

CLOROX CO /DE/

FORM S-8 POS
(Post-Effective Amendment to an S-8 filing)

Filed 7/12/1996

Address	THE CLOROX COMPANY 1221 BROADWAY OAKLAND, California 94612-1888
Telephone	510-271-7000
CIK	0000021076
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	06/30

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 2
TO
FORM S-8

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

THE CLOROX COMPANY

(Exact Name of Registrant as Specified in Its Charter)

Delaware	31-0595760
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

1221 Broadway, Oakland, CA 94612-1888
(Address of Principal Executive Offices) (Zip Code)

THE CLOROX COMPANY
VALUE SHARING PLAN
(formerly The Clorox Company
Tax Reduction Investment Plan)
(Full Title of the Plan)

Edward A. Cutter
Senior Vice President, General Counsel and Secretary
The Clorox Company
1221 Broadway
Oakland, CA 94612-1888
(Name and Address of Agent For Service)

510-271-7000
(Telephone Number, Including Area Code,
of Agent For Service)

EXPLANATORY NOTE

This Amendment No. 2 to the Registration Statement (No. 33-41131) is being filed solely for the purpose of filing Exhibits 4.3 and 23.1 to the Registration Statement.

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 City of Oakland, State of California, on July 11, 1996.

THE CLOROX COMPANY

By: /s/G.C. Sullivan

G.C. Sullivan
Chairman of the Board,
Chief Executive
Officer and President

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 dates indicated.

Signature	Title	Date
/s/ G.C. Sullivan G. C. Sullivan	Chairman of the Board, Chief Executive Officer and President	July 11 , 1996
/s/ W.F. Ausfahl W. F. Ausfahl	Group Vice President and Director (Principal Financial Officer)	July 11 , 1996
/s/ D. Boggan Jr.* D. Boggan, Jr.	Director	July 11 , 1996
J. W. Collins	Director	July 11 , 1996

/s/ U. Fairchild* U. Fairchild	Director	July 11, 1996
J. Krautter	Director	July 11, 1996
J. Manchot	Director	July 11, 1996
D. O. Morton	Director	July 11, 1996
/s/ E.L. Scarff* E. L. Scarff	Director	July 11, 1996
/s/ L.R. Scott* L. R. Scott	Director	July 11, 1996
/s/ F.N. Shumway* F. N. Shumway	Director	July 11, 1996
J. A. Vohs	Director	July 11, 1996
C. A. Wolfe	Director	July 11, 1996

/s/ H.J. Salvo, Jr.

Vice President-Controller
(Principal Accounting Officer)

July 11, 1996

*By: /s/Edward Cutter
Edward Cutter
Attorney-in-Fact

July 11, 1996

Exhibit 23.1

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Amendment No. 2 to The Clorox Company Registration Statement on Form S-8 (No. 33-41131) of our report dated August 9, 1995, incorporated by reference in the Company's Annual Report on Form 10-K for the year ended June 30, 1995.

/s/ Deloitte & Touche LLP

July 11, 1996

**THE CLOROX COMPANY
VALUE SHARING PLAN**

Amended and Restated effective June 30, 1996

**THE CLOROX COMPANY
VALUE SHARING PLAN**

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THE CLOROX COMPANY
VALUE SHARING PLAN

**ARTICLE I
HISTORY**

In June of 1996, The Clorox Company maintained The Clorox Company Profit Sharing Plan ("Profit Sharing Plan") and The Clorox Company Tax Reduction Investment Plan ("TRIP"). The Profit Sharing Plan was originally adopted effective as of July 1, 1955 and TRIP was originally adopted effective as of October 1, 1983. This document constitutes a complete amendment and restatement of the Profit Sharing Plan. The principal purposes of this amendment and restatement are to merge TRIP into the Profit Sharing Plan, to change the name of the Profit Sharing Plan to The Clorox Company Value Sharing Plan ("Plan"), to make certain administrative changes to the eligibility, contribution, and benefit provisions of the Plan, and to terminate the Payroll-Based Stock Ownership ("PAYSOP") plans and provisions contained in the TRIP document on the date that TRIP was merged into this Plan.

Effective as of 11:59 PM on June 30, 1996, all TRIP assets and liabilities are merged into this Plan and, together with the assets of this Plan, constitute a single plan within the meaning of Code Section 414(l). The rights and benefits of a TRIP participant who ceased to be an Employee on or prior to June 30, 1996 will be determined in accordance with the provisions of TRIP in effect on the date on which that participant ceased to be an Employee, and in accordance with any provisions of this Plan that are specifically made effective to that date.

Similarly, the rights and benefits of a Profit Sharing Plan participant who ceased to be an Employee on or prior to June 30, 1996 will be determined in accordance with the provisions of the Profit Sharing Plan in effect on the date on which that participant ceased to be an Employee, and in accordance with any provisions of this Plan that are specifically made effective to that date.

ARTICLE II DEFINITIONS

This Plan is subject to technical restrictions that are outlined in Appendices which, by this reference, are incorporated into the Plan. Terms used in a single Article or Appendix are generally defined in that Article or Appendix. The following terms are used throughout the Plan.

2.01 "Account" means the value of all Accounts maintained on behalf of a Participant or Beneficiary. An Account may include a Salary Deferral Contributions Account, a Matching Contributions Account, a Rollover Account, a Value Sharing Contributions Account (containing profit sharing contributions), a Special Contributions Account, a PAYSOP Account, a Voluntary Contributions ("VOCON") Account, a Cash-or-Deferred Value Sharing Bonus Deferral Account, and a Grandfathered Account (containing profit sharing contributions made before July 1, 1996).

2.02 "Affiliated Company" means a Participating Company and, with respect to a Participating Company, (i) any corporation that, pursuant to Code Section 414(b), is a member of a controlled group of corporations of which the Participating Company is a member; (ii) any employer that, pursuant to Code Section 414(c), is under common control with the Participating Company; (iii) any employer that, pursuant to Code Section 414(m), is a member of an affiliated service group of which the Participating Company is a member and (iv) any employer that, pursuant to Code Section 414(o), is required to be aggregated with the Participating Company.

2.03 "Annuity Starting Date" means the first day of the first period for which an amount is payable as an annuity or, in the case of a benefit not payable as an annuity, the first day on which all events have occurred that entitle the Participant to such a benefit.

2.04 "Beneficiary" means the person or persons, natural or otherwise, designated pursuant to Article XII or, with regard to the Plan's installment payment option, pursuant to the "Installments" provisions of Article XI, to receive a Participant's vested Account if the Participant dies before distribution of his or her entire Account.

2.05 "Clorox Stock" means the Company's common stock.

2.06 "Code" means the Internal Revenue Code of 1986, as amended.

2.07 "Committee" means the entity that, pursuant to Article XV, administers the Plan.

2.08 "Company" means The Clorox Company, a Delaware corporation, and any successor to all or a major portion of the assets or business of The Clorox Company that, by appropriate action, adopts the Plan.

2.09 "Compensation" means, except as provided below, wages as defined in Code Section 3401(a) and all other payments for which a statement is required to be furnished to an Employee by a Participating Company under Code Sections 6041(d), 6051(d), and 6052; provided, however, that rules that limit inclusion of payments because of the nature or location of the employment or the services performed shall be disregarded.

(a) Exclusions. Notwithstanding the foregoing, Compensation does not include, settlements, compensation adjustments made due to foreign service, payments made by third party payors, reimbursements or other expense allowances, welfare benefits (e.g., severance benefits, short term disability benefits other than sick pay for Employees, the terms of whose employment is governed by a Collective Bargaining Agreement, long term disability benefits), fringe benefits, moving expenses, contributions to or distributions from a deferred compensation plan, or amounts included in income due to the following: (i) the grant or exercise of qualified or non-qualified stock options, stock appreciation rights, or phantom stock, (ii) the grant of restricted stock, (iii) a Code Section 83(b) election, (iv) the lapse of forfeiture restrictions on restricted property, (v) the sale of stock obtained under a compensatory plan, and (vi) the receipt of dividends on restricted stock. Except as specifically provided to the contrary in Article V (Special Cash-or-Deferred Value Sharing Bonus Deferral), Compensation does not include Cash-or-Deferred Valuing Sharing Bonuses (whether taken in cash or deferred).

(b) Inclusions. Notwithstanding the foregoing, Compensation includes elective contributions that are not includible in income under Code Sections 125 (cafeteria plans), 402(e)(3) (elective deferrals) other than deferrals of Cash-or-Deferred Value Sharing Bonuses, or 402(h) (simplified employee pensions).

(c) Date. Compensation includes only Compensation paid while an Employee is a Participant and an Eligible Employee. Notwithstanding the foregoing, Compensation also includes amounts earned while an Employee is a Participant and an Eligible Employee but, due to the timing of pay periods and pay days, paid during the first few weeks after the individual ceases to be a Participant and an Eligible Employee (e.g., cashouts of vacation pay upon termination of employment or receipt of a final paycheck after termination of employment). For purposes of allocating the Value Sharing Contribution described in Article V of this document, the following additional rules apply.

(i) Compensation as described in the preceding paragraph, is further limited to include only Compensation paid after an Eligible Employee has satisfied the "One Year Hold Out" requirement in Section 5.04 of this Plan.

(ii) For the Plan Year ending June 30, 1996, Compensation of hourly nonunion employees, salaried production employees, and salaried Atlanta plant team leaders who first became Participants in The Clorox Company Profit Sharing Plan on January 1, 1996 (each a "New Employee") will be recognized to the extent that the Compensation was paid on or after the date that the New Employee would have become a Participant if New Employees had been categorized as Eligible Employees on and after July 1, 1995.

(d) Limit. For a Plan Year, the Compensation of a Participant will not exceed \$150,000 (indexed). The indexing in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined beginning in that calendar year. If a Plan Year consists of fewer than 12 months, the \$150,000 (indexed) limit will be multiplied by a fraction, the numerator of which is the number of months in the Plan Year, and the denominator of which is 12.

(e) Family Aggregation. In determining the \$150,000 (indexed) limit, the family aggregation rules of Code Section 414(q)(6) apply, but the term "family" includes only the spouse of the Participant and any lineal descendants of the Participant who have not attained age 19 before the close of the Plan Year. To the extent required by applicable Regulations, if the limitation is reached for a family group, then the limitation amount will be prorated among each member of the family group in the proportion that each family member's compensation bears to the total Compensation of the family group.

(f) Implementation of \$150,000 Limit. With regard to a Participant's 401(k) Contributions under this Plan, the \$150,000 limit described above will be established by adding together (i) the Participant's Cash-or-Deferred Value Sharing Bonus to the extent that the Participant deferred that bonus under this Plan during the Plan Year, and (ii) the sum of the Compensation amounts (excluding any Cash-or-Deferred Value Sharing Bonus) for each period within the Plan Year for which a Participant elects to defer Compensation other than a Cash-or-Deferred Value Sharing Bonus under the Salary Deferral provisions of this Plan.

(g) Nonresidents with No US Source Income. US payroll income earned by nonresidents from Affiliated Companies will be treated as Compensation to the extent that it would have been treated as Compensation under the above definition if the income were US source income.

2.10 "Directors" means the Board of Directors of the Company.

