trost*		
/s/	James R. Ukropina	Director	March 15, 1995
	James R. Ukropina*		

*By: /s/ Stephen M. Piper March 15, 1995
(Stephen M. Piper, Attorney-in-fact**)

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**By authority of Powers of Attorney filed with this Registration Statement on Form S-8

EXHIBIT INDEX

Exhibit Number	Description	Page No.
4-A.	Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions, as amended and restated through March 1, 1995.	
4-B.	Lockheed Corporation Hourly Employee Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement, effective February 1, 1993 (included as an exhibit to Registration Statement on Form S-8, No. 33-49347 and incorporated herein by reference).	
4-C.	Amendment 1995-I to Lockheed Corporation Hourly Employee Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement.	
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23-D.	Consent of Arthur Andersen LLP.	
23-E.	Consent of Stephen M. Piper, Esquire (contained in Exhibit 5 hereof).	
25.	Powers of Attorney (included as an exhibit to a Registration Statement on Form S-8 relating to Lockheed Martin Corporation Directors Deferred Stock Plan filed by the Registrant with the Commission on March 15, 1994 and incorporated herein by reference).	

EXHIBIT 4-A

LOCKHEED CORPORATION HOURLY EMPLOYEES SAVINGS AND STOCK INVESTMENT PLAN - FORT WORTH AND ABILENE DIVISIONS

(As Amended and Restated Effective March 1, 1995)

LOCKHEED CORPORATION HOURLY EMPLOYEES SAVINGS AND STOCK INVESTMENT PLAN - FORT WORTH AND ABILENE DIVISIONS

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SECTION I: PURPOSE

The Lockheed Corporation Hourly Employees Savings and Stock Investment Plan, as amended and restated, effective March 1, 1995 (the "Plan"), is designed to provide an opportunity for hourly-paid employees to become stockholders of Lockheed Corporation and to encourage them to save, for retirement and other emergencies, on a regular basis by setting aside part of their earnings. Except as stated otherwise herein, items in brackets shall apply to Eligible Employees of the Abilene Division of the Company only.

SECTION II: DEFINITIONS

For the purposes of the Plan, unless the contrary is clearly or necessarily indicated by the context, the following terms shall have the following meanings:

1. "Accrued Benefit" shall mean the balance of the Member's separate account at the time as of which the determination thereof is made.

2. "Affiliated Group" shall mean (i) for periods following the Closing Date only, the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code, determined without regard to Section 1563(a)(4) and (e)(3)(C) of such Code) of which the Company is a part, and (ii) for periods prior to the Closing Date only, the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code, determined without regard to Section 1563(a)(4) and (e)(3)(C) of such Code) of which General Dynamics Corporation is a part.

3. "Base Earnings" in any regular payroll period shall mean the Member's straight time hourly rate times the hours paid for in such payroll period (but in no event more than 40 hours per week) as shown by the records of the Company. The straight time hourly rate shall not include overtime compensation, cost of living adjustments, shift or other bonuses, expense or living allowances, assignment or relocation payments, incentive payments, disability benefits, royalties or payments of like nature or any other additives, whether or not included as part of such hourly rate for purposes other than the determination of "Base Earnings" hereunder. Base Earnings shall not include any compensation of any type in excess of $200,000 per year or such other amount as may be determined from time to time pursuant to Section 401 (a)(17) of the IRC or successor or similar provision thereof.

4. "Beneficiary" shall mean (a) the person designated by a Member or Inactive Member from time to time either: (i) in writing, on a form prescribed by and filed with the Company, to receive a distribution upon the death of a Member or Inactive Member or (ii) in such other manner as provided by the Company or (b) the legal representative of the Member or Inactive Member in the event that no such designation shall have been made or the person so designated shall have predeceased the Member or Inactive Member. Notwithstanding anything to the contrary contained in the Plan, the designated Beneficiary of a legally married Member or Inactive Member shall be the Member's or Inactive Member's spouse. Any beneficiary designation to the contrary shall be void unless the Member's or Inactive Member's spouse consents in writing to the Beneficiary designation. The spouse's written consent shall be given on such forms as designated by the Company. The consent shall acknowledge the effect of the consent and shall be witnessed by a Plan representative or Notary public to be effective.

The designated Beneficiary of a Member or an Inactive Member shall not be entitled to designate another beneficiary. Upon the death of the designated Beneficiary of a Member or Inactive Member after the designated Beneficiary has become entitled to receive distribution of a Member's or Inactive Member's account, payment shall be made to the designated Beneficiary's personal representative pursuant to Section X, paragraph 3(d).

5. "Company" shall mean Lockheed Corporation, a Delaware corporation, and any successor thereof.

6. "Chairman" shall mean the Chairman of the Board of Lockheed Corporation or his designee should he determine to delegate to another any powers assigned to him under the Plan.

7. "Closing Date" shall mean March 1, 1993.

8. "Company Stock or Shares" shall mean Common Stock of Lockheed

Corporation or, on and after March 15, 1995, Lockheed Martin Corporation.

9. "Company Contributions" shall mean contributions made by the Company pursuant to paragraphs 2 and 3 of Section V.

10. "Continuous Service" shall mean for the purpose of eligibility to become a Member and vesting in the Company's contribution to the Plan, all periods of Continuous Service determined pursuant to the provisions of Section 2.6 of the Lockheed Corporation Hourly Employees Retirement Plan - Fort Worth and Abilene Divisions.

11. "Deferring Member" shall mean a Member, Inactive Member or Beneficiary who was entitled to a complete distribution of an account balance who has elected to defer receipt of the distribu-

tion pursuant to Section X, paragraph 1. A Deferring Member shall not mean an Eligible Employee.

12. "Diversified Portfolio" shall include only such common or capital stock of issuers other than the Company, and other similar types of equity investments, and shall also include other investments of a short-term nature as provided in the trust agreement governing the investment of Plan assets.

13. "Effective Date" shall mean February 1, 1993.

14. "Eligible Employee" shall mean any employee who is paid by hourly rate, who has on any Enrollment Date completed at least one year of Continuous Service with the Company and who is employed by any Employing Unit to which participation under the Plan has been extended by the Company or who is represented by a union which is a party to a collective bargaining agreement with the Company providing for participation in the Plan by employees represented by such union; provided, however, that any individual employed outside of the United States or Puerto Rico shall not be deemed to be an Eligible Employee unless so designated by the Company under uniform rules prescribed by it.

Eligible Employees may, under such uniform rules and such terms and conditions as the Company may prescribe, be enlarged to include additional employees of the Company paid by hourly rate.

15. "Employing Unit" shall mean the Fort Worth and Abilene Divisions of the Company.

16. "Enrollment Date" shall mean the first day of each January, April, July and October, except as otherwise may be provided from time to time by the Company in connection with any Plan amendment or other change to the contribution, investment or eligibility features of the Plan.

17. "ERISA" shall mean the Employee Retirement Income Security Act of 1974, and as it may be amended from time and the provisions of any successor Act which may hereafter be adopted in lieu of ERISA.

18. "Fixed Income Fund" shall mean that part of the assets of the Trust invested in fixed income contracts with an insurance company or companies designated by the Company and shall also include other investments of a short term nature as provided in the Trust agreements governing the investment of Plan assets.

19. "Government Bonds Fund" shall mean direct obligations of the United States Government or obligations guaranteed as to the payment of interest and principal by the United States Government and shall also include other investments of a short-term nature as provided in the trust agreement governing the investment of Plan assets.

20. "Hour of Service" shall mean each hour for which an individual is paid, or entitled to payment, for any reason by the Affiliated Group or for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Affiliated Group.

21. "IRC" shall mean the Internal Revenue Code of 1986 as amended.

22. "Member" and "Inactive Member" shall have the following meanings:

(a) The term "Member" when used shall refer to all Eligible Employees who (i) have elected to enroll in the Plan and who are eligible to make contributions as described in Section IV or who would be eligible to make contributions but whose right to do so is temporarily suspended and (ii) who have an account balance.

(b) The term "Inactive Member" shall include all persons with an account balance under the Plan excluding Members described in (a) above.

23. "Plan Year" shall mean the twelve (12) consecutive month period commencing on January 1 of each year and ending on the following December 31.

24. "Prior Plan" shall mean the General Dynamics Hourly Employees Savings and Stock Investment Plan as it existed on the Effective Date of this Plan.

25. "Special Distribution Fund" shall mean that part of the Trust which accumulates the proceeds from Special Distributions and is invested in (a) obligations issued or fully guaranteed as to payment of principal and interest by the United States of America or its agencies, (b) high quality commercial paper, (c) certificates of deposit, (d) other investments of a short-term nature as provided in the trust agreement or (e) any high quality security selected by the Corporation, when acting as an investment manager, or other investment manager given the primary purpose of such investment is to produce income. The "Special Distribution Fund" shall not apply to employees who are members of the Federated Independent Texas Unions, Aircraft Local No. 900 ("FITU Members").

26. "Special Distribution" shall mean any dividend or other distribution received on Company Stock held by the Trustee including the proceeds received from transactions described in Section XV, paragraph 13 but excluding regular quarterly or annual dividends declared on a recurring basis by the Company.

27. "Subsidiary" shall mean any corporation of which Lockheed Corporation owns, directly or indirectly, 50% or more of the outstanding voting stock.

28. "Trustee" shall mean the trustee or trustees acting under the trust agreement to be established under the provisions of Section XV and the trustee or trustees acting under a trust agreement established for the commingled investment of the assets of this Plan and other similar employee benefit plans established or maintained by the Company or a Subsidiary.

SECTION III: MEMBERSHIP

1. Prior to Closing Date

A Member or Inactive Member included under the provisions of the Prior Plan immediately prior to the Closing Date shall be eligible to continue membership in accordance with the provisions of this Plan.

2. From and After Closing Date

Membership in the Plan shall be entirely voluntary. An Eligible Employee may elect to commence contributions to the Plan on any Enrollment Date by completing such enrollment procedures and authorizing contributions from Base Earnings in the manner prescribed by the Company at least thirty days prior to such Date (or such shorter period as the Company may prescribe).

3. Reemployment

Upon Reemployment an otherwise Eligible Employee shall be deemed to have satisfied the one (1) year of Continuous Service requirement if the aggregate of the periods of Continuous Service before and after reemployment shall equal at least one (1) year. A reemployed Eligible Employee may elect to recommence contributions to the Plan in the manner provided in paragraph 2 of this Section III.

SECTION IV: MEMBERS' CONTRIBUTIONS

1. Contributions

(a) Effective with the first full payroll period following the Enrollment Date on which membership begins, a Member may elect to participate in the Plan by making contributions, as provided in subparagraph (c) below. Any such contribution shall be collected by the Company through payroll deductions during each regular payroll period. The amount of such deductions in any regular payroll period which a Member may authorize shall be at the rate of either 2%, 4%, 6%, 8% or 10% of Base Earnings up to the first $12.01 of the Member's straight time hourly rate and either 2%, 4% or 6% of the Member's Base Earnings that exceeds $12.01 of the Member's straight time hourly rate but do not exceed $16.01 of such rate, except as provided in paragraph 1(c) below.

(b) Except as provided in paragraph 1(c) below, an additional 1%, 2%, 3% or 4% of Base Earnings that do not exceed the first $16.01 of the Member's straight time hourly rate may be contributed. Such additional amount shall not be matched with a Company Contribution.

(c) The maximum percentage of Base Earnings which any Member may elect to contribute in any Plan Year shall not exceed the above percentages. The maximum contribution rates, the maximum amount of Base Earnings which may be considered in applying the percentages described in (a) and (b) above and whether a Member's contributions to the Plan will be permitted as (i) provided in any collective bargaining agreement between the Company and a union representing such Member or (ii) as prescribed by the Company with respect to any other group or Employing Unit to which such Member belongs that is not covered by a collective bargaining agreement (provided that the Company shall not prescribe with respect to any included group at any division or Subsidiary or Employing Unit of the Company a lesser percentage than is provided in the collective bargaining agreement covering the largest number of union-represented Eligible Employees at such division or Subsidiary or Employing Unit).

