

TYSON FOODS INC

FORM 10-Q (Quarterly Report)

Filed 05/14/96 for the Period Ending 03/30/96

Address	2200 DON TYSON PARKWAY SPRINGDALE, AR 72762-6999
Telephone	479-290-4000
CIK	0000100493
Symbol	TSN
SIC Code	2015 - Poultry Slaughtering and Processing
Industry	Food Processing
Sector	Consumer/Non-Cyclical
Fiscal Year	09/30

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended March 30, 1996 OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 0-3400

TYSON FOODS, INC.

(Exact name of registrant as specified in its charter)

Delaware 71-0225165

(State or other jurisdiction of (I.R.S. Employer Identification No.)

incorporation or organization)

2210 West Oaklawn Drive, Springdale, Arkansas 72762-6999

(Address of principal executive offices and zip code)

(501) 290-4000

(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding March 30, 1996
Class A Common Stock, \$.10 Par Value	76,490,768 Shares
Class B Common Stock, \$.10 Par Value	68,454,388 Shares

TYSON FOODS, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TYSON FOODS, INC.
 CONSOLIDATED CONDENSED BALANCE SHEETS
 (In millions)

ASSETS	(Unaudited) March 30, 1996	September 30, 1995
<hr/>		
Current Assets:		
Cash and cash equivalents	\$ 33.2	\$ 33.1
Accounts receivable	555.7	494.7
Inventories:		
Finished and work-in-process	516.2	417.6
Live poultry and hogs	349.3	321.0
Seafood related products	79.1	75.1
Hatchery eggs and feed	67.0	58.6
Supplies	78.4	77.1
Total inventories	<hr/> 1,090.0	<hr/> 949.4
Other current assets	36.2	42.6
	<hr/>	<hr/>
Total Current Assets	1,715.1	1,519.8
Net Property, Plant, and Equipment	2,011.0	2,013.5
Excess of Investments over Net Assets Acquired	796.7	808.1
Investments and Other Assets	101.1	102.9
	<hr/>	<hr/>
Total Assets	\$4,623.9 =====	\$4,444.3 =====

The accompanying notes are an integral part of these financial statements.

TYSON FOODS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(In millions except per share data)

LIABILITIES AND SHAREHOLDERS' EQUITY	(Unaudited) March 30, 1996	September 30, 1995
<hr/>		
Current Liabilities:		
Notes payable	\$ 51.2	\$ 95.2
Current portion of long-term debt	218.2	269.0
Trade accounts payable	276.2	274.7
Other accrued liabilities	224.7	226.9
	<hr/>	<hr/>
Total Current Liabilities	770.3	865.8
Long-Term Debt	1,853.4	1,620.5
Deferred Income Taxes	473.5	479.7
Other Liabilities	8.3	10.6
Shareholders' Equity:		
Common stock (\$.10 par value):		
Class A-Authorized 900 shares;		
issued 79.7 shares at		
3-30-96 and 9-30-95	8.0	8.0
Class B-Authorized 900 shares;		
issued 68.5 shares at		
3-30-96 and 9-30-95	6.8	6.8
Capital in excess of par value	375.4	377.9
Retained earnings	1,211.6	1,162.3
Currency translation adjustment	(5.1)	(5.2)
	<hr/>	<hr/>
Less treasury stock, at cost-	1,596.7	1,549.8
3.2 shares at 3-30-96 and		
3.4 shares at 9-30-95	75.6	79.2
Less unamortized deferred compensation	2.7	2.9
	<hr/>	<hr/>
Total Shareholders' Equity	1,518.4	1,467.7
	<hr/>	<hr/>
Total Liabilities and Shareholders' Equity	\$4,623.9	\$4,444.3
	=====	=====

The accompanying notes are an integral part of these financial statements.

TYSON FOODS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(In millions except per share data)
(Unaudited)

	Three Months Ended		Six Months Ended	
	March 30, 1996	April 1, 1995	March 30, 1996	April 1, 1995
Sales	\$1,587.7	\$1,343.1	\$3,134.5	\$2,669.4
Cost of Sales	1,358.4	1,073.0	2,638.1	2,130.5
Gross Profit	229.3	270.1	496.4	538.9
Expenses:				
Selling	140.1	119.2	269.3	236.2
General and administrative	27.1	28.8	52.7	59.4
Amortization	6.9	6.4	13.8	12.9
Operating Income	55.2	115.7	160.6	230.4
Other Expense (Income):				
Interest	33.1	28.1	68.1	53.5
Foreign currency exchange	(1.7)	14.1	9.0	19.9
Other	.3	1.2	(2.8)	1.8
Income Before Taxes on Income and Minority Interest	23.5	72.3	86.3	155.2
Provision for Income Taxes	8.7	27.4	31.9	59.4
Minority Interest in Net Loss(Income) of Consolidated Subsidiary	(.4)	5.6	3.3	6.9
Net Income	\$ 14.4 =====	\$ 50.5 =====	\$ 57.7 =====	\$ 102.7 =====
Average Shares Outstanding	145.3 =====	145.0 =====	145.3 =====	145.0 =====
Earnings Per Share	\$0.10 =====	\$0.35 =====	\$0.40 =====	\$0.71 =====
Cash Dividends Per Share:				
Class A	\$0.0300 =====	\$0.0200 =====	\$0.0600 =====	\$0.0400 =====
Class B	\$0.0270 =====	\$0.0167 =====	\$0.0540 =====	\$0.0334 =====

The accompanying notes are an integral part of these financial statements.

TYSON FOODS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Six Months Ended	
	March 30, 1996	April 1, 1995
Cash Flows from Operating Activities:		
Net income	\$ 57.7	\$ 102.7
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	106.0	86.3
Amortization	13.8	12.9
Deferred income taxes	(6.2)	3.7
Foreign currency exchange loss	9.0	19.9
Minority interest	(3.3)	(6.9)
Loss on dispositions of property and equipment	1.4	3.4
Decrease in accounts receivable	(62.6)	1.9
Increase in inventories	(142.4)	(74.0)
Decrease in trade accounts payable	(1.8)	(29.2)
Net change in other current assets and liabilities	6.2	1.3
Cash Provided by Operating Activities	(22.2)	122.0
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(119.1)	(181.5)
Proceeds from sale of property, plant and equipment	5.5	6.2
Net change in other assets and liabilities	3.5	(15.6)
Cash Used for Investing Activities	(110.1)	(190.9)
Cash Flows from Financing Activities:		
Net change in notes payable	(44.0)	19.4
Proceeds from long-term debt	489.3	122.3
Repayments of long-term debt	(305.7)	(25.7)
Purchase of treasury shares	(1.3)	(26.9)
Other	(6.4)	(2.5)
Cash Provided by (Used for) Financing Activities	131.9	86.6
Effect of Exchange Rate Change on Cash	.5	(5.0)
Increase (Decrease) in Cash and Cash Equivalents	.1	12.7
Cash and Cash Equivalents at Beginning of Period	33.1	27.0
Cash and Cash Equivalents at End of Period	\$33.2	\$39.7
	=====	=====
Supplemental Cash Flow Information		
Cash paid during the period for:		
Interest	\$64.2	\$51.9
Income taxes	\$39.4	\$54.6

The accompanying notes are an integral part of these financial statements.

TYSON FOODS, INC.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

(Unaudited)

1. Accounting Policies

The consolidated condensed financial statements have been prepared by Tyson Foods, Inc. (the "Company"), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and accounting policies and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. Although the management of the Company believes that the disclosures are adequate to make the information presented not misleading, these consolidated condensed financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's latest annual report for the fiscal year ended September 30, 1995. The preparation of consolidated condensed financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. In the opinion of the management of the Company, the accompanying consolidated condensed financial statements contain all adjustments, consisting of normal recurring accruals necessary to present fairly the financial position as of March 30, 1996 and September 30, 1995, the results of operations for the three months and six months ended March 30, 1996 and April 1, 1995 and cash flows for the six months ended March 30, 1996 and April 1, 1995. The results of operations for the three months and six months ended March 30, 1996 and April 1, 1995, and cash flows for the six months ended March 30, 1996 and April 1, 1995, are not necessarily indicative of the results to be expected for the full year. Certain amounts in the April 1, 1995 consolidated condensed financial statements have been reclassified to conform with the March 30, 1996 presentation.

The Notes to Consolidated Financial Statements for the year ended September 30, 1995, reflect the significant accounting policies, debt provisions, borrowing arrangements, dividend restrictions, contingencies and commitments of the Company. There were no material changes in such items during the six months ended March 30, 1996, except as disclosed below.

2. Change in Accounting Principle

Effective October 1, 1995, the Company adopted Statement of Financial Accounting Standards No. 121 (SFAS No. 121), "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of." Under SFAS No. 121, impairment losses are recognized when information indicates the carrying amount of long-lived assets, identifiable intangibles and goodwill related to those assets will not be recovered through future operations or sale. Impairment losses for assets to be held or used in operations will be based on the excess of the carrying amount of the asset over the asset's fair value. Assets held for disposal, except for discontinued operations, will be carried at the lower of carrying amount or fair value less cost to sell. The effect of adopting SFAS No. 121 was not material.

TYSON FOODS, INC.

3. Stock-Based Compensation

The Company currently accounts for its stock-based compensation plans using the provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees"(APB 25).

In October 1995, the FASB issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation"(SFAS 123). Under the provisions of SFAS 123, companies can elect to account for stock- based compensation plans using a fair-value-based method or continue measuring compensation expense for those plans using the intrinsic value method prescribed in APB 25. SFAS 123 requires that companies electing to continue using the intrinsic value method must make pro forma disclosures of net income and earnings per share in its annual report as if the fair- value-based method of accounting had been applied. SFAS 123 will be effective for the Company's fiscal year ending September 1997. The Company intends to continue to account for stock-based compensation using the intrinsic value method, and accordingly, this pronouncement will not have an effect on the Company's financial position or results of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

FINANCIAL CONDITION

For the six months ended March 30, 1996, net cash totaling \$22.2 million was used for all operating activities. Operations provided \$178.5 million in cash offset by \$200.7 million used for net changes in receivables, inventories, payables and other items. Accounts receivable have increased from 1995 fiscal year-end due to increased export sales and an increase in total sales. Finished inventories have increased from 1995 fiscal year-end due to increased grain costs, more volume from expansion and other general inventory increases.

Financing activities provided net cash of \$131.9 million, mainly due to additional debt borrowings during the first six months of fiscal 1996. The Company primarily used funds generated from financing activities to fund \$119.1 million of property, plant and equipment additions. The expenditures for property, plant and equipment were related to acquiring new equipment and upgrading facilities in order to maintain competitive standing and position the Company for future opportunities. Additionally, the Company makes a continuing effort to increase efficiencies, reduce overall cost and meet or exceed environmental standards.

At March 30, 1996, working capital was \$944.8 million compared to \$654 million at 1995 fiscal year-end, an increase of \$290.8 million. The current ratio at March 30, 1996 was 2.2 to 1 compared to 1.8 to 1 at September 30, 1995. Working capital and the current ratio have increased since year-end primarily due to increases in accounts receivable and inventories and a decrease in notes payable and current portion of long-term debt. The Company's foreseeable cash needs for operations and capital expenditures will continue to be met through cash flows from operations and borrowings supported by existing credit facilities as well as additional credit facilities which the Company believes are available. Long-term debt has increased \$232.9 million since September 30, 1995. At March 30, 1996, long-term debt was 55% of total capitalization compared to 52.5% at September 30, 1995.

The Company has unsecured revolving credit facilities totaling \$1.5 billion which supports the Company's commercial paper program. The \$1 billion facility expires in May 2000. At March 30, 1996, \$1 billion was outstanding under this facility consisting of \$780 million in commercial paper and \$220 million drawn under the revolver. The \$500 million facility expires in May 1996. At March 30, 1996, the Company had \$363.1 million available under this revolving credit facility. Additional outstanding long-term debt at March 30, 1996, consisted of \$348.2 million of public debt, \$297.7 million of institutional notes, \$35 million of bank notes and \$172.5 million of other indebtedness.

TYSON FOODS, INC.

RESULTS OF OPERATIONS

Record high grain prices had a significant impact on our second quarter earnings. Additionally, earnings were impacted by the oversupply of all meats on the market and the recent uncertainty about sales of chicken to Russia.

Sales for the second quarter of fiscal 1996 increased 18.2% over the same quarter of fiscal 1995. This increase was largely due to an increase in consumer poultry sales which increased fiscal 1996 second quarter total sales by 17.6%. The tonnage volume of consumer poultry sales increased 28.3% offset slightly by a decrease in average sales prices of 3.5%. The decrease in average sales prices for consumer poultry is mainly due to the acquisition in September 1995 of two poultry operations which changed the overall product mix toward more lower priced products.

Beef and pork sales decreased fiscal 1996 second quarter total sales by 3.9% compared to the same quarter of fiscal 1995. The decrease in beef and pork sales was due to a 55.7% decrease in tonnage partially offset by a 31.6% increase in average sales prices. The decrease in tonnage is mainly due to the sale in the fourth quarter of fiscal 1995 of the Company's swine slaughter facility. In addition, the sale of this swine slaughter facility eliminated lower priced fresh pork from the product mix which accounts for the significant increase in average sales prices. On April 24, 1996, the Company announced its intention to sell its beef further-processing operations with plants in Texas and Iowa, as well as its pork further-processing facility in Holland, Michigan. (See Part II. Item 5. Other Information.)

Sales of Mexican food-based products and prepared foods as a group decreased fiscal 1996 second quarter total sales by 0.1%. This decrease was primarily due to a 4.3% decrease in average sales prices as well as a change in product mix, partially offset by a 2.4% increase in tonnage. Seafood sales increased fiscal 1996 second quarter total sales 0.7% due to a 20.3% increase in tonnage offset by a 5.7% decrease in average sales prices. The increase in seafood tonnage is mainly due to acquisitions at the end of the third quarter of fiscal 1995. The seafood operations continue to be affected by reduced quotas and other regulations which limit its source of supply. Second quarter sales of live swine, animal foods, by-products, and other as a group increased fiscal 1996 second quarter total sales by 3.9% compared to the same quarter of last fiscal year.

Sales for the first six months of fiscal 1996 increased 17.4% over the same period of fiscal 1995. This increase was largely due to an increase in consumer poultry sales which increased fiscal 1996 first six months total sales by 17.0%. The tonnage volume of consumer poultry sales increased 29.4% offset somewhat by a decrease in average sales prices of 5.2%. The decrease in average sales prices for consumer poultry is mainly due to the acquisitions in September 1995 of two poultry operations which changed the overall product mix toward more lower priced products. Another contributing factor to the decrease in average sales prices for consumer poultry was the devaluation of the Mexican peso, which substantially lowered average sales prices of the Company's Mexican poultry subsidiary, Trasgo S.A. de C.V. ("Trasgo").

TYSON FOODS, INC.

Beef and pork sales decreased fiscal 1996 first six months total sales by 3.9% compared to the same period of fiscal 1995. The decrease in beef and pork sales was due to a 54.6% decrease in tonnage partially offset by a 35.1% increase in average sales prices. The decrease in tonnage is mainly due to the sale in the fourth quarter of fiscal 1995 of the Company's swine slaughter facility. In addition, the sale of this swine slaughter facility eliminated lower priced fresh pork from the product mix which accounts for the significant increase in average sales prices.

Sales of Mexican food-based products and prepared foods as a group decreased fiscal 1996 first six months total sales by 0.1%. This decrease was primarily due to a 3.5% decrease in average sales prices as well as a change in product mix, partially offset by a 2.0% increase in tonnage. Seafood sales increased fiscal 1996 first six months total sales 0.6% due to a 15.8% increase in tonnage partially offset by a 1.8% decrease in average sales prices. The increase in seafood tonnage is mainly due to acquisitions at the end of the third quarter of fiscal 1995. Sales of live swine, animal foods, by-products, and other as a group increased fiscal 1996 first six months total sales by 3.8% compared to the same period of last year.

The increase in cost of goods sold of 26.6% for the second quarter of fiscal 1996 compared to the same quarter of fiscal 1995 was mainly the result of a significant increase in the cost of grain used in the Company's operations. Increases in the cost of ingredients used in feed for poultry and swine and the ingredients used in Mexican food-based operations are estimated to have increased cost of sales by \$98 million during the second quarter of fiscal 1996. Higher ingredient costs are anticipated to continue for a period of time and the effect on the Company's cost of sales will continue to be significant as these costs pass through inventories. The impact of high ingredient costs on the Company's operations is difficult to predict and is dependent upon various factors in the commodity grain market as well as the market for finished products. The Company's emphasis on adding value to its products through further-processing helps to offset a portion of the impact of increased ingredient costs. Further, the Company is making an effort to recover a portion of increased grain costs through increased sales prices. However, because of the current excess supply of poultry and alternative red meats in the market place there can be no assurance that such costs can be passed on to the consumer in the future through higher sales prices. As a percent of sales, cost of sales was 85.6% for the second quarter of fiscal 1996 compared to 79.9% in the second quarter of fiscal 1995.