2.11 "Disability" means the mental or physical inability of a Participant to perform his or her normal job, as evidenced by receipt of disability benefits under the Social Security Act.

2.12 "Eligible Employee" means, subject to Section 18.06, any Employee of a Participating Company other than (i) a Leased Employee, (ii) a non-resident alien with no United States source income unless the non-resident alien is on a Participating Company's United States payroll, (iii) Employees sent, on or after April 8, 1996, to a Participating Company by an international subsidiary to participate in a training or development program sponsored by that Participating Company and Employees hired by a Participating Company with the understanding that they will be sent to an international subsidiary after participating in a training or development program, and (iv) Employees whose compensation and conditions of employment are governed by the terms of a collective bargaining agreement unless and to the extent that a written agreement between a Participating Company or its delegate and the relevant union makes such coverage available.

2.13 "Employee" means a common law employee of an Affiliated Company and any Leased Employee.

2.14 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

2.15 "401(k) Contributions" means Salary Deferral Contributions and Cash-or-Deferred Value Sharing Bonus Deferrals under this Plan.

2.16 "Highly Compensated Employee" is defined in an Appendix to the Plan.

2.17 "Hour of Service" is defined in Article III.

2.18 "Leased Employee" means an individual who is not otherwise an Employee and who, pursuant to Code Section 414(n), performs services historically performed by employees in the business area of the Participating Company on a substantially full-time basis. Notwithstanding the foregoing, and subject to Section 18.06, an individual will not be a Leased Employee for a Plan Year if either (a) or (b) below is applicable for that Plan Year:

(a) Safeharbor Plan. The individual is covered by a money purchase pension plan meeting the requirements of Code Section 414(n)(5)(B) and

leased employees do not constitute more than 20% of all Non-Highly Compensated Employees of all Affiliated Companies.

(b) Recordkeeping Exception. The Committee has not been notified by the individual that the individual is a leased employee, the qualified plans (within the meaning of Code Section 401(a)) that are maintained by each Affiliated Company exclude leased employees from participation, none of these plans is top heavy (within the meaning of Code Section 416), and the number of leased persons who, during that Plan Year, perform at least 1500 Hours of Service of work described in Code Sections 414(n)(2)(A) and (C) for any Affiliated Company is less than 5% of the number of Employees (excluding leased persons and Highly Compensated Employees) covered by the qualified plans (within the meaning of Code Section 401(a)) of all Affiliated Companies at any time during the Plan Year.

2.19 "Non-Highly Compensated Employee" is an Employee who is not a Highly Compensated Employee.

2.20 "Participant" means any Employee who became a Participant and who retains an Account under the Plan.

2.21 "Participating Company" means the Company and any Affiliated Company that is authorized by the Directors (or by a committee appointed by the Directors) to participate in the Plan, and that elects to participate in the Plan on behalf of its Eligible Employees.

2.22 "Permitted Securities" means any stock, bond, mutual fund share, mortgage, deed of trust or other like investment instrument, all of which must be freely negotiable, not subject to any restrictions on transfer and approved by the Committee.

2.23 "Plan" means The Clorox Company Value Sharing Plan set forth in this document, as amended from time to time.

2.24 "Plan Year" means July 1 through June 30.

2.25 "Regulations" means the federal Income Tax Regulations, as amended.

2.26 "Remuneration" means compensation as defined in Code Section 415(c)(3) and accompanying regulations. This alternate definition of compensation must be used in certain Appendices to this Plan. For purposes of the Highly Compensated Employee Appendix to this Plan and the Top Heavy Appendix to this Plan, Remuneration also includes an Employee's elective deferrals under a qualified cash or deferred arrangement described in Code Sections 401(k) and 402(e)(3), a simplified employee pension plan described in Code Section 408(k)(6), and a cafeteria plan described in Code Section 125. US payroll income earned by nonresidents from Affiliated Companies will be treated as Remuneration to the extent that it would have been treated as Remuneration under the above definition if the income were US source income.

2.27 "Trust Agreement" means an agreement entered into between the Company (on behalf of all Participating Companies) and a Trustee to provide for the investment, management and control of Plan assets.

2.28 "Trustee" means any person or entity appointed by the Company to hold the Plan's assets. The Plan may have more than one Trustee.

2.29 "TRIP" means The Clorox Company Tax Reduction Investment Plan ("TRIP") in effect prior to July 1, 1996.

2.30 "Valuation Date" means the last business day of each Plan Year, and such other date or dates as may be designated by the Committee for the valuation of Accounts.

2.31 "Year of Service" is defined in Article III of the Plan.

ARTICLE III SERVICE

Unless otherwise indicated, the following provisions apply for purposes of determining eligibility to participate in the Plan and for computing vesting service under the Plan.

3.01 Hour of Service. An Hour of Service is each hour for which an Employee is paid or entitled to payment from an Affiliated Company for the performance of services for an Affiliated Company.

3.02 Year of Service. A Year of Service is a consecutive or non-consecutive 12-month period beginning on the first date that an Employee performs an Hour of Service, on a Reemployment Date (as defined below) or on an anniversary of either of these dates. If an Employee is terminated and rehired within a 12-month period, any period of less than 12 consecutive months during which an Employee does not perform an Hour of Service will be counted when computing Years of Service. A One Year (or longer) Period of Severance (as defined below) will not be counted when computing Years of Service.

3.03 One Year Period of Severance. A One Year Period of Severance is a 12 consecutive month period that begins on an individual's Severance

from Service Date, or on an anniversary of that date, during which the individual does not perform an Hour of Service.

3.04 Severance from Service Date. An Employee's Severance from Service Date is the earliest of the date on which the Employee quits, retires, is discharged or dies, or the first anniversary of the first date of an Employee's absence for any other reason (e.g., illness, disability, vacation, a temporary layoff, public service).

(a) Crediting. Notwithstanding the foregoing, the Severance from Service Date for a Participant who is on an Authorized Leave of Absence (as defined below) will be the date that his or her Authorized Leave of Absence has terminated. In addition, for the purpose of determining whether a Participant has incurred a One Year Period of Severance, a Participant will not incur the first One Year Period of Severance that would otherwise be counted if severance is due to an Authorized Leave of Absence (as defined below) or a Maternity/Paternity Leave (as defined below).

(b) Authorized Leave of Absence. Authorized Leave of Absence means a cessation from active employment with an Affiliated Company pursuant to an established policy, due to illness, disability, vacation, a temporary layoff, public service, or any other reason.

(c) Maternity/Paternity Leave. Maternity/Paternity Leave means an unpaid absence from work for any period by reason of the Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement.

3.05 Reemployment Date. An Employee's Reemployment Date is the first date on which the Employee performs an Hour of Service after a One Year Period of Severance.

3.06 Military Service. To the extent required by applicable law, Hours of Service will be credited for periods of military service.

3.07 Prior Service. The Company (or a committee appointed by the Directors) may grant credit for prior service to individuals who become Eligible Employees on or after June 30, 1996. Individuals who become Participants on June 30, 1996 will continue to be credited with all service with which they were credited under TRIP as of June 29, 1996.

ARTICLE IV PARTICIPATION

4.01 Service. Every Eligible Employee who was a Participant in this Plan and/or in TRIP on the date that TRIP is merged into this Plan will continue to be a Participant in this Plan. Subject to Section 4.02, every Eligible Employee who was not a Participant in this Plan or in TRIP on the date that TRIP is merged into this Plan will become a Participant in this Plan on the later of July 1, 1996 or the first day on which the Eligible Employee first performs an Hour of Service as an Eligible Employee.

4.02 Cessation and Resumption. An individual ceases to be a Participant when he or she ceases to have an Account. Such an individual will again become a Participant on the date that the individual again performs an Hour of Service as an Eligible Employee.

ARTICLE V CONTRIBUTIONS

5.01 Salary Deferral Contributions. Effective July 1, 1996 and subject to Section 18.06, a Participant who is an Eligible Employee may elect to have a Participating Company reduce the amount of his or her Compensation for each payroll period by from 2% to 12% (or such other percentages as the Committee or its delegate may determine from time to time) and to have that amount contributed to the Plan as a Salary Deferral Contribution on his or her behalf. A Participant may initiate or change the percentage of Salary Deferral Contribution (in 1% increments) by providing notice to the Committee or its delegate that satisfies such requirements as the Committee may determine.

(a) Special Cash-or-Deferred Value Sharing Bonus Deferral. Subject to Section 18.06, a Participant who is an Eligible Employee may submit a special election to the Committee or its delegate that satisfies such requirements as the Committee may determine, to defer up to 100% of any Cash-or-Deferred Value Sharing Bonus that becomes payable to that Participant after the Participant submits this election and during the Plan Year for which this election is effective. Notwithstanding the foregoing, if a Participant is eligible to defer all or part of a Cash-or-Deferred Value Sharing Bonus under any other deferred compensation plan (including, but not limited to The Clorox Company Nonqualified Deferred Compensation Plan), the Participant will not be eligible to defer any part of that Cash-or-Deferred Value Sharing Bonus under this Plan.

(b) Timing. 401(k) Contributions will be paid to the Trustee as soon as practical after the date on which those amounts would have been paid to Participants in the absence of a deferral election and in no event later than 90 days after that date.

5.02 Matching Contributions. Subject to (a) and (b) below, effective July 1, 1996, each Participating Company will contribute a Matching Contribution equal to 100% of the Salary Deferral Contribution received by a Trustee on behalf of a Participant for a Plan Year up to a maximum of \$750 for any one Plan Year.

(a) Cash-or-Deferred Value Sharing Bonus. Notwithstanding the foregoing, no Cash-or-Deferred Value Sharing Bonus that is deferred under

the preceding Section will attract a Matching Contribution.

(b) One Year Hold Out. Notwithstanding anything to the contrary in this Plan except Section 18.06, an Employee who is hired or rehired on or after January 1, 1996, will not be eligible to receive a Matching Contribution under this Plan until that Employee completes One Year of Service. For this purpose, prior service will be counted to the extent provided in Article III.

5.03 One-Time \$50 Matching Contribution. Section 3.2 of the TRIP document in effect on January 1, 1996 provided that each TRIP participant would receive a one-time matching contribution if that participant elected to make salary deferral contributions as of the earliest date that he or she was eligible to participate in TRIP. Notwithstanding anything to the contrary in this Plan except Section 18.06, no Eligible Employee who first becomes a Participant on or after July 1, 1996 will be eligible to receive the one-time matching contribution described in Section 3.2 of the TRIP document in effect on January 1, 1996.

5.04 Value Sharing Contribution. For each Plan Year, the Participating Companies will make a Value Sharing Contribution to the Trust in an amount determined by the Company.

(a) Condition. The Value Sharing Contribution for a Plan Year will be conditioned on the contribution not exceeding the maximum amount currently deductible by the Company in determining its consolidated taxable income under the Code, after first subtracting the amount of all deductible contributions (including matching contributions) to all pension plans for all employees of all Affiliated Companies.