(d) All such authorized deductions shall be rounded to the nearest whole dollar. The actual calculation of authorized deductions for each pay period shall be performed in accordance with rules prescribed by the Company.

(e) Subject to the foregoing, a Member may change the percentage of subsequent authorized payroll deductions as of the first pay period following any Enrollment Date by giving at least 30 days' prior notice in the manner prescribed by the Company. In the event of a change in the Member's Base Earnings, the percentage of deduction or Base Earnings contributions applicable to Base Earnings up to $12.01 per straight time hour shall continue to apply and the percentage of deduction applicable to Base Earnings in excess of $12.01 and of a Member's straight time hourly rate (if any) shall continue to apply; provided, that if a Member's Base Earnings rate advances from $12.01 per straight time hour to an amount in excess of $12.01 per straight time hour, the Member may immediately authorize a percentage of deduction (as prescribed above) for the amount of hourly straight time Base Earnings in excess of $12.01 if such additional contribution percentage is otherwise available to the Member.

(f) A Member or Inactive Member shall not be entitled to contribute cash to the Plan in lieu of payroll deductions except:

(i) as provided in paragraph 3 of Section XI for repayment of distributions;

(ii) as provided in paragraph 10 of Section XVII for contributions during periods of leave of absence; and as determined necessary be the Plan Administrator to permit the Company to comply with the Military Reemployment Acts of the United States with respect to Members who take a leave of absence from the Company's regular employment to perform active duty in the armed forces of the United States thereby allowing them to make contributions for the purpose of obtaining Company Contributions described in Section V; and

(iii) as determined by the Plan Administrator to correct an error

of the Administrator or improper delay in the commencement of contributions as a result of which a Member was not permitted to elect to make contributions that would have been matched by Company contributions.

(g) The Company shall periodically determine the maximum allowable percentage of Member contributions and Company matching contributions which may be contributed by or on behalf of "highly compensated" Members and Eligible Employees (as defined in IRC 414(q) or other Members pursuant to IRC section 401(m).

(h) With respect to Member contributions and Company Contributions, the Contribution Percentage for each Plan Year for Members who are Highly Compensated shall bear a relationship to the Contribution Percentage for all other Members that satisfies either of the following tests:

(i) The Contribution Percentage for Members and Eligible Employees who are Highly Compensated is not more than the Contribution Percentage of all other Members multiplied by 1.25 or

(ii) The Contribution Percentage for Members and Eligible Employees who are Highly Compensated is not more than the Contribution Percentage for all other Members and Eligible Employees multiplied by two or the Contribution Percentage for all other Members and Eligible Employees plus two percentage points.

With respect to Member Contributions, Members and Eligible Employees shall refer only to Members and Eligible Employees who are eligible to make Contributions as described in subparagraph 1(c) above.

(i) To insure that the amounts of Member Contributions or Company matching contributions made do not exceed the maximum allowable percentages permitted to be contributed by or on behalf of Highly Compensated employees under IRC Section 401(m), the Company is authorized to take any actions permitted under Section 401(m) in order to comply with the limits on

Member Contributions and Company matching contributions including reducing the amount of Member Contributions or Company Contributions made on behalf of Plan Members or refunding Member Contributions or Company contributions or forfeiting nonvested Company contributions.

(j) Definitions. For purposes of this Section IV, the following words and phrases shall have the meanings stated below:

(i) The Contribution Percentage shall be the average of the ratios, calculated separately for each Member and nonparticipating Eligible Employee in the group, of: (a) the sum of Member Contributions and Company Contributions contributed by the Company on behalf of each Member and Eligible Employee for the Plan Year (under this or any other plan maintained by the Affiliated Group in which such Member or Eligible Employee participates) to (b) the Member's or Eligible Employee's Compensation for such year. This percentage shall be calculated in a manner consistent with IRC Section 401(m).

(ii) A Highly Compensated Member or Employee shall mean an individual as described in IRC section 414(q).

(iii) Compensation as used in the subparagraphs above shall mean compensation paid by the Employing Unit to the Member or Eligible Employees during the taxable year ending with or within the Plan Year which is required to be reported as taxable wages on the Member's or Eligible Employee's Form W-2 and shall also include compensation which is not currently includible in the Member's or Eligible Employee's taxable income by reasons of application of IRC sections 125, 402(a)(8), 402(h)(l)(B) or 403(b).

(iv) In performing the calculation described in the above subparagraphs (h), (i) and (j), the Member Contributions, Compensation and Company Contributions of and for former Members and Inactive Members made and received during each relevant Plan Year shall be considered as appropriate and consistent with regulations issued under IRC section 401(m).

2. Suspension

(a) A Member may suspend his payroll deductions for any period (but not for less than three months) by giving prior notice in the manner described by the Company. Any stated period of suspension may be extended upon prior notice by the Member.

(b) The amount of payroll deductions so suspended may not subsequently be made up.

(c) Effective with the first payroll following the Enrollment Date after expiration of any period of suspension, the payroll deductions of a Member shall be resumed unless he gives written notice to the contrary to the Company.

SECTION V: COMPANY CONTRIBUTIONS

1. Company Contributions

The Company shall contribute to the Plan for each month a percentage (the Company Contribution percentage) of the aggregate amount of all Members' matched contributions made during such month pursuant to Section IV, paragraph 1(a), less any amount to be applied to reduce Company Contributions pursuant to Section XII. With respect to such Member contributions which are:

(a) Invested pursuant to the investment options stated at Section VI, paragraph 1, subparagraphs (i) through (vii), the Company Contribution percentage shall be 50%;

[(b) Invested pursuant to the investment option stated at Section VI, paragraph 1, subparagraph (viii), i.e. 100% Company Stock Fund, the Company Contribution percentage shall be 100%.]

Such contributions may be made in cash or Company Stock or such other property, as determined by the Company and to the extent permissible under ERISA and IRC. But no Company contributions shall be made in common stock of the Company during a period commencing with the public announcement of an Offer for acquisition of the common stock of the Company, as defined in Section XV, paragraph 13 and ending at the expiration of the Offer Period. The Company shall not be required to make contributions if the amount thereof would exceed earned surplus.

2. The Chairman may, on a prospective basis, and to the extent not inconsistent with the provisions of any collective bargaining agreement, provide for a lower percentage of Company contributions with respect to the contributions made by Member employed by an Employing Unit.

SECTION VI: INVESTMENT OF CONTRIBUTIONS

1. Members' Contributions

Each Member shall direct, at the time he becomes a Member, that the Member's contributions are to be invested in one or more of the following investment funds:

(a) an unsegregated fund invested in Government Bonds;

(b) an unsegregated fund invested in the Diversified Portfolio;

(c) an unsegregated fund invested in Company Stock;

(d) an unsegregated Fixed Income Fund;

provided, however, that the investment of each Member shall be made in accordance with any one of the following options:

(i) 33 1/3% Government Bonds, 33 1/3% Diversified Portfolio and 33

1/3% Company Stock;

(ii) 33 1/3% Government Bonds and 66 2/3% Company Stock;

(iii) 33 1/3% Government Bonds and 66 2/3% Diversified Portfolio;

(iv) 100% Government Bonds;

(v) 33 1/3% Fixed Income Fund, 66 2/3% Diversified Portfolio Fund;

(vi) 33 1/3% Fixed Income Fund, 66 2/3% Company Stock Fund;

(vii) 100% Fixed Income Fund;

[(viii) 100% Company Stock Fund.]

Member Contributions invested in the Company Stock Fund during an Offer Period, as defined in Section XV, paragraph 13, or prior thereto and which had not been used to acquire Company Stock prior to the public announcement by an Offerer of an Offer to acquire the common stock of the Company as described in Section XV, paragraph 13, shall be invested as described in Section XV, subparagraph 13(f).

2. Change in Investment Options

A Member may change his investment option, within the limits set forth above, as of any Enrollment Date as to contributions made thereafter by giving at least 30 days' notice, in the manner

prescribed by the Company, prior to such Enrollment Date. If after completion of a Tender Offer or expiration of an Offer Period as described in Section XV, paragraph 13, no Shares of Company Stock are outstanding or reasonably available for purchase, Members shall be permitted to change their investment option as soon as reasonable thereafter in a manner to be prescribed by the Company.

3. Transfer of Account Balances

This Section 3 shall apply to Eligible Employees of the Fort Worth Division of the Company only. A Member may direct the transfer of prior contributions and earnings at the following times and under the following conditions:

(a) By election to transfer all amounts credited to the Member's account in the Diversified Portfolio Fund or Government Bonds Fund or both of them to the Fixed Income Fund as follows:

(i) One such election shall be permitted after the Member attains the age of 50, but before the Member attains the age of 55;

(ii) One such election shall be permitted after the Member attains the age of 55, but before the Member attains the age of 60.

(iii) One such election shall be permitted after the Member attains the age of 60, but before the Member attains the age of 61; and one such election each year thereafter until termination of employment.

(iv) Such an election shall be made, within the limits set forth above, as of any Enrollment Date by giving at least 30 days' written notice prior to such Enrollment Date.

(b) A Member or Inactive Member whose accounts are to be distributed pursuant to paragraph 2(b) of Section X may direct a transfer of his Eligible Prior Account Balance as of the Settlement Date (as defined in paragraph 8 of Section X) in accordance with the provisions of Sections 3A(a), (b), (c), (d), (e), (f), (g), (i) and (j); provided, however, that the Member's account in the Company Stock Fund shall be considered an Eligible Prior Account Balance without regard to when such shares were acquired. Such transfer shall be effective as of the first of the calendar month following such Settlement Date and may be elected in addition to any fund transfer previously or thereafter elected and completed pursuant to

subparagraphs 3(a) and 3(c). No Member shall be permitted to direct a transfer under this Section 3(b) more than once.

(c) An Inactive Member may direct transfer of his account balance in accordance with the provisions of Sections 3A(a), (b), (c), (d), (e), (f), (g), (i) and (j).

(d) All transfers permitted under this Section shall be subject to uniform rules adopted by the Company. The Company may, also, in its discretion, allow additional transfers of prior contributions and earnings, at times and upon conditions as shall be determined.

[3A. Transfer of Account Balances

Members and Inactive Members may direct transfer of their prior contributions and earnings from certain investment funds ("Eligible Prior Account Balances") to other funds according to the following provision:

(a) The Eligible Prior Account Balance in any fund shall equal 100% of a Member or Inactive Member's account balance in the Diversified Portfolio, Government Bonds and Special Distribution Funds. Commencing 1 January 1994, shares acquired for the Member's or Inactive Member's account in the Company Stock Fund shall be considered an Eligible Prior Account Balance to the extent that those shares were acquired by the Member or Inactive Member's account during or prior to the fifth preceding Plan Year.

(b) An investment fund transfer, as described in this paragraph, may be performed by a Member or Inactive Member only once per Plan Year.

(c) Eligible Prior Account Balances in an investment fund may be transferred to any other investment fund during any single transfer; however, amounts may not be transferred into and out of the same investment fund during a transfer and amounts may not be transferred to The Special Distribution Fund.

(d) Up to 100% of any investment fund's Eligible Prior Account Balance may be transferred to any other investment fund, except as provided in (c) above, in increments of 25% of the investment fund's pre-transfer Eligible Prior Account Balance.

(e) Fund transfers shall become effective as of the Enrollment Date which occurs subsequent to giving proper notice as described in subparagraph (f).

(f) Members and Inactive Members may elect to perform a transfer as of an Enrollment Date by giving notice, in the manner prescribed by the Company, at least 30 days prior to that Enrollment Date.

(g) The value of Eligible Prior Account Balances transferred as of an Enrollment Date shall be determined, to the extent administratively feasible and prudent, as of the close of the calendar month immediately preceding that Enrollment Date.