The increase in cost of goods sold of 23.8% for the first six months of fiscal 1996 compared to the same period of fiscal 1995 was mainly the result of the increase in sales and a significant increase in the cost of grain used in the Company's operations. As a percent of sales, cost of sales was 84.2% for the first six months of fiscal 1996 compared to 79.8% in the same period of fiscal 1995.

Operating expenses increased 12.8% for the second quarter of fiscal 1996 over the same quarter of fiscal 1995. While selling expense has increased as sales volume has increased, selling expense as a percent of sales decreased to 8.8% for the second quarter of fiscal 1996 as compared to 8.9% for the second quarter of fiscal 1995. General and administrative expense,

TYSON FOODS, INC.

as a percent of sales, was 1.7% in the second quarter of fiscal 1996 compared to 2.1% in the same period last year. The reduction in general and administrative expense was primarily the result of a decrease in legal costs and various cost reduction initiatives instituted by management. Amortization expense was 0.4% of sales in the second quarter of fiscal 1996 compared to 0.5% of sales in the second quarter of fiscal 1995.

Operating expenses increased 8.8% for the first six months of fiscal 1996 over the same period of fiscal 1995. Selling expense as a percent of sales decreased to 8.6% for the first six months of fiscal 1996 as compared to 8.8% for the same period of fiscal 1995. General and administrative expense, as a percent of sales, was 1.7% in the first six months of fiscal 1996 compared to 2.2% in the same period last year. Amortization expense was 0.4% of sales in the first six months of fiscal 1996 compared to 0.5% of sales in the same period of fiscal 1995.

Interest expense increased 17.8% in the second quarter of fiscal 1996 compared to the same quarter of fiscal 1995. The Company had a higher level of borrowing, mainly to fund acquisitions, which increased the Company's average indebtedness by 37.5% over the same period last year. The Company's short-term interest rates were approximately 9.6% lower than the same period last year, which lowered the weighted average interest rate of all Company debt to 7.2% compared to 7.9% for the same period last year.

Interest expense increased 27.3% in the first six months of fiscal 1996 compared to the same period of fiscal 1995. The Company had a higher level of borrowing with the Company's average indebtedness increasing by 35% over the same period last year. The Company's short-term interest rates were approximately 3.7% higher than the same period last year, however the weighted average interest rate of all Company debt decreased to 7.3% compared to 7.5% for the same period last year.

The effective income tax rate for the second quarter and first six months of fiscal 1996 was 37%, compared to 37.9% and 38.3% in the same periods of fiscal 1995. In addition to reduced state income taxes, the tax rate was impacted by an adjustment to the liability for deferred income taxes to reflect the Company's current assessment of tax contingencies provided for in prior years.

Trasgo's results of operations for the second quarter increased the Company's consolidated net income by \$0.4 million. The devaluation of the Mexican peso adversely affected Trasgo's first six months of fiscal 1996 operating results. The Company's share of Trasgo's net loss for the first six months of fiscal 1996 reduced the Company's consolidated net income by \$3.3 million (\$0.02 per share). Management cannot predict the effect of exchange rates on Trasgo's future operating results.

ENVIRONMENTAL MATTERS

The Company has a strong financial commitment to environmental matters. During the first six months of fiscal 1996 the Company invested approximately \$22 million in water quality facilities, including capital outlays of \$3 million to build and upgrade facilities, and \$19 million for day-to-day operations of waste-water facilities.

TYSON FOODS, INC.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

On April 13, 1995, a purported shareholder's derivative action (the "Action") was filed by a single shareholder on the Company's behalf in the Court of Chancery of Delaware against the directors and principal shareholders of the Company. The Action alleges that such persons breached their fiduciary duties to the Company as a result of their approval and/or participation in certain transactions in fiscal year 1994 between the Company and various officers and directors or their affiliates, including certain lease, poultry supply, poultry grow-out, wastewater treatment and research and development service arrangements (such transactions being more fully described under the caption "Certain Transactions" in the Company's Proxy Statement for its 1995 Annual Meeting). Additionally, the Action alleges that the compensation and expense reimbursements paid to the Company's Senior Chairman in fiscal year 1994, and the expense reimbursements paid to him in fiscal year 1993, were excessive. The Action seeks various remedies, including (i) voiding of the challenged transactions and an accounting of profits derived therefrom, (ii) damages resulting from the challenged transactions and (iii) costs, expenses and attorney fees. The Company is named as a nominal defendant in the Action, but no claim has been asserted against it.

On May 10, 1995, the defendants filed a Motion to Dismiss the Action claiming failure by the plaintiff to (i) make a pre-suit demand for action by the directors of the Company, (ii) obtain personal jurisdiction over certain shareholder defendants and (iii) state a claim upon which relief can be granted. On July 6, 1995, the Court of Chancery entered a stipulated order dismissing the Action without prejudice as to certain of the non-director defendants. The Motion to Dismiss as to the remaining defendants is currently pending before the Court of Chancery. By Stipulation Order of said Court dated October 18, 1995, and pursuant to agreement of the parties, said Motion to Dismiss is being held in abeyance while settlement discussions occur.

Since the Action purports to be a shareholder's derivative suit, any recovery (except attorneys fees or other costs and expenses, if allowed) would not be paid to the plaintiff, but rather would be paid directly to the Company. The Company has undertaken to advance certain expenses of the director defendants and, if applicable, may be required to satisfy certain indemnification obligations with respect to such individuals. However, Management does not believe that the Action or such indemnification obligations will have a material adverse effect on the Company's financial position or results of operations.

Item 2. Changes in Securities

Not Applicable

Item 3. Defaults Upon Senior Securities

Not Applicable

TYSON FOODS, INC.

Item 4. Submission of Matters to a Vote of Security Holders

The following directors were elected at the annual shareholders' meeting held January 12, 1996:

DIRECTORS	VOTES FOR	VOTES WITHHELD
Neely Cassady	745,266,220	715,169
Lloyd V. Hackley	745,244,495	736,894
Shelby Massey	745,243,285	738,104
Joe F. Starr	745,286,431	694,958
Leland Tollett	745,288,650	692,739
Barbara Tyson	745,286,949	694,440
Don Tyson	745,287,620	693,769
John H. Tyson	745,277,609	703,780
Fred S. Vorsanger	745,262,065	719,324
Donald E. Wray	745,291,379	690,010

No other items were voted upon at the annual shareholders' meeting or during the quarter ended March 30, 1996.

Item 5. Other Information

On April 24, 1996, the Company announced its intention to sell its beef and pork further-processing operations. The beef further-processing operations include four plants located in Harlingen, Texas; Garland, Texas; Sioux Center, Iowa and Orange City, Iowa. The pork further-processing operations include one plant located in Holland, Michigan. The investment banking firm of CS First Boston Corporation was retained as financial advisor to assist the Company in pursuing the sale of these operations. To date no agreement has been reached for the sale of these operations and there can be no assurance if and when a sale will be consummated.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

The exhibits filed with this report are listed in the exhibit index at the end of this Item 6.

(b) Reports on Form 8-K:

There were no reports filed on Form 8-K during the quarter ended March 30, 1996.

TYSON FOODS, INC.

EXHIBIT INDEX

The following exhibits are filed with this report.

Exhibit No.		Page
3(a)	Certificate of Incorporation of the Company as amended (previously filed as Exhibit 3(a) to the Company's Registration Statement on Form S-4 filed with the Commission on July 8, 1992, Commission File No. 33-49368, and incorporated herein by reference).	
3(b)	Amended and Restated Bylaws of the Company (previously filed as Exhibit 3(a) to the Company's Annual Report on Form 10-K for the fiscal year ended October 1, 1994, Commission File No. 0-3400, and incorporated herein by reference).	
10(a)	Retirement Savings Plan of Tyson Foods, Inc. qualified under Section 401(k) of the Internal Revenue Code of 1986, as amended, originally effective as of October 3, 1987, as amended and restated through January 1, 1993; and Amendment Nos. 1-5 thereto.	17-81
10(b)	Profit Sharing Plan and Trust of Tyson Foods, Inc., as amended and restated through April 1, 1993; Amendment No. 1 thereto, effective April 1, 1995; and terminating resolution, effective March 31, 1996.	82-107
10(c)	Tyson Foods, Inc. Employee Stock Ownership Plan, as amended and restated through April 1, 1993; and terminating resolution, effective March 31, 1996.	108-138
10(d)	Tyson Foods, Inc. Employee Stock Purchase Plan, as amended and restated through April 1, 1993; and Amendment Nos. 1 and 2 thereto, effective April 1, 1996.	139-151
10(e)	Executive Savings Plan of Tyson Foods, Inc. effective April 1, 1991; and Amendment No. 1 thereto, effective April 1, 1996.	152-166
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TYSON FOODS, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TYSON FOODS, INC.

Date: May 13, 1996

/s/ Gerald Johnston

*Gerald Johnston
Executive Vice President,
Finance*

Date: May 13, 1996

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Corporate Controller*

RETIREMENT SAVINGS PLAN

OF

TYSON FOODS, INC.

(Restated Effective January 1, 1993)

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RETIREMENT SAVINGS PLAN

OF

TYSON FOODS, INC.

The Retirement Savings Plan of Tyson Foods, Inc. (the "Plan"), originally effective October 1, 1987, is hereby restated by Tyson Foods, Inc. (the "Employer"), effective January 1, 1993, in order to continue to provide a means for eligible employees to defer a portion of their compensation and to encourage savings to provide additional financial security for the future.

The Plan, as restated herein, reflects all amendments made by Employer as required by TRA 1986, OBRA 1987, TAMRA 1988, OBRA 1989, RRA 1990, the unemployment Compensation Act of 1992 and OBRA 1993, as well as numerous Treasury regulation changes since the previous restatement. The Plan, as restated herein, also reflects amendments associated with the mergers into this Plan, effective July 1, 1991, of the following qualified retirement plans (collectively the "Merged Plans"):

- (1) the Tyson Employee Retirement Income Savings Plan (the "Tyson Thrift Plan");
- (2) the Henry House, Inc. Employees Savings Plan;
- (3) the Victor F. Weaver, Inc. Retirement/Savings Plan;
- (4) the Holly Farms Corporation and Subsidiaries Employee Retirement Savings Plan for Hourly Employees; and
- (5) the Holly Farms Corporation and Subsidiaries Employee Retirement Savings Plan for Salaried Employees.

The Employer acknowledges receipt of all of the assets of the Merged Plans effective July 1, 1991. Accordingly, the assets of the Plan and its related Retirement Savings Trust of Tyson Foods, Inc. (the "Trust"), including the assets transferred from the Merged Plans, shall be held, administered and distributed for the purposes and in the manner set out in the following restated Plan, to-wit:

SECTION 1

DEFINITIONS

1.1 DEFINITIONS

(A) The following words and phrases shall have the meanings assigned below unless a different meaning is plainly required by the context:

- (1) "Accounting Date" shall mean the last day of each calendar month of each Plan Year subsequent to the Effective Date of the Plan and such other date or dates as may be established by the Committee during the Plan Year.
- (2) "Beneficiary" shall mean the person or persons on whose behalf benefits may be payable under the Plan after a Participant's death in accordance with the provisions hereof.

(3) "Break in Service" shall mean, with respect to a Non-Maritime Employee, the failure to complete more than 500 Hours of Service during a Plan Year, or, with respect to a Maritime Employee, the failure to complete more than 62 Days of Service during a Plan Year.

(4) "Committee" shall mean the administrative committee appointed from time to time to administer the Plan pursuant to the provisions of Section 12.1 hereof.

(5) "Company" shall mean Tyson Foods, Inc., and its successor or successors.

(6) "Compensation" shall mean the compensation actually paid to an Employee by the Employer as reported on the Employee's Federal income tax withholding statement (Form W-2) or its subsequent equivalent; exclusive however, of the following:

- (a) relocation pay;
- (b) any non-cash compensation;
- (c) commissions; and
- (d) compensation paid on an irregular or discretionary basis such as discretionary bonuses or special awards.

Provided, however, that for purposes of determining an individual's "average deferral percentage" and/or "average contribution percentage" under Sections 3.1(E) and 4.1(D) of the Plan, "Compensation shall include all of the items of income described in subparagraphs (a) through (d) of this Section 6.

Any amounts that would have been includable in the Employee's Compensation as described above if they had not received special tax treatment because they were deferred by the Employee through a salary reduction agreement shall be added to the amount described above and included in the Employee's "Compensation" for purposes of the Plan.

The annual Compensation of each Employee taken into account under the Plan shall not exceed \$200,000 or such other amount as may be specified by the Secretary of the Treasury pursuant to his duties under 401(a)(17) of the Code. In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for plan years beginning on or after January 1, 1994, the annual compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

For plan years beginning on or after January 1, 1994, any reference in this Plan to the limitations under section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision.

If Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current plan year, the Compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior

determination period. For this purpose, for determination periods beginning before the first day of the first plan year beginning on or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

For purposes of applying the above limit to a Highly Compensated Employee who is a 5% Owner (as defined in 416(i)(1) of the Code) or one of the ten most highly paid Highly Compensated Employees, the Highly Compensated Employee's family shall be treated as a single employee with one Compensation and the limit shall be allocated among the family members in proportion to each member's Compensation. For purposes of this paragraph, a Highly Compensated Employee's family shall include his or her spouse and his or her lineal descendants who have not reached the age of 19 before the end of the year.

The term "Compensation" is subject to any modifications that are applicable under Section 9.4 hereof during years, if any, that the Plan is top-heavy.

(7) "Controlled Group Member" shall mean:

(a) The Employer;

(b) Any corporation or association that is a member of a controlled group of corporations (within the meaning of 1563(a) of the Code, determined without regard to 1563(a)(4) and 1563(e)(3)(C) of said Code, except that, for the purposes of applying the limitations on benefits and contributions that are required under 415 of the Code and are described in Section 7.2 hereof, such meaning shall be determined by substituting the phrase "more than 50%" for the phrase "at least 80%" each place that it appears in 1563(a)(1) of said Code) with respect to which the Employer is a member;

(c) Any trade or business (whether or not incorporated) that is under common control with the Employer as determined in accordance with 414(c) of the Code and regulations issued thereunder; and

(d) Any service organization that is a member of an affiliated service group (within the meaning of 414(m) of the Code) with respect to which the Employer is a member.

(8) "Designated Nonparticipating Employer" shall mean:

(a) Any Controlled Group Member that is not an Employer as defined herein; and

(b) Any other corporation, association, proprietorship, partnership, or other business organization that (i) is not an Employer and (ii) the Company, by formal action on its part in the manner described in

Section 11.7 hereof designates on the basis of a uniform policy applied without discrimination as a "Designated Nonparticipating Employer" for the purposes of the Plan.

(9) "Effective Date of the Plan", as restated, shall mean January 1, 1993 or such later date as of which the Plan first became effective with respect to the particular Employer concerned. The original effective date of the Plan was October 1, 1987. Except as provided below, all amendments to the Plan as reflected herein were effective April 1, 1991. However, Sections 1.1(A)(1), (6), (10) and (17), 2.1, 7.2 and 8.4(B) were amended effective October 1, 1987; Sections 3.1(E), 3.2, 4.1(A), 4.1(D), 4.2, 8.1, 8.2, 8.3, 8.4(A), 8.6, 8.10(4) and (8), 9.2 and 9.4 were amended effective April 1, 1989; and Sections 1.1(A)(36), 3.2, 5.1, 5.3, 5.4 and 7.1 were amended effective January 1, 1993.

(10) "Employee" shall mean a "Maritime Employee" or a "Non-Maritime Employee", and shall include "leased employees" within the meaning of Sections 414(n) and (o) of the Code. "Maritime Employee" shall mean any person who, with respect to any Plan Year, is employed by the Employer in the "Maritime Industry". "Maritime Industry" is that industry in which Employees perform duties for the Employer on board commercial, exploratory,

service or other vessels moving on the high seas, inland waterways, Great Lakes, coastal zones, harbors and non-contiguous areas, or on offshore ports, platforms or other similar sites. "Non-Maritime Employee" shall mean any person, other than a "Maritime Employee", on the payroll of the Employer whose wages from the Employer are subject to withholding for the purposes of Federal income taxes and for the purposes of the Federal Insurance Contributions Act. Employee will not include any person (a) rendering services to the Employer as an independent contractor, (b) serving the Employer as a member of its Board of Directors and not otherwise employed by it, (c) not treated as an employee for purposes of Federal Insurance Contributions Act or (d) engaged only in an advisory or consulting capacity on a retainer or fee basis.

(11) "Employer" shall mean, collectively or distributively as the context may indicate, the Company and any other corporations, associations, joint ventures, proprietorships or partnerships that have adopted and are participating in the Plan in accordance with the provisions of Section 2.5 hereof; provided, however, if the Plan is adopted on behalf of the Employees of one or more, but less than all, divisions or facilities of an employer, the term "Employer" shall apply only to the divisions or facilities on behalf of whose Employees the Plan has been adopted.

(12) "Employer's Contributions" shall mean the amounts contributed by the Employer to the Plan on behalf of the Participants, as more fully described in Section 4.1 hereof.

(13) "Employer Contribution Account" shall mean the balance credited to the individual account of the Participant to reflect his interest in the Trust Fund that is attributable to the Employer's Contributions on his behalf to the Plan. If applicable, the Employer Contribution Account shall be divided into such subaccounts as are required to reflect the Participant's interest in the various Investment Funds, as described in Section 5 hereof.