(b) Allocations. Subject to Section 18.06, the Value Sharing Contribution for each Plan Year and any forfeitures for that Plan Year will be allocated as follows:

(i) Grandfathered Allocation. First, for the Plan Year ending June 30, 1996, the Value Sharing Contribution will be allocated to the Value Sharing Contributions Accounts of Grandfathered Participants (as defined below) in the same proportion that each Grandfathered Participant's Compensation from all Participating Companies for the Plan Year bears to the total Compensation of all Grandfathered Participants from all Participating Companies for that Plan Year. Allocations to Grandfathered Participants under this paragraph (i) will be equal to the amount of Value Sharing Contribution that each Grandfathered Participant would have received under the profit sharing computation and allocation provisions contained in Article III and in Section 4.2 of The Clorox Company Profit Sharing Plan document in effect on June 30, 1995.

(ii) Standard Allocation. Second, the balance of the Value Sharing Contribution will be allocated to the Value Sharing Contributions Accounts of Qualified Participants (as defined below) in the same proportion that each Qualified Participant's Compensation from all Participating Companies for the Plan Year bears to the total Compensation of all Qualified Participants from all Participating Companies for that Plan Year. The maximum amount of Value Sharing Contribution allocated under this paragraph (ii) to a Qualified Participant for a Plan Year may not exceed 7% of that Qualified Participant's Compensation from all Participating Companies for the Plan Year.

(iii) Unvested Participant Allocation. Third, the balance of the Value Sharing Contribution will be allocated to the Value Sharing Contributions Accounts of Qualified Participants who were not 100% vested in their Value Sharing Contributions Accounts on the last day of the Plan Year for which the allocation is made (each an "Unvested Participant") in the same proportion that each Unvested Participant's Compensation from all Participating Companies for the Plan Year bears to the total Compensation of all Unvested Participants from all Participating Companies for that Plan Year.

(iv) Allocation of Forfeitures in 1996. For the Plan Year ending June 30, 1996, available forfeitures will be allocated to the Value Sharing Contributions Accounts of Qualified Participants and Grandfathered Participants in the same proportion that the Qualified Participant's or the Grandfathered Participant's Compensation from all Participating Companies for the Plan Year bears to the total Compensation of all Qualified Participants and all Grandfathered Participants from all Participating Companies for that Plan Year.

(v) Allocation of Forfeitures after 1996. For Plan Years ending after June 30, 1996, available forfeitures will be allocated to the Value Sharing Contributions Account of a Qualified Participant in the same proportion that the Qualified Participant's Compensation from all Participating Companies for the Plan Year bears to the total Compensation of all Qualified Participants from all Participating Companies for that Plan Year.

(vi) Qualified Participant. A Qualified Participant is a Participant who was an Eligible Employee on the last day of the Plan Year. A Participant who separates from service as an Eligible Employee during a Plan Year due to his or her death, Disability, attainment of age 60, attainment of age 55 with 10 or more years of Service or, as determined by the Committee, a plant closing, a reduction in force, or a divestiture, will be considered, for purposes of this definition, to have been an Eligible Employee on the last day of that Plan Year. Notwithstanding the foregoing, a Qualified Participant does not include a Grandfathered Participant (as defined below), unless and until the Grandfathered Participant again becomes an Eligible Employee after January 1, 1996.

(vii) Grandfathered Participant. A Grandfathered Participant is a Participant who was an Eligible Employee on July 1, 1995 and who separated from service with all Participating Companies on or after July 1, 1995 and before January 1, 1996 due to his or her death, Disability, attainment of age 60, attainment of age 55 with 10 or more years of Service or, as determined by the Committee, a plant closing, a reduction in force, or a divestiture.

(viii) One Year Hold Out. Notwithstanding anything to the contrary in this Plan except Section 18.06, an Eligible Employee will not be eligible to receive a Value Sharing Contribution under this Plan for a Plan Year unless that Employee has completed One Year of Service prior to the

end of the Plan Year for which the Value Sharing Contribution is made. For this purpose, prior service will be counted to the extent provided in Article III.

5.05 Special Contributions. A Participating Company may authorize qualified nonelective employer contributions to the extent, and only to the extent, needed to satisfy the tests described in the Testing 401(k) and Matching Contributions Appendix to this Plan. These qualified nonelective employer contributions will be allocated to Non-Highly Compensated Eligible Employees from the lowest paid to the highest paid in an amount up to or equal to their Code Section 415 allocation limit.

5.06 Rollover Contributions. The Committee or its delegate may authorize a Trustee to accept a Rollover Contribution made in cash and attributable to a distribution received by an Eligible Employee from another tax-qualified plan. Rollover Contributions will be held in the Participant's Rollover Account unless they are used to satisfy the buy back provision in Article VIII of the Plan. If the Committee should determine that a rollover was improperly contributed to this Plan, that amount, adjusted for earnings and losses, will immediately be (1) segregated from all other Plan assets, (2) treated as a nonqualified trust established by and for the benefit of the individuals on whose behalf the contribution was made, and (3) distributed to those individuals. Any such nonqualifying contribution will be deemed never to have been a part of the Plan.

5.07 Trust-to-Trust Transfers. The Committee or its delegate may authorize a Trustee to accept a Trust-to-Trust Transfer of assets (other than assets that are subject to the survivor annuity requirements of Code Section 401(a)(11)), from another tax-qualified plan.

5.08 Voluntary Contributions. The Plan will not accept any voluntary (after-tax) employee contributions other than buy back contributions pursuant to Article VIII, and any such voluntary contributions made by a Participant pursuant to the terms of a prior plan will be held in the Participant's Voluntary Contributions ("VOCON") Account.

5.09 Restoration. If a Participant was improperly excluded at any time from an allocation or was allocated an insufficient amount, an amount computed on the same basis as the allocation will be added to that Participant's Account, after that amount has been adjusted to reflect the gain or loss that was allocated to Participants' Accounts in each Plan Year since the Plan Year for which the restoration is to be made.

5.10 Deductibility. To the extent that a Participating Company is not allowed a current deduction under the Code for any contribution made to the Plan, the Participating Company may, within one year following a final determination of the disallowance, whether by agreement with the Internal Revenue Service or by final decision of a court of competent jurisdiction, demand repayment of the disallowed contribution, and the Trustee shall return the contribution within one year following the disallowance. Earnings of the Plan attributable to such a contribution may not be returned to the Participating Company, but losses attributable to such a contribution will reduce the amount returned.

5.11 Mistake. If, within one year of making a contribution to the Plan, the Committee certifies to the Trustee that the contribution was made by the Company under a mistake of fact, the Trustee will, before the expiration of that year, return the contribution to the Company.

5.12 Limits. As more fully discussed in the Appendices to this Plan, 401(k) Contributions, Matching Contributions, Value Sharing Contributions, and Special Contributions are subject to additional limits.

ARTICLE VI INVESTMENT FUNDS AND COMMON STOCK

6.01 Individual Direction of Investments. At the direction of the Committee, the Trustee may establish separate funds to which Participants may direct the investment of their Accounts. Investment in these funds will be subject to such restrictions and administrative procedures as are imposed by the Committee or its delegate, pursuant to their discretionary authority to administer and interpret the Plan, including, but not limited to, procedures for investment of amounts for which no investment direction is given by a Participant.

6.02 PAYSOP Accounts and Common Stock.

(a) Definition. A PAYSOP Account is an account established for a Participant under this Plan to record any PAYSOP contributions made by the Company pursuant to the terms of a prior plan document and amounts transferred from The Clorox Company Payroll-Based Stock Ownership Plan for Hourly Paid Employees, as adjusted for earnings and losses.

(b) Investment. Until the Company receives a determination letter from the Internal Revenue Service confirming the tax-qualified status of this Plan and the tax-qualified status of the terminated TRIP Plan (including the terminated PAYSOP provisions contained in that Plan), amounts held in PAYSOP Accounts and interest received on those amounts will be held in a Clorox Company Common Stock Fund identified in the Trust Agreement and will be subject to the terms and conditions of the Trust Agreement.

(i) Elections. Once a Participant who is also an Employee has attained age 55 and has completed 10 years of participation in a PAYSOP feature contained in this Plan (including any years of participation in The Clorox Company Payroll-Based Stock Ownership Plan for Hourly Paid Employees) the Participant may elect, pursuant to procedures established by the Committee or its delegate, to invest all or part of his or her PAYSOP Account in one or more of the separate funds established by the Committee pursuant Section 6.01 above. Such an election is also available to Alternate Payees, to Beneficiaries, and to Participants who are eligible to receive a distribution from the Plan under the provisions of Article XI.

(ii) Deletion of PAYSOP Provisions. As soon as administratively practicable after the Company receives a determination letter from the Internal Revenue Service confirming the tax-qualified status of this Plan and a determination letter from the Internal Revenue Service confirming the tax-qualified status of the TRIP Plan merged into this Plan (including the terminated PAYSOP provisions formerly contained in that Plan), this Section 6.02 and all references to PAYSOP in this Plan document will be null and void, amounts subject to this Section will be transferred to a Clorox Company Common Stock Fund maintained pursuant to Section 6.01 above, and amounts subject to this Section 6.02 will be treated, for all purposes under this Plan, in the same manner that fully vested Value Sharing Contributions are treated.

6.03 Responsibility. Except to the extent that a Participant's PAYSOP Account is required to be invested in a Clorox Company Stock Fund, each Participant is solely responsible for the investment of his or her Account. No Plan fiduciary and no Employee is authorized to advise a Participant regarding this investment. The offering of an investment fund under this Plan is not to be treated as a recommendation for investment in that fund.

ARTICLE VII VALUATION

The value of a Participant's Account on any date will be deemed to be the net balance of the Account on the Valuation Date immediately preceding the date as of which the value is to be determined, adjusted by the Committee or its delegate, pursuant to their discretionary authority to administer and interpret the Plan and to determine eligibility for benefits under the Plan. Adjustments will include increases due to contributions to the Account since the relevant Valuation Date; decreases due to Plan expenses, distributions, loans, or withdrawals paid from the Account since the relevant Valuation Date; and adjustments for income or loss.

ARTICLE VIII VESTING

8.01 Vesting. The vesting service of a Participant in the Value Sharing Plan and/or TRIP who does not have an Hour of Service on or after the date that TRIP is merged into this Plan will be governed by the terms of the former Profit Sharing Plan and/or TRIP, as the case may be, in effect on the date that the Participant ceased to be an Employee. Participants who have an Hour of Service on or after July 1, 1996 will have nonforfeitable, vested rights to their Salary Deferral Contributions Accounts, Cash-or-Deferred Value Sharing Bonus Deferral Accounts, Matching Contributions Accounts, Special Contributions Accounts, Rollover Accounts, PAYSOP Accounts, and Voluntary Contributions ("VOCON") Accounts at all times. Subject to the Top Heavy Provisions of this Plan, the Value Sharing Contributions Account of a Participant who has an Hour of Service on or after January 1, 1996 will vest in accordance with the following schedule.

If Years of Service Equal	Percentage of Account Vested
1	0%
2	0%
3	34%
4	66%
5	100%

In addition, a Participant will have a fully vested, nonforfeitable interest in the entire amount of his or her Value Sharing Contributions Account on the first to occur of the following events:

- (a) The Participant's death while employed by an Affiliated Company.
- (b) The Participant's attainment of age 60 while employed by an Affiliated Company.
- (c) The Participant's separation from service with all Affiliated Companies due to a Disability.