(h) A Member or Inactive Member whose accounts are to be distributed pursuant to paragraph 2(b) of Section X may direct a transfer of his Eligible Prior Account Balance as of the Settlement Date (as defined in paragraph 8 of Section X) in accordance with the provisions of Sections 3A(a), (b), (c), (d), (e), (f) and (g); provided, however, that the Member's account in the Company Stock Fund shall be considered an Eligible Prior Account Balance without regard to when such shares were acquired. Such transfer shall be effective as of the first of the calendar month following such Settlement Date and may be elected in addition to any fund transfer previously or thereafter elected and completed pursuant to subparagraphs 3A(b) and 3A(f) and 3A(i). No Member shall be permitted to direct a transfer under this Section 3A(h) more than once.

(i) The Plan Administrator and Trustee shall be authorized to use reasonable and prudent methods (1) to acquire or dispose of securities to effect the requested fund transfers and (2) to value the Eligible Prior

Account Balances for transfer.

(j) All transfers permitted under this Section shall be subject to uniform rules adopted by the Company. The Company may, also, in its discretion, allow additional transfers of prior contributions and earnings, at times and upon conditions as shall be determined. The Plan shall permit an additional investment fund transfer from the Special Distribution Fund as soon as practicable following the Plan's receipt of proceeds from a Special Distribution. This distribution shall be performed and permitted generally in accordance with the provisions of this paragraph subject to uniform modification by the Company upon announcement of the additional transfer opportunity.]

4. Company Contributions

(a) Company contributions to the Plan made on behalf of a Member, shall be invested in the same fund or funds and in the same proportions as the investment of such Member.

[(b) Company contributions made to the Plan with respect to Member contributions, either pursuant to Section IV, subparagraph 1(a) or Section XI, paragraph 3, shall be invested in the Company Stock Fund.]

Company Contributions invested in the Company Stock Fund during an Offer Period, as defined in Section XV, paragraph 13, or

prior thereto and which had not been used to acquire Company Stock prior to the public announcement by an Offerer of an Offer to acquire the common stock of the Company as described in Section XV, paragraph 13 shall be invested as described in Section XV, paragraph 13(f).

SECTION VII: MAINTENANCE AND VALUATION OF MEMBERS' ACCOUNTS

1. Separate Accounts

Each Member or Inactive Member shall have established a separate account for each of the funds in which the Member or Inactive Member participates, which shall reflect all amounts contributed by the Member or Inactive Member and by the Company on the Member's or Inactive Member's behalf and the investment thereof.

2. Company Stock Fund Account

The number of shares of Company Stock to be credited to a Member's or Inactive Member's Company Stock account shall be determined as follows:

(a) A Member's account shall be credited as of the end of each month with a number of shares of Company Stock (carried to the third decimal place) equal to the aggregate of the Member's contributions and the Company's contributions on the Member's behalf to be applied toward the purchase of Company Stock with respect to that month divided by the average price per share (including brokerage fees and transfer taxes) of Company Stock purchased by the Trustee for all Members with respect to such month.

(b) Regular quarterly or annual dividends declared by the Company and received on Company Stock held by the Trustee shall be reinvested in Company Stock, and the Member's or Inactive Member's account shall be credited with a proportionate number of such shares determined on the basis of the number of shares in each Member's or Inactive Member's account. Except with respect to FITU Members, Special Distributions shall not be reinvested in the Company Stock Fund but will be paid into the Special Distribution Fund.

[(c) If Company contributions made pursuant to Section V are made in Company Stock and retained by the Trustee, such shares shall be credited to each Member's account consistent with (a) above and based upon the applicable Company contribution percentage described in Section V, paragraph 2.]

(d) Notwithstanding subparagraphs (a) and (b), any amounts received by the Company Stock Fund which have not been invested in Company Stock prior to the public announcement by an Offerer of an offer to acquire the common

stock of the

company, as described in Section XV, paragraph 13, and amounts received during an Offer Period shall be invested and credited to Member and Inactive Member accounts as provided in Section XV, subparagraph 13(f).

3. Fixed Income, Government Bonds Fund, Diversified Portfolio and Special Distribution Fund Accounts

(a) Each Member's or Inactive Member's interest in the Plan will be reflected using cash value accounting. Members' or Inactive Members' interests in each investment fund will be valued on a monthly basis in accordance with generally accepted accounting principles.

(b) At the end of each month, the Trustee shall determine the fair market value of assets in each investment fund which shall be done after payment of all brokerage fees and transfer taxes applicable to purchases and sales for each fund during such month but before adding contributions for the fund made during such month. Contracts held by the Fixed Income Fund shall, however, be valued at their face (book) value including accrued interest less allocated expenses. The net earnings, gains and losses, both realized and unrealized and less allocated administrative or other expenses, shall then be allocated to the accounts of the Members or Inactive Members participating in such fund in the same ratio that the market value of each Member's or Inactive Member's account at the beginning of such month bears to the total market value of all accounts of all Members or Inactive Members invested in such fund at the beginning of the month.

(c) A Member's or Inactive Member's account in each fund shall be credited at the end of each month with the contributions for that month to such fund with respect to such Member. Fund transfers shall be added to a Member's or Inactive Member's account on the Enrollment Date on which the transfer becomes effective.

(d) Special Distribution proceeds which are credited to Member or Inactive Member accounts shall retain the same character as the shares tendered or to which the Special Distribution was attributable (Originating Shares) with respect to the Originating Shares': (i) source as Member or Company Contributions, (ii) vested status, (iii) Plan Year of acquisition and (iv) other characteristics under the Plan. But, Special Distribution proceeds shall not be subject to limitations which may have applied to Originating Shares under Section VI, subparagraphs 3(a), 5(e) and Section IX, subparagraph 1(a) (i) (3) with respect to transfers, loans or withdrawals.

SECTION VIII: VESTING

1. Members and Inactive Members shall be fully vested at all times in their contributions and earnings allocated thereon.

2. Members and Inactive Members shall become fully vested in all Company contributions and earnings thereon, credited to their accounts, upon the earliest occurrence of any of the following:

(a) Upon the completion by the Member or Inactive Member of 5 full years of Continuous Service with the Affiliated Group;

(b) Termination of a Member's or Inactive Member's employment by reason of the Member's or Inactive Member's death, involuntary entry into military service, layoff for four consecutive weeks, or permanent and total disability;

(i) Permanent and total disability shall mean a disability resulting from a bodily or mental injury or disease either occupational or non-occupational in cause (but excluding disabilities resulting from service in the Armed Forces of any country) which would prevent a Member or Inactive Member from engaging in any occupation or

performing any work for compensation or profit for the remainder of the Member's life, as confirmed by medical evidence satisfactory to the Company.

(c) Termination of a Member or Inactive Member at or after satisfaction of the conditions for normal or early retirement specified in the provisions of the applicable hourly retirement plan maintained by or for an Employing Unit in which the Member or Inactive Member is participating at the time of the Member's or Inactive Member's retirement.

3. If the employment of a Member or Inactive Member terminates for any reason other than as provided in paragraph 2 above, all nonvested amounts and shares then in the Member's or Inactive Member's account as of the Settlement Date shall be forfeited and applied as provided in Section XII.

SECTION IX: IN-SERVICE WITHDRAWALS

1. In-Service Withdrawals. The following describes the only forms of withdrawal available to Members prior to their termination of employment with the Affiliated Group. Inactive Members may make withdrawals as described in the following paragraphs so long as they remain employed by the Affiliated Group. Accordingly, references to Members in the following paragraphs shall also apply to Inactive Members who are employed by the Affiliated Group.

(a) Initial Withdrawal. Once during each Plan Year as of the end of any month (the Month of Withdrawal), Members may

withdraw a portion (as defined in (i) below) of their vested account balance in the Plan by giving notice in the manner prescribed by the Company during the Month of Withdrawal. The value of amounts or shares withdrawn shall be determined as of the last day of the Month of Withdrawal and such amounts and shares shall be paid as soon as practicable after the end of the Month of Withdrawal. This withdrawal will be subject to the following:

(i) The maximum portion of a Member's vested account balance which will be available for withdrawal shall include all vested amounts credited to Member's accounts except:

(1) Vested Company Contributions and earnings thereon credited to a Member's account during the current Plan Year and the two immediately preceding Plan Years; and

[(2) Any and all shares or amounts which are credited to a Member's account in the Company Stock Fund to the extent that those shares were acquired during the Plan Year in which the withdrawal is requested or during the four Plan Years immediately preceding the Plan Year in which the withdrawal is requested.]

(ii) A Member may withdraw all, or less than all, of the vested account balance available for withdrawal by specifying in the withdrawal election the actual amount to be withdrawn in accordance with uniform rules to be provided by the Company. Provided that the value of all amounts or shares withdrawn shall not be less than the lesser of (a) $100 or (b) the entire value of the Member's available vested account balance.

(iii) All amounts and shares withdrawn shall be drawn from a Member's accounts on a pro rata basis from all investment funds commencing with the oldest Plan Year's investments.

(iv) The Company is authorized to prescribe such uniform nondiscriminatory rules as deemed appropriate to facilitate and administer withdrawals. Any withdrawal election filed with the Company shall become effective during the Month of Withdrawal.

(b) Second Withdrawal. Members who received an Initial Withdrawal, of any amount, as described in subparagraph 1(a) above, during a Plan Year may elect, once per Plan Year, to make a Second Withdrawal If the Member's account has an amount available for withdrawal as described in subparagraph (1)(a)(i).

(i) A Member's Second Withdrawal will be otherwise governed by the same terms and conditions as pertain to the Member's Initial Withdrawal as described in subparagraphs 1 (a)(i) through (iv) above.

(ii) In addition, Members who elect a Second Withdrawal during a Plan Year shall have their right to further contribute to the Plan suspended for a period of twelve months commencing with the first payroll period of the month following the month of the Second Withdrawal.

2. Forfeiture of Nonvested Company Contributions and Earnings

Any Member receiving a withdrawal pursuant to paragraphs 1 or 2 above shall forfeit all nonvested Company contributions and earnings thereon attributable to vested amounts and shares that are withdrawn. Such forfeited amounts and shares shall be applied or provided in Section XII.

SECTION X: DISTRIBUTION ON TERMINATION OF EMPLOYMENT

1. Distribution or Deferral

Upon termination of employment with the Affiliated Group, a Member or Inactive Member or, in case of death, the Member's Beneficiary shall receive payment of the Member's or Inactive Member's accounts. However, if the value of the Member's accounts at termination of employment equals or exceeds $3,500, the Member or Inactive Member or Beneficiary must elect to receive a distribution of the entire balance of the Member's or Inactive Member's accounts, as set forth in the following paragraphs by electing a distribution in the manner prescribed by the Company no later than the Member's or Inactive Member's Settlement Date (as defined in paragraph 8 below). Otherwise, distribution of the Member's or Inactive Member's entire vested account balance will be deferred until a later date pursuant to the provisions of paragraph 4 of Section XI.

2. Retirement

Upon retirement after having satisfied the conditions for normal or early retirement age as specified in the provisions of the applicable retirement plan, maintained by or for an Employing Unit, in which the Member may be participating at the time of the Member's retirement, a Member may elect to receive a distribution of the entire vested balance in the Member's account in the manner set forth below. An Inactive Member whose employment with the Affiliated Group ends as a retirement as described in the first sentence of this paragraph shall be eligible to receive distribution of the Inactive Member's account balance as described below. Accordingly, references to Members in the following subparagraphs

shall also refer to Inactive Members who retire from service with the Affiliated Group.

(a) Total or Partial Lump Sum. Distribution of part or all of the entire vested interest in the Member's accounts as soon as practicable, valued as of the Settlement Date as defined in paragraph 8 below. Any portion of the Member's account not distributed in a lump sum may be payable in accordance with one of the other payment options described in this paragraph 2.