(14) "Employment Commencement Date" means, in the case of a Non- Maritime Employee, the first date on which such Employee completes an "Hour of Service," or, in the case of a Maritime Employee, the first date on which such Employee completes a "Day of Service"; provided that in the case of a "Break in Service," an Employee's employment commencement date shall be the first day thereafter on which he completes an "Hour of Service" or "Day of Service", as the case may be.

(15) "Entry Date" shall mean the first day of each calendar month.

(16) "Family Member" shall mean an individual described in 414(q)(6)(B) of the Code.

(17) "Highly Compensated Employee" shall mean any Employee who, during the Determination Year or the Look-Back Year -

(A) was at any time a "5-percent owner" (as defined in 16(q)(3) of the Code, (B) received compensation in excess of \$75,000.

(C) received compensation in excess of \$50,000 and was in the Top-Paid Group of employees for such year, or (D) was at any time an officer and received compensation greater than 50 percent of the amount in effect under 415(b)(1)(A) of the Code for such year. The Secretary shall adjust the \$75,000 and \$50,000 amounts under this

Section at the same time and in the same manner as under 415(d) of the Code. For purposes of this Section (17), the term "compensation" shall have the meaning given such term by 414(q)(7) of the Code. An Employee not described in (B), (C) or (D) above for the Look-Back Year (without regard to this paragraph) shall not be treated as described in (B), (C) or (D) for the Determination Year unless such Employee is a member of the group

consisting of the 100 employees paid the greatest compensation during the Determination Year.

Determination Year means the Plan Year for which the determination of Highly Compensation Employee is being made. Look-Back Year means the twelve

(12) month period immediately preceding the Determination Year. An Employee is in the Top-Paid Group of employees for any year if such Employee is in the group consisting of the top 20 percent of the employees when ranked on the basis of compensation paid during such year. For purposes of (D), no more than 50 employees (or, if lesser, the greater of 3 employees or 10 percent of the employees) shall be treated as officers. If for any year no officer of the Employer is described in (D), the highest paid officer of the Employer for such year shall be treated as described in (D).

Special Rules for Certain Family Members:

(y) General Rule. If an Employee is a Family Member of a 5- percent owner (as described in subsection (A)) or of a Highly Compensated Employee in the group consisting of the 10 most highly compensated Employees who are Participants in this Plan for the Plan Year, then:

(1) such Employee will not be considered to be a separate Employee for purposes of computing the Deferral Percentage Tests or the Contribution Percentage Tests under the Plan;

(2) any compensation paid to such Employee and any contributions made to such Employee's Accounts, shall for purposes of the Deferral Percentage Tests and the Contribution Percentage Tests, be treated as if made to or on behalf of such Employee's Family Member who is a 5-percent owner or is one of the 10 most highly compensated Employees;

(z) Family Members. For purposes of this subsection, the term "Family Member" shall mean with respect to an Employee, (1) the Employee's spouse; (2) the Employee's lineal ascendants and descendants; and (3) the spouses of such lineal ascendants and descendants.

"Non-Highly Compensated Employee" shall mean an Employee who is neither a Highly Compensated Employee nor a Family Member (as defined above) of a Highly Compensated Employee.

(18) "Hour of Service" means:

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the Employee for the computation period in which the duties are performed; and

(b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Hours under this subparagraph (b) shall be calculated and credited pursuant to 2530.200(b)-2 of the Department of Labor Regulations which are incorporated herein by this reference; and

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same hours of service shall not be credited both under subparagraph (a) or (b), as the case may be, and under this subparagraph (c). These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made; and

(d) Hours of service credited to Employees whose compensation is not determined on the basis of certain amounts for each hour worked

during a given period and whose hours are not required to be counted and recorded by a separate federal statute such as the Fair Labor Standards Act shall be at the rate of 45 hours of service for each week that the Employee is entitled to be credited with at least one "hour of service" under the provisions of this section.

(19) "Initial Distribution Date" shall mean the date which is established following the Participant's termination of service for any reason pursuant to Section 8.1 hereof for distribution of the value in his individual accounts.

(20) "Internal Revenue Code" or "Code" shall mean the Internal Revenue Code of 1986, as now or hereafter amended from time to time.

(21) "Limitation Year" shall mean the year used for application of the limitations of 415 of the Code, and, unless the Employer elects a different Limitation Year by formal action on its part in the manner described in Section 11.7 hereof, shall be the Plan Year.

(22) "Participant" shall mean any person who has met the requirements of Section 2.1 hereof and whose individual accounts have not been subsequently distributed in full. "Active Participant" shall mean any Participant who is currently making Salary Deferral Contributions to the Plan.

(23) "Plan" shall mean the Retirement Savings Plan of Tyson Foods, Inc., originally adopted effective October 1, 1987, restated effective April 1, 1991 as set forth in this instrument and as it may hereafter be amended from time to time.

(24) "Plan Year" shall mean the fiscal year on which the records of the Plan are kept as reported from time to time by the plan administrator to the Internal Revenue Service. The Plan Year, unless subsequently changed in accordance with the rules or regulations issued by the Internal Revenue Service or the Department of Labor, shall be the 12 month period beginning April 1 of a given calendar year and ending on March 31st of the following calendar year.

(25) "Rollover Contributions" shall mean the amounts of Rollover Contributions, if any, made by an Employee to the Plan, as more fully described in Section 3.2 hereof.

(26) "Rollover Contribution Account" shall mean the balance credited to the account of the Participant to reflect his interest in the Trust Fund that is attributable to his Rollover Contributions, if any, to the Plan as described in Section 3.2 hereof. The Rollover Contribution Account shall be divided into such subaccounts as are required to reflect the Participant's interest in the various Investment Funds, as described in Section 5 hereof.

(27) "Salary Deferral Contributions" shall mean the contributions made by the Employer on behalf of the Participant pursuant to Section 3.1 hereof. "Matched Salary Deferral Contributions" shall mean Salary Deferral Contributions that are not in excess of 2% of the Participant's Compensation for the Plan Year. "Unmatched Salary Deferral Contributions" shall mean Salary Deferral Contributions that are in excess of 2% of the Participant's Compensation for the Plan Year.

(28) "Salary Deferral Contribution Account" shall mean the balance credited to the individual account of the Participant to reflect his interest in the Trust Fund that is attributable to his Salary Deferral Contributions to the Plan. If applicable, the Salary Deferral Contribution Account shall be divided into such subaccounts as are required to reflect the Participant's interest in the various Investment Funds, as described in Section 5 hereof.

(29) "Salary Reduction Agreement" means an agreement between a Participant and the Employer under which the Employer reduces the Participant's Compensation and the Employer contributes the amount of the

reduction to the Plan on behalf of the Participant as a Salary Deferral Contribution.

(30) "Supplement" shall mean any Supplement that is attached to and made a part of the Plan and which describes provisions or modifications to the Plan which apply only to those employees of an Employer or Employers specified in such supplement.

(31) "Total and Permanent Disability" means disability which, in the opinion of the Committee, causes a Participant to be totally and presumably permanently disabled, due to sickness or injury, so as to be completely unable to perform any and every duty pertaining to his occupation from a cause other than specified below:

(a) Excessive and habitual use by the Participant of drugs, intoxicants or narcotics;

(b) Injury or disease sustained by the Participant while willfully and illegally participating in fights, riots, civil insurrections or while committing a felony;

(c) Injury or disease sustained by the Participant while serving in any armed forces;

(d) Injury or disease sustained by the Participant diagnosed or discovered subsequent to the date his service has terminated;

(e) Injury or disease sustained by the Participant while working for anyone other than the Employer and arising out of such employment; or

(f) Injury or disease sustained by the Participant as a result of an act of war, whether or not such act arises from a formally declare state of war.

(32) "Trust" and "Trust Fund" shall mean the trust fund established pursuant to the terms of the Trust Agreement.

(33) "Trust Agreement" shall mean the Retirement Savings Trust of Tyson Foods, Inc., adopted effective as of October 1, 1987, as set forth in the agreement of that title to which the Plan is attached and as it may thereafter be amended from time to time.

(34) "Trustee" shall mean the corporate trustee or trustees or the individual trustee or trustees, as the case may be, appointed from time to time pursuant to the provisions of the Trust Agreement to administer the Trust Fund maintained for the purposes of the Plan.

(35) "Unallocated Limitation Account" shall mean that portion of the Employer's Contribution, if any, which is being held unallocated due to the provisions of Section 7.2 hereof.

(36) "Valuation Date", effective for the Plan Year quarter beginning January 1, 1993, shall mean the last day of the months of March, June, September and December.

(37) "Year of Service" means each twelve consecutive month period during which a Non-Maritime Employee has at least one thousand (1,000) Hours of Service, or, in the case of a Maritime Employee, 125 Days of Service. For determining an Employee's eligibility under the Plan, his "eligibility computation period" shall begin on the "employment commencement date" for such Employee; thereafter, the eligibility computation period shall be the "Plan Year", beginning with the Plan Year which includes the first anniversary of a Participant's employment commencement date. For determining a member's vested and nonforfeitable interest in his Employer Contribution Account, the "vesting computation period" shall be the Plan Year. For purposes of determining vesting, eligibility to participate and Employer Matching Contributions under the Plan, Years of Service with a "Controlled Group Member" (as defined above) and Years of Service with Holly Farms Corporation or any of its subsidiaries or affiliates that at any time were included in the

"controlled group of corporations" (as defined in Code 414(b)) with such corporation shall be included. Otherwise, there shall not be counted any Hours of Service or Days of Service for an employee of an employer which is a party to a merger, acquisition or other business combination under which the Company or any of its subsidiaries is the acquiring party, prior to the date of such merger, acquisition or other business combination unless specifically provided otherwise in the contracts governing such merger, acquisition or combination or required by 414(a) of the Code and any Regulations promulgated thereunder. For purposes of determining Years of Service for any Employee who may be both a Maritime Employee and a Non-Maritime Employee in any computation period, such determination shall be made as if the Employee were a Non-Maritime Employee and in determining the Employee's Hours of Service for such period, the Employee's Days of Service shall be multiplied by eight (8) and then added to the Employee's Hours of Service credited while a Non-Maritime Employee.

(38) "Day of Service" means:

- (a) Each day for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These days shall be credited to the Employee for the computation period in which the duties are performed; and
- (b) Each day for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Days under this subparagraph (b) shall be calculated and credited pursuant to 2530.200(b)-7 of the Department of Labor Regulations which are incorporated herein by this reference; and
- (c) Each day for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same days of service shall not be credited both under subparagraph (a) or (b), as the case may be, and under this subparagraph (c). These days shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made. (B) The terms "herein," "hereof," "hereunder" and similar terms refer to this document, including the Trust Agreement of which this document is a part, unless otherwise qualified by the context. (C) The pronouns "he," "him" and "his" used in the Plan shall also refer to similar pronouns of the feminine gender unless otherwise qualified by the context.

SECTION 2 PARTICIPATION

2.1 ELIGIBILITY FOR INITIAL PARTICIPATION Each Employee shall become a Participant in the Plan on the first Entry Date (as defined above) following the date the Employee becomes an "Eligible Employee," as defined hereafter. For purposes of this Plan, an "Eligible Employee" shall mean an Employee who has completed a Year of Service (as defined above); provided, however, that there shall be excluded from the definition of Eligible Employee (i) any Employee who is a member of a collective bargaining unit and who is covered by a collective bargaining agreement which does not provide for coverage of such Employee under this Plan, (ii) any Highly Compensated Employee who, as of April 1 of any Plan Year, is determined by the Company to be eligible to participate

in the Company's Executive Savings Plan, and (iii) any leased employee within the meaning of 414(n) and (o) of the Code.

2.2 ACTIVE PARTICIPATION Each Eligible Employee in the service of the Employer on or after the Effective Date of the Plan may elect to become an Active Participant in the Plan as of the date on which he first becomes a Participant by completing and filing a written application for Active Participation in the Plan with the Committee in which he agrees to make the Salary Deferral Contributions as described in Section 3.1(A) hereof. Each Eligible Employee who completes and files such application with the Committee on or prior to the date as of which he first becomes a Participant in the Plan (or as of such later date as is administratively practicable with respect to any such Eligible Employee on the Effective Date of the Plan) shall become an Active Participant in the Plan as of the date on which he first becomes a Participant. Each Eligible Employee who does not become an Active Participant in the Plan as of the date on which he first becomes a Participant may become an Active Participant in the Plan as of the first day of any subsequent payroll period by completing and filing such application for participation in the Plan with the Committee at least 30 days prior to such applicable date.

2.3 LEAVE OF ABSENCE AND TERMINATION OF SERVICE (A) Any absence from the active service of the Employer by reason of an approved absence granted by the Employer because of accident, illness, layoff with the right of recall or military service, or for any other reason on the basis of a uniform policy applied by the Employer without discrimination, will be considered a leave of absence for the purposes of the Plan and will not terminate an Employee's service provided he returns to the active service of the Employer at or prior to the expiration of his leave or, if not specified therein, within the period of time which accords with the Employer's policy with respect to permitted absences. Absence from the active service of the Employer because of compulsory engagement in military service will be considered a leave of absence granted by the Employer and will not terminate the service of an Employee if he returns to the active service of the Employer within the period of time during which he has reemployment rights under any applicable Federal law or within 90 days from and after discharge or separation from such compulsory engagement if no Federal law is applicable. No provision of this section or in the Plan shall require reemployment of any employee whose active service with the Employer was terminated by reason of military service. If the Employee does not return to the active service of the Employer at or prior to the expiration of his leave of absence as above defined, his service will be considered terminated as of the earliest of (i) the date on which his leave expired, (ii) the first anniversary of the date on which the leave began or (iii) the date of his retirement, quit, discharge, resignation or death. In the event that an Employee's service with the Employer is interrupted because of any absence from the active service of the Employer which is not deemed a leave of absence as defined above, his service will be considered terminated as of the date of his retirement, quit, discharge, resignation or death or, if his service is interrupted for any other reason, as of the first anniversary of the date on which he was first absent from the active service of the Employer. Transfers of an Employee's service among the Employer and Designated Nonparticipating Employers shall not be deemed interruptions of his service

and shall not constitute a termination of service for the purposes of the Plan.

(B) For any Employee who is absent from work by reason of (i) the pregnancy of the Employee; (ii) the birth of a child of the Employee; (iii) the placement of a child with the Employee in connection with the adoption of such child by the Employee; or (iv) for purposes of caring for a child for a period beginning immediately following the birth or placement of such child, the Plan shall treat as Hours of Service, for determining a Break in Service for purposes of eligibility and vesting, the Hours of Service which otherwise would have been normally credited to the Employee, but for such absence or, in the event the Plan is unable to determine the Hours of Service normally to be credited, eight (8) Hours of Service per day of such absence.

(C) Except as otherwise required by applicable federal and state law, the total number of hours treated as Hours of Service under this section shall not exceed 501 hours and the total number of days treated as Days of Service shall not exceed 63 days. The Hours of Service or Days of Service attributable to an Employee shall be credited to the Employee in the Plan Year in which begins the absence from work if the Employee would be prevented from incurring a Break in Service. In any other case, such Hours of Service or Days of Service shall be credited in the immediately following year. In the discretion of the Trustee, an Employee may be required to furnish information that the absence from work qualifies under this section and/or the number of days or weeks of such absence.

2.4 PARTICIPATION FOLLOWING REEMPLOYMENT (A) Each Employee whose service is terminated and who is subsequently reemployed by the Employer shall be treated under the Plan upon such reemployment as though he then first entered the employment of the Employer; except that:

(1) if he was previously a Participant in the Plan or if he had met the service requirements for participation in the Plan as of his previous date of termination of service, he shall be deemed for the purposes of Section 2.1 hereof to have met the service requirements for participation in the Plan as of his date of reemployment if he is reemployed prior to April 1, 1993; and

(2) effective April 1, 1993, if an Employee who has incurred a Break in Service subsequently is reemployed on or after April 1, 1993, his Years of Service before such break shall not be required to be taken into account for eligibility purposes until the Employee has completed a new Year of Service following such break; provided, that if such Employee was a Participant at the time of such Break in Service, then upon completion of the new Year of Service, he will be treated as a Participant retroactively from his date of reemployment, but not for purposes of making deferrals or sharing in any Employer contributions for any payroll period ending prior to the date he completes such new Year of Service. (B) Except as provided in Section 8.10 hereof with respect to certain permissible in-service withdrawals, respectively, no further distributions shall be made from the individual accounts on and after the date of reemployment and prior to the next following Initial Distribution Date of any Participant described in Section 2.4(A) above who is reemployed prior to having received his total distribution. Any such previously undistributed individual account (or accounts) shall be maintained on behalf of the Participant on and after his date of reemployment and shall be subject to adjustment on each following Valuation Date as specified in Section 7.1 hereof.