8.02 Forfeitures.

(a) Allocation of Forfeitures from Value Sharing Contributions Accounts. If a Participant separates from service before the Participant is fully vested in his or her Account, then the unvested portion of that Account will be forfeited immediately after a distribution is made of the Participant's vested Account. If a Participant is not vested in any part of his or her Account, the Participant's entire Account will be deemed to have been distributed pursuant to the preceding sentence. Even if the Participant's vested Account is not distributed, the unvested portion of the Participant's Account will be forfeited upon expiration of five consecutive One Year Periods of Severance. These forfeited amounts will be used, as determined by the Committee, in its sole discretion, to pay administrative expenses, to reduce contributions to the Plan, to make earnings adjustments to Participants' Accounts, to restore forfeitures as provided in (c) below, and /or to increase the amount allocated under the Value Sharing Contribution provisions of this Plan.

(b) Failure to Vest. If a Participant incurs five consecutive One Year Periods of Severance, Years of Service after that five-year period will not be taken into account for purposes of determining the vested percentage of amounts that are forfeited pursuant to paragraph (a) above and not restored under paragraph (c) below.

(c) Restoration. Should an individual resume Employee status after terminating employment, but before incurring five consecutive One Year

Periods of Severance, then any amount forfeited under paragraph (a) above will be restored to that individual's Account without earnings if the individual pays to this Plan the full amount of the distribution described in paragraph (a) above, before the earlier of 5 years after the individual resumed Employee status or the close of the first period of 5 consecutive One Year Periods of Severance following the date of the last distribution described in paragraph (a) above. Funds for restoring forfeitures under this Section will be drawn first from forfeitures in the Plan Year in which the Participant resumes Employee status and then from a special contribution to the Plan made by a Participating Company designated by the Committee or its delegate. This special contribution will not be subject to the provisions described in the Limitations on Allocations Appendix to this Plan.

8.03 Change in Vesting Schedule. If the Plan's vesting schedule is amended, the vested percentage of every Employee who is a Participant on the amendment adoption date or the amendment effective date, whichever is later, may not be less than the Participant's vested percentage determined under the Plan without regard to the amendment. In addition, if the Plan's vesting schedule is amended, each such Participant who has completed three Years of Service and whose vested percentage is determined under the new vesting schedule may elect to have his or her vested percentage determined under the old vesting schedule if the old vesting schedule would be more favorable.

ARTICLE IX IN-SERVICE WITHDRAWALS

9.01 Hardship Withdrawals. Subject to Section 18.06 and to such administrative procedures as the Committee or its delegate may establish, if a Participant has an immediate and heavy financial need (as defined below), and has no other resources reasonably available to meet this need (as defined below), the Participant may request a hardship withdrawal from the vested portion of his or her Value Sharing Contributions Account, Grandfathered Contributions Account, Rollover Account, and/or a hardship withdrawal of an amount equal to Salary Deferrals held in the Participant's Salary Deferral Contributions Account and the Participant's Cash-or-Deferred Value Sharing Bonus Deferral Account; provided, however, that earnings on post-1988 401(k) Contributions may not be withdrawn.

(a) Immediate and Heavy Financial Need. A Participant's request for a hardship withdrawal may not exceed the amount immediately required (including the amount necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the withdrawal) by the Participant to (i) purchase the Participant's primary residence (excluding mortgage payments), (ii) pay deductible medical expenses incurred by the Participant, the Participant's dependents or the Participant's spouse, or necessary for those persons to obtain medical care, (iii) prevent eviction from, or foreclosure of, the Participant's primary residence, or (iv) pay for post-high school tuition, related educational fees, and room and board for the next 12 months for the Participant, the Participant's spouse, or the Participant's dependents.

(b) No Other Resources Reasonably Available. A Participant who makes a hardship withdrawal request must represent in a form satisfactory to the Committee or its delegate that his or her immediate and heavy financial need cannot be relieved (i) through reimbursement or compensation by insurance or otherwise, (ii) by reasonable liquidation of the Participant's assets, to the extent such liquidation would not itself cause an immediate and heavy financial need, (iii) by cessation of 401(k) Contributions to this Plan or of contributions to any other plan of deferred compensation, (iv) by other distributions (including distributions of a Participant's Voluntary Contributions ("VOCON") Account, if any, under this Plan) or nontaxable (at the time of the loan) loans from plans maintained by any employer, or (v) by borrowing from commercial sources on reasonable commercial terms. For purpose of this Section, the Participant's assets are deemed to include those assets of the Participant's spouse and minor children that are reasonably available to the Participant.

9.02 Voluntary Contributions ("VOCON") Accounts. A Participant may elect to withdraw all or any part of his or her Voluntary Contributions ("VOCON") Account, including earnings thereon, in cash or Permitted Securities, by giving notice to the Committee or its delegate in accordance with rules established by the Committee. All such withdrawals will be distributed by the Committee or its delegate as soon as reasonably practicable after receipt of the Participant's notice. All withdrawals made pursuant to this provision will be deemed to be withdrawals of and the return of Voluntary ("VOCON") Contributions made before January 1, 1987, to the maximum extent thereof, and only thereafter will any such withdrawals be deemed to constitute the withdrawal of any earnings or appreciation attributable to any assets held at any time for a Voluntary ("VOCON") Contributions Account.

9.03 Frozen Assets. Notwithstanding anything to the contrary in this Plan, frozen assets such as a Participant's share of any frozen Confederation Life GIC are not available for inservice withdrawals.

9.04 Form. Except as provided in Section 9.02 (VOCON Accounts), all withdrawals from the Plan will be made in the form of a single sum cash payment.

ARTICLE X LOANS

10.01 Authorization. Effective July 1, 1996, the Committee or its delegate may direct the Trustee to make a new loan to a Participant who is employed by a Participating Company and, to the extent that they are parties in interest within the meaning of Section 408(b)(1) of ERISA (but only to that extent), to other Participants and to Beneficiaries (collectively referred to as "Borrowers").

(a) Available Funds. Funds in the following Accounts are available for loans, to the extent those funds are vested.

- o Rollover Account
- o Grandfathered Contributions Account
- o Value Sharing Contributions Account
- o Salary Deferral Contributions Account
- o Cash-or-Deferred Value Sharing Bonus Deferral Account
- o Matching Contributions Account

(b) Number of Loans. A Borrower may not have more than two loans outstanding from any Plan maintained by an Affiliated Company at any one time. Loans merged into this Plan from TRIP will be governed by the relevant provisions of the TRIP Plan and will count against this two-loan limit.

(c) Frozen Assets. Notwithstanding anything to the contrary in this Plan, frozen assets such as a Participant's share of any frozen Confederation Life GIC are not subject to the loan provisions of this Plan.

10.02 Amount. The amount of any loan will not be less than \$750. Immediately after the origination of the loan, the loan may not exceed 50% of the Borrower's vested benefits under this Plan. Furthermore, the amount of any loan, when added to the outstanding balance of all other loans to the Borrower from this Plan and the plans of Affiliated Companies, may not exceed the lesser of (a) one half of the Borrower's vested benefits under this Plan and the plans of Affiliated Companies, valued as of each plan's most recent valuation date; and (b) \$50,000 reduced by the excess, if any, of (i) the Borrower's highest outstanding loan balance under this Plan and the plans of Affiliated Companies during the 12-month period ending on the day before the loan is made; over (ii) the Borrower's outstanding loan balance under this Plan and the plans of Affiliated Companies on the date the loan is made.

10.03 Security. Each loan will be secured by the portion of the Participant's Account from which the loan is made and by payroll deduction as provided below.

10.04 Individual Account. All loans will be investments of the Borrower's Account. Costs charged by the Trustee to establish, process or collect the loan will be charged to the Borrower's Account.

10.05 Interest. Interest will be charged on Plan loans at a formula rate based on factors considered by commercial entities that make similar loans. At the discretion of the Committee or its delegate, the interest rate will be redetermined as new loans are made.

10.06 Repayment. The term of any loan will not exceed 5 years; provided, however, that a loan to purchase a principal residence for the Borrower must not exceed 15 years. Except to the extent provided in Regulations, substantially level amortization of the loan, with payments not less frequently than quarterly, will be required over the term of the loan. The loan will be repaid by payroll deduction; provided, however, that periodic cash payments may be made when payroll deduction is not possible.

10.07 Default. If a Borrower fails to repay a loan within the time prescribed by the Committee, the Trustee may levy on the Borrower's Account at such time as the Borrower is eligible for a distribution or a withdrawal under the Plan. In addition, in the event of a failure to repay, the Trustee may exercise every creditor's right at law or equity available to the Trustee.

10.08 Guidelines. The Committee or its delegate will develop guidelines for administration of the Plan's loan program.

ARTICLE XI DISTRIBUTION OF BENEFITS

11.01 Date Benefits Become Distributable. Vested Plan benefits will become distributable under the following circumstances:

(a) Termination of Employment. The Participant's termination of employment due to death, Disability, or separation from service.

(b) Plan Termination. Termination of the Plan; provided, however, that neither a Participant's Salary Deferral Contributions Account, nor a Participant's Cash-or-Deferred Value Sharing Bonus Deferral Account, nor a Participant's Matching Contributions Account, nor a Participant's Special Contributions Account may be distributed pursuant to this paragraph unless the Participant elects to receive his or her distribution in the form of a lump sum and there is no successor plan.

(c) Sale of Assets. The sale of substantially all the assets used by a Participating Company in a trade or business to an unrelated corporation; provided, however, that neither a Participant's Salary Deferral Contributions Account, nor a Participant's Cash-or-Deferred Value Sharing Bonus Deferral Account, nor a Participant's Matching Contributions Account, nor a Participant's Special Contributions Account may be distributed pursuant to this paragraph unless the Participant continues employment with the unrelated corporation, the Company continues to maintain this Plan, and the Participant elects to receive his or her distribution in the form of a lump sum.

(d) Sale of Subsidiary. The sale of a Participating Company's interest in a subsidiary to an unrelated entity; provided, however, that neither a Participant's Salary Deferral Contributions Account, nor a Participant's Cash-or-Deferred Value Sharing Bonus Deferral Account, nor a Participant's Matching Contributions Account, nor a Participant's Special Contributions Account may be distributed pursuant to this paragraph

unless the Participant continues employment with the subsidiary, the Company continues to maintain this Plan, and the Participant elects to receive his or her distribution in the form of a lump sum.

11.02 Date Benefits Will Be Distributed. Once Plan benefits become distributable, they will be distributed as soon as practicable after the Participant or the Beneficiary, as the case may be, has elected, pursuant to procedures established by the Committee or its delegate, to receive a distribution.

11.03 No Election. If a Participant, or a Beneficiary, as the case may be, does not elect a distribution, benefits will be distributed pursuant to the Distribution Provisions Appendix of this Plan. A Participant's or Beneficiary's failure to affirmatively elect a distribution will be deemed an election to defer payment of benefits under this Plan.

11.04 Retroactive Payment. If the amount of a distribution cannot be ascertained by the date payment is required pursuant to this Article, or it is not possible to make such payment because the Committee has been unable to locate the Participant or Beneficiary after making reasonable efforts to do so, a payment may be made no later than 60 days after the earliest date on which the amount of such payment can be ascertained under the Plan, or the date on which the recipient is located.