(b) Annual or Monthly Installments Distribution of the entire vested balance of the Member's accounts as of the settlement date, plus earnings credited to the Member's accounts thereafter, in such number of annual or monthly installments, not to exceed the maximum period provided below in subparagraph (v) or IRC section 401 (a)(9), as the Member selects and which number may be redetermined from time to time, in the case of a life distribution, in accordance with subparagraph (vi) below.

(i) The first installment shall be paid as soon as practicable after the Settlement Date, and a subsequent installment shall be paid as soon as practicable monthly thereafter or on each anniversary of the Settlement Date based on the Member's election.

(ii) Each installment will equal the value in the Member's account on the Settlement Date or anniversary of such date, multiplied by a fraction of which the numerator shall be one and the denominator shall be the number of installments remaining payable or remaining period over which installments will be payable (expressed in months for monthly installments), including the installment the amount which is being computed. In the case of monthly installments, the monthly amount payable will be redetermined annually on the anniversary of the Member's Settlement Date.

(iii) During the installment payment period, the Member's account balance shall remain at risk and continue to be invested in accordance with the Member's last investment fund options filed before payments commenced.

(iv) If the former Member shall die while any installment remains unpaid, the Member's remaining account balance shall be paid to the Member's Beneficiary in a single distribution unless the Beneficiary determines to continue to receive distribution in accordance with the installment schedule applicable to such former Member. In the case of an installment payment schedule for the Member and the Member's life expectancy, as

described in (vi) below, the remaining account balance will be paid in a single sum to the Beneficiary except as provided in (v) below.

(v) The number of installments payable to a Member may not exceed the greater of the Member's life expec-tancy or, if the Member's spouse is the designated Beneficiary, the joint and last survivor life expectancy of the Member and the Member's designated Beneficiary. These life expectancies shall equal the return multiples found in the Ordinary Life and Ordinary Joint Life and Last Survivor Annuity Tables as contained in section 1.72-9 of the Income Tax Regulations or similar regulations as promulgated by the United States Department of the Treasury or their reasonable equivalent.

(vi) If the Member elects payment over his life expectancy, or the joint and survivor life expectancy of the Member and the Member's spouse, the life expectancy of the Member and Member's spouse may be redetermined on an annual basis on the anniversary of benefit commencement.

(vii) Effective on any month end, the Member (or his designated Beneficiary if the Member is deceased) may elect to cease receipt of the Member's account in installments and receive the remaining account balance as soon as practicable thereafter in cash (or cash and shares of Company stock as appropriate).

(c) Transfer to the Trustee under any retirement plan of any Employing Unit for hourly employees, under which the Member has accrued benefits, of cash equal to the value in the Member's accounts at the Settlement Date for the purpose of providing additional retirement benefits thereunder (commencing at the time which benefits under that plan commence to the Member) which shall be paid in the same form as the benefits from the retirement plan are paid to the Member. Such additional retirement benefits shall be the actuarial equivalent of such amount computed by the use of the applicable actuarial assumptions being used on the date of such transfer by such retirement plan for determining actuarial equivalent values.

(d) Payment to an insurance company of cash equal to the value of the Member's accounts at the settlement date for the purchase of an annuity. With respect to any annuity contract purchased, the following restrictions must be provided:

(i) A Member must not be allowed to elect to withdraw interest only under the contract and leave the principal to accumulate for the Member's Beneficiary.

(ii) Any form of annuity selected by the Member must provide for distribution over one of the following periods:

(A) the Member's life,

(B) the life of the Member and a designated Beneficiary,

(C) a period certain not extending beyond the Member's life expectancy, or

(D) a period certain not extending beyond the joint and last survivor life expectancy of the Member and a designated Beneficiary,

(E) a combination of any one or more of the above which is permitted by applicable federal regulations.

Any contract selected may provide for adjustments in the levels of and number of payments in accordance with IRC Section 401 (a)(9), and regulations as may be issued from time to time thereunder, with respect to periodic reevaluation of distributee and beneficiary life expectancies and variation in levels of payments. The Member's life expectancy and joint and last survivor expectancy of the Member and the Member's designated Beneficiary must be computed by reference to annuity tables described in subparagraph 2(b)(v) of this Section or their equivalent.

(iii) Notwithstanding the above, a Married Member electing this form of payment must select a form of annuity contract under which the Member's accrued benefit will be paid as a Contingent or Joint and Survivor Annuity, with the Member's spouse as the contingent annuitant or survivor, wherein the annuity continuation to the contingent annuitant/survivor is at least 50% of the Member's annuity, unless, prior to issuance of the annuity contract, the Company obtains the written consent of the Member's spouse to the Member's selection of a different contingent annuitant/survivor or form of annuity contract. The spouse's written consent shall acknowledge the effect of the consent and shall be witnessed by a notary public or Plan representative to be effective.

3. Death

(a) In case of a Member's or Inactive Member's termination of employment with the Affiliated Group by reason of death, prior to commencement of distribution from the Plan

because of the Member's or Inactive Member's retirement or attaining age 70 1/2, the entire vested balance in the Member's accounts at the Settlement Date, may be distributed to the Member's or Inactive Member's designated Beneficiary pursuant to the methods available for settlement of such Member's or Inactive Member's accounts as provided in subparagraphs 2(a) and (b) above with the following restrictions.

(i) The Beneficiary of a deceased Member may defer receipt of any distribution as described in Section XI, paragraph 4 In which case distribution would commence as described in Section XI, paragraph 4(g).

(ii) If the payments are to be made to the Member's or Inactive Member's designated Beneficiary (or spouse if alive at the Member's or Inactive Member's death and If no other Beneficiary was designated), the period over which installments may be payable shall not exceed the greater of five years or the number of years remaining in the designated Beneficiary's life expectancy as determined by reference to the Ordinary life Annuity Table described in subparagraph 2(b)(v) of this Section.

(iii) If a Member or Inactive Member has no designated Beneficiary or the Member's or Inactive Member's designated Beneficiary(ies) predecease the Member or Inactive Member, then the personal representative may elect to receive the Member's or Inactive Member's account balance pursuant to subparagraphs 2(a) or (b) above but the

maximum period over which installments shall be payable shall be 5 years.

(b) In case of a Member's or Inactive Member's termination of employment with the Affiliated Group by reason of death prior to receipt of a distribution but after the Member or Inactive Member has properly requested payment of said sums and after the Settlement Date for those payments has passed, the sum shall be paid to the Member's or Inactive Member's personal representative.

(c) In case of death of an Inactive Member who has previously terminated employment with the Affiliated Group, but who has deferred receipt of the Inactive Member's account pursuant to Section XI, paragraph 4, the Inactive Member's account balance will be distributed or deferred and distributed as described in Section XI, paragraph 4(g).

(d) If the death of a designated Beneficiary occurs after the death of a Member or Inactive Member while the Beneficiary is entitled to receive distribution of the Member's or Inactive Member's account balance, but before the account balance has been completely distributed to the

Beneficiary, then the Member's or Inactive Member's undistributed account balance shall be paid in a single sum as soon as practicable, valued as of the end of the month in which the Beneficiary died, to the Beneficiary's personal representative.

4. Total Disability

In case of a Member's or Inactive Member's termination of employment with the Affiliated Group by reason of permanent and total disability, the entire balance in the Member's or Inactive Member's account at the Settlement Date may be distributed pursuant to methods provided in subparagraphs 2(a), (b) and (d) above. The term "permanent and total disability" shall have the meaning provided in Section VIII, 2(b)(i) above.

5. Involuntary Entry Into Military Service or Layoff

In case of a Member's termination of employment with the Affiliated Group by reason of involuntary entry into military service or layoff for four consecutive weeks, the entire vested balance in the Member's accounts at the settlement date shall be distributed or deferred at the Member's election pursuant to paragraph 1 above.

6. Other Terminations

If the employment of a Member or Inactive Member terminates employment with the Affiliated Group for any reason other than provided in paragraphs 2,3,4 or 5 of this Section X, the entire vested balance in the Member's or Inactive Member's account at the Settlement Date shall be distributed or deferred at the Member's or Inactive Member's election pursuant to paragraph 1. All such non-vested amounts and non-vested shares shall be forfeited and applied as provided in Section XII.

7. Unused Payroll Deduction

In addition to the distributions of the Member's account balance described in the preceding paragraphs of this Section X, the Member or Beneficiary shall receive from the Company cash equal to the Member's contributions plus Company contributions, which would have otherwise vested, on such Member's contributions which have not yet been invested or paid to the Trustee.

8. Settlement Date

As used in this Plan, the term "settlement date" shall mean the last day of the calendar month in which the Member or Inactive Member leaves the Company's employ because of retirement, death or other termination of employment, as the case may be, or in which a Member's or Inactive Member's request for a withdrawal (as described in Section IX) or for payment of a deferred account

balance (as described in Section XI) becomes effective; except that, in the case of layoff, it shall mean the last day of the calendar month in which the end of the fourth consecutive week of layoff occurs.

9. Timing of Distribution

The value of all distributions as described in paragraphs 1 through 6 above, or in Section XI, paragraph 4 determined as of the appropriate Settlement Date, shall be payable as soon as practicable after the Settlement Date in accordance with such practices as the Plan Administrator may, in its judgment, implement.

SECTION XI: REQUIRED DISTRIBUTIONS, FORM OF DISTRIBUTIONS, RESTORATION OF FORFEITED CONTRIBUTIONS AND DEFERRAL OF DISTRIBUTIONS

1. Required Distribution of Benefits

(a) The entire vested account balance of any Member or Inactive Member must be distributed or commence to be distributed no later than 60 days following the end of the month in which the Member attains age 70 1/2.

(b) The distribution described in subparagraph (a) above shall be made in accordance with the provisions of Section X, paragraph 2 as if the Member or Inactive Member had retired on the day before the required (or selected) benefit commencement date. The distribution shall commence upon that date regardless of whether the Member or Inactive Member has actually retired or terminated. Further deferrals of the commencement of distribution will not be permitted.

2. Mode of Distribution

(a) All distributions from the Plan shall be made in cash, except as provided below with respect to Company Stock, which is to be distributed to the Member's or Inactive Member's Beneficiary in kind and fractional Shares shall be paid in cash. Full and fractional Shares to be converted into cash shall be valued at the closing price per share of Company Stock on the New York Stock Exchange on the Settlement Date or if Company Stock was not so traded on such date then on the next prior date when so traded.

3. Repayment of Plan Distributions and Restoration of Forfeited Amounts

Notwithstanding anything herein to the contrary, a Member or Inactive Member shall be entitled to repay Plan distributions and have forfeited amounts restored to the Member's or Inactive Member's or reemployed former Member's account. Any such repayment and restoration shall be made only under the following conditions.

These conditions are described with respect to Members but shall also apply to Inactive Members (but not Beneficiaries) and reemployed former Members as appropriate. Reemployment shall refer to reemployment with the Company or its subsidiaries.

(a) Withdrawals Prior to Termination of Employment: The value of a Member's account forfeited as a result of a distribution from the Plan prior to termination of employment shall be restored to the Member's account provided such Member repays to the Plan in cash and in a lump sum, the value of the entire amount distributed.

(b) Distributions at Termination of Employment: The value of a Member's account forfeited pursuant to paragraph 6 of Section X shall be restored to the Member's account provided such Member is reemployed by the Company and within 60 months after reemployment repays to the Plan in cash and in a lump sum, the value of the entire distribution paid.

(c) Restoration of Account: Any repayment pursuant to paragraph (a) above shall be made in a lump sum and before the Member retires or otherwise terminates employment and within the time periods described above. The amount repaid and the restored forfeiture shall be allocated to the Member's account for the Plan Year in which repayment is made. Any repayment shall be invested in the investment option in effect for such

Member at the time of repayment. There shall be no adjustment for any gains or losses attributable to the restored forfeiture between the date of forfeiture and the date of repayment.