(C) Any such Participant to whom the provisions of this Section 2.4 apply who was not entitled, for any reason, to an allocation under the provisions of Section 7.4 hereof on the Accounting Dates, if applicable, which occurred between the date of his termination of service and his date of reemployment, shall not be entitled to a retroactive allocation under such section solely because of the provisions of this Section 2.4. (D) The rights of any terminated employee of a Designated Nonparticipating Employer who is reemployed by an Employer as an Employee shall be determined in accordance with the provisions of the Plan in the same manner as though he had been an Employee of the Employer on the date of termination of his service; and the rights of any terminated Employee of an Employer who is reemployed by a Designated Nonparticipating Employer shall be determined in accordance with the provisions of the Plan in the same manner as though such Employee had been reemployed by the Employer and had immediately thereafter been transferred to such Designated Nonparticipating Employer.

2.5 RIGHTS OF OTHER EMPLOYERS TO PARTICIPATE IN THE PLAN (A) Any other corporation, association, joint venture, proprietorship, or partnership may, in the future, adopt the Plan by written action on its part in the manner described in Section 11.7 hereof provided that the board of directors of the Company and the Committee both approve such participation. (B) The administrative powers and control of the board of directors of the Company, as provided in the Plan, shall not be deemed diminished under the Plan by reason of participation of any other Employers in the Plan, and such administrative powers and control specifically granted herein to the board of directors of the Company with respect to the appointment of the Committee, amendment of the Plan and other matters shall apply only with respect to the board of directors of the Company.

(C) The Plan is a single plan with respect to all Employers unless the board of directors of the Company specifically provides that the Plan shall be a separate plan with respect to any Employer or group of Employers. (D) Any Employer may withdraw at any time without affecting the other Employers in the Plan by furnishing written notice to the Committee and the Trustee of its determination to withdraw. The board of directors of the Company may in its absolute discretion terminate any Employer's participation at any time.

2.6 PARTICIPATION AND BENEFITS FOR PARTICIPANTS TRANSFERRED TO OR FROM STATUS AS AN EMPLOYEE It is contemplated that a Participant in the Plan may be transferred to a Designated Nonparticipating Employer so that he will no longer qualify as an Employee as defined herein, and, conversely, that a person in the employment of a Designated Nonparticipating Employer may be transferred to the status of an Employee as defined herein. The service of such a person described above shall not be considered to be interrupted or terminated by reason of any such transfer and a termination of service with the Designated Nonparticipating Employer while not qualified as an Employee shall be treated in the same manner as a termination of service with an Employer while qualified as an Employee. In determining eligibility for participation in the Plan of such an Employee with respect to whom the provisions of this Section 2.6 are applicable, any period of employment, which otherwise would be included in accordance with the provisions of Section 2.1 hereof, which he accrued with the Designated Nonparticipating Employers while not qualified as an Employee as defined herein shall be

included; provided, however, that any such person transferred to the status of an Employee shall not be eligible to become a Participant in the Plan prior to the date on which he becomes an Employee as defined herein. The accounts of any such Participant who has been transferred from the status of an Employee shall be maintained on his behalf during the period that he is in the employment of the Employer or Designated Nonparticipating Employer while not qualified as an Employee in the same manner as though the Participant were on an unpaid leave of absence granted by the Employer during such period, but he shall not be eligible to make Salary Deferral Contributions for any period subsequent to his date of change in status and while he is not an Employee as defined herein.

SECTION 3 SALARY DEFERRAL CONTRIBUTIONS AND ROLLOVER CONTRIBUTIONS

3.1 SALARY DEFERRAL CONTRIBUTIONS

(A) Amount of Salary Deferral Contributions: Subject to Section 3.1(E) below and to such rules of uniform application as the Committee may adopt, each Eligible Employee, in order to become and remain an Active Participant in the Plan, must elect to have the Employer make Salary Deferral Contributions through payroll deduction on his behalf pursuant to a Salary Reduction Agreement of any amount that is an integral percentage of not less than 2% nor more than 15% of his Compensation for the applicable payroll period; provided, however, any such Participant's Salary Deferral Contributions shall not exceed (i) an amount which would cause his annual addition to exceed the maximum amount of annual addition which may be made for the Limitation Year under Section 7.2 hereof, or (ii) \$7,000 (as adjusted from time to time by the Secretary of the Treasury at the same time and in the same manner as under 415(d) of the Code) for any calendar year. Salary Deferral Contributions that are not in excess of 2% of the Participant's Compensation for the Plan Year are referred to herein as "Matched Salary Deferral Contributions" and are matched by the Employer's Contribution to the extent specified in Section 4.1 hereof. Salary Deferral Contributions that are in excess of 2% of the Participant's Compensation for the Plan Year are referred to herein as "Unmatched Salary Deferral Contributions" and are not matched by the Employer's Contribution.

(B) Initial Authorization for Salary Deferral Contributions: All Salary Reduction Agreements shall be in writing and Salary Deferral Contributions made pursuant to such agreement shall be authorized in writing by the Participant and shall be filed with the Committee. Any such Salary Reduction Agreement shall continue in effect for as long as the Participant remains an Employee or until he elects to suspend or change his rate of Salary Deferral Contributions to the Plan as provided in Section 3.1(C) below.

(C) Right of Participant to Suspend or Change His Rate of Salary Deferral Contributions: Except as set forth below, a Participant may suspend or change his rate of his Salary Deferral Contributions effective as soon as administratively practicable as of the end of any subsequent payroll period; however, a Participant may change his deferral rate only twice in any calendar year without the consent of the Committee, and except as provided in Section 3.1(E) below with respect to certain required suspensions, a Participant who suspends his Salary Deferral Contributions may not resume such contributions for a period of six months following the effective date of such suspension. Any such change of rate, suspension or resumption of Salary Deferral Contributions must be made by the Participant

in writing filed with the Committee at least 30 days prior to the effective date of the change, suspension or resumption. A Participant whose Salary Deferral Contributions are suspended during a period of leave of absence or who is reemployed following a termination of service may elect, upon his return to active employment with the Employer, to have the Employer resume Salary Deferral Contributions on his behalf to the Plan. Any such election shall be in writing filed with the Committee and shall specify the percentage of Salary Deferral Contributions to be deducted from his Compensation.

(D) Crediting and Depositing Salary Deferral Contributions: The Salary Deferral Contributions to the Plan shall be paid by the Employer to the Trustee as promptly as practicable after they are deducted from the Participant's Compensation (but in any event not later than 30 days after the close of the Plan Year for which the contributions are deemed to be made) and shall be credited to the Participant's Salary Deferral Contribution Account as of the Accounting Date next following the date the contributions were deducted in accordance with Section 7.3 hereof. The Participant's Salary Deferral Contribution Account shall at all times be 100% vested and, except as provided in Section 8.10 hereof with respect to certain permissible in-service withdrawals, Section 14 with respect to Plan Loans and Section 11.4 with respect to termination or partial termination of the Plan, distribution of such account shall be made upon termination of his service in accordance with the provisions of Section 8 hereof.

(E) Salary Deferral Contributions Subject to Nondiscrimination Requirements of 401(k) of the Code: For any given Plan Year the "average deferral percentage" (as defined herein) for all Eligible Employees who are Highly Compensated Employees for such Plan Year may not exceed the greater of:

(a) One and one-quarter (1.25) times the "average deferral percentage" for all Eligible Employees who are Non-highly Compensated Employees for such Plan Year; or

(b) Two (2.0) times the "average deferral percentage" for all Eligible Employees who are Non-highly Compensated Employees for such Plan Year, but not more than the sum of (i) 2% and (ii) the "average deferral percentage" for all Eligible Employees who are Non-highly Compensated Employees.

An individual "deferral percentage" is calculated for each Eligible Employee each Plan Year by dividing his Salary Deferral Contributions, if any, to the Plan during the Plan Year by his Compensation for the Plan for the Plan Year. Effective April 1, 1993, an Eligible Employee's Compensation for the purposes of calculating his deferral percentage will include only such Compensation earned after becoming a Participant in the Plan. The "average deferral percentage" for the Highly Compensated Employees and the "average deferral percentage" for the Non-highly Compensated Employees are then determined by adding up the individual deferral percentages for the applicable group and dividing by the number of Eligible Employees in such is Section 3.1(E), Eligible Employee includes any Employee eligible to elect to have Salary Deferral Contributions withheld from his compensation pursuant to Section 3.1(A) above, whether or not such election is exercised.

If the Committee determines that a Participant's Salary Deferral Contributions under Section 3.1(A) hereof for any Plan Year would cause the Plan to fail to meet the nondiscrimination requirements of this subsection (E) or 401(k) of the Code and the regulations thereunder, then the Committee shall take any or all of the following preventive measures as, in its sole discretion, it deems necessary to avoid such discrimination:

- (1) From time to time during such Plan Year, reduce (or suspend, if necessary) the rate of Salary Deferral Contributions for the remainder of the Plan Year of those Active Participants who are Highly Compensated Employees (such reduction first to apply to the highest rate on a uniform basis to all such Active Participants who are contributing the highest rate, and so on, in descending order from the highest rate); or
- (2) Distribute any Excess Deferrals (defined herein) plus any income allocable thereto, no later than the last day of the Plan Year immediately following the Plan Year in which such Excess Deferrals were made, to those Highly Compensated Employees to whose accounts Salary Deferral Contributions were allocated for such Plan Year in which the excess occurred, on the basis of their respective portions of the Excess Deferrals attributable to each of such Employees. Such distribution must be designated by the Employer as a distribution of Excess Deferrals and allocable income. "Excess Deferrals" shall mean, with respect to any Plan Year, the aggregate amount of Salary Deferral Contributions actually paid over to the Trust on behalf of Highly Compensated Employees for such Plan Year, over the maximum amount of such contributions permitted under this subsection (E), determined by reducing deferrals made on behalf of Highly Compensated Employees in order of the actual deferral percentages beginning with the highest of such percentages. **ANY EMPLOYER CONTRIBUTIONS DETERMINED UNDER SECTION 4.1(B) BELOW MADE OR ALLOCATED ON ACCOUNT OF AN EXCESS DEFERRAL SHALL BE FORFEITED AND APPLIED TO REDUCE FUTURE EMPLOYER CONTRIBUTIONS UNDER SECTION 4.1(B); SUCH FORFEITURE SHALL BE EFFECTED PRIOR TO THE APPLICATION OF SECTION 4.1(D) BELOW.** Excess Deferrals shall be treated as Annual Additions under Section 7.2 of the Plan; or
- (3) Take such other action as may be permissible under regulations published under 401(k) of the Code to avoid such discrimination. The Committee shall establish such rules and give such directions to the Trustee as shall be appropriate to carry out the above provisions of this section. In any event, the following special rules shall be applicable in administering the provisions of this subsection (E):
- (w) The deferral percentage for any Participant who is a Highly Compensated Employee for the Plan Year and who is eligible to have Salary Deferral Contributions allocated to his account under two or more arrangements described in 401(k) of the Code that are maintained by the Employer, shall be determined as if such Contributions were made under a single arrangement.
- (x) If two or more plans which include arrangements described in Code 401(k) are aggregated for purposes of 401(a)(4) or 410(b), such arrangements shall be treated as one such arrangement.
- (y) For purposes of determining the deferral percentage of a Participant who is a 5% Owner (as defined in Code 416(i)(1)) or one of the ten most highly paid Highly Compensated Employees, the Salary Deferral Contributions and Compensation of such Participant shall include the Salary Deferral Contributions and Compensation of Family Members (as defined in Code 414(q)(6)(B)), and such Family Members shall be disregarded as separate Employees in determining the deferral percentage for such Participants. In the case of a Highly Compensated Employee whose deferral percentage is determined under this family aggregation rule, the determination and correction of Excess Deferrals shall be according to Regulation 1.401(k)-1(f)(5)(ii).
- (z) The income allocable to Excess Deferrals is equal to the sum of the allocable gain or loss (i) for the Plan Year and (ii) for the period between the end of the Plan Year and the date of distribution (the "gap period") and shall include unrealized appreciation in assets held in

the Trust Fund. The income allocable to Excess Deferrals for the Plan Year shall be determined by multiplying the income allocable to the Participant's Salary Deferral Contributions for the Plan Year by a fraction, the numerator of which is the Excess Deferrals on behalf of the Participant for the preceding Plan Year and the denominator of which is the Participant's total account balance attributable to Salary Deferral Contributions on the last day of the preceding Plan Year, reduced by the gain allocable to such total amount for the Plan Year and increased by the loss allocable to such total amount for the Plan Year. The income allocable to Excess Deferrals for the gap period shall be determined in accordance with the Safe Harbor Method referred to in the Treasury regulations under 401(k) of the Code.

3.2 ROLLOVER CONTRIBUTIONS (A) Type of Rollovers Permitted Under Plan: The Committee shall direct the Trustee to accept a Rollover Contribution from or on behalf of an Employee eligible to receive an "eligible rollover distribution" (within the meaning of 402(c)(4), 403(a)(4) and 408(d)(3) of the Code). The Rollover Contribution shall be accepted whether received from the Employee or transferred directly from another "eligible retirement plan" as defined in 402(c)(8) of the Code. The rollover of all or any part of an eligible rollover distribution shall be in accordance with the provisions of 402(c) of the Code, and other applicable laws and regulations, including Regulation 1-411(d)-4, Q&A-3(b)(1), and the Committee may require whatever evidence or information from the Employee as it may deem necessary to comply with said laws and regulations. However, the Committee shall not accept any part of an eligible rollover distribution which consists of assets which are other than (i) cash or equivalents or (ii) assets which are identical to those which Participants may direct the Trustee to purchase under the terms of the Plan, if applicable. An Employee need not be an Active Participant in order to make a Rollover Contribution and in the event that a Rollover Contribution is accepted on behalf of an Employee prior to the date that he becomes an Active Participant in the Plan, he shall be treated as a Participant as of the date of acceptance by the Committee of such Rollover Contribution, but his benefits under the Plan prior to the date he actually becomes an Active Participant in accordance with Section 2.2 hereof shall be limited to the balance credited to his Rollover Contribution Account. Any such Rollover Contribution Account maintained on behalf of a Participant prior to the date he actually becomes an Active Participant shall be included with the other Rollover Contribution Accounts for the purposes of Section 7.1 hereof. **(B) Application to Committee:** The Employee shall make application for the rollover in writing to the Committee on forms approved and designated by the Committee.

(C) Acceptance by Committee: Contributions under Section 3.2(A) above so accepted as a rollover to the Plan shall be commingled with the assets of the Trust Fund and shall be managed according to the terms of the Trust Agreement; provided, however, that, unless the date of acceptance of the Rollover Contribution coincides with a Valuation Date, the Trustee may hold any such Rollover Contribution in a separate interest bearing account in the Trust Fund until the next following Valuation Date. Prior to the commingling of any such Rollover Contribution with the other assets of the Trust Fund, the Trustee, in its sole discretion, may hold the Rollover Contribution in cash separately in the Trust Fund without liability for interest for a limited period pending investment if it is deemed necessary or desirable.

(D) Separate Account: The Committee shall establish and maintain (or cause to be maintained) a separate account, called the "Rollover Contribution Account," for each Employee for whom a Rollover Contribution is accepted, and the Participant shall be credited immediately with a fully (100%) vested interest in the amount represented by the Rollover Contribution so accepted. The Rollover Contribution Account will reflect the Participant's interest in the funds credited on his behalf under the Plan as a result of his Rollover Contribution.

SECTION 4 EMPLOYER'S CONTRIBUTIONS

4.1 AMOUNT OF EMPLOYER'S CONTRIBUTIONS (A) Subject to the right reserved by the Employer to modify, amend or terminate the Plan, as provided in Sections 11.3 and 11.4 hereof, and subject to the limitations set forth in Section 4.1(D) below, each Employer (or, with respect to a group of Employers, if any, with respect to which the Plan represents a single plan who file a consolidated tax return, the group of such Employers) shall make a contribution (or combined contribution) each Plan Year to the Trustee in an amount determined in (B) below.

(B) The Employer's Contributions for the Plan Year shall include a monthly "Regular Matching Contribution" which shall apply to those Active Participants in the Plan during the current Plan Year who made Salary Deferral Contributions to the Plan during such Plan Year. The amount of such contribution to any Participant shall be dependent upon the Participant's number of Years of Service (determined on the same basis used to determine eligibility), except that for Plan Years beginning April 1, 1991 and thereafter, a Participant's Years of Service for purposes of determining the amount of his Regular Matching Contribution shall not include his Years of Service prior to his incurring a Break in Service on or after April 1, 1991. For Participants with less than five (5) Years of Service, the Employer's Regular Matching Contribution shall be an amount equal to 50% of the Participant's Matched Salary Deferral Contributions made during the Plan Year. For Participants with five (5) or more Years of Service, the Employer's Regular Matching Contribution shall be an amount equal to 100% of the Participant's Matched Salary Deferral Contributions made during the Plan Year. In any event, however, any Participant whose Salary Deferral Contributions for any calendar year equal the dollar limitation set forth in Section 3.1(A) (initially \$7,000) and who either

(i) is employed on December 31 of such calendar year or (ii) terminated employment during such calendar year due to death, disability or retirement shall receive a Regular Matching Contribution (determined in accordance with the matching percentages set forth in the preceding sentence based on Years of Service) based on 2% of the Participant's Compensation for such calendar year. Additionally, at the sole discretion of such Employer (or group of Employers), the Employer's Contributions for the Plan Year may include an annual "Additional Matching Contribution" which shall apply to those Active Participants in the Plan during the current Plan Year who made Salary Deferral Contributions to the Plan during the current Plan Year and who are entitled to share in the Employer's Contributions for the Plan Year as provided in Section 7.4 hereof, and shall be an amount which the Employer (or with respect to such a group of Employers, the board of directors of the parent corporation) authorizes and announces in writing before the due date for filing its Federal income tax return (including any extension thereof) for the applicable fiscal years; provided, however, that

the Employer's Contributions on behalf of any Participant for any Plan Year may be reduced if required and to the extent necessary to lower his annual addition for the Limitation Year to such amount as is permissible under

Section 7.2 hereof; and provided further, however, that the Employer's Contributions for any Plan Year shall not exceed the maximum amount of contribution permitted by law as a tax deductible expense for the applicable fiscal year as provided in 404 of the Code, or any other applicable provisions of said Code.