11.05 Inability to Locate Recipient. If a benefit under the Plan remains unpaid for two years from the date it becomes payable, solely by reason of the inability of the Committee, exercising due diligence, to locate the recipient of the payment, the benefit shall be treated as a forfeiture pursuant to the terms of the Plan. Any amount forfeited in this manner shall be restored, without earnings, pursuant to the restoration of forfeitures provisions of this Plan, upon presentation of an authenticated claim by the recipient or the recipient's personal representative.

11.06 Distribution to Minor or Incompetent. In the event a distribution is to be made to a minor, or to an incompetent person, the Committee may direct that the distribution be paid to the legal guardian, or if none, to a parent of such person, or to a responsible adult with whom the person maintains residence, or to the custodian for the person under the Uniform Gift to Minors Act or Gift to Minors Act, if permitted by the laws of the state in which the person resides.

11.07 Small Account. Notwithstanding any provision of this Plan, if the vested portion of a Participant's Account on the date the Participant ceases to be an Employee is, and at the time of any earlier distribution or withdrawal was, \$3,500 or less, the Participant's Account will be distributed, in cash, to the Participant, or Beneficiary, as the case may be, as soon as practicable, without the consent of the Participant or the Participant's spouse.

11.08 Form of Distribution. Amounts held in a Participant's Account will be paid in cash as a total distribution, unless the Participant (or Beneficiary) elects otherwise pursuant to (a) or (b) below:

(a) **Installments.** If a Participant has a Termination of Employment as defined in Section 11.01(a) above, if that Participant attained age 55 with 10 Years of Service (or age 60 without a Years of Service requirement) prior to Termination of Employment, and if that Participant has amounts in his or her Value Sharing Contributions Account attributable to contributions made before July 1, 1996 ("Grandfathered Amount"), the Participant may request that his or her Grandfathered Amount, adjusted for investment gains and losses, be paid out in a series of substantially equal monthly installments over a period of 5, 10, 15, or 20 years; provided, however, that the period selected by the Participant must satisfy the requirements contained in the Distribution Provisions Appendix to this Plan.

(i) **Beneficiary.** If a Participant dies before receiving all of his or her elected installments, the Beneficiary named by the Participant when electing to receive installments will receive the balance of these installments; provided, however, that if that Beneficiary dies after the Participant but before having received the balance of these installments, the unpaid balance will be paid to the Beneficiary's estate in a single sum payment as soon as administratively practicable after the Beneficiary's death. If the Participant dies after his or her Annuity Starting Date and after his or her named Beneficiary has died, any remaining unpaid installments will be paid, as soon as administratively practicable, to the Participant's estate in a single sum payment.

(ii) **Designation.** The Participant will follow the procedures outlined in Sections 12.01 and 12.02 (if applicable) when naming a Beneficiary to receive any unpaid installments; provided, however, that a Participant may name only one Beneficiary to receive such installments.

(iii) **Single Sum.** A Participant or a Beneficiary who is receiving installments may elect, at any time, to cease receiving installments and to receive the remaining installments in a single sum payment as soon as administratively practicable.

(b) **Clorox Stock.** When requesting a distribution as provided in this Article, a Participant (or Beneficiary) may elect to receive the portion of his or her Account that is invested in a Clorox Company Common Stock Fund in cash or in whole shares of Clorox Common Stock. Any balance representing fractional units of a Clorox Company Common Stock Fund will be distributed in cash.

11.09 Continued Employment.

(a) **Cessation of Benefits.** Subject to the Distribution Provisions Appendix to this Plan, a Participant ("Reemployed Participant") will cease to receive benefits from the Plan if he or she is reemployed by an Affiliated Company (including the Company).

(b) Annuity Starting Date. When a Reemployed Participant ceases covered employment under the Plan, the Participant will be treated as having a new Annuity Starting Date and his or her subsequent Plan benefits will be redetermined to reflect prior benefit payments.

(c) Death. If a Reemployed Participant dies while benefits are suspended, any death benefits will be provided in accordance with the Participant's most recent, properly completed, Beneficiary designation.

11.10 Direct Rollover. Notwithstanding any provision of this Plan to the contrary that would otherwise limit a Distributee's election under this Plan, a Distributee may elect, at the time and in the manner prescribed by the Committee or its delegate, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. For these purposes, the following definitions apply:

(a) Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of 10 years or more; any distribution to the extent that distribution is required under Section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) Eligible Retirement Plan. An Eligible Retirement Plan is an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a), that accepts the Distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving spouse, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity.

(c) Distributee. A Distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the Alternate Payee under a Qualified Domestic Relations Order, as defined in Code Section 414(p), are Distributees with regard to the interest of the spouse or former spouse.

(d) Direct Rollover. A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

11.11 Notice. The Committee or its delegate will provide each Participant with a general notice of distribution no less than 30 nor more than 90 days before the participant's Annuity Starting Date. The notice will set forth the following information

(i) an explanation of the eligibility requirements for, the material features of, and the relative values of the optional forms of benefits available under the Plan, (ii) the Participant's right to defer receipt of a distribution under the Plan, and (iii) the Participant's right (if any) to authorize a rollover of his or her Plan benefits.

11.12 Waiver. Notwithstanding anything to the contrary in this Plan, if a distribution is one to which Sections 401(a)(11) and 417 of the Internal Revenue Code do not apply, that distribution may begin less than 30 days after the notice required under Regulation 1.411(a)-11(c) and the notice under Code Section 402(f) is given, provided that (1) the Committee or its delegate clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and (2) the Participant, after receiving the notice, affirmatively elects a distribution.

ARTICLE XII BENEFICIARY DESIGNATIONS

12.01 All Participants. A Participant may designate one or more primary Beneficiaries and one or more secondary Beneficiaries to receive any benefit payable from the Participant's Account on the Participant's death. A Participant's Beneficiary designation will be made pursuant to such procedures as the Committee may establish, and shall be delivered to the Committee or its delegate before the Participant's death. The Participant may revoke or change this designation at any time before his or her death by following such procedures as the Committee or its delegate may establish. Subject to Section 18.06, the Beneficiary of a Participant who is living on June 30, 1996 and whose TRIP benefits are merged into this Plan on or after June 30, 1996 will be the Beneficiary who would receive the Participant's benefits under the terms of this Plan and such a Participant's beneficiary designation under TRIP will be null and void as of midnight on June 30, 1996.

12.02 Married Participants. If the Participant is married, and if the Participant names a Beneficiary other than his or her surviving spouse as a primary Beneficiary, the Participant's surviving spouse must irrevocably waive his or her right to the Participant's Account in a written document, delivered to the Committee or its delegate, that acknowledges the effect of the waiver, and that is witnessed or notarized by a notary public or, to the extent permitted by the Company, witnessed by a Company representative. In the waiver, the Participant's surviving spouse must consent to the specific non-spouse Beneficiary(s) named by the Participant. The waiver will be effective only with respect to that spouse. If the Participant is legally separated or abandoned and the Participant has a court order to that effect (and there is no qualified domestic relations order that provides otherwise), or the surviving spouse cannot be located, then a waiver need not be filed with the Committee or its delegate when a married Participant names a Beneficiary other than his or her spouse. Spousal consent will be irrevocable unless the Participant changes his or her Beneficiary or form of distribution designation; upon such event, spousal consent shall be deemed to be revoked. If the spouse consents to the designation of a trust as the Participant's beneficiary, spousal consent will not be required for the designation of or change in trust beneficiaries.

12.03 Ineffective Designation. If the Company has not received a Participant's Beneficiary designation before the Participant's death or if the Participant does not otherwise have an effective Beneficiary designation on file when he or she dies, the Participant's Account will be distributed to the Participant's spouse if surviving at the Participant's death, or if there is no such spouse, the Participant's estate.

12.04 Installments. The "Installments" provision in Article XI contains additional information regarding designation of a Beneficiary for purposes of the Plan's installment payment option.

ARTICLE XIII CLAIMS PROCEDURE

If a Participant or Beneficiary ("Claimant") believes that he or she is entitled to a benefit under the Plan, the Claimant may submit a signed, written application to the Committee or its delegate within 90 days of having been denied such a benefit. The Claimant will generally be notified of the approval or denial of this application within 90 days (180 days in unusual circumstances) of the date that the Committee or its delegate receives the application. If the claim is denied, the notification will state specific reasons for the denial and the Claimant will have 60 days to file a signed, written request for a review of the denial with the Committee or its delegate. This request will include the reasons for requesting a review, facts supporting the request and any other relevant comments. The Committee or its delegate, operating pursuant to its discretionary authority to administer and interpret the Plan and to determine eligibility for benefits under the terms of the Plan, will generally make a final, written determination of the Claimant's eligibility for benefits within 60 days (120 days in unusual circumstances) of receipt of the request for review.

ARTICLE XIV ALIENATION AND QUALIFIED DOMESTIC RELATIONS ORDERS

14.01 Prohibition. Plan benefits may not be assigned or alienated and will not be subject to the claims of creditors. The Plan will, however, honor properly executed federal tax levies, executions on federal tax judgments, Qualified Domestic Relations Orders within the meaning of Code Section 414(p), a direction to pay third parties pursuant to Regulation 1.401(a)-13(e), and the provisions of this Plan regarding loans and distributions to minors and incompetent persons.

14.02 Qualified Domestic Relations Order. A distribution to an Alternate Payee authorized by a Qualified Domestic Relations Order may be made even if the affected Participant would not be eligible to receive a similar distribution from the Plan at that time. The Committee has full discretionary authority to determine whether a domestic relations order is "Qualified" within the meaning of Code Section 414(p). Rights and benefits provided to a Participant or Beneficiary are subject to the rights and benefits of an Alternate Payee under a Qualified Domestic Relations Order.

ARTICLE XV ADMINISTRATION

15.01 Committee. The Directors may appoint a Committee to administer the Plan. The Committee will hold office at the pleasure of the Directors and will be a named fiduciary of the Plan. To the extent that the Directors have not appointed a Committee, the term Committee, as used in this Article, shall be deemed to refer to the Company.

15.02 Power. The Committee has full discretionary authority to administer and interpret the Plan, including discretionary authority to determine eligibility for participation and for benefits under the Plan, to appoint one or more investment managers, to correct errors, and to construe ambiguous terms. The Committee may delegate its discretionary authority and such duties and responsibilities as it deems appropriate to facilitate the day-to-day administration of the Plan and, unless the Committee provides otherwise, such a delegation will carry with it the fully discretionary authority to accomplish the delegation. Determinations by the Committee or the its delegate will be final and conclusive upon all persons.

15.03 Indemnification. The Participating Companies will indemnify and hold harmless the Directors, the members of the Committee, and any Employees, from and against any and all liabilities, claims, costs and expenses, including attorneys' fees, arising out of an alleged breach in the performance of their fiduciary duties under the Plan and under ERISA, other than such liabilities, claims, costs and expenses as may result from the gross negligence or willful misconduct of such persons. The Participating Companies shall have the right, but not the obligation, to conduct the defense of such persons in any proceeding to which this Section applies.

15.04 Expenses. All proper expenses incurred in administering the Plan will be paid from the Trust if not paid by the Participating Companies. If expenses are initially paid by a Participating Company, the Participating Company may be reimbursed from the Trust. Committee members will receive no compensation for their services in administering the Plan.