(d) Deferring Members who incur forfeitures upon termination and are reemployed shall have forfeited Company Contributions restored as follows:

(i) If the Deferring Member received no distribution upon termination, all amounts forfeited shall be restored upon reemployment. Restoration shall occur as described in subparagraph (c) above.

(ii) If the Deferring Member received any distributions, they must be repaid as described in subparagraph (c) as a condition to restoration of amounts forfeited. Upon repayment, restoration and reinvestment shall occur pursuant to subparagraph (c).

(e) Repayments of Plan distributions and restoration of previously forfeited Company contributions made prior to the Closing Date shall be governed by the terms of the Plan as it existed at the time of the Member's reemployment. However, Members who were reemployed prior to the Closing Date and who were eligible to repay a prior distributions and have Company contributions restored, but had not yet done so prior to the Closing Date, may do so under the terms of this Plan unless

their eligibility to repay a prior distribution and have Company Contribution restored had expired prior to the Closing Date.

[(f) All Company contributions to restore forfeitures, as described in this paragraph 3, will be invested for the Member or Inactive Member in the Company Stock Fund.]

4. Deferral of Receipt of Distributions

(a) Any Member, Inactive Member or Beneficiary who is entitled to distribution of the Member's account balance pursuant to Section X and whose vested account balance equals or exceeds $3,500 shall be deemed to have deferred receipt of the distribution in accordance with the provisions of this paragraph and such other uniform rules which the Company may implement unless the Member, Inactive Member or Beneficiary has made an election in the manner prescribed by the Company, no later than the Settlement Date (as defined in Section X, paragraph 8), to receive the distribution.

(b) The accounts of a Deferring Member will remain invested in those Funds in which they were invested on the Deferring Member's Settlement Date except that the Deferring Member may elect fund transfers as described in Section VI, paragraph 3.

(c) A Deferring Member may elect to receive a distribution of the Deferring Member's entire vested account at any time after the initial deferral by requesting a distribution in the manner prescribed by the Company. The Deferring Member's account shall be distributed as soon as practical thereafter valued as of the last day of the calendar month in which the request for distribution is received. Any Member or Inactive Member who terminated employment with the Affiliated Group by reason of permanent and total disability or retirement may request payment as provided in Section X, subparagraphs 2(a), (b) and (d).

(d) A Deferring Member shall not be entitled to any partial distributions or withdrawals.

(e) Deferral of any distribution shall not result in a reduction of the vested amount of a Member's or Inactive Member's account or in the amount of any Member's or Inactive Member's account which was forfeited upon termination.

(f) Absent a request for earlier distribution and except as provided in (g) below, the balance of the account of a Deferring Member will be distributed at the time provided and manner described in Section XI,

paragraph 1(a) and will be distributed in a lump sum, unless the Deferring Member may and does elect another form of payment as described in (c) above.

(g) If the Beneficiary, or Personal Representative, of a Member or Inactive Member defers receipt of any distribution, the deferred account balance of the deceased Member or Inactive Member will be distributed to the Beneficiary or Personal Representative no later than as follows (references to Member shall also refer to Inactive Member):

(i) If the Member's spouse is the Beneficiary of the deceased Member, the entire deferred account balance must be distributed or commence to be distributed no later than the end of the month following the date on which the Member would have attained age 70 1/2. The methods available for distribution are described at Section X, paragraph 3(a)(ii).

(ii) If the Member had designated a Beneficiary other than the Member's spouse, the entire deferred account balance must be distributed or commence to be distributed no later than by 31 December of the year following the year in which the Member died. The methods available for distribution are described at Section X, paragraph 3(a)(iii).

(iii) If the Member had no designated Beneficiary, the entire deferred account balance must be distributed no later than by the close of the calendar year which contains the fifth anniversary of the Member's death. This may be accomplished by lump sum or installments as described in Section X, paragraph 3(a)(iii).

(h) If a Deferring Member is reemployed by the Company:

(i) Amounts forfeited upon termination will be restored pursuant to paragraph 3(d) of this Section;

(ii) Any undistributed amounts will be allocated to the Plan Year to which they originally were allocated and all nonforfeited Company Contributions and earnings will continue to be fully vested;

(iii) Any undistributed amounts will be available for subsequent distribution and withdrawal pursuant to Sections IX and X.

SECTION XII: APPLICATION OF FORFEITED COMPANY CONTRIBUTIONS

All forfeitures of Company contributions and earnings thereon from the accounts of any Member or Inactive Member shall be applied as a credit to reduce subsequent Company contributions except as provided in Section XIII for reallocation of Excess Benefits. All amounts so forfeited and applied shall be determined as of the last day of the month in which the event resulting in such forfeiture occurs (i.e. the forfeiting Member's or Inactive Member's Settle-

ment Date). Shares so forfeited and applied shall be valued at the closing price per share of Company Stock reported on the New York Stock Exchange on the last day of such month. However, in the event the Plan is terminated, any amount not so applied by the Trustee shall be credited ratably to the accounts of Members or Inactive Members in proportion to the amounts of their respective accounts attributable to Company contributions.

SECTION XIII: BENEFIT LIMITATIONS

1. Anything in the Plan to the contrary notwithstanding, the Annual Addition to a Member's account in any Plan Year shall not exceed the lesser of (a) $30,000 or (b) 25 percent of such Member's Compensation for such year or such other maximum permissible amount as may be provided from time to time by IRC Section 415 or successor provision.

2. The Plan herein incorporates by reference the overall limitations on contributions to the Plan and benefits which may be provided as described in IRC Section 415 and valid regulations which may be promulgated thereunder. The Plan

also incorporates by reference the definition of Annual Addition as well as all substantive and definitional provisions of Section 415 and such successor provisions as may be promulgated.

3. If the Annual Addition to a Member's account under this Plan would exceed the limitation described in paragraph 1 of this Section, the amount of the Annual Addition to this Plan shall be reduced so that, when aggregated with the Annual Additions to any other plans, it shall be brought within the limitation of paragraph 1, by reducing it in the following order of priority:

(a) Refund of Contributions made by the Member, and any earnings on them, during the Plan Year in which the excess arises which do not generate a Company matching contribution to the extent that the refund would reduce the Member's Annual Addition;

(b) Refund of any Contributions made by the Member during the Plan Year to the extent that the refund would reduce the Member's Annual Addition, and any earnings on them, and forfeit any corresponding Company Contributions made pursuant to Section V with respect to the refunded Contributions; Company Contributions which are forfeited under this subparagraph shall be allocated pursuant to paragraph 4 below;

(c) Refund of any Contributions made by the Member to any other defined contribution plan that would be aggregated with the Annual Addition to this Plan, if such a refund is authorized under the terms of the other plan, and any earnings on them.

4. Amounts forfeited pursuant to subparagraphs (b) and (c) will be transferred to and held in an unallocated suspense account as of the end of the Plan Year. These amounts will then be allocated during the next Plan Year until the limits of paragraph 1 are reached with respect to all Plan Members, and they shall be similarly allocated in subsequent Plan Years until no amounts remain unallocated. All suspense account allocations shall reduce Company Contributions for the year in which the funds are released from the suspense account. Allocation will be performed by reducing Company Contributions for the next Plan Year to the extent of the suspense account and then allocating the remaining Company Contributions, plus suspense account funds, to Members pursuant to Plan Sections IV, V and VII.

5. No profits or losses attributable to the assets of the Trust may be allocated to this suspense account. Until all amounts held in the suspense account, maintained under this Plan or under any other defined contribution plan the annual additions of which are aggregated with the Annual Addition to this Plan, can be allocated, the Company shall make no contributions under this Plan. If the Plan terminates, any balance remaining in the suspense account that cannot be allocated shall revert to the Company.

6. If a Member in this Plan is also a Member in a defined benefit plan, as defined in Section 414(j) of the IRC, maintained by the Company or a Subsidiary, the sum of (i) the Defined Benefit Fraction and (ii) the Defined Contribution Fraction (as hereafter defined) for the Member shall not exceed 1.0 for any Plan Year. If the sum of such fractions would for any Member exceed 1.0 for any Plan Year, then, to the extent necessary to avoid such excess, the annual benefit which the Member has or may accrue under the defined benefit plans of the Company and Subsidiaries shall be limited or reduced pursuant to the applicable provisions thereof.

SECTION XIV: TOP-HEAVY PROVISIONS

1. If the Plan is or becomes top-heavy in any plan year, the provisions of Section XIV will supersede any conflicting provisions in the Plan; however, the provisions of this Section XIV shall not be applicable with respect to any Employee for a Plan Year in which the Employee was covered by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining.

2. Definitions

(a) "Key Employee" shall mean any Eligible Employee who meets the definition of key employee contained in IRC section 41 6(i)(1) as such definition may be amended, replaced or supplemented by law or regulation.

(b) "Top-Heavy Plan." For any Plan year, this Plan is Top-Heavy If any of the following conditions exists:

(i) If the Top-Heavy Ratio for this Plan exceeds 60 percent and this Plan is not part of any Required Aggregation Group or Permissive Aggregation Group of plans;

(ii) If this Plan is a part of a Required Aggregation group of plans but not part of a Permissive Aggregation Group and the Top-Heavy Ratio of the Required Aggregation Group exceeds 60 percent; or

(iii) If this Plan is a part of a Required Aggregation Group and part of a Permissive Aggregation Group of plans and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds 60 percent, assuming the Top-Heavy Ratio of the Required Aggregation Group exceeds 60 percent.

(c) Top-Heavy Ratio:

(i) If the Company maintains one or more defined contribution plans and has not maintained any defined benefit plan which, during the 5-year period ending on the Determination Date(s), has or has had accrued benefits, the Top-Heavy Ratio for this Plan or for the Required or Permissive Aggregation Group, as appropriate, is calculated as a fraction. The numerator of the fraction is the sum of the account balances of all Key Employees as of the Determination Date(s) (including any part of any account balance distributed in the 5-year period ending on the Determination Date(s)), and the denominator is the sum of all account balances (including any part of any account balance distributed in the 5-year period ending on the Determination Date(s)). Both fractions will be computed in accordance with IRC section 416 and the regulations thereunder. Both the numerator and denominator are adjusted to reflect any contribution not actually made as of the Determination Date, but which is required to be taken into account on that date under IRC section 416 and the regulations thereunder.

(ii) If the Company maintains one or more defined contribution plans and maintains or has maintained one or more defined benefit plans, which during the 5-year period ending on the Determination Date(s), has or has had any accrued benefits, the Top-Heavy Ratio for any Required or Permissive Aggregation Group is calculated as a fraction. The numerator of the fraction is the sum of account balances under the aggregated defined contribution plan or plans for all Key Employees in all aggregated plans, determined in accordance with (i) above, and the present value of accrued benefits under the aggregated defined benefit plan or plans for all Key Employees in all aggregated plans as of the Determination Date(s). The denominator is the sum of the account balances under

the aggregated defined contribution plan or plans for all participants in the aggregated plans, determined in accordance with (i) above, and the present value of accrued benefits under the defined benefit plan or plans for all participants in the aggregated plans as of the determination date(s). All will be computed in accordance with IRC section 416 and the regulations thereunder. The accrued benefits under a defined benefit plan in both the numerator and denominator of the Top-Heavy Ratio are adjusted for any distribution of an accrued benefit made in the five-year period ending on the determination date.

(iii) For purposes of (i) and (ii) above, the value of account balances and the present value of accrued benefits will be determined as of the most recent Valuation Date that falls within or ends with the 12-month period ending on the Determination Date, except as provided in IRC section 416 and the regulations thereunder for the first and second plan years of a defined benefit plan. The account balances and accrued benefits of a Member (1) who is not a Key Employee but who was a Key Employee in a prior year, or (2) who has not received any Compensation from any employer maintaining the plan

at any time during the 5-year period ending on the determination date will be disregarded. The calculation of the Top-Heavy Ratio, and the extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with IRC section 416 and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the Top-Heavy Ratio. When aggregating plans, the value of account balances and accrued benefits will be calculated with reference to the Determination Dates that fall within the same calendar year.