(C) The Regular Matching Contributions shall be paid by the Employer to the Trustee as promptly as practicable after the corresponding Matched Salary Deferral Contributions are paid to the Trustee pursuant to Section 3.1 (D) above (but in any event not later than thirty (30) days after the close of the Plan Year for which the contributions are deemed to be made. Any Additional Matching Contribution made by the Employer for the Plan Year shall be deemed to have been made on the last Accounting Date of the Plan Year irrespective of when such contributions are actually turned over to the Trust Fund for such Plan Year.

(D) Employer Matching Contributions Subject to Nondiscrimination Requirements of 401(m) of the Code. For any given Plan Year, the "average contribution percentage" (as defined herein) for all Eligible Employees who are Highly Compensated Employees for such Plan Year may not exceed the greater of:

(a) One and one-quarter (1.25) times the "average contribution percentage" for all Eligible Employees who are Non-highly Compensated Employees for such Plan Year; or

(b) Two (2.0) times the "average contribution percentage" for all eligible Employees who are Non-highly Compensated Employees for such Plan Year, but not more than the sum of (i) 2% and (ii) the "average contribution percentage" for all Eligible Employees who are Non-highly Compensated Employees.

An individual "contribution percentage" is calculated for each Eligible Employee each Plan Year by dividing the total of his Employer Contributions determined under Section 4.1(B) and allocated to him under Section 7.4, if any, during the Plan Year by his Compensation for the Plan Year. Effective April 1, 1993, an Eligible Employee's Compensation for purposes of calculating his contribution percentage will include only such Compensation earned after becoming a Participant in the Plan. The "average contribution percentage" for the Non-highly Compensated Employees are then determined by adding up the individual contribution percentages for the applicable group and dividing the number of Eligible Employees in such group. For purposes of this Section 4.1(D), Eligible Employee includes any Employee eligible to elect to have Salary Deferral Contributions withheld from his compensation pursuant to Section 3.1(A) above, whether or not such election is exercised.

If the Committee determines that a Participant's Employer Contributions under Section 4.1(B) hereof for any Plan Year would cause the Plan to fail to meet the nondiscrimination requirements of this subsection (D) or 401(m) of the Code and the regulations thereunder (including Regulation 1-401(m)-2(b)), then the Committee (subject to the order of priority specified below in subparagraph (2)) shall take any or all of the following preventive measures as, in its sole discretion, it deems necessary to avoid such discrimination:

(1) From time to time reduce (or suspend, if necessary) the rate of discretionary Employer Contributions under Section 4.1(B) hereof for the remainder of the Plan Year of those Active Participants who are Highly Compensated Employees (such reduction first to apply to the highest

rate on a uniform basis to all such Active Participants who are receiving the highest percentage of Employer Contributions under Section 4.1 (B), and so on, in descending order from the highest percentage); or

(2) Excess Contributions (as defined herein) plus any income allocable thereto, first shall be forfeited, if forfeitable, or if not forfeitable, distributed no later than the last day of the Plan Year immediately following the Plan Year in which such Excess Contributions were made, to those Highly Compensated Employees to whose accounts Employer Contributions were allocated for such Plan Year in which the excess occurred, on the basis of their respective portions of the Excess Contributions attributable to each of such Employees. Such distributions must be designated by the Employer as a distribution of Excess Contributions and allocable income. "Excess Contributions" shall mean, with respect to any Plan Year, the aggregate amount of Employer Contributions actually paid over to the Trust on behalf of Highly Compensated Employees for such Plan Year, over the maximum amount of such contributions permitted under this subsection (D), determined by reducing Employer Contributions made on behalf of Highly Compensated Employees in order of the actual contribution percentages beginning with the highest of such percentages. Excess Contributions shall be treated as Annual Additions under Section 7.2 of the Plan. The extent to which a Participant's Excess Contribution shall be forfeitable under this subparagraph (2) shall be determined by multiplying the total amount of such Excess Contribution by the Participant's non-vested percentage determined in accordance with Section 4.3 of the Plan. Forfeitures of Excess Contributions shall be applied to reduce future Employer Contributions under Section 4.1; or

(3) Take such other action as may be permissible under regulations published under 401(m) of the Code to avoid such discrimination. The Committee shall establish such rules and give such directions to the Trustee as shall be appropriate to carry out the above provisions of this section. In any event, the following special rules shall be applicable in administering the provisions of this subsection (D):

(a) The contribution percentage for any Participant who is a Highly Compensated Employee and who is eligible to participate in two or more plans that are maintained by the Employer to which employee contributions, matching contributions, or both, are made, shall be determined as if such contributions were made under a single plan.

(b) In the event that the Plan satisfies the requirements of 410(b) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of 410(b) of the Code only if aggregated with this Plan, then this section shall be applied by determining the contribution percentages of Participants as if all such plans were a single plan.

(c) For purposes of determining the contribution percentage of a Participant who is a 5% owner (as defined in Code 416(i)(1)) or one of the ten (10) most highly-paid Highly Compensated Employees, the Employer Matching Contributions and Compensation of such Participant shall include the Employer Matching Contributions and the Compensation of Family Members (as defined in Code 414(q)(6)(B)), and such Family Members shall be disregarded as separate Employees in determining the contribution percentage for such Participants. In the case of a Highly Compensated Employee whose contribution percentage is determined under this family aggregation rule, the determination and correction of Excess Contributions shall be according to Regulation 1-401(m)-1(e)(2)(iii).

(d) The income allocable to Excess Contributions is equal to the sum of the allocable gains or loss (i) for the Plan Year and (ii) for

the period between the end of the Plan Year and the date of distribution (the "gap period") and shall include unrealized appreciation in assets held in the Trust Fund. The income allocable to Excess Contributions shall be determined by multiplying the income or loss allocable to the Participant's Employer Contributions for the Plan Year by a fraction, the numerator of which is the Excess Contributions on behalf of the Participant for the preceding Plan Year and the denominator of which is the Participant's total account balance attributable to Employer Contributions on the last day of the preceding Plan Year, reduced by gain allocable to such total amount for the Plan Year and increased by the loss allocable to such total amount for the Plan Year. The income allocable to Excess Contributions for the gap period shall be determined in accordance with the Safe Harbor Method referred to in the Treasury regulations under 401(m) of the Code.

(e) The determination of Excess Contributions under this

Section 4.1(D) shall be made only after first determining the amount, if any, of Excess Deferrals under Section 3.1(E) above.

4.2 LIMITATION ON USE OF "TWO TIMES" TEST. (A) Limitation Described. In no event may the sum of: (i) the average deferral percentages of Highly Compensated Employees, as determined under Section 3.1(E), and (ii) the average contribution percentages of Highly Compensated Employees, as determined under Section 4.1(D), exceed the "Aggregate Limit". (B) Aggregate Limit Defined. The "Aggregate Limit" is the greater of:

(1) The sum of:

(a) 1.25 times the greater of: (i) the average deferral percentage of Employees who are Non-highly Compensated Employees as determined under Section 3.1(E), or (ii) the Average Contribution Percentage of Employees who are Non-highly Compensated Employees as determined under Section 4.1(D), plus

(b) Two percentage points plus the lesser of the amounts described in clause (1)(a)(i) and (1)(a)(ii) above, but not to exceed 200 percent of the lesser of the amounts described in clause

(1)(a)(i) and (1)(a)(ii) above; or

(2) The sum of:

(a) 1.25 times the lesser of: (i) the average deferral percentage of Employees who are Non-highly Compensated Employees as determined under Section 3.1(E), or (ii) the Average Contribution Percentage of Employees who are Non-highly Compensated Employees as determined under Section 4.1(D), plus

(b) Two percentage points plus the greater of the amounts described in clause (2)(a)(i) and (2)(a)(ii) above, but not to exceed 200 percent of the greater of the amounts described in clause

(2)(a)(i) and (2)(a)(ii) above.

4.3 VESTING OF EMPLOYER CONTRIBUTION ACCOUNT Except as hereinafter provided, the amount credited to the Employer Contribution Account of each Participant shall become vested and nonforfeitable based upon his number of Years of Service (as defined above) in the percentage indicated as follows:

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

Provided, however, that any amounts credited to the Employer Contribution Account of any Participant which is attributable to his employer contribution account transferred as a result of the merger of the Henry House, Inc. Employees Savings Plan with this Plan shall become vested and nonforfeitable based on his number of Years of Service (as defined above) in the percentage indicated as follows:

Years of Service	Percentage Vested
Less than 1 year	0%
1 year	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%.

If any Participant previously shall have made a withdrawal from his Employer Contribution Account in accordance with Section 8.9, his current vested interest in his Employer Contribution Account shall be equal to:

- (a) The current value of his Employer Contribution Account, plus
- (b) The sum of any amounts previously withdrawn by or distributed to the Participant from his Employer Contribution Account, multiplied by
- (c) The percentage then applicable to the Participant in accordance with the schedule of percentages stated in this Section 4.2 minus
- (d) The sum of all amounts previously withdrawn by or distributed to the Participant from his Employer Contribution Account.

4.4 VESTING ON DEATH, DISABILITY OR NORMAL RETIREMENT Upon a Participant's death, severance of employment due to Total and Permanent Disability (defined above), or attainment of his Normal Retirement Date (as defined in Section 8.3 below), the full amount of his Employer Contribution Account shall become vested and nonforfeitable.

4.5 VESTING IF PLAN TERMINATED OR EMPLOYER CONTRIBUTIONS DISCONTINUED Notwithstanding any other provisions of this Section 4, if the Plan is terminated or Employer contributions to the Trust Fund are permanently discontinued, the full amount of each Participant's Employer Contribution Account shall become fully vested and nonforfeitable. If the Plan is partially terminated, then the accounts of those Participants as to whom partial termination occurred shall be fully vested and nonforfeitable.

4.6 EFFECT OF BREAK IN SERVICE ON VESTING A former Participant who had a nonforfeitable right to all or a portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service prior to his Break in Service upon completing a Year of Service after such break. A former Participant who did not have a nonforfeitable right to any portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service before such break if (i) he completes a Year of Service after such break, and (ii) the number of consecutive one-year Breaks in Service is less than the greater of five (5) years or the aggregate number of the Participant's Years of Service before such break. All Years of Service occurring after five (5) consecutive one-year Breaks in Service shall be disregarded for purposes of determining the Participant's vested percentage in contributions that occurred before such five-year break. Separate accounts shall be maintained for the pre-break and post-break contributions.

4.7 DISPOSITION OF FORFEITED AMOUNTS If a Participant incurs five consecutive one-year Breaks in Service or if a Participant receives a Cash-Out Distribution pursuant to Section 8.6, then, in either event that part, if any, of his Employer Contribution Account which is not vested in accordance with the foregoing provisions of Section 4.3 shall be forfeited and shall be used to offset future Employer Contributions under the Plan. Any former Participant receiving a Cash-Out Distribution as defined in Section 8.6 who returns to the employ of the Employer prior to incurring five consecutive one-year Breaks in Service and repays the amount of his previous distribution pursuant to Section 8.6 shall have restored to his Employer Contribution Account any amount previously forfeited. Such forfeiture shall be restored first from any forfeitures during the Plan Year of his return to employment and next from the Employer Contribution next occurring after his return. Disposition of forfeitures pursuant to this Section 4.7 shall occur only after application of the forfeiture provisions of Section 4.1(D)(2) above (regarding forfeitures of Excess Contributions as defined therein).

4.8 CHANGE IN VESTING SCHEDULE As to each Employee who had no less than 3 Years of Service on the date any Plan amendment which directly or indirectly changes the vesting schedule becomes effective, such Employee may elect to have his vesting percentage computed without regard to such amendment. Such election will be irrevocable and must be made in writing to Employer not later than the latest of the following dates:

- (1) 60 days after the amendment is adopted;
- (2) 60 days after the effective date of the amendment;
- (3) 60 days after the date the Employee is given written notice of the amendment by the Employer.

SECTION 5 INVESTMENT OF CONTRIBUTIONS

5.1 INVESTMENT FUNDS Initially the Trust Fund will consist of only one "Investment Fund" which shall be designated as the "fixed rate fund". The fixed rate fund shall consist of assets that reasonably can be expected to have a fixed rate of return or that have a guaranteed rate of return with a low risk of loss of principal. At a future date to be determined by the Committee (the "fund separation date"), the Trust Fund may be separated into as many as four "Investment Funds" for the investment of the contributions made hereunder. Such separate funds shall include the aforementioned fixed rate fund and one or more of the following: (i) an equity fund, consisting of investments primarily in common and preferred stocks and convertible securities (excluding Employer securities), (ii) a balanced fund, consisting of investments in bonds, stocks and money market instruments and (iii) an Employer stock fund consisting entirely of Class A common stock of Tyson Foods, Inc. The value of the assets held in the Trust Fund in each of the Investment Funds as of each Valuation Date shall be determined on the basis of the fair market value of the assets of such fund as of such date as appraised by the Trustee. After the fund separation date, each of the Investment Funds shall be segregated from and completely independent of the other Investment Funds and the accounting procedures described in Section 7.1 hereof shall apply separately with respect to each such fund.

5.2 DESIGNATION BY PARTICIPANT OF INVESTMENT FUNDS (A) If applicable, each Participant in the Plan shall elect (separately with respect to each applicable type of contribution) as of his date of initial participation in the Plan or as of the fund separation date, if later, to have his future Salary Deferral Contributions and the Employer's Contributions, if any, which are allocated on his behalf to the Plan invested among the Investment Funds in any multiples of 10% or such other multiples as the Committee may establish and announce in writing to the Participants. A Participant who makes a Rollover Contribution to the Plan shall make a separate election with respect to the Investment Fund or Funds for investment of his Rollover Contribution. (B) In the event that a Participant fails to make an election under (A) above with respect to one or more applicable type of contribution, he shall be deemed to have elected 100% of the fixed rate fund Investment Fund with respect to each such type of contribution for which no election was made.

5.3 CHANGE OF INVESTMENT DESIGNATION A Participant may change his designation of the manner of investment with respect to future Salary Deferral Contributions and the Employer's Contributions which are allocated on his behalf to any other manner permitted under Section 5.2(A) above as of any Valuation Date by filing a written application for the change (on a form provided by the Committee for this purpose) at least 30 days prior to such date.

5.4 TRANSFERS AMONG INVESTMENT FUNDS A Participant may direct funds credited to any of his Investment Fund subaccounts in his Salary Deferral Contribution Account, Employer Contribution Account and, if applicable, his Rollover Contribution Account, which are held on his behalf in the applicable Investment Fund transferred, in multiples of 10% or such other multiples as the Committee may establish and announce in writing to the Participants, and credited to one of the other Investment Fund subaccounts in such account as of the day following any Valuation Date by filing a written application directing the transfer (on a form provided by the Committee for this purpose) at least 30 days prior to such date.

5.5 SPECIAL ONE TIME ELECTION Notwithstanding anything stated to the contrary in this Section 5, Participants in this Plan who previously were participants in the Victor F. Weaver, Inc. Retirement/Savings Plan (the "Weaver Plan") and who had elected to invest part or all of their accounts thereunder in the equity fund and/or the balanced fund available under the Weaver Plan shall be entitled to make a one time election to direct that such funds invested in the Weaver equity fund and/or Weaver balanced fund be credited, in any increments of 10%, to either the Tyson fixed rate fund, the Weaver equity fund or the Weaver balanced fund. After September 1, 1991, to the extent such funds are invested in the Weaver equity fund and/or the Weaver balanced fund, such Participant shall not be entitled to direct any transfers of amounts of such funds between such funds; provided, however, that after September 1, 1991 such Participant nevertheless will be entitled, pursuant to the provisions set forth in Section 5.4, to direct that all of his funds invested in either the Weaver equity fund and/or the Weaver balanced fund shall be transferred to the Tyson fixed rate fund. Once funds from the Weaver equity fund and/or Weaver balanced fund are transferred to the Tyson fixed rate fund, those funds may not again be transferred back to either of the Weaver funds. Similarly, Participants

who previously were participants in the Henry House, Inc. Employees Savings Plan (the "Henry House Plan") and who had elected to invest part or all of their accounts thereunder in the variable account available under the Henry House plan shall be entitled to make a one time election to direct that such funds invested in the Henry House variable account be credited, in any increments of 10%, to either the Henry House variable account or the Tyson fixed rate fund. Provided, however, that after February 1, 1992 such Participant shall be entitled, pursuant to the provisions set forth above in Section 5.4, to direct that all of his funds invested in the Henry House variable account shall be transferred to the Tyson fixed rate fund. Once funds from the Henry House variable account are transferred to the Tyson fixed rate fund, those funds may not again be transferred back to the Henry House variable account.