15.05 Allocation of Responsibility. Except to the extent provided in Section 405 of ERISA, no fiduciary shall have any liability for a breach of fiduciary responsibility of another fiduciary with respect to the Plan and Trust.

ARTICLE XVI AMENDMENTS

The Directors, by written action, may amend the Plan (prospectively or retroactively). The Directors may delegate this authority to a committee of Directors. Upon adoption, the amendment will become effective in accordance with its terms. Except as provided elsewhere in this Plan, no amendment will (a) cause Plan assets to revert to a Participating Company or to be used for purposes other than the exclusive benefit of Participants and Beneficiaries and payment of reasonable expenses, (b) deprive any Participant of a benefit already accrued, or (c) change the duties or liabilities of a Trustee without consent of the Trustee.

ARTICLE XVII TERMINATION, MERGER AND TRANSFER

17.01 Participating Companies. A Participating Company may, in its sole discretion, by written action of its board of directors or by a committee appointed by its board of directors, discontinue contributions to or terminate the Plan, in whole or in part, at any time with respect to its own Employees.

17.02 Company. The Directors reserve the right to terminate the Plan, at any time, in their sole and absolute discretion by written action. The Directors may delegate this authority to a committee of Directors. If the Plan is terminated with respect to all Participating Companies, the Trustees will pay to each Participant affected by the termination, or that Participant's Beneficiary, within a reasonable time, the net value of the Participant's Account in accordance with the written directions of the Committee; provided that, if termination of the Plan does not constitute a distribution event within the meaning of the requirements of Code Section 401(k), the Participants' Salary Deferral Contributions Account, Cash-or-Deferred Value Sharing Bonus Deferral Account, Matching Contributions Account, and Special Contributions Account will continue to be held in trust for subsequent distribution in accordance with the applicable requirements.

17.03 Determination of Partial Termination. A partial termination of the Plan will not be deemed to occur solely by reason of the sale or transfer of all or substantially all of the assets of a Participating Company, but will be deemed to occur only if there is a determination, either made or agreed to by the Committee, or made by the Internal Revenue Service and upheld by a decision of a court of last resort, that a particular event or transaction constitutes a partial termination within the meaning of Code Section 411(d)(3)(A).

17.04 Mergers and Transfers. This Plan may be merged or consolidated with another tax-qualified retirement Plan and assets and liabilities may be transferred from this Plan to any other retirement plan qualified under Section 401 of the Code if each Participant is entitled to receive from this Plan, or from the surviving or transferee plan, immediately after the merger, consolidation or transfer, a benefit equal to or greater than the benefit the Participant would have been entitled to receive under this Plan if this Plan had been terminated immediately before the merger, consolidation or transfer.

ARTICLE XVIII MISCELLANEOUS

18.01 Limitation of Rights. Participation in this Plan will not give to any Employee the right to be retained in the employ of an Affiliated Company, nor any right or interest in this Plan other than as provided in this Plan document.

18.02 Satisfaction of Claims. Any payment to (or on behalf of) a Participant, the Participant's legal representative or Beneficiary, in accordance with the terms of this Plan will, to the extent thereof, be in full satisfaction of all claims that person may have against the Trust, the Plan, each Trustee, the Committee and all Participating Companies, any of whom may require the recipient, as a condition precedent to such payment, to execute a receipt and release therefor in such form as shall be determined by the Trustee, the Committee or a Participating Company, as the case may be. The Participating Companies do not guarantee the Trust, the Participants, or their Beneficiaries against loss of or depreciation in value of any right or benefit that any of them may acquire under this Plan.

18.03 Construction. Although contributions made by the Participating Companies are not limited to profits, the Plan is intended to be a profit sharing plan. The Plan is to be construed and administered in accordance with ERISA and other pertinent federal laws and in accordance with the laws of the State of California to the extent not preempted by ERISA; provided, however, that if any provision is susceptible of more than one interpretation, such interpretation shall be given thereto as is consistent with the intent that this Plan and its related Trusts be exempt from federal income tax under Code Sections 401(a) and 501(a), respectively. The headings and subheadings of this instrument are inserted for convenience of reference only and are not to be considered in the construction of this Plan.

18.04 Severability. If a provision of this Plan is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Plan will remain fully effective.

18.05 Source of Benefits. All benefits payable under the Plan shall be paid and provided for solely from the Trust, and the Participating Companies assume no liability or responsibility therefor.

18.06 Transition Provisions. A Plan provision that refers to this Section 18.06 will not apply to Employees whose employment is governed by the terms of a collective bargaining agreement unless and to the extent that a Participating Company or its delegate enters into a written agreement with the relevant union to provide for the applicability of that provision. To the extent that a Plan provision is governed by this Section 18.06 and to the extent that no such written agreement has been entered into, the affected Employee will receive under this Plan the benefits, if any, that he or she would have received if The Clorox Company Profit Sharing Plan and The Clorox Company Tax Reduction

Investment Plan as in effect on December 31, 1995 had remained in effect.

IN WITNESS WHEREOF, the Company has caused this Plan to be executed this day of , 1996.

THE CLOROX COMPANY

By:

APPENDIX I: HIGHLY COMPENSATED EMPLOYEE

1.01 Definition. Highly Compensated Employee means, with respect to a Plan Year ("current year"), an Employee who, during the Plan Year or the preceding 12-month period: was a 5% owner within the meaning of Code Section 416(i)(1)(B)(i), received Remuneration from all Affiliated Companies in excess of \$75,000 (or a greater amount permitted under Code Section 414(q)(1)), received Remuneration from all Affiliated Companies in excess of \$50,000 (or a greater amount permitted under Code Section 414(q)(1)) and was among the top 20% of Employees when ranked on the basis of Remuneration paid during that year, or was at any time an officer and received Remuneration greater than 50% of the dollar limit under Code Section 415(b)(1)(A) for that year or (if no officer received such Remuneration), the officer who received the most Remuneration.

1.02 Top 100. For the current year, no Employee (other than a 5% owner) who was not a Highly Compensated Employee in the preceding year will be a Highly Compensated Employee unless the Employee is among the 100 Employees paid the greatest Remuneration by all Affiliated Companies in the current year.

1.03 Family. Members of a 5% owner's family, or of the family of a Highly Compensated Employee who is one of the 10 most Highly Compensated Employees, will be aggregated and treated as a single Employee, with a single Remuneration, and a single Plan benefit. "Family," for purposes of the preceding sentence, includes a Participant's spouse, and the Participant's lineal ascendant and descendants, and their spouses.

1.04 Top 20%. When determining the number of Employees in the top 20% of Employees by Remuneration, the Committee will exclude Employees who (i) have not completed 6 months of service, (ii) normally work less than 17-1/2 hours per week, (iii) normally work during not more than 6 months during any year, (iv) have not attained age 21, (v) are included in a unit of employees covered by a collective bargaining agreement (except to the extent provided in Treasury Regulations), (vi) are nonresident aliens and receive no earned income from a Participating Company that constitutes income from sources within the United States, or (vii) rendered no services to any Affiliated Company during the year.

1.05 Officers. No more than 50 Employees (or, if less, the greater of 3 Employees or 10% of the Employees) will be treated as officers.

1.06 Elections. Notwithstanding anything to the contrary in this Appendix, in the discretion of the Committee or its delegate, the determination of Highly Compensated Employees for any Plan Year will be made using the calendar year calculation election in Regulation 1.414(q)-3T Q&A 14 and/or using the simplified method for determining highly compensated employees contained in Code Section 414(q)(12), and/or using the snapshot method in IRS Revenue Procedure 95-34, and/or using the simplified method in IRS Revenue Procedure 93-42.

1.07 Affiliated Companies. This Appendix will be administered separately with regard to Affiliated Companies (if any) that are unrelated within the meaning of Code Section 414.

APPENDIX II: TESTING 401(K) AND MATCHING CONTRIBUTIONS

1.01 Individual Limit on Elective Deferrals.

- (a) Definition. "Elective Deferrals" means contributions on behalf of a Participant under a qualified cash or deferred arrangement described in Code Section 402(e)(3), under a simplified employee pension plan described in Code Section 408(k)(6), and under a salary reduction agreement to purchase an annuity contract described in Code Section 403(b).
- (b) Limit. A Participant's 401(k) Contributions under the Plan for any calendar year may not exceed the \$7,000 (indexed) limit of Code Section 401(a)(30).
- (c) Distribution. If a Participant notifies the Committee or its delegate following the close of the Participant's taxable year, pursuant to procedures established by the Committee or its delegate, that the Participant's total Elective Deferrals for the taxable year exceed the \$7,000 (indexed) limit of Code Section 402(g) or if 401(k) Contributions exceed the amount permitted by Code Section 401(a)(30), the excess, together with income earned on the excess during the calendar year will be distributed to the Participant by April 15 following the year in which the excess contribution was made. Income will be determined using a method used for allocating income to Participants' Accounts during the Plan Year and will not include income earned after the end of the Plan Year.

1.02 Limit on 401(k) Contributions.

- (a) Deferral Percentage means, for a group of Eligible Employees, the average of the ratios (calculated separately for each individual) of (i) to (ii) where (i) is the 401(k) Contributions allocated for the Plan Year to the individual, and (ii) is the Code Section 414(s) compensation of the individual for the Plan Year. The Deferral Percentage for an Eligible Employee who does not elect to make 401(k) Contributions is zero.
- (b) Family Member means, with respect to a Participant, the Participant's spouse, and the Participant's lineal ascendant and descendants and their spouses.
- (c) Family Group means a group of two or more Participants that includes a 5% owner, as defined in Code Section 416(i)(1)(B)(i), and/or one of the 10 most Highly Compensated Employees, and one or more of the Participants' Family Members.
- (d) \$150,000 Limit means that, with respect to this Appendix, the annual Code Section 414(s) compensation of any Participant taken into account in any Plan Year will be subject to the same \$150,000 (indexed) limit applied to the Plan's definition of Compensation.
- (e) Tests. 401(k) Contributions must satisfy one of the following tests:
- (i) The Deferral Percentage for Highly Compensated Employees must not be more than 125% of the Deferral Percentage for Non-Highly Compensated Employees.
- (ii) The Deferral Percentage for Highly Compensated Employees must not be more than 2 percentage points plus the Deferral Percentage for Non-Highly Compensated Employees.
- (f) Deferral Percentage Test Operational Rules.
- (i) Family Groups. To the extent required by law, a single Deferral Percentage will apply to all members of a Family Group, and will be the greater of (i) a Deferral Percentage determined by totalling the amounts credited as 401(k) Contributions to all members of the Family Group who are Highly Compensated Employees and dividing by the total Code Section 414(s) compensation received by these members, or
- (ii) a Deferral Percentage determined as in (i), but based on all members of the Family Group.
- (ii) Aggregated Plans. If 2 or more plans that include cash or deferred arrangements are considered a single plan for purposes of Code Section 401(a)(4) or Code Section 410(b) (other than for purposes of the average benefits test of Code Section 410(b)), the cash or deferred arrangements included in those plans will be treated as a single arrangement.
- (iii) Highly Compensated. If an eligible Highly Compensated Employee is a participant under two or more cash or deferred arrangements of an Affiliated Employer, for purposes of determining that Employee's Deferral Percentage, all such cash or deferred arrangements will be treated as a single cash or deferred arrangement.
- (iv) Disregarded Employees. Any Employee who is not, at any time during the Plan Year, eligible to authorize a 401(k) Contribution will be disregarded.
- (g) Satisfaction of Deferral Percentage Test.