(d) "Permissive Aggregation Group" means the Required Aggregation Group of plans plus any other plan or plans of the Company or its Subsidiaries which, when considered with the Required Aggregation Group, would continue to satisfy the requirements of sections 401(a)(4) and 410 of the Code.

(e) "Required Aggregation Group" means (i) each qualified plan of the Company and its Subsidiaries in which at least one Key Employee participates, and (ii) any other qualified plan of the Company and its Subsidiaries which enables a plan described in (1) to meet the requirements of sections 401(a)(4) or 410 of the Code.

(f) "Determination Date" means the last day of the preceding Plan Year. For the first plan year of the plan, the last day of that year.

(g) "Valuation Date" means the date as of which account balances or accrued benefits are valued for purposes of calculating the Top-Heavy Ratio, which shall be December 31 of each year.

(h) "Present Value of Accrued Benefit." In the case of a defined benefit plan, a Participant's Present Value of Accrued Benefit shall be as determined under the provisions of the applicable defined benefit plan.

3. For each Plan Year that the Plan is Top-Heavy, the sum of all Company Contributions and Forfeitures credited to the account of each Member, who is not a Key Employee, shall equal the greater of: (a) the credit to each Member's account under Sections IV, V and VII which would result but for the imposition of the rules under this Section XIV or (b) three percent (3%) of each Member's Compensation not in excess of $200,000. However, if the sum of all Company Contributions and Forfeitures credited to the account of each Member who is a Key Employee is less than three percent (3%) of each Key Employee's Compensation not in excess of $200,000, then the sum of the Company Contributions and Forfeitures allocated to the account of each Member Key Employee under (b) above shall not equal 3% but will equal the largest percentage credited to the account of each Member who is a Key Employee.

(a) For any Top-Heavy Plan Year, the minimum contributions set forth above shall be allocated to the accounts of all Members who are not Key Employees who are Members and who are employed by the Company on the last day of the Plan Year, including Eligible Employees who are Members who are not Key Employees and who declined to make Member Contributions to the Plan.

(b) For purposes of determining the required percentage of Employer Contributions and Forfeitures to be credited to Member's accounts under Paragraph 3 above:

(i) The required credit shall be determined without regard to any contributions by the Company for Members under the Social Security Act;

(ii) The percentage credited to the Accounts of Members who are Key Employees shall be equal to the ratio of the sum of the Employer Contributions and Forfeitures credited to the Account of such Key Employee divided by Compensation for such Key Employee; and

(iii) "Compensation" shall mean Compensation as defined in IRC 414(q)(7) but shall be limited to $200,000 in Top-Heavy Plan Year.

(c) The minimum allocation required in Paragraph 3 (to the extent required to be nonforfeitable under section 416(b))

may not be forfeited under IRC sections 411(a)(3)(B) or 411(a)(3)(D).

4. The required minimum account credits of Paragraph 3 above shall not apply to any Member to the extent the Member is covered under any other plan or plans of the Company or its Subsidiaries and those plans provide that the minimum allocation or benefit requirements attributable to Top-Heavy plans, as described in IRC section 416, will be met in the other plan or plans. Otherwise, the credits provided in this Plan shall be available to offset minimum contributions or benefits required to be provided in the other plan or plans.

5. For any Plan Year in which the Plan is Top-Heavy, only the first $200,000 (or such larger amount as may be prescribed by the Secretary or his delegate) of a Member's Compensation shall be taken into account for purposes of determining Employer Contributions under the Plan.

6. If the Plan becomes Top-Heavy, a Member shall become vested in all Company Contributions, and the earnings, gains and losses thereon, credited to the Member's account, during the period described in subparagraph (a) below, after the completion of three (3) years of Continuous Service. Members shall at all times be fully vested in all Member Contributions and the earnings, gains or losses thereon.

(a) The vesting provisions set forth in paragraph (6) above shall apply to all Company Contributions and earnings, profits and losses thereon, credited to a Member's account while the Plan is Top-Heavy and during the period of time before the Plan becomes Top-Heavy. This vesting schedule shall not apply to the account of any Member who does not have an Hour of Service after the Plan becomes Top-Heavy.

(b) If the Plan becomes Top-Heavy and subsequently ceases to be Top Heavy, the vesting provisions set forth in paragraph (6) of this Section shall automatically cease to apply, and the vesting rules set forth in Section VIII above shall automatically apply, with respect to all Company Contributions and earnings, profits and losses thereon, allocated to a Member's account for all Plan Years after the Plan Year with respect to which the Plan was last Top-Heavy. For purposes of this subparagraph (b), this change in vesting schedules shall only be valid to the extent that the conditions of Section 411(a)(10) of the Code are satisfied.

SECTION XV: CUSTODY AND INVESTMENT OF MEMBERS' AND COMPANY CONTRIBUTIONS

1. Management and Control of Assets

All Plan assets shall be held by a Trustee in trust pursuant to a trust agreement between Lockheed Corporation and the Trustee; provided that insurance contracts or policies issued by insurers (as defined by ERISA) in connection with any Plan may, but are not required to be, held by the Trustee. The trust agreement shall provide, among other things, that all funds received by the Trustee thereunder will be held, managed, invested and distributed by the Trustee in accordance with the Plan. The authority to appoint and remove Trustees, to receive their resignations, and to receive and approve their accounts shall be vested in the Company. Appointment of a Trustee shall not be effective until the appointee states his acceptance of appointment as Trustee. The Trustee shall have exclusive authority and discretion to manage and control the assets of the Plan, except to the extent that:

(a) the Company shall direct the Trustee (i) to transfer assets to an insurer or insurers under insurance contracts and policies, (ii) to invest in fixed income securities, or in equity securities, or in both in such proportions as shall be directed, (iii) to invest in securities meeting quality and other standards established by the Company, (iv) to borrow money on behalf of the Trust, in which case the Trustee shall be subject to such direction; and

(b) authority to manage, acquire, or dispose of assets of the Plan is delegated to one or more investment managers.

2. Transfer to Trustee

Both Members' and Company contributions shall be transferred to the Trustee for investment monthly or sooner if required by applicable law or regulations. No income shall accrue to a Member's account on uninvested funds.

3. Purchase of Company Stock

As soon as practicable after receipt of contributions applicable thereto the Trustee shall regularly purchase Company Stock from time to time in the open market in accordance with a non-discretionary purchasing program or shall purchase authorized but unissued Company Stock from Lockheed Corporation or Company Stock held in the treasury of Lockheed Corporation. In the event that authorized but unissued or treasury Company Stock is purchased by the Trustee, the price per share shall be the average closing market price of the Company Stock on the New York Stock Exchange over the five most recent days prior to such purchase on which at least one sale took place. Certificates representing Company Stock will be held in the name of the Trustee or its nominees for the

account of the Members or Inactive Members until distributed, and the Trustee shall in its discretion exercise or sell any rights for the purchase of any additional shares of Company Stock or other securities which Lockheed Corporation may offer to its stockholders, except as described in paragraph 13 below.

The Trustee may hold in cash, and may temporarily invest in short-term United States Government obligations or commercial paper, contributions applicable to the purchase of Company Stock pending investment of such contributions in Company Stock.

4. Purchase for Government Bonds Fund

As soon as practicable after receipt of contributions applicable thereto, the Trustee shall purchase Government Bonds from time to time in the open market.

5. Purchase for Diversified Portfolio Fund

As soon as practicable after receipt of contributions applicable thereto, securities shall be purchased, as provided in the trust agreement, for the Diversified Portfolio Fund.

6. Purchase for Fixed Income Fund

As soon as practicable after receipt of contributions applicable thereto, the Trustee shall deposit such contributions with the insurance company or companies designated by the Company.

7. Investment of Income Received

Dividends, interest and other distributions received by the Trustee in respect of any fund shall be reinvested in that fund.

8. Voting of Company Stock

Before each annual or special meeting of the share owners of Lockheed Corporation, the Trustee shall furnish or cause to be furnished to each Member or Inactive Member for whom a Company Stock account is maintained a copy of the proxy solicitation material for such meeting, together with a request for the Member's or Inactive Member's confidential instructions on how the Shares credited to the Member's or Inactive Member's Company Stock account should be voted. Upon receipt of such instructions, the Trustee shall vote such Shares as instructed. Any Shares held by the Trustee as to which it receives no voting instructions shall be voted by the Trustee in its sole discretion.

9. Reports to Members

Each Member and Inactive Member shall be furnished at least annually a written statement setting forth the value in the Member's or Inactive Member's accounts, the number of shares

credited and the amounts contributed thereto by the Member or Inactive Member and the Company.

10. Investment Managers

The Company may appoint an investment manager or managers to manage (including power to acquire and dispose of) any assets of the Plan and may remove an investment manager so appointed. Any investment manager appointed must meet the requirements set forth in ERISA Section 3(38). Appointment and removal shall be made in an instrument signed on behalf of the Company. No appointment of an investment manager shall be effective until the appointee shall have acknowledged in a signed instrument delivered to the Company that he is a fiduciary for purposes of ERISA with respect to the Plan.

11. Investment in Deposits of Fiduciaries

All or any part of the Plan's assets may be invested in deposits in a bank or other similar financial Institution which is a fiduciary as defined by ERISA, including, without limitation, any Trustee, if (a) such deposit bears a reasonable rate of interest and (b) the bank or financial institution is supervised by the United States or by a State.

12. Transactions with Common Trust Funds and Pooled Investment Funds Maintained by Parties-In-Interest

The Plan may engage in transactions with a common or collective trust fund or a pooled investment fund maintained by a party-in-interest, as defined by ERISA, which is a bank or trust Company supervised by a State or Federal Agency or with a pooled investment fund of an insurance company qualified to do business in a State, If:

(a) the transaction is a sale or purchase of an interest in the fund, and

(b) the bank, trust company or insurance company receives not more than reasonable compensation.

13. Tenders or Offers of Purchase for Company Stock

(a) Applicability. This paragraph 13 shall apply if an Offer is received by the Trustee (including a tender or exchange offer within the meaning of the Securities Exchange Act of 1934, as from time to time amended and in effect) to acquire Shares of Company Stock held by the Trustee in the Trust, whether or not allocated to the account of any Member, or to acquire any rights relative to such Common Stock which by their terms are exercisable in the event of an offer for a defined percentage of Common Stock (hereafter "Offer"). The provisions of this paragraph, if inconsistent with any other Plan provisions, shall take precedence with respect to

Shares sold, exchanged or transferred pursuant to an Offer and the proceeds received by the Trustee therefrom. For purposes of this paragraph 13, the term Member shall also include Inactive Member

(b) Tenders and Withdrawal of Tenders of Shares of Company Stock.

(i) Shares of Company Stock Allocated to Member Accounts. Each Member, or a representative properly designated by that Member or the Member's legal guardian (to the extent consistent with the terms of an Offer), shall be entitled to give directions to the Trustee to sell, exchange or transfer (referred to hereafter as "Tender") pursuant to an Offer any Shares allocated to that Member's account which may be Tendered. The Trustee may only Tender shares allocated to Member accounts to the extent that the Trustee is timely directed to do so in writing by such Member. To the extent not inconsistent with its fiduciary obligations under ERISA, the Trustee shall not Tender Shares for which it does not receive timely Member directions.

(ii) Unallocated Shares of Company Stock. The Trustee shall determine whether to Tender Shares (or withdraw from an Offer previously Tendered Shares) held in Trust which are not allocated to Member Accounts.

(iii) Withdrawal of Tendered Shares. If under the terms of an Offer

or otherwise, Shares which have been Tendered may be withdrawn, the Trustee shall follow such directions as shall be timely provided by Members regarding the withdrawal of such shares in the same manner as it would follow directions to Tender as described in (i) above.