SECTION 6 INDIVIDUAL ACCOUNTS

6.1 ESTABLISHING AND MAINTAINING PARTICIPANT'S ACCOUNTS (A) The Committee shall cause to be established and maintained for each Participant until his Initial Distribution Date, or until such later date as of which distribution of the value in such accounts is made, with respect to each Employer (or group of Employers with respect to which the Plan represents a single plan) by which the Participant is or has been employed, two separate accounts, called the "Salary Deferral Contribution Account," and the "Employer Contribution Account," respectively. The Participant's Salary Deferral Contribution Account will reflect his interest in the funds credited on his behalf under the Plan as a result of the Salary Deferral Contributions made on his behalf under this Plan or any of the Merged Plans plus, if applicable, any Employer contributions which the Employer may have elected to treat as Salary Deferral Contributions. The Participant's Employer Contribution Account will reflect his interest in the funds, if any, credited on his behalf under the Plan as a result of the Employer's Contributions on his behalf under this Plan or any of the Merged Plans. In addition, the Participant's Salary Deferral Contribution Account and Employer Contribution Account shall consist of such subaccounts as are required to reflect his interest in the various Investment Funds in accordance with his directions as specified in Section 5 hereof or to reflect faster vesting requirements attributable to any employer contribution accounts from any of the Merged Plans or any other variances in the source or treatment of accounts from any of the Merged Plans. (B) In addition to the separate accounts described in Section 6.1(A) above, the Committee shall cause to be established and maintained for each applicable Participant until his Initial Distribution date or until such later date as of which distribution of the value in such account is made: (1) the Rollover Contribution Account described in Section 3.2 hereof which may include rollover accounts from any of the Merged Plans and (2) separate After-Tax Contribution Accounts for any after-tax contribution accounts from any of the Merged Plans. The additional Accounts created pursuant to this Section 6.1(B) at all times shall be 100% vested and shall consist of such subaccounts as are required to reflect his interest in the various Investment Funds in accordance with his directions as specified in Section 5 hereof. (C) Each such account and subaccount maintained on behalf of each Participant shall be credited or debited to the extent required by the provisions of the Plan. All entries on such individual accounts shall be conclusive and binding upon all parties unless patently erroneous. Monies

derived from these accounts shall be held, administered, invested and disbursed in accordance with the Plan and Trust Agreement.

SECTION 7 ACCOUNTING

7.1 VALUATION OF ACCOUNTS (A) As of each Valuation Date and as of such other interim date or dates as may be established by the Committee, in its sole discretion, for making the adjustments to the accounts, the sum of the balances credited to each of the Investments Fund subaccounts in the accounts of all Participants, [that is, the sum of such subaccounts in (1) the Salary Deferral Contribution Accounts, (2) the Employer Contribution Accounts, (3) the After-Tax Contribution Accounts, after debiting such subaccounts with the amounts of any distributions or withdrawals with regard to such subaccounts since the last preceding Valuation Date and after crediting the amounts of the Participants' Salary Deferral Contributions and Regular Matching Contributions since the preceding Valuation Date but prior to crediting the Employer's Additional Matching Contributions, if any, under

Section 7.4 hereof on such Valuation Date and (4) the Rollover Contribution Accounts, after debiting such subaccounts in the Rollover Contribution Accounts with the amounts of any distributions or withdrawals with regard to such subaccounts since the last preceding Valuation Date, but excluding any Rollover Contribution Accounts that were established after the last preceding Valuation Date] shall be compared with the then value of the applicable Investment Fund as reported by the Trustee to the Committee, after debiting all distributions and withdrawals paid out of such Investment Fund since the last preceding Valuation Date, excluding from such value any amount which represents the Employer's Additional Matching Contributions since the last preceding Plan Year. On the basis of such comparison, the sum of the balances credited to such of the Participants' Investment Fund subaccounts will be adjusted to equal the value of the applicable Investment Funds in the manner described in Section 7.1(B) below. (B) The difference between (1) the value of the applicable Investment Fund [after adjustment of the Investment Fund as described in

Section 7.1(A)] and (2) the sum of the balances credited to such of the Participants' Investment Fund subaccounts [after adjustments have been made to such subaccounts pursuant to Section 7.1(A)], will be apportioned to the Participants' Investment Fund subaccounts in proportion to the balances credited to the respective Investment Fund subaccounts (as modified below) before such apportionment. On the basis of the comparison described in

Section 7.1(A) above, the sum of such balances credited to the subaccounts will be further adjusted to equal the value of the applicable Investment Fund by apportioning to such of the Participants' subaccounts the difference between the sum of such balances credited to the subaccounts and such value of the applicable Investment Fund, in proportion to the balances credited to the respective subaccounts before such apportionment; provided, however, that for purposes of such apportionment, Participants' subaccounts shall be determined as set forth in Section 7.1(A) above, except for the following modifications:

- (i) only one-half of a Participant's Salary Deferral Contributions and corresponding Regular Matching Contributions shall be included; and
- (ii) if the Trustee has elected to commingle a Participant's Rollover Contribution with the assets of the Trust Fund pursuant to Section

3.2(c) since the preceding Valuation Date, then the Participant's Rollover Contribution Account only shall be credited with that fraction of the Rollover Contribution equal to the number of complete months from the date the Trust received such Rollover Contribution to the current Valuation Date over the number of complete months since the preceding Valuation Date.

The amounts of such differences which are so apportioned to each Participant shall be credited or debited, as the case may be, to the subaccounts of such Participants before such apportionment to determine the adjustment to the individual subaccounts of each Participant and the subaccounts so adjusted, increased by the additional amount, if any, credited in accordance with the provisions of Section 7.4 hereof, shall be the balances credited to such subaccounts of the Participants until the next following Valuation Date or until being adjusted for any debits or credits pursuant to Sections 7 and 8 hereof.

(C) Notwithstanding the language of Section 7.1(A), the value of a Participant's fixed rate fund subaccounts which are invested in a group annuity fund shall be determined in accordance with the group annuity contract or contracts on each Valuation Date. (D) The value of each Investment Fund as of each Valuation Date will be determined on the basis of the fair market value of the assets of such Investment Fund as appraised by the Trustee. (E) For purposes of this Section 7.1, the term "Investment Fund" shall include, where applicable, the Weaver Plan equity and balanced funds and the Henry House variable account referred to in Section 5.5 above.

7.2 MAXIMUM ANNUAL ADDITION ON BEHALF OF ANY PARTICIPANT DURING ANY LIMITATION YEAR (A) The term "annual addition" as used herein means the sum for any Limitation Year of:

(1) The amount of the Participant's Salary Deferral Contributions for the Limitation Year and the Employer's contributions, if any, allocated on his behalf for the Limitation Year under Section 7.4 below;

(2) Any salary deferral contributions, employer contributions and forfeitures allocated on his behalf under all other Defined Contribution Plans of the Controlled Group Members; and

(3) Any "after-tax" participant contributions by the Participant for such Limitation Year under the Plan and all other Defined Contributions Plans of the Controlled Group Members. (B) Any provisions herein to the contrary notwithstanding, in no event shall the annual addition of a Participant during any Limitation Year exceed the maximum limitation for Defined Contribution Plans as specified in 415(c) of the Code. In determining the maximum annual addition that may be allocated on behalf of any Participant during any Limitation Year, all Defined Contribution Plans, whether or not terminated, of all Controlled Members are to be treated as one Defined Contribution Plan. The proportion of the maximum annual addition applicable to all such Defined Contribution Plans of such Controlled Group Members during any Limitation Year shall be determined on a pro rata basis depending upon the amount of the annual addition that would have otherwise been allocated on his behalf under each such Defined Contribution Plan during such Limitation Year if the restriction of this Section 7.2 did not apply. The term "IRC 415 Compensation" shall have the meaning assigned in 415 of the Code and regulations issued with respect thereto. Such compensation shall include

(i) earned income (including earned income from sources outside the United States, as defined in 911(b) of said Code, whether or not excludable from

gross income under 911 or deductible under 913 of said Code), wages, salaries, fees for professional services, and other amounts received for personal services actually rendered in the course of employment with the employer (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses), (ii) amounts described in 104(a)(3), 105(a) and 105(h) of the Code, but only to the extent that these amounts are includable in the gross income of the Participant, (iii) amounts described in 105(d) of the Code, whether or not these amounts are excludable from the gross income of the Participant under that section of said Code, (iv) amounts paid or reimbursed by the employer for moving expenses incurred by the Participant, but only to the extent that these amounts are not deductible by the Participant under 217 of the Code, (v) the value of a nonqualified stock option granted to the Participant by the employer, but only to the extent that the value of the stock option is includable in the gross income of the Participant for the taxable year in which granted, (vi) the amount includable in the gross income of the Participant upon making the election described in 83(b) of the Code and (vii) any amounts received by the Participant pursuant to an unfunded non-qualified plan in the year such amounts are includable in the gross income of the Participant. Such compensation shall exclude (i) contributions by the employer to a plan of deferred compensation which are not included in the Participant's gross income for the taxable year in which contributed, (ii) contributions by the employer under a simplified employee pension plan to the extent such contributions are deductible by the Participant, (iii) any distribution from a plan of deferred compensation that is qualified pursuant to 401(a) of the Code, (iv) amounts realized from the exercise of a nonqualified stock option, (v) amounts realized when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture, (vi) amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option, (vii) other amounts which received special tax benefits and (viii) contributions made by the employer (whether or not under a salary reduction agreement) towards the purchase of an annuity described in 403(b) of the Code (whether or not the amounts are actually excludable from the gross income of the Participant). Notwithstanding the foregoing, the annual Compensation of each Participant under this Section 7.2 shall not exceed \$200,000 or such other amount as may be specified by the Secretary of the Treasury pursuant to his duties under 401(a)(17) of the Code.

(1) Maximum Annual Addition Due to Restrictions of 415(c) of the Code: The total annual addition (the total applicable to all such Defined Contribution Plans of the Controlled Group Members) which may be allocated on behalf of a Participant during any Limitation Year shall not exceed an amount equal to the lesser of:

(a) \$30,000 or, if greater, one-fourth (1/4) of the defined benefit dollar limitation set forth in 415(b)(1)(A) of the Code as in effect as of the last day of such Limitation Year; or

(b) An amount equal to 25% of the IRC 415 Compensation which the Participant received from the Controlled Group Members during such Limitation Year.

(C) The above limitations are intended to comply with the provisions of 415 of the Code so that the maximum benefits provided by plans of the Controlled Group Members shall be exactly equal to the maximum amounts allowed under 415 of the Code and the regulations issued thereunder which are hereby incorporated by reference. If there is any discrepancy between the provisions of this Section 7.2 and the provisions of 415 of the

Code and the regulations issued thereunder, such discrepancy shall be resolved so as to give full effect to the provisions of 415 of said Code. (D) Defined Benefit and Defined Contribution Plans. Where the Participant is or was also a Participant in one or more defined benefit plans of the Employer, the sum of such Participant's defined benefit plan fraction and defined contribution plan fraction, as determined pursuant to Code 415(e) (as modified by 416(h) of the Code to the extent applicable), for any Plan Year may not exceed one (1). The Employer may, in calculating the defined contribution plan fraction, elect to apply the transitional rule provided in 415(e)(6) of the Code. In the event that the sum of Participant's defined contribution plan and defined benefit plan fractions would otherwise exceed one (1) for any Plan Year, then the Annual Addition which would otherwise be made under all applicable defined contribution plans for such Participant shall be adjusted pursuant to Section 7.2(E) to the extent necessary, so that the sum of such fraction does not exceed one

(1). If, after all such adjustments, the sum of the fractions would still exceed one (1), then the benefit which would otherwise be accrued with respect to such Participant under any applicable defined benefit plan shall be considered not to have been accrued and will be limited to the extent necessary so that the sum does not exceed one (1). (E) In the event that the Participant's annual addition under the Defined Contribution Plans for any Limitation Year is restricted as a result of the above provisions of this section, that portion or all of the annual addition allocable to the Participant under the Plan for such Limitation Year which is required to reduce the amount of the annual addition to the amount permitted under Section 7.2(B) above shall be eliminated by holding unallocated in a special account, called the "Unallocated Limitation Account" to the extent necessary, that portion or all of the Participant's allocable share of the Employer's Contributions for the Plan Year, for subsequent allocation with the Employer's Contributions for the next succeeding Plan year (or, if necessary, Plan Years). The Unallocated Limitation Account shall not be adjusted for gains or losses as of any Accounting Date. Provided, however, that the provisions of this subparagraph (E) shall apply only to the extent such annual addition has not been reduced to the amount permitted under Section 7.2(B) above by first applying any similar provisions for reducing such excess annual additions under any other Defined Contribution Plans of the Controlled Group Members in which the Participant also is an active participant.

7.3 CREDITING OF SALARY DEFERRAL CONTRIBUTIONS The Salary Deferral Contributions made on behalf of each Participant shall be credited to his applicable Investment Fund subaccounts in his Salary Deferral Contribution Account as soon as practicable after they are deducted from his Compensation and turned over to the Trustee, but in no event later than the next following Accounting Date.

7.4 ALLOCATION AND CREDITING OF EMPLOYER'S CONTRIBUTIONS (A) The Regular Matching Contributions made on behalf of each Participant shall be credited to his applicable Investment Fund sub-accounts in his Employer Contribution Account as soon as practicable after his corresponding Matched Salary Deferral Contributions are paid to the Trustee pursuant to Section 7.3 above, but in no event later than the next following Accounting Date. As of the last Accounting Date of each Plan Year, after making the debits or credits to the Participants' accounts required by Section 7.1 above, the sum of the Employer's Additional Matching Contribution," if any, (as defined in Section 4.1(B) hereof) for

the current Plan Year shall, subject to the maximum limitations on contributions described in Section 7.2 and the limitations of Section 4.1(D) above, be allocated and credited to the Employer Contribution Accounts of those Active Participants in the Plan at any time during the current Plan Year who are entitled to share in the allocation in accordance with Section 7.4(B) below, in the proportion which the Matched Salary Deferral Contributions made on behalf of such Participant during the current Plan Year bears to the aggregate of such Matched Salary Deferral Contributions made during the current Plan Year on behalf of all such Participants who are sharing in the allocation of the Employer's Contributions for such Plan Year.

(B) Those Active Participants in the Plan at any time during the current Plan Year who either (1) are in the active service of the Employer on the last Accounting Date of the Plan Year (i.e., whose service has not terminated prior to the last business day of the Plan Year just ended) or (2) are not in active service because of termination of service during the current Plan Year due to death or Total and Permanent Disability, shall be entitled to share in the Employer's Additional Matching Contributions, if any, for such Plan Year.

7.5 EFFECTIVE DATE OF ENTRIES Each adjustment provided for by Sections 7.1 to 7.4, inclusive, shall be considered as having been made on the dates specified in such sections, regardless of the dates of actual entries or receipt by the Trustee of contributions for such year.

SECTION 8 DISTRIBUTIONS

8.1 INITIAL DISTRIBUTION DATE The Initial Distribution Date of a Participant shall be the earlier of:

- (a) The date of termination of his employment; or
- (b) The end of his Plan Year in which he attains age 70 1/2.

8.2 ESTABLISHMENT OF DISTRIBUTION ACCOUNT On a Participant's Initial Distribution Date, the Trustee shall determine the amount of each separate account of the Participant to which such Participant may be entitled on such date in accordance with the vesting provisions of Section 4, and shall credit such amount or amounts to a new account for the former Participant to be called the "Distribution Account." The balance of the Participant's Employer Contribution Account (representing his forfeitable amount) shall continue to be held therein, until forfeited in accordance with Section 4.7. The net credit balance in each Distribution Account shall be subject on each Accounting Date to the adjustments specified in Section 7.1.

8.3 DATE OF DISTRIBUTION. (A) Less than \$3,500. Disbursement of a Participant's Distribution Account shall be made in one cash lump sum without his consent within sixty (60) days of the Valuation Date coincident with or immediately following his termination of employment if the vested amount of such account does not exceed \$3,500. (B) Greater than \$3,500. If the vested amount of a Participant's Distribution Account exceeds \$3,500 upon termination of employment, disbursement of the Distribution Account shall be made, or begun if in

periodic payments, subject to the provisions of Section 8.11 below, if applicable, as follows:

- (1) With the written consent of the Participant, within sixty (60) days of the Valuation Date coincident with or immediately following the date such consent is received by Employer; or
- (2) If the Participant does not consent to a distribution under (1) above, within sixty (60) days of the Valuation Date coincident with or immediately following the date:
 - (a) the Participant dies;
 - (b) the Participant incurs a Total and Permanent Disability (as defined in Section 1.1(A)(31));
 - (c) the Participant reaches age 55, has at least ten (10) Years of Service with Employer and elects to begin receiving distributions on or after such date; or
 - (d) the Participant reaches his Normal Retirement Date or Age (as defined below).