(i) Reduction of Contributions. If, at any time, the Committee or its delegate determines that the Deferral Percentage test is not likely to be satisfied, the Committee or its delegate may reduce the 401(k) Contributions of Highly Compensated Employees or a Participating Company make a Special Contribution to the Plan.

(ii) Recalculation. If the Plan does not satisfy the Deferral Percentage test the Deferral Percentage for the Highly Compensated Employee with the greatest Deferral Percentage will be reduced to the extent required to enable the Plan to satisfy the Deferral Percentage test, or to cause the Deferral Percentage of the Highly Compensated Employee with the greatest Deferral Percentage to equal the Deferral Percentage of the Highly Compensated Employee with the next greatest Deferral Percentage. The Deferral Percentages of these Highly Compensated Employees will then be reduced together and this process will be repeated as necessary until the Plan satisfies the Deferral Percentage test.

(iii) Recalculation for Family Group. To the extent required by law, Deferral Percentages of members of a Family Group will be recalculated pursuant to Regulations applying Code Section 414(q)(6) to the Code Section 401(k).

(iv) Excess Contributions. A Highly Compensated Employee's excess contributions are the amount by which the 401(k) Contribution made on behalf of the Highly Compensated Employee for the Plan Year must be reduced pursuant to the recalculation provisions of this paragraph (2) for the Plan to satisfy the Deferral Percentage test. Subject to the following provisions, excess contributions will be distributed to the Participant for whom they were contributed.

(v) Adjustments. Distributions of excess contributions will be adjusted for income and loss using a method used for allocating income to Participants' Accounts during the Plan Year and they will be reduced by the excess deferrals distributed pursuant to Section 1.01 of this Appendix. Income earned after the end of the Plan Year will not be distributed. Federal, state or local income tax withholding obligations attributable to the distribution may be satisfied out of the distribution. Distributions of excess contributions will be reduced by distributions of excess deferrals. Unmatched 401(k) Contributions will be distributed before matched Salary Deferral Contributions. If matched 401(k) Contributions must also be distributed, they will be accompanied by the forfeiture of a proportionate share of Matching Contributions.

(vi) Timing. Excess contributions for a Plan Year will be distributed no later than the last day of the Plan Year immediately following the Plan Year for which the contributions were made.

1.03 Limit on Matching Contributions. Matching Contributions will be tested like 401(k) Contributions under the Limit on Salary Deferral Contributions provisions outlined above. In addition, 401(k) Contributions and Matching Contributions may be tested under the rules in Regulation 1.401(m)-2.

1.04 Affiliated Companies. All of this Appendix except Section 1.01 will be administered separately with regard to Affiliated Companies (if any) that are unrelated within the meaning of Code Section 414 and with regard to separate lines of business, if any, within the meaning of Code Section 414.

1.05 Collective Bargaining Units. The Deferral Percentage Test and any corrective action resulting from that test will be applied separately to Employees who are eligible to participate in the Plan as a result of a collective bargaining agreement ("CB Employees") and CB Employees will be excluded from the Limit on Matching Contributions testing referred to above. In the discretion of the Committee or its delegate, for purposes of this Appendix, CB Employees may be grouped based on the collective bargaining agreement that governs the terms of their employment or all CB employees may be treated as a single group.

APPENDIX III: LIMITATIONS ON ALLOCATIONS

1.01 Allocation Limitation Definitions. For purposes of this Appendix, the following definitions apply:

(a) "Annual Additions" shall mean for any Limitation Year the sum of the following amounts credited to a Participant's accounts in all qualified defined contribution plans maintained by an Employer: (i) Employer contributions, (ii) employee contributions, and (iii) forfeitures. In addition, amounts allocated to an individual medical account, as defined in Code Section 415(1)(2), which are part of a defined benefit plan maintained by an Employer, and amounts which are attributable to post-retirement medical benefits allocated to the separate account of a key employee, as defined in Section 419A(d)(3) of the Code, under a welfare benefit fund, as defined in Section 419(e) of the Code, maintained by an Employer, also shall be treated as Annual Additions.

(b) "Employer" includes a corporation which is a member of a controlled group of corporations or a trade or business which is under common control as defined in Section 414(b) or (c) of the Code (as modified by Section 415(h)); a service organization which is a member of an affiliated service group which includes an Employer adopting this Plan, as defined in Section 414(m) of the Code; a leasing organization with respect to which an Employer adopting this Plan is a "recipient" within the meaning of Section 414(n) of the Code; and any other entity required to be aggregated with an Employer pursuant to regulations under Section 414(o) of the Code.

(c) "Defined Benefit Fraction" shall mean a fraction, the numerator of which is the Projected Annual Benefit of the Participant under all defined benefit plans maintained by an Employer (determined as of the close of the Limitation Year) and the denominator of which is the lesser of:

(i) the product of 1.25 multiplied by the maximum dollar limitation under Section 415(b)(1)(A) of the Code, as adjusted in accordance with regulations issued by the Secretary of the Treasury, or

(ii) the product of 1.4 multiplied by an amount which is 100% of the Participant's average Remuneration for the three consecutive calendar years while he was a Participant in the plan in which his Remuneration was the highest.

A Participant's "Projected Annual Benefit" is the annual benefit (as defined in Treasury Regulation Section 1.415-3(b)(1)(i)) a Participant would receive if he continued employment, receiving his current Remuneration in each Limitation Year, until the later of age 65 or the Participant's current age, and if all relevant factors used to determine benefits under the Plan for the current Limitation Year remained constant for all future Limitation Years.

(d) "Defined Contribution Fraction" shall mean a fraction, the numerator of which is the sum of the Annual Additions to the accounts of the Participant in all defined contribution plans (as defined in Section 414(i) of the Code) maintained by an Employer (as of the end of the Limitation Year), and the denominator of which is the sum of the lesser of the following amounts determined for such Limitation Year and for each prior year of service with the Employer:

(i) the product of 1.25 multiplied by the maximum dollar limitation for a defined contribution plan under Section 415(c)(1)(A) of the Code (determined without regard to Section 415(c)(6) of the Code), as adjusted in accordance with regulations issued by the Secretary of the Treasury, or

(ii) the product of 1.4 multiplied by an amount equal to 25% of the Participant's Remuneration.

(e) The Company may elect that for purposes of determining the Defined Contribution Fraction, above, for any Limitation Year ending after December 31, 1982, the denominator for each Participant for Limitation Years ending before January 1, 1983, shall be an amount equal to the product of

(i) and (ii), below:

(i) The amount determined as the denominator of the defined contribution plan fraction under the provisions of Section 415 of the Code, which provisions were in effect for the Limitation Year ending in 1982, and which amount is determined in accordance with paragraph (d), above, for the year ending in 1982, multiplied by

(ii) A fraction in which the numerator is the lesser of (A) \$51,875, or (B) 1.4 multiplied by 25% of the Participant's Remuneration for the Limitation Year ending in 1981, and the denominator is the lesser of (C) \$41,500 or (D) 25% of the Participant's Remuneration for the Limitation Year ending in 1981.

(f) "Limitation Year" shall mean the Fiscal Year.

1.02 General Rule. Notwithstanding anything to the contrary contained in this Plan, the Annual Additions to a Participant's Account for any Plan Year shall not exceed the lesser of \$30,000 or 25% of the Participant's Remuneration for the Plan Year.

1.03 Excess Annual Additions. If the Annual Additions to a Participant's Account would exceed the limitation described in Section 1.02, the Participant's 401(k) Contributions (plus earnings) for the Limitation Year in which the excess Annual Additions arise shall be reduced and distributed to Participants in order that the limitation set forth in

Section 1.02 shall be met. If after such reduction, the Annual Additions to a Participant's Account still exceed the limitation described in Section 1.02, the Participant's Matching Contributions and then the Participant's Value Sharing Contributions for the Limitation Year in which the excess Annual Additions arise shall be reduced in order that the limitations set forth in Section 1.02 shall be met. The excess Annual Additions reduced shall be credited to a suspense account and shall be used to reduce Employer contributions to the Plan on behalf of all Participants in the next Plan Year and in succeeding Plan Years, as necessary. Excess amounts, while retained in a suspense account, shall not participate in the allocation of investment gains and losses until reapplied to the Participants Accounts and shall not be distributed to Participants. In the event of termination of the Plan, the suspense account shall revert to the Company to the extent that it may not then be allocated to any Participant's Account. Notwithstanding anything in the Plan to the contrary, an Employer shall not knowingly contribute any amount that would cause an allocation to a suspense account as of the date the contribution is allocated.

1.04 Participation in Defined Benefit Plan. If a Participant is also a participant in any defined benefit plan (as defined in Section 414(j) of the Code) maintained by an Employer, then in addition to the limitation contained in Section 1.02, the sum of (i) the Defined Benefit Fraction and (ii) the Defined Contribution Fraction with respect to such Participant shall not exceed 1.0. If the limitation of this Section 1.04 is exceeded, the Participant's benefit under the defined benefit plan shall be reduced in order to satisfy such limitation.

1.05 Aggregation of Plans. For purposes of this Appendix, all defined contribution plans of an Employer (whether or not terminated) shall be treated as one defined contribution plan, and all defined benefit plans of an Employer (whether or not terminated) shall be treated as one defined benefit plan of an Employer.

APPENDIX IV: TOP HEAVY PROVISIONS

1.01 Definitions. For purposes of this Appendix:

- (a) "Company" includes all employers aggregated under Sections 414(b), (c) and (m) of the Code.
- (b) "Determination Date" shall mean, in the case of the first Plan Year, the last day of such Plan Year, or, in the case of any other Plan Year, the last day of the preceding Plan Year. When more than one plan is aggregated, the determination of whether the plans are Top-Heavy shall be made at a time consistent with regulations issued by the Secretary of the Treasury.
- (c) "Key Employee" shall mean an Employee or former Employee and his or her Beneficiaries who, within the meaning of Section 416(i) of the Code and the regulations thereunder, is or at any time during the 4 preceding Plan Years has been:
 - (i) An officer of the Company whose annual Remuneration exceeds 150% of the amount in effect under Section 415(b)(1)(A) of the Code for any such Plan Year;
 - (ii) One of the 10 Employees whose annual Remuneration from the Company exceeds the limitation in effect under Section 415(c)(1)(A) and who owns or is considered as owning more than a 1/2% ownership interest and one of the 10 largest percentage ownership interests in the Company;
 - (iii) A 5% owner of the Company; or
 - (iv) A 1% owner of the Company having an annual Remuneration of more than \$150,000.

For purposes of this definition, no more than 50 employees (or, if less than 50, either 3 employees or 10% of all employees, whichever is greater) shall be treated as officers. For purposes of determining the number of officers taken into account, employees described in Section 414(q)(8) of the Code shall be excluded. In addition, for purposes of determining ownership percentages hereunder, the constructive ownership rules of Section 318 of the Code shall apply as provided by Section 416(i)(1)(B) of the Code. For purposes of paragraph (ii) above, if 2 Employees have the same interest in the Company, the Employee having greater annual compensation from the Company shall be treated as having a larger interest.