(c) Shares of Company Stock Allocated to Member Accounts Which May Be Tendered. Members may instruct the Trustee to Tender, or not Tender,any and all Shares allocated to Members' accounts in the Company Stock Fund, subject to the terms of the Tender Offer itself. Shares which the Trustee tenders, pursuant to a Member's directions, shall be sourced on a pro rata basis from among all Shares allocated to such Member's account in the Plan.

(d) Solicitation and Accumulation of Member Tender Directions. Directions shall be solicited and accumulated from Members regarding their decision to tender or withdraw Shares subject to an Offer in accordance with the following:

(i) The Company and the Trustee shall not interfere in any manner with the decision of a Member to tender or withdraw Shares pursuant to such Offer (hereafter the "Investment Decision"). Communications to Members by the Offerer, the Company or other interested party or public communications directed generally to the owners of Company Stock which is the subject of an Offer shall not be deemed to be interference.

But, no communication or action shall be permitted which would threaten or intimate any actions, which would violate section 510 of ERISA that would or might be taken with respect to any Member who does not make an Investment Decision in accord with the wishes of the Trustee, the Company or Offerer.

(ii) The Trustee shall take all actions necessary to ensure that all Investment Decisions are made confidentially and shall retain an unrelated third party to tabulate all Investment Decisions for timely communication to the Trustee. Information regarding any specific Member's Investment Decision shall be confidential and may not be released by the Trustee except as necessary to give effect to the Investment Decision.

(iii) The Trustee shall use its best efforts to communicate, or cause to be communicated, to Members the relevant provisions of the Trust Agreement regarding Member rights to make Investment Decisions, the obligation of the Trustee to follow Member directions and to tender shares.

(iv) The Trustee shall use its best efforts to distribute, or cause to be distributed, to Members information and communications in connection with the Offer which the Offerer or any other interested party (including the company) has distributed to shareholders of record generally.

(v) The Company (or the Offerer) shall prepare and distribute (or ensure preparation and distribution of) the materials described in (iii) and (iv) above and the Company shall perform the solicitation described in (d) above unless the Company directs the Trustee to distribute such materials or perform such solicitation.

(e) Pro Rata Tender of Shares. If an Offer is made for less than 100% of all Shares held by the Trustee, then each Member may make an Investment Decision for largest number of Shares possible under the provisions of the Offer. The number of shares which will be Tendered from any Member's account will be determined in a non-discriminatory, pro rata fashion by the Company and the Trustee consistent with the provisions of the Offer.

(f) Operation of the Company Stock Fund During the Pendency of an Offer.

(i) All acquisitions by the Trustee of Shares under the Company Stock fund shall be suspended immediately following the public announcement by an Offerer of a Tender Offer, and shall not resume until the Offer Period(s) expires. The Offer Periods is that period during which an Offer (as described in (a) above) is outstanding and may be accepted or rejected or during which time an acceptance or rejection may be withdrawn. And for purposes of suspension of acquisition of Company

Stock, the Offer Period shall include any additional period during which, in the Company's judgment, the Plan should not acquire Shares in order for the Plan or Company to comply with Federal Law or regulations governing such offers with respect to acquisition of Shares by affiliates of the Company.

(ii) All Member and Company Contributions, loan repayments, proceeds from investment fund transfers, repayments of prior distributions and reinstated Company Contributions thereon, dividends and other distributions and any other amounts credited to the Company Stock Fund prior to receipt of an Offer and which had not been invested in Shares prior to receipt of the Offer as well as any such amounts received during the Offer Period shall be:

(I) Held in the Company Stock Fund and invested in temporary investments as described in Section XV, paragraph 3, and

(II) Allocated to Member accounts in accordance with Member contributions or, with respect to dividends or other investment returns, in proportion to the number of Shares credited to each Member's accounts prior to the receipt of the Offer or as is otherwise appropriate.

(iii) After the Offer Period expires, the amounts described in (ii) above shall be invested in Company Stock as would ordinarily occur under Sections VI and XV. Except with respect to FITU Members, if no Shares are outstanding or reasonably available for purchase after the offer Period expires or the Tender Offer is completed, the amounts described in (ii) above shall be transferred to the Special Distribution Fund.

(iv) If a Member's Shares are being cashed out, or are to be cashed out, pursuant to a loan or investment fund transfer requested pursuant to Section VI prior to or during the Offer Period, than such Shares shall not be available for Tender.

(g) Multiple Tender Offers. If while an Offer is outstanding, the Trustee receives another Offer with respect to Shares held in Trust, the Trustee shall use its best efforts to obtain directions from Members (i) with respect to Shares previously tendered under the first Offer whether to withdraw such shares from Tender, if possible, and if withdrawn whether to Tender such Shares pursuant to the second Offer and (ii) with respect to Shares not tendered under the first Offer whether to Tender such Shares under the second Offer. The Trustee shall follow all directions received in a timely manner from Members in the manner described in subparagraphs (a) through (e) above.

(h) Disposition of Proceeds Received from Tender of Company Stock.

(i) Notwithstanding anything to the contrary in this Plan, except with respect to FITU Members, any proceeds received by the Trustee as the result of Tender of Company Stock pursuant to any Offer shall be deposited in the Special Distribution Fund.

(ii) Accounts will be established in that Fund for Members whose Shares were Tendered. Each Member's account in that Fund will then be credited with the proceeds received for shares Tendered and the proceeds will then be accounted for and invested as provided in Section VI, Section VII and Section II, paragraph 25.

(iii) The proceeds received may be reduced to pay for all reasonable administrative and other expenses incurred by the Trustee and Company in executing a Tender pursuant to this paragraph.

SECTION XVI: ADMINISTRATION

1. Operation and Administration of Plan

(a) For purposes of ERISA and with respect to the Plan, the Company shall be the Plan Administrator, the Named Fiduciary to manage and control the operation and administration of the Plan, a Named Fiduciary with respect to control of the assets of the Plan for the sole purpose of appointing investment managers pursuant to Section XV, paragraph 10 and a Named Fiduciary to exercise the powers provided by Section XV, paragraph 1.

The Company may designate any person or group of persons (including Directors, officers and employees of the Company and committees) to carry out any fiduciary or administrative responsibility within the scope of its authority under the Plan (other than trustee responsibility provided in the trust instrument of the Plan to manage or control Plan assets). The Company may rescind any such designation made by it. The Company's powers will include but shall not be limited to the following:

(i) To make and enforce such rules as it deems necessary to properly administer the Plan;

(ii) To interpret the Plan in all respects, its good faith interpretation to be final and conclusive on all persons claiming benefits under the Plan and on all persons administering the Plan or reviewing the Plan Administrator's decisions. With respect to appeals as described in paragraph 3, the Committee or designate provided at paragraph 3 shall assume the Plan Administrator's position in this regard.

(b) Whenever in the administration of the Plan, any discretionary action or interpretation of the Plan's provisions by the Administrator is required, the Administrator shall exercise its authority in a nondiscriminatory manner so that whenever possible all persons similarly situated will receive substantially the same treatment. The Administrator's good faith discretionary actions and interpretations shall be final and conclusive on all persons claiming benefits under the Plan.

(c) Responsibility for operation and administration of the Plan, except with respect to control, management and investment of the assets of the Plan and selection and retention of Investment Managers and Trustees, shall be delegated to the Company's Senior Vice President - Human Resources and such others to whom he delegates said responsibility.

2. Appointment of Advisers

The Company or any person who has been designated to carry out any fiduciary or administrative responsibility may employ one or more persons to render advice with regard to any responsibility which the Company or such other person has under the Plan and may remove any such adviser employed by it or by him or his predecessor.

3. Benefit Claims

The Company shall provide a procedure for the filing, determination, and review of benefit claims under the Plan. The Company shall review and make decisions regarding denials of benefit claims under the Plan according to the procedure thus established.

(a) Any denial of a benefit claim or unfavorable resolution of dispute regarding eligibility for a benefit hereunder shall be communicated to the Member or Inactive Member in a writing which explains the reasons for the denial and refers to the portions of the above document on which the denial is based and reviews the appeals procedure.

(b) Any Member or Inactive Member receiving such a denial may appeal such determination to the Plan Administrator or any group designated by the Plan Administrator to decide such appeals.

(i) Unless otherwise provided by the Administrator, the Lockheed Corporation Savings Plan Committee shall rule in the place of the Plan Administrator upon all such appeals and the Committee's decision shall be the final decision of the Plan Administrator.

(ii) All requests for appeal shall be made within 75 days after the Member or Inactive Member receives notice of denial of a claim (unless otherwise provided by the Plan Administrator) and shall be made in writing.

(iii) The Appellant shall be entitled to review all documents relating to the appeal and to submit written comments or evidence in support. Members and inactive Members shall not be entitled as a matter of right to a hearing.

(iv) A decision will be provided to the Member or inactive Member within 60 days after the appeal is requested, unless the Plan Administrator requires additional time to investigate or respond to the appeal.

4. Multiple Fiduciary Capacities

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

5. Employment of Certain Persons by Company

Any fiduciary, as defined by ERISA, may also be an officer or other employee of the Company.

6. Indemnification

Each officer, director and employee of the Company who has been designated to carry out any fiduciary or administrative responsibility shall be indemnified by the Company against all expenses (including costs and attorneys' fees) actually and necessarily incurred or paid by that person in connection with the defense of any action, suit or proceeding in any wise relating to or arising from the Plan to which that person may be made a party by reason of his being or having been so designated or by reason of any action or omission or alleged action or omission by that person in such capacity, and against any amount or amounts which may be paid by that person (other than to the Company) in reasonable settlement of such action, suit or proceeding, where it is in the interest of the Company that such settlement be made. In cases where such action, suit or proceeding shall proceed to final adjudication such indemnification shall not extend to matters as to which it shall be adjudged that such officer, director or employee is liable for negligence or misconduct in the performance of his duties as such. The right of indemnification herein provided shall not be exclusive of other rights to which any such officer, director or employee may now or hereafter be entitled, shall continue as to a person who has ceased to be so designated, and shall inure to the benefit of the heirs, executors and administrators of such officer, director or employee.

SECTION XVII: GENERAL PROVISIONS

1. Administrative Costs

(a) All expenses of administration of the Plan (including without limitation, fees and cost relating to investment management and advice, custodial, accounting and legal services, applicable taxes and any other costs and expenses incurred with respect to the Plan or its administration) may, at the discretion of the Company, be charged to and collected from the accounts of Members and Inactive Members upon such reasonable method of allocation as the Company may designate. In allocating any such expenses and charging and collecting the same from the accounts of Members and Inactive Members, the Company shall in all cases accord uniform, nondiscriminatory treatment to all Members and Inactive Members similarly situated. Any collection from a Member's account may be made at the option of the Company, by selling or liquidating any asset credited to such account or by collecting from any contributions, forfeitures or earnings to be credited to such account. Expenses of administration not charged against the accounts of Members and Inactive Members shall be paid by the Company.

(b) All expenses incurred by the Plan or Plan Administrator in connection with the interpretation, execution or administration of any Qualified Domestic Relations Order which may affect the account balance of any Member or Inactive Member under this Plan may, at the discretion of the Plan Administrator, be charged to and collected from the accounts of such Members and Inactive Members or Alternate Payees or from the Member or Inactive Member and Alternate Payee themselves.

2. Assignment or Attachment

(a) Except as otherwise provided by law, no right or interest of any Member or Inactive Member of the Plan or in any fund established thereunder shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; nor shall any such right or interest be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled thereto; and in the event that any Member or Inactive Member becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any right or interest in the Plan, except as specifically provided herein, then the Company to the extent permitted by law shall hold or apply the right or interest hereunder of such Member or Inactive Member to or for the benefit of such Member or

Inactive Member, as the case may be, or the Member's or Inactive Member's spouse, children or other dependents or any of them.