Provided, however, that such Participant thereafter may elect to withdraw as of any Accounting Date, all of his Salary Deferral Contribution Account by filing a written application with the Committee at least 30 days prior to the date the withdrawal is to be made.

For purposes of the Plan, "Normal Retirement Date" or "Normal Retirement Age" shall mean a Participant's 65th birthday. Notwithstanding the foregoing, the disbursement of the Distribution Account shall in any event be made or begun by April 1 of the calendar year following the calendar year in which the Participant attains age 70-1/2.

8.4 METHODS OF DISTRIBUTION (A) Except as may be required under Section 8.4(B) and under Sections 8.3(A), 8.10 and 8.11, all distributions made to a Participant or his beneficiaries shall be made by the Trustee in one of the three following methods:

(1) Lump Sum. By payment in a lump sum.

(2) Installments. By payment in equal installments over a period certain which does not extend beyond the lesser of twenty (20) years or the life expectancy of the Participant or the joint life expectancies of such Participant and the Participant's beneficiary determined as of the date that payment of benefits commences, subject to the following requirements:

(a) Fifty Percent (50%) Present Value Test. The present value of payments to be made to the Participant must be more than fifty percent (50%) of the present value of the total payments to be made to the Participant and the Participant's beneficiaries, all as determined as of the later of such Participant's normal retirement date or the Participant's termination of employment; and

(b) Equal Installments. Payments must be in the form of annual or more frequent installments provided the present value of all such periodic payments payable to the Participant or his or her beneficiary must be equal to the immediate lump sum otherwise distributable to the Participant had a lump sum settlement been made.

(3) Combination. By a combination of (1) and (2). The method of distribution to the Participant or his beneficiaries shall be implemented by the Committee, in accordance with the directions of the Participant in effect at the time the Participant's employment is terminated.

(B) Notwithstanding subsection (A) above, all distributions of any amounts from a Participant's After-Tax Contribution Account and Employer Contribution Account attributable to such accounts transferred from the merged Tyson Thrift Plan shall be subject to the following additional provisions:

(1) Annuity Option. Such Participant who retires and begins to receive payments under the Plan shall have, in addition to the distribution options available under Section 8.4(A) above, the right to elect to receive payment from such account in the form of a life annuity (or, if married, in the form of a Qualified Joint and Survivor Annuity). The Participant (and, if married, with the consent of his spouse) also may elect during the election period (which shall be the 90-day period ending on the Annuity Starting Date) to receive payments from such account in the form of a straight life annuity or a straight life annuity with a ten-year guarantee. Any election shall be in writing and may be changed at any time.

(2) Preretirement Survivor Annuity. If a Participant who is married dies before the date upon which his retirement benefits were to commence, such Participant's surviving spouse shall have, in addition to the distribution options available under Section 8.4(A) above, the right to elect to receive payment from such account in the form of a Preretirement Survivor Annuity. The spouse also may elect during the election period, which shall begin on the first day of the Plan Year in which the Participant attains age 35 (or for a Participant who is separated from service the date of such separation with respect to benefits accrued before separation) and end, on the date benefits commence, to receive payments from such account in the form of a straight life annuity or a straight life annuity with a ten-year guarantee. Any election shall be in writing and may be changed at any time. The surviving spouse may elect to have such annuity distributed immediately or at a later date not later than the date the Participant would have attained the Normal Retirement Date.

For purposes of this Section 8.4(B) and elsewhere in this Plan, the following terms shall have the following meanings:

(1) "Annuity Starting Date" means the first day of the month following the date the Insurer receives from the Plan Administrator such written notice of a distribution as shall be required by the Insurer, or, if later, the first day of the month specified by Participant or Beneficiary for the commencement of benefit payment(s) in accordance with Section 8 hereof.

(2) "Qualified Joint and Survivor Annuity" means an annuity for the life of the Participant with a Survivor Annuity for the life of his/her spouse which is one-half of the amount of the annuity payable during the joint lives of the Participant and his/her spouse and which is the actuarial equivalent of a single life annuity for the life of the Participant.

(3) "Preretirement Survivor Annuity" means an annuity for the life of the surviving spouse of a deceased Participant that has an actuarial present value that is equal to 100% of the balance in the Participant's account as of the date of the Participant's death.

(C) Notwithstanding any other Plan provision to the contrary, all Plan distributions shall comply with the requirements of 401(a)(9) of the Code and the regulations thereunder, including 1.401(a)(9)-2.

8.5 DEFERRED RETIREMENT If such Participant elects to continue in the employment of the Employer beyond his Normal Retirement Date, he shall continue to be treated in all respects as a Participant under the Plan until his actual retirement.

8.6 CASH-OUT DISTRIBUTIONS If a Participant terminates service with the Employer and receives an immediate distribution of the vested portion of his accounts under the Plan pursuant to Section 8.3 (a "Cash-Out Distribution"), the nonvested portion of the Participant's accounts under the Plan immediately will be forfeited and applied in accordance with Section 4.7. If a Participant separates from service and does not have a vested benefit, the Participant shall be treated for purposes of this Plan as receiving a cashout of such zero vested benefit immediately and his accounts under the Plan immediately will be forfeited and applied in accordance with Section 4.7. If the Participant resumes or continues employment covered under the Plan and repays during the employment with the Employer the amount distributed pursuant to this Section within the time limit stated below, then the Trustee shall credit to his accounts under the Plan the amount standing to his credit in each account immediately prior to the distribution, unadjusted by any subsequent gains or losses of the Trust Fund. Such repayment must occur before the Participant incurs five (5) consecutive one-year Breaks in Service.

8.7 PAYMENT OF BENEFITS UPON DEATH OF PARTICIPANT Upon the death of a Participant the portion of the Participant's account balance, if any, not yet paid to the Participant shall be paid to the Participant's surviving spouse; provided, however, that if the Participant is not survived by a spouse or if such spouse consents to an election out of such payment as set forth in paragraph 8.8, such benefits shall be paid to the Participant's designated beneficiary.

8.8 SPOUSAL CONSENT Any election by a Participant to pay benefits upon the Participant's Death to a beneficiary other than the Participant's spouse under paragraph 8.7 above shall not be effective unless (i) the spouse of the Participant consents in writing to such election and the spouse's consent acknowledges the effect of such election and is witnessed by the Employer or a notary public, or (ii) it is established to the satisfaction of the Employer that the consent required from the spouse may not be obtained because there is no spouse, because a spouse cannot be located or because of such other circumstances as may be established by the Secretary of Treasury under prescribed regulations.

8.9 DEATH BEFORE COMMENCEMENT OF BENEFITS If a Participant dies before the distribution of his interest has commenced, the Participant's entire interest shall be distributed within five (5) years after his death to his designated beneficiary; provided, however, that such benefits may be paid to the designated beneficiary over the life of the beneficiary or over a period not exceeding the life expectancy of the beneficiary if such benefits commence within one year of the Participant's death. If distributions have commenced prior to the Participant's death, the remaining portion of the Participant's account shall be distributed to such Participant's beneficiary at least as rapidly as under the method of distribution being used at the time of the Participant's death. Notwithstanding the foregoing, if the Participant's designated beneficiary is his or her spouse, such payments need not begin earlier than the date on which the Participant would have attained age 70 1/2 years. If the spouse dies before distribution to such spouse begins, this section shall be applied as if the surviving spouse was the Participant.

8.10 WITHDRAWALS WHILE STILL EMPLOYED A Participant may, while still employed by the Employer, make a withdrawal of all or any part of those accounts described below, subject to the following restrictions:

- (1) Withdrawals may be made only as of an Accounting Date after all adjustments have been made to the accounts as described in Section 7.1 hereof.
- (2) All withdrawals are subject to the Participant having filed a written application with the Committee at least 30 days prior to the date on which the withdrawal is to be made.
- (3) All withdrawals shall be in the form of a lump-sum cash payment and the amounts withdrawn shall be debited from the Participant's accounts as of the date the payment is made.
- (4) Except as provided below, a Participant may withdraw all or any portion of (i) his Salary Deferral Contribution Account, (ii) the vested portion of that part, if any, of his Employer Contribution Account from the Company's former Thrift Plan and (iii) that part of his Rollover Account from the Company's former Thrift Plan, only in the event that he furnishes satisfactory evidence to the Committee that the withdrawal is on account of "hardship". For this purpose, a distribution shall be on account of hardship only if it both (i) is made on account of an immediate and heavy financial need of the Participant and (ii) is necessary to satisfy such financial need. For the determination of hardship, the Committee shall adhere to the following rules:
 - (a) A distribution will be deemed to be made on account of an immediate and heavy financial need of the Participant if the distribution is on account of:
 - (i) Medical expenses described in 213(d) of the Code incurred by the Participant, the Participant's spouse or any dependents of the Participant (as defined in 152 of the Code) or necessary for such persons to obtain medical care described in 213(d) of the Code;
 - (ii) Purchase (excluding mortgage payments) of a principal residence for the Participant;
 - (iii) Payment of tuition and related educational fees for the next 12 months of post-secondary education for the Participant, his or her spouse, children or dependents; or
 - (iv) The need to prevent the eviction of the Participant from his principal residence or foreclosure on the mortgage of the Participant's principal residence.
 - (b) A distribution will be deemed to be necessary to satisfy an immediate and heavy financial need of a Participant if all of the following requirements are satisfied:
 - (i) The distribution is not in excess of the amount of the immediate and heavy financial need of the Participant which may include any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;
 - (ii) The Participant has obtained all distributions, other than hardship distributions, and all non-taxable loans currently available under all plans maintained by the Employer;
 - (iii) The Participant's Salary Deferral Contributions under Section 3.1 of the Plan shall be suspended for twelve (12) months after the Participant's receipt of the hardship distribution; and
 - (iv) The Participant's maximum annual deferral determined under 402(g) of the Code and Section 3.1(A) of the Plan

for the Participant's calendar year immediately following the taxable year of the hardship distribution shall be reduced by the amount of such Participant's Salary Deferral Contributions for the taxable year of the hardship distribution.

Provided, however, that the provisions of (b)(ii) - (iv) shall not apply if the Participant's withdrawal under this Section 8.10(4) does not include any portion of his Salary Deferral Contribution Account. Notwithstanding the above language of this paragraph (4) of this Section 8.10, the following additional rules shall apply regarding the ability to make hardship withdrawals from a Participant's Salary Deferral Contribution Account:

(a) income allocable to a Participant's Salary Deferral Contribution Account but credited after December 31, 1988 may not be withdrawn;
(b) a Participant may not withdraw any non-elective Employer contributions which were credited to a Participant's Salary Deferral Contribution Account after December 31, 1988 because they were treated as Salary Deferral Contributions for purposes of Section 3.1(E) of the Plan; and
(c) effective April 1, 1993, no income, regardless of when allocated, may be withdrawn from a Participant's Salary Deferral Contribution Account.

(5) At such time as a Participant attains the age of 59 1/2 years, the Participant may direct the Trustee to distribute up to the entire amount of his Salary Deferral Contribution Account as of any Accounting Date. Such distributions must equal at least \$500 each and are limited to two (2) distributions per Plan Year. In the event a Participant elects to take such a distribution, he shall continue to be eligible to participate in the Plan on the same basis as any other Participant.

(6) A Participant may elect to withdraw, as of any Accounting Date, part or all of his After-Tax Contribution Account.

(7) Notwithstanding Sections 8.1, 8.2 and 8.3 above, if a Participant elects under Section 8.5 to defer retirement beyond his Normal Retirement Date, the Participant may direct the Trustee to begin distributions of part or all of any of his accounts under the Plan in any manner provided in Section 8.4 of the Plan following his Normal Retirement Date.

(8) The amount that a Participant may withdraw from his Employer Contribution Account under either paragraph (4) or (7) of this Section 8.10 shall not exceed the excess of (a) the net credit balance in such account as of the effective date of the withdrawal over (b) the Employer's Contributions allocated on behalf of the Participant as of the last Accounting Date of each of the preceding two Plan Years.

(9) The Committee shall establish such rules and give such directions to the Trustee as shall be appropriate to effectuate the withdrawal in accordance with the terms hereof.

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

(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 ten years or more; any distribution to the extent such distribution is required under 401(a)(9) of the Code; and the portion of any distribution that is not includable 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 408(a) of the Code, an individual retirement annuity described in 408(b) of the Code, an annuity plan described in 403(a) of the Code, or a qualified trust described in 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(c) Distributee. 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 414(p) of the Code, 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.

SECTION 9

SPECIAL PROVISIONS APPLICABLE IF PLAN IS TOP-HEAVY

9.1 APPLICABILITY OF TOP-HEAVY PLAN PROVISIONS The provisions of this Section 9 shall apply if the Plan becomes a "top-heavy plan" within the meaning of 416(g) of the Code with respect to any Plan Year that ends after the Effective Date of the Plan.

9.2 DETERMINATION OF PLAN YEARS IN WHICH PLAN IS TOP-HEAVY (A) The Plan shall be "top-heavy" with respect to an applicable Plan Year if:

(1) either (a) any Participant, former Participant or Beneficiary is a "Key Employee" (as defined in Section 9.2(B) herein), or

(b) the Plan enables any other plan which is included in the Aggregation Group (as defined below) and which has a Participant who is a Key Employee, to meet the requirements of 401(a)(4) or 410 of said Code; and

(2) the ratio (determined in accordance with 416 of said Code) as of the last day of the preceding Plan Year or, in the case of the first Plan Year, the last day of such first Plan Year (such day, whether applicable to the first Plan Year or to subsequent Plan Years, is hereinafter referred to in this Section 9 as the "Determination Date") of:

(a) the aggregate of the individual accounts of all Key Employees under all Defined Contribution Plans included in such Aggregation Group; to

(b) a similar sum determined for all Participants, former Participants and Beneficiaries - excluding any Participants and former Participants (or their Beneficiaries) who have not at any time during the five-year period ending on the Determination Date performed

services for any employer maintaining a plan included in the Aggregation Group, under all Defined Contribution Plans included in such Aggregation Group; is greater than 60%.

(B) For the purposes of this Section 9, the following terms shall have the following meanings:

(1) "Aggregation Group". Aggregation Group means:

(a) "Required Aggregation":

(i) each plan of the Employer in which a Key Employee is a participant (in the Plan Year containing the Determination Date or any of the four preceding Plan Years), and

(ii) each other plan of the Employer which enables any plan described in subclause (i) to meet the requirements of 401(a)(4) or 410 of the Code; or

(b) "Permissive Aggregation": any other plan not required to be aggregated may be included by the Employer if such group would continue to meet the requirements of 401(a)(4) and 410 with such plan being taken into account.

(c) In determining the Aggregation Group, plans terminated within the five-year period ending on the Determination Date also shall be taken into consideration.

(2) "Key Employee" means an Employee, former Employee or the beneficiary of either who, at any time during the Plan Year or any of the four preceding Plan Years, is:

(a) an officer of the Employer having an annual compensation greater than 50% of the amount in effect under 415(b)(1)(A) for any Plan Year;

(b) one of the 10 Employees having annual compensation from the Employer of more than the limitation in effect under 415(c)(1)(A) of the Code and owning (or considered as owning within the meaning of 318) the largest interests in the Employer;

(c) a 5-percent owner of the Employer;

(d) a 1-percent owner of the Employer having an annual compensation from the Employer of more than \$150,000. For purposes of clause (a), no more than 50 Employees (or, if lesser, the greater of 3 or 10 percent of the Employees) shall be treated as officers. For purposes of clause

(b), if 2 Employees have the same interest in the Employer, the Employee having greater annual compensation from the Employer shall be treated as having a larger interest.

(3) "Percentage Owners":

(a) 5-Percent Owner. - For purposes of this paragraph, the term "5-percent owner" means -

(i) If the Employer is a corporation, any person who owns (or is considered as owning within the meaning of 318 of the Code) more than 5 percent of the outstanding stock of the corporation or stock possessing more than 5 percent of the total combined voting power of all stock of the corporation, or

(ii) If the Employer is not a corporation, any person who owns more than 5 percent of the capital or profits interest in the Employer.

(b) 1-Percent Owner. - For purposes of this paragraph, the term "1-percent owner" means any person who would be described in clause (a) if "1 percent" were substituted for "5 percent" each place it appears in clause (a).