- (d) "Non-Key Employee" shall mean any Employee who is not a Key Employee.
- (e) "Permissive Aggregation Group" shall mean any other plans which the Company, in its discretion, elects to aggregate with the Required Aggregation Group, provided that the resulting group of plans satisfies Sections 401(a)(4) and 410 of the Code.
- (f) "Required Aggregation Group" shall mean (i) each plan of the Company in which a Key Employee participates (regardless of whether the Plan has terminated), and (ii) each other plan of the Company which enables any plan described in clause (i), above, to meet the requirements of Section 401(a)(4) or 410 of the Code.
- (g) "Top-Heavy" shall mean a plan in which, as of the Determination Date, the Top-Heavy Ratio exceeds 60%. The determination of whether a plan is Top-Heavy shall be made in accordance with Section 416(g) of the Code.
- (h) "Top-Heavy Ratio" shall mean for this Plan or the Required Aggregation Group or Permissive Aggregation Group, as applicable, the fraction, the numerator of which is the sum of the account balances under the aggregated defined contribution plans of all Key Employees as of the Determination Date (including any part of any account balance distributed in the 5-year period ending on the Determination Date) and the present value of accrued benefits (including any part of any accrued benefit distributed in the 5-year period ending on the Determination Date) under the aggregated defined benefit plans of all Key Employees as of the Determination Date, and the denominator of which 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) under the aggregated defined contribution plans for all Participants and the present value of accrued benefits under the defined benefit plans (including any part of any accrued benefit distributed in the 5-year period ending on the Determination Date) for all Participants as of the Determination Date, determined in accordance with Section 416 of the Code and the regulations thereunder. The accrued benefit of a Participant other than a Key Employee shall be determined under (a) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Company, or (b) if no such method exists, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(C) of the Code.

1.02 General Rule. Notwithstanding anything in this Plan to the contrary, the provisions of this Appendix will apply in the event that the Plan is determined to be Top-Heavy.

1.03 Minimum Contribution Requirement.

- (a) Notwithstanding anything in this Plan to the contrary, and subject to the limitations set forth in paragraph

(b) below, in any Plan Year in which the Plan is Top-Heavy, the Company shall contribute an additional amount so as to provide allocations for each Non-Key Employee who is employed on the last day of the Plan Year (whether or not such Non-Key Employee is otherwise a Participant) of Employer contributions under this Plan which equal 3% of the Participant's Remuneration provided, however, that if the Participant also participates in a defined benefit plan maintained by an Employer, the Participant shall receive, in lieu of such contribution, the minimum Top-Heavy benefit under the defined benefit plan.

(b) No minimum contribution will be required for a Participant under this Plan for any Plan Year if the Company maintains another qualified plan under which a minimum benefit or contribution is being accrued or made for such Participant in accordance with Section 416(c) of the Code.

1.04 Minimum Vesting Requirements. In each Plan Year in which the Plan is Top-Heavy, a Participant's nonforfeitable interest shall be determined under a schedule which is not less favorable than the following schedule:

If Years of Service Equal	Percentage of Account Vested
2	20%
3	34%
4	66%
5	100%

Any change in the Plan's vesting schedule resulting from a change in the Plan's Top-Heavy status shall be made in accordance with Article VIII of the Plan.

1.05 Adjustments to Limitations on Contributions and Benefits. If the Plan becomes Top-Heavy, (a) Sections 415(d)(2)(B) and (e)(3)(B) of the Code shall be applied by substituting "1.0" for "1.25"; and (b) Section 415(d)(6)(B)(i) of the Code shall be applied by substituting "\$41,500" for "\$51,875."

APPENDIX V: DISTRIBUTION PROVISIONS

The information contained in this Appendix is consistent with the Plan's distribution provisions, and is generally required by law to be explicitly stated in the Plan.

1.01 Incorporation by Reference of 401(a)(9) Regulations. Effective January 1, 1985, distributions will be made in accordance with the Regulations under Code Section 401(a)(9), including the minimum distribution incidental benefit requirement of Code Section 401(a)(9)(G).

1.02 Installment Distributions. Once a Participant has attained age 70-1/2, the amount of the installments distributed each calendar year must be at least an amount ("401(a)(9) amount") equal to the quotient obtained by dividing the Participant's entire interest in the Plan by the life expectancy of the Participant. Life expectancies will not be recalculated. To the extent that the minimum distribution requirements under Code Section 401(a)(9) are not satisfied for a given calendar year, an Employee will receive installments distributed each calendar year that are in an amount at least equal to the Employee's 401(a)(9) amount. Such an Employee will have a new Annuity Starting Date upon the occurrence of a standard distribution event under this Plan (e.g., the Employee's termination of employment or the termination of the Plan), and that Employee's subsequent Plan benefits will be redetermined to reflect prior benefit payments.

1.03 401(a)(9) Deferral Limitations for Participants. Notwithstanding anything to the contrary in this Plan, a Participant may not defer commencement of his or her benefits past his or her required beginning date. A Participant's required beginning date is April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2, or an earlier date on which payments have irrevocably begun as an annuity, unless the Participant satisfies one of the following conditions:

(a) Age 70-1/2 before 1988. If a Participant is not a 5% owner of an Affiliated Company, the Participant attained age 70-1/2 before January 1, 1988, and the Participant is still employed by an Affiliated Company, the Participant's required beginning date will be the date that he or she separates from service with an Affiliated Company.

(b) Age 70-1/2 in 1988. If a Participant is not a 5% owner of an Affiliated Company, the Participant attained age 70-1/2 in 1988, and the Participant is still employed by an Affiliated Company, the Participant's required beginning date will be April 1, 1990.

1.04 401(a)(9) Deferral Limitations for Beneficiaries.

(a) Death After Required Beginning Date. If a Participant dies after the Participant's required beginning date, the remaining portion of that Participant's Account will continue to be distributed at least as rapidly as under the method of distribution in effect before the Participant's death.

(b) Death Before Required Beginning Date. If the Participant dies before the Participant's required beginning date, distribution of the Participant's entire Account shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death, except to the extent that an election is made in accordance with the following paragraphs:

(1) Designated Beneficiary. If any portion of the Participant's Account is payable to a designated Beneficiary, distributions may be made for a period certain not greater than the life expectancy of the designated Beneficiary commencing on or before December 31 of the calendar year immediately following the calendar year in which the Participant died.

(2) Surviving Spouse. If the designated Beneficiary is the Participant's surviving spouse, the date that distributions payable for a period certain not greater than the life expectancy of the Participant's surviving spouse are required to begin to the Participant's surviving spouse shall not be earlier than the later of December 31 of the calendar year immediately following the calendar year in which the Participant died, and December 31 of the calendar year in which the Participant would have attained age 70-1/2.

(3) Death of Spouse. If the surviving spouse dies after the Participant, but before payments to the spouse begin, the provisions of this subsection, with the exception of paragraph (2), shall be applied as if the surviving spouse were the Participant.

1.05 TEFRA 242(b) Election. If a Participant made a written election, prior to January 1, 1984, to defer commencement of his or her distribution in a manner consistent with the Tax Equity and Fiscal Responsibility Act of 1982, such an election will be honored.

1.06 Timing. Subject to Regulation 1.411(a)-11(c)(7) and the provisions of this Plan, benefits of a former Participant shall become payable no later than 60 days after the last to occur of (a) the last day of the Plan Year in which the Participant attains age 65, (b) the last day of the Plan Year in which the Participant separates from employment with the Company, or (c) the 10th anniversary of the last day of the Plan Year in which the Participant commenced participation in the Plan.

1.07 Normal Retirement Date means the first day of the month coinciding with or next following a Participant's attainment of age 65 ("Normal Retirement Age").

APPENDIX VI: ADDITIONAL RULES FOR PUERTO RICAN PARTICIPANTS

1.01 Purpose and Effect. The purpose of this Appendix is to permit the Plan to comply with the requirements of Sections 1165 (a) and (e) of the Puerto Rico Internal Revenue Code of 1994 as amended ("PR-Code"). The provisions of this Appendix apply only to those Employees of Participating Companies whose Compensation is subject to Puerto Rico Income Tax (each a "Puerto Rico Participant").

1.02 Type of Plan. It is the intent of the Company that the Plan be a profit sharing plan as defined in Article 1165-1 of the proposed Puerto Rico Income Tax Regulations and that it include a qualified cash or deferred arrangement pursuant to Section 1165(e) of the PR-Code.

1.03 Puerto Rico Participant's Salary Deferral Contributions and Cash-or-Deferred Value Sharing Bonus Deferrals. In general, Puerto Rico Participants' Salary Deferral Contributions and Cash-or-Deferred Value Sharing Bonus Deferrals under the Plan may not exceed the lesser of 10% of the Puerto Rico Participant's Compensation or \$7,500 or such greater amount permitted by applicable Puerto Rican law; provided that such amount shall not exceed the amount set forth in Section 402(g) of the Code. This limit will be applied by aggregating all PR-Code Section 1165 retirement plans that are maintained by an Affiliated Company and that provide for elective deferrals.

1.04 Highly Compensated Puerto Rico Participant. Any Puerto Rico Participant who, determined on the basis of Remuneration for each Plan Year, has greater Remuneration than two-thirds of all other Puerto Rico Participants will be considered a Highly Compensated Puerto Rico Participant.

1.05 Limitations on Puerto Rico Participants Salary Deferral Contributions and Cash-or-Deferred Value Sharing Bonus Deferrals. For each Plan Year, in addition to satisfying the actual deferral percentage test of Code Section 401(k), the Plan will satisfy the average deferral percentage test of Section 1165(e)(3) of the PR-Code and the regulations thereunder. In no event will the actual deferral percentage of the Highly Compensated Puerto Rico Participants for any calendar year exceed the greater of:

- (a) The actual deferral percentage of all other Puerto Rico Participants for the calendar year multiplied by 1.25; or
- (b) The actual deferral percentage of all other Puerto Rico Participants for such calendar year multiplied by 2.0; provided that the actual deferral percentage of Highly Compensated Puerto Rico Participants does not exceed that of all other Puerto Rico Participants by more than two percentage points.

The "actual deferral percentage" of a group of Puerto Rico Participants for a Plan Year will be the average of the ratios, calculated separately for each Puerto Rico Participant in such group of the amount of Salary Deferral Contributions and Cash-or-Deferred Value Sharing Bonus Deferrals actually paid to the Trust on behalf of such Puerto Rico Participants for such Plan Year to the Remuneration of such Puerto Rico Participants for such Plan Year.

1.06 Rollover Contributions. A rollover contribution means a contribution to the Plan of the total amount paid or distributed by a qualified trust to a Puerto Rico Participant, if made in a manner which would constitute a Rollover Contribution as defined in the Plan and in Section 1165(b) (2) of the PR-Code.

1.07 Use of Terms. All terms and provisions of the Plan shall apply to this Appendix, except where the terms and provisions of the Plan and this Appendix conflict, the terms and provisions of this Appendix shall govern.

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