(b) This provision shall not apply to a "qualified domestic relations order" defined in Code Section 414(p), and ERISA section 206(d), and those other domestic relations orders permitted to be so treated by the Plan Administrator under the provisions of the Retirement Equity Act of 1984. The Administrator shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders and is authorized to take such action as it deems necessary to properly administer distribution and other provisions of such Orders.

(c) The Plan Administrator is authorized to distribute all or a portion of any vested account balance to any Alternate Payee, at the times provided under a qualified domestic relations order, notwithstanding the fact that distribution of such funds might not otherwise be available at that time to the Member or Inactive Member (or prior to the Member's or Inactive Member's termination). The Plan Administrator shall not be required to create additional forms of distribution not otherwise existing under the Plan to satisfy such orders.

3. Proof of Compensation and Termination of Employment

The records of the Company concerning compensation and date and circumstances of termination of employment may be deemed conclusive by the Plan Administrator, the Named Fiduciary or any person designated a fiduciary pursuant to paragraph 1 of Section XVI, for purposes of the Plan.

4. Unclaimed Distributions

If, within five years after any distribution becomes due to a Member or Inactive Member, the same shall not have been claimed, provided due and proper care shall have been exercised by the Trustee and the Company in attempting to make such distribution, the amount thereof shall be used to reduce Company contributions. Should a Member or Inactive Member or Alternate Payee subsequently make proper claim for such amount, it will be paid to the Trust by the Company and distributed in accordance with the terms of the Plan.

5. No Right to Employment

Neither the act of establishing the Plan nor any action taken under the provisions hereof, nor any provision of the Plan, shall be construed as giving any Eligible Employee or Member or Inactive Member the right to be retained in the employ of the Company, or except as specifically provided herein, any claim against the Company or the assets of any fund maintained under the Plan, in the

event of the Member's or Inactive Member's discharge from the employ of the Company.

6. Transfers of Groups of Members to Another Employer

If the employment of a group of Members is terminated as a result of the transfer of a part of the business of the Company to another corporation

(whether or not affiliated with Lockheed Corporation) or as a result of the merger of any Subsidiary into such another corporation and such Members or Inactive Members become employees of such other corporation, the Company may deter mine the entire value of the accounts of each such Member and Inactive Member (including Non-Vested Amounts and Shares) at the date of such transfer or merger and amounts equal in value thereto (in cash or in kind or both) may be vested in each such Member and Inactive Member and may be transferred at the value thereof at the date of such transfer as a vested benefit of each such Member and Inactive Member to the trustee of an employee benefit plan meeting the requirements of Section 401(a) of the Internal Revenue Code (or any successor statutory provision) with respect to which such other corporation is an employer. Notwithstanding the foregoing, this Plan shall not be merged into or consolidated with any other plan, nor shall any of its assets or liabilities be transferred to any other plan, unless each Member and Inactive Member in this Plan, or only those Members or Inactive Members affected if the transfer is not a complete merger or consolidation of this Plan, would (if such other Plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit such Member and Inactive Member would have been entitled to receive immediately before the merger, consolidation, or transfer (if this Plan had been terminated). Any such transfer having been made, the Trustee and the Company shall be discharged from all further liability under the Plan to, or in respect of, such Member.

7. Transfer of Member to Ineligible Status

A Member shall become an Inactive Member if a Member shall cease to be an Eligible Employee while employment with the Company continues. The Member's account shall remain in the Plan subject to withdrawal and distribution as previously provided. If a Member's employment with the Affiliated Group shall terminate after he shall have ceased to be an Eligible Employee, the entire balance of the Member's accounts shall be payable to him or his Beneficiary in accordance with of Section X of the Plan. In the case of a Member who shall cease to be an Eligible Employee while the Member's employment with the Affiliated Group continues, the Member's payroll deduction authorization shall be suspended as of the end of the last payroll period during which the Member was an Eligible Employee; the Member shall, however, continue to have the right to make withdrawals under paragraph 1 of Section IX of the Plan, and if the Member shall subsequently return to the status of an Eligible Employee his last effective payroll deduction shall be

reinstated as soon as practicable following the date of the Member's return to such status. No period during which a Member's payroll deduction authorization shall be suspended pursuant to this paragraph shall be deemed to constitute a period of suspension for purposes of paragraph 2 of Section IV of the Plan.

8. Amendments

The Chairman of Lockheed Corporation shall have the authority at any time and from time to time to modify or amend, in whole or in part, any or all of the provisions of the Plan, provided that no modification or amendment shall be made which shall affect adversely any right or obligation of any Member or Inactive Member with respect to contributions theretofore made or which shall make it possible for any funds paid to the Trustee to revert to the Company. Notwithstanding the foregoing, any modification or amendment of the Plan may be made, retroactively if necessary, which said Chairman deems necessary, proper or advisable in his discretion to bring the Plan into conformity with any law or governmental regulation relating to plans or trusts of this character, including, without limitation, requirements of ERISA, and including the qualification of any trust created under the Plan as an exempt trust under the Internal Revenue Code or any amendment thereof.

9. Termination or Permanent Discontinuance of Contributions

The Board of Directors of Lockheed Corporation may terminate the Plan, in whole or in part, or completely discontinue contributions hereunder for any reason at any time. In case of a termination or partial termination of the Plan, or a complete discontinuance of contributions hereunder, there shall automatically vest in the Members and Inactive Members, or only those Members and Inactive Members affected if there is not a complete termination of or a complete discontinuance of contributions under the Plan, all rights to the then undistributed Company contributions credited to their accounts.

10. Leave of Absence on Union Business

Any employee who, in accordance with the provisions of a collective bargaining agreement, shall be granted a leave of absence to conduct union business, shall if otherwise an Eligible Employee be entitled to become a Member or continue to be a Member during the period of such leave of absence so long as (a) the Member shall pay to the Company for remittance to the Trustee the contributions to the Plan required by Section IV, paragraph 1, at the times such contributions would otherwise have been made by means of payroll deductions and (b) the union shall simultaneously pay to the Company an amount equal to the amount of the Company Contribution associated with each such contribution as described in Section V, paragraphs 2 and 3, whichever is applicable and (c) such actions are permitted by the IRC and other relevant law.

11. Governing Law

This Plan shall be construed, interpreted and governed under and by the laws of the State of New York.

EXHIBIT 4-C

AMENDMENT 1995-I
TO
LOCKHEED CORPORATION
HOURLY EMPLOYEES
SAVINGS AND STOCK INVESTMENT PLAN-
FORT WORTH AND ABILENE DIVISIONS
TRUST AGREEMENT

Lockheed Corporation, a Delaware corporation and Bankers Trust Company, incorporated under the laws of the United States of America, hereby amend the Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement ("Trust Agreement"), effective March 15, 1995, as follows:

1. Subsection (g) of the third paragraph of the Recitals is amended to read as follows:

> "(g) To acquire and hold Common Stock of Lockheed Corporation (or, on and after March 15, 1995, Lockheed Martin Corporation) under the Plan;"

2. Each reference in the Trust Agreement to "Common Stock of the Corporation" or "Corporation Common Stock" shall be revised to read "Common Stock of the Corporation (or, on and after March 15, 1995, Lockheed Martin Corporation)".

3. The second sentence of Paragraph C of Article FOURTH of the Trust Agreement shall be revised to read as follows:

> "Such stock may be contributed by the Corporation (or Lockheed Martin Corporation) or acquired in the open market or from private sources other than officers or directors of the Corporation (or Lockheed Martin Corporation), or the Trustee shall purchase authorized but unissued shares of the Corporation (or Lockheed Martin Corporation) or shares held in the treasury of the Corporation (or Lockheed Martin Corporation), as the Corporation shall from time to time determine, provided that all shares of Common Stock so contributed ar acquired shall be registered with the Securities Exchange Commission pursuant to the Securities Act of 1933, as amended."

IN WITNESS WHEREOF, Lockheed Corporation and Bankers Trust Company have executed this Amendment 1995-I to the Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions Trust Agreement on this 8th day of March, 1995.

	"Trustee"
LOCKHEED CORPORATION	BANKERS TRUST COMPANY
By: /s/ Carol R. Marshall	By: /s/ Nellie Myers
Title: Secretary	Title: Vice President

EXHIBIT 5

[LETTERHEAD OF LOCKHEED MARTIN CORPORATION APPEARS HERE]

March 15, 1995

Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, Maryland 20817

Re: Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions (the "Plan")

Ladies and Gentlemen:

I submit this opinion to you in connection with the filing with the Securities and Exchange Commission of a registration statement on Form S-8 (the "Registration Statement") on the date hereof. The Registration Statement registers shares of common stock ("Common Stock") of Lockheed Martin Corporation (the "Corporation") for use in connection with the Plan. The Plan contemplates that Common Stock may be treasury or authorized but unissued shares or may be acquired in the open market. As Assistant General Counsel of the Corporation, I have examined such corporate records, certificates and other documents and have reviewed such questions of law as I deemed necessary or appropriate for the purpose of this opinion.

Based upon that examination and review, I advise you that in my opinion:

(i) the Corporation has been duly incorporated and is validly existing under the laws of the State of Maryland; and

(ii) to the extent that the operation of the Plan results in the issuance of Common Stock, such shares of Common Stock have been duly and validly authorized and, when issued in accordance with the terms set forth in the Registration Statement, will be legally issued, fully paid and nonassessable.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to my opinion in the Registration Statement.

Very truly yours,

/s/ Stephen M. Piper

Stephen M. Piper
Assistant General Counsel
Lockheed Martin Corporation

EXHIBIT 23-A

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the incorporation by reference in Lockheed Martin Corporation's Registration Statement (Form S-8) pertaining to the Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions of: (a) our report dated January 20, 1995, with respect to the consolidated financial statements of Martin Marietta Corporation and subsidiaries for the year ended December 31, 1994, included in its Current Report (Form 8-K), dated February 17, 1995, and (b) our report dated November 1, 1994, with respect to the consolidated balance sheet of Lockheed Martin Corporation as of October 31, 1994, included in its Registration Statement (Form S-4 No. 33-57645), dated February 9, 1995, both filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

Washington, D.C.
March 13, 1995

EXHIBIT 23-B

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the incorporation by reference in Lockheed Martin Corporation's Registration Statement (Form S-8) pertaining to the Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions of: (a) our report dated January 31, 1995, with respect to the consolidated financial statements of Lockheed Corporation for the year ended December 25, 1994, included in its Current Report (Form 8-K), dated February 21, 1995, and (b) our report dated June 10, 1994, with respect to the financial statements and schedules of the Lockheed Corporation Hourly Employees Savings and Stock Investment Plan - Fort Worth and Abilene Divisions included in its Annual Report (Form 11-K) for the year ended December 26, 1993, both filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

Los Angeles, California
March 13, 1995

EXHIBIT 23-C

CONSENT OF KPMG PEAT MARWICK LLP INDEPENDENT AUDITORS

The Board of Directors
General Electric Company:
The Board of Directors
Martin Marietta Corporation:

We consent to the incorporation by reference in this Registration Statement on Form S-8 of Lockheed Martin Corporation of our report, dated February 3, 1993, relating to the consolidated financial statements of GE Aerospace Businesses as of December 31, 1992 and 1991 and for each of the years in the two-year period ended December 31, 1992, which report is incorporated by reference in the December 31, 1993 annual report on Form 10-K of Martin Marietta Corporation, which is incorporated herein by reference.

Harrisburg, Pennsylvania
March 13, 1995

EXHIBIT 23-D

CONSENT OF ARTHUR ANDERSEN LLP
INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement on Form S-8 of our report dated January 20, 1994 on our audits of the combined financial statements of the General Dynamics Space Systems Group as of December 31, 1993 and 1992 and for each of the three years in the period ended December 31, 1993 included in the Martin Marietta Corporation's Form 8-K dated May 13, 1994, which is incorporated by reference into the Lockheed Martin Corporation registration statement on Form S-4 dated February 9, 1995.

ARTHUR ANDERSEN LLP

San Diego, California
March 13, 1995