(c) Constructive Ownership Rules. - For purposes of subparagraphs (3)(a) and (b)

(i) subparagraph (C) of 318(a)(2) of the Code shall be applied by substituting "5 percent" for "50 percent," and

- (ii) in the case of any Employer which not a corporation, ownership in such employer shall be determined in accordance with regulations prescribed by the Secretary which shall be based on principles similar to the principles of 318 of the Code (as modified by subclause (I)).
- (d) Aggregation Rules for Determining Ownership in Employer. - For purposes of this paragraph (3), the rules of subsections (b), (c) and (m) of 414 of the Code shall not apply for purposes of determining ownership in the Employer.
- (e) Compensation. - For purposes of this subsection, the term "compensation" has the meaning given such term by 414(q)(7) of the Code.
- (4) "Non-Key Employee" means any Employee or former Employee who is not a Key Employee.
- (C) Unless required otherwise under 416 of the Code and regulations issued thereunder, the value of a Participant's (or Beneficiary's) individual account under the Plan as of the Determination Date shall be equal to the sum of:
 - (a) the net credit balance in his individual accounts (exclusive of any amounts credited to his Rollover Contribution Account unless such amounts are required to be included for purposes of 416(g)(4) of the Code) as of the last Accounting Date; plus
 - (b) any contributions (other than unrelated Rollover Contributions) actually made after such Accounting Date but on or prior to the Determination Date or, in the case of the Determination Date applicable to the first Plan Year, any contributions made after the Determination Date that are allocated as of a date within such first Plan Year; plus
 - (c) the aggregate distributions (exclusive of any distributions from his Rollover Contribution Account unless such amounts are required to be included for purposes of 416(g)(4) of the Code) made on his behalf during the five-year period ending on the Determination Date.

Provided, however, that if any individual is a "Non-Key Employee" with respect to the Plan for any Plan Year, but such individual was a Key Employee with respect to the Plan for any prior Plan Year, such employee's accounts under the Plan shall not be taken into account. Furthermore, for purposes of determining the value of a Participant's (or beneficiary's) account under the Plan, such amount shall be increased by the aggregate distributions made with respect to such Employee under the Plan during the five-year period ending on the Determination Date, including distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group.

(D) The aggregate of the individual accounts under the other Defined Contribution Plans included in such Aggregation Group shall be determined separately for each such plan in accordance with 416 of the Code and regulations issued with respect thereto as of the "determination date" that is applicable to each such separate plan and that falls within the same calendar year that the Determination Date applicable to the Plan falls.

9.3 MINIMUM VESTING FOR TOP-HEAVY PLAN YEAR During any Plan Year in which the Plan is top-heavy, the vesting schedule applicable to Employer Contribution Accounts shall be:

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

9.4 MINIMUM CONTRIBUTIONS FOR TOP-HEAVY PLAN YEAR (A) The Employer's Contributions during any Plan Year in which the Plan is top-heavy on behalf of an Eligible Employee to whom the provisions of this Section 9.4 are applicable, shall not be less than an amount equal to the excess, if any, of (1) the lesser of (i) 3% of his IRC 415 Compensation (as defined in Section 7.2(B) above) from the Employer during the Plan Year and (ii) the highest percentage of IRC 415 Compensation (as defined in Section 7.2(B) above) which is allocated under Sections 7.3 and 7.4 hereof to a Key Employee for such Plan Year; over (2) any employer contributions allocated on his behalf under Section 7.4 hereof for such Plan Year plus any allocations of employer contributions and forfeitures allocated on his behalf under all other Defined Contribution Plans included in the Aggregation Group for such Plan Year. (B) The provisions of this Section 9.4 shall apply to all Eligible Employees who are in the active service of the Employer on the last Accounting Date of the Plan Year and who are not Key Employees.

**SECTION 10
MISCELLANEOUS PROVISIONS REGARDING PARTICIPANTS**

10.1 PARTICIPANTS TO FURNISH REQUIRED INFORMATION (A) Each Participant and his Beneficiary will furnish to the Committee such information as the Committee considers necessary or desirable for purposes of administering the Plan, and the provisions of the Plan respecting any payments thereunder are conditional upon the Participant's or Beneficiary's furnishing promptly such true, full and complete information as the Committee may request. (B) Each Participant will submit proof of his age and proof of the age of each Beneficiary designated or selected by him to the Committee at such time as is required by the Committee. The Committee will, if such proof of age is not submitted as required, use as conclusive evidence thereof, such information as is deemed by him to be reliable, regardless of the source of such information. Any adjustment required by reason of lack of proof or the misstatement of the age of persons entitled to benefits hereunder, by the Participant or otherwise, will be in such manner as the Committee deems equitable.

(C) Any notice or information which, according to the terms of the Plan or the rules of the Committee, must be filed with the Committee, shall be deemed so filed at the time that it is actually received by the Committee. (D) The Employer, the Committee, and any person or persons involved in the administration of the Plan shall be entitled to rely upon any certification, statement, or representation made or evidence furnished by an Employee, Participant or Beneficiary with respect to this age or other facts required to be determined under any of the provisions of the Plan, and shall not be liable on account of the payment of any monies or the doing of any act or failure to act in reliance thereon. Any such certification, statement, representation, or evidence, upon being duly made

or furnished, shall be conclusively binding upon the person furnishing same; but it shall not be binding upon the Employer, the Committee, or any other person or persons involved in the administration of the Plan, and nothing herein contained shall be construed to prevent any of such (parties from contesting any such certification, statement, representation, or evidence or to relieve the Employee, Participant, Beneficiary from the duty of submitting satisfactory proof of any such fact.

10.2 BENEFICIARIES Each Participant may, on a form provided for that purpose, signed and filed with the Committee, designate a Beneficiary to receive the benefit, if any, which may be payable under the Plan in the event of his death, and each designation may be revoked by such Participant by signing and filing with the Committee a new designation of Beneficiary form. If a deceased Participant who had a spouse at the date of his death either failed to designate a Beneficiary in the manner above prescribed or if his designated Beneficiary predeceases him, he shall be deemed to have designated his spouse as his Beneficiary. If a deceased Participant is survived by a spouse and he had designated a person other than his spouse as his Beneficiary and such spouse has not consented, in writing witnessed by a Plan representative or a notary public, to such other person being designated as the Beneficiary, the Participant shall be deemed to have revoked his prior designation and to have designated his spouse as his Beneficiary to receive the death benefit. If a deceased Participant who did not have a spouse at the date of his death either failed to name a Beneficiary in the manner above prescribed or if his Beneficiary predeceases him, the death benefit, if any, which may be payable under the Plan with respect to such deceased Participant shall be paid to the estate of the deceased Participant.

10.3 CONTINGENT BENEFICIARIES In the event of the death of a Beneficiary who survives the Participant and in the event that, at the Beneficiary's death, there is a balance credited to the individual account (or accounts) of the Participant, the amount represented by such credit balance shall be payable to a person (or persons) designated by the Participant (in the manner provided in Section 10.2 above) to receive the remaining funds payable in the event of such contingency or, if no person was so named, then to a person designated by the Beneficiary (in the manner provided in Section 10.2 above) of the deceased Participant to receive the remaining death benefits, if any, payable in the event of such contingency; provided, however, that if no person so designated be living upon the occurrence of such contingency, then the remaining funds shall be payable to the estate of such deceased Beneficiary.

10.4 PARTICIPANTS' RIGHTS IN TRUST FUND No Participant or other person shall have any interest in or any right in, to or under the Trust Fund, or any part of the assets thereof, except as and to the extent expressly provided in the Plan.

10.5 BENEFITS NOT ASSIGNABLE (A) Subject to the provisions of Section 10.5(B) below, no benefits, rights or accounts shall exist under the Plan which are subject in any manner to voluntary or involuntary anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge the same shall be null and void; nor shall any such benefit, right or account under the Plan be in any manner liable for or subject to the debts, contracts, liabilities,

engagements, torts or other obligations of the person entitled to such benefit, right or account; nor shall any benefit, right or account under the Plan constitute an asset in case of the bankruptcy, receivership or divorce of any person entitled under the Plan; and any such benefit, right or account under the Plan shall be payable only directly to the Participant or Beneficiary, as the case may be.

(B) Where a "qualified domestic relations order" as defined in 414(p) of the Code has been received by the Committee, the terms and benefits of the Plan will be considered to have been modified with respect to the affected Participant to the extent such order requires benefits to be paid to specified individuals other than the Participant.

10.6 BENEFITS PAYABLE TO MINORS AND INCOMPETENTS (A) Whenever any person entitled to payments under the Plan shall be a minor or under other legal disability or in the sole judgment of the Committee shall otherwise be unable to apply such payments to his own best interest and advantage (as in the case of illness, whether mental or physical or where the person not under legal disability is unable to preserve his estate for his own best interest), the Committee may in the exercise of its discretion direct all or any portion of such payments to be made in any one or more of the following ways unless claim shall have been made therefore by an existing and duly appointed guardian, tutor, conservator, committee or other duly appointed legal representative, in which event payment shall be made to such representative:

- (1) directly to such person unless such person shall be an infant or shall have been legally adjudicated incompetent at the time of the payment;
 - (2) to the spouse, child, parent or other blood relative to be expended on behalf of the person entitled or on behalf of those dependents as to whom the person entitled has the duty of support; or
 - (3) to a recognized charity or governmental institution to be expended for the benefit of the person entitled or for the benefit of those dependents as to whom the person entitled has the duty of support.
- (B) The decision of the Committee will, in each case, be final and binding upon all persons and the Committee shall not be obliged to see to the proper application or expenditure of any payments so made. Any payment made pursuant to the power herein conferred upon the Committee shall operate as a complete discharge of the obligation of the Trustee and of the Committee.

10.7 CONDITIONS OF EMPLOYMENT NOT AFFECTED BY PLAN The establishment and maintenance of the Plan will not be construed as conferring any legal rights upon any Participant to the continuation of his employment with the Employer, nor will the Plan interfere with the right of the Employer to discipline, lay off or discharge any Participant. The adoption and maintenance of the plan shall not be deemed to constitute a contract between the Employer and any Employee or to be consideration for, inducement to, or condition of employment of any person.

10.8 NOTIFICATION OF MAILING ADDRESS (A) Each Participant and other person entitled to benefits hereunder shall file with the Committee from time to time, in writing, his post office address and each change of post office address, and any check representing payment hereunder and any communication addressed to a Participant or a Beneficiary hereunder at his last address filed with the Committee (or, if no such address has been filed, then at his last address

as indicated on the records of the Employer) shall be binding on such person for all purposes of the Plan, and neither the Committee nor the Trustee shall be obliged to search for or ascertain the location of any such person.

(B) If the Committee, for any reason, is in doubt as to whether payments are being received by the person entitled thereto, it may by registered mail addressed to the person concerned at his address last known to the Committee, notify such person that all unmailed and future payments shall be henceforth withheld until he provides the Committee with evidence of his continued life and his proper mailing address or his Beneficiary provides the Committee with evidence of his death. In the event that (i) such notification is mailed to such person and his designated Beneficiary,

(ii) the Committee is not furnished with evidence of such person's continued life and proper mailing address or with evidence of his death, all payments shall be withheld until a claim is subsequently made by any such person to whom payment is due under the provisions of the Plan.

10.9 LOST PAYEE In the event the Administrator is unable, within five years after payment of a benefit is due to a Participant or Beneficiary to make such payment because it cannot ascertain the whereabouts of the Participant or the identity and whereabouts of his Beneficiary or personal representative by mailing to the last known address shown on the Administrator's records, and neither the Participant, his Beneficiary or personal representative has made written claim therefor before the expiration of such five years, then, and in such case, the Administrator shall direct that such amount shall be forfeited and applied towards future Employer Contributions to the Plan; provided, however, that such amount shall be reinstated if and in the event the said Participant or his Beneficiary or personal representative shall make a valid claim therefor upon presentation of proper identification.

10.10 WRITTEN COMMUNICATIONS REQUIRED Any notice, request, instruction, or other communication to be given or made hereunder shall be in writing and either personally delivered to the addressee or deposited in the United State mail fully postpaid and properly addressed to such addressee at the last address for notice shown on the Committee's records.

10.11 BENEFITS PAYABLE AT OFFICE OF TRUSTEE All benefits hereunder, and installments thereof, shall be payable at the office of the Trustee.

10.12 APPEAL TO COMMITTEE (A) A Participant or Beneficiary who feels he is being denied any benefit or right provided under the Plan must file a written claim with the Committee. All such claims shall be submitted on a form provided by the committee which shall be signed by the claimant and shall be considered filed on the date the claim is received by the Committee. (B) Upon the receipt of such a claim and in the event claim is denied, the Committee shall, within a reasonable period of time (generally 90 days), provide such claimant a written statement which shall be delivered or mailed to the claimant by certified or registered mail to his last known address, which statement shall contain the following:

- (1) the specific reason or reasons for the denial of benefits;
- (2) a specific reference to the pertinent provisions of the Plan upon which the denial is based;

(3) a description of any additional material or information which is necessary; and
(4) an explanation of the review procedure provided below; provided, however, in the event that special circumstances require an extension of time for processing the claim, the Committee shall provide such claimant with such written statement described above not later than 180 days after receipt of the claimant's claim, but, in such event, the Committee shall furnish the claimant, within 90 days after its receipt of such claim, written notification of the extension explaining the circumstances requiring such extension and the date that it is anticipated that such written statement will be furnished.

(C) Within 90 days after receipt of a notice of a denial of benefits as provided above, the claimant or his authorized representative may request, in writing, to appear before the Committee for a review of his claim. In conducting its review, the Committee shall consider any written statement or other evidence presented by the claimant or his authorized representative in support of his claim. The Committee shall give the claimant and his authorized representative reasonable access to all pertinent documents necessary for the preparation of his claim. (D) Within 60 days after receipt by the Committee of a written application for review of his claim, the Committee shall notify the claimant of its decision by delivery or by certified or registered mail to his last known address; provided, however, in the event of special circumstances which require an extension of time for processing such application, the Committee shall notify the claimant of its decision not later than 120 days after receipt of such application, but in such event, the Committee shall furnish the claimant, within 60 days after its receipt of such application, written notification of the extension explaining the circumstances requiring such extension and the date that it is anticipated that its decision will be furnished. The decision of the Committee shall be in writing and shall include the specific reasons for the decision presented in a manner calculated to be understood by the claimant and shall contain references to all relevant Plan provisions on which the decision was based. The decision of the Committee shall be final and conclusive.

SECTION 11 MISCELLANEOUS PROVISIONS REGARDING THE EMPLOYER

11.1 EMPLOYER'S CONTRIBUTION IRREVOCABLE The Employer shall have no right, title or interest in the Trust Fund or in any part thereof, and no contributions made thereto shall revert to the Employer, except as provided in Paragraph 2 of Article III of the Trust Agreement.

11.2 ABSENCE OF RESPONSIBILITY Subject to any applicable provisions of law, neither the Employer nor any of the officers, employees, agents nor any members of its board of directors or other governing board nor any partner or sole proprietor, guarantees in any manner the payment of benefits hereunder.

11.3 AMENDMENT OF PLAN (A) The Plan may be amended from time to time in any respect whatever by resolution of the board of directors of the Company specifying such amendment, subject only to the following limitations:

(1) Under no condition shall such amendment result in or permit the return or repayment to any Employer of any property held or acquired by

the Trustee hereunder or the proceeds thereof or result in or permit the distribution of any such property for the benefit of anyone other than the Participants and their Beneficiaries, except to the extent provided by Section 11.6 hereof with respect to expenses of administration.

(2) Under no condition shall such amendment change the duties or responsibilities of the Trustee hereunder without its written consent. (B) Subject to the foregoing limitations, any amendment may be made retroactively which, in the judgment of the Committee, is necessary or advisable provided that such retroactive amendment does not deprive a Participant, without his consent, of a right to receive benefits hereunder which have already vested and matured in such Participant, except such modification or amendment as shall be necessary to comply with any laws or regulations of the United States or of any state to qualify this as a tax- exempt plan and trust.

(C) The participation in the Plan of Employers other than the Company shall not limit the power of the Company under the foregoing provisions; provided, however, that the Company shall deliver a copy of each amendment to the Plan to each other Employer within 30 days of such amendment. The provisions of the Plan and any amendments to the Plan by the Company shall be binding upon all other Employers unless such other Employer modifies the provisions of the Plan as it pertains only to its own employees by the adoption, by formal action on its part in the manner described in Section 11.7 hereof, of a Supplement to the Plan specifying such modifications which shall pertain only to its employees; and each Employer shall have the right to withdraw from the Plan by formal action on its part, in the manner described in Section 11.7 hereof, specifying its determination to withdraw. Any such withdrawing Employer shall furnish the Committee and the Trustee with evidence of the formal action of its determination to withdraw. (D) Any such withdrawal may be accompanied by such modifications to the Plan as such Employer shall deem proper to continue a Defined Contribution Plan for its employees separate and distinct from the Defined Contribution Plan herein set forth. A withdrawal by any Employer without any provision for the continuation of a plan for its employees shall constitute a termination of the Plan with respect to that Employer. Withdrawal from the Plan by any Employer shall not affect the continued operation of the Plan with respect to the other Employers; provided, however, in the event of the withdrawal of an Employer which is in a group of Employers with respect to which the Plan constitutes a single plan and in the event that provision is made for the continuation of a Defined Contribution Plan for its Employees separate and distinct from the Defined Contribution Plan herein set forth, the share of the assets of the Trust Fund allocable to such group of Employers which is transferred to such other Defined Contribution Plan shall be determined by the Committee but shall be subject to the provisions of Section 11.5 hereof. (E) Any Supplement to the Plan adopted by an Employer or Employers shall apply only to the employees of the Employer or Employers adopting such Supplement and shall not affect the continued operation of the Plan with respect to any other Employers.

11.4 TERMINATION OF PLAN

(A) The Plan may be terminated by the Employers at any time by (1) formal action in the manner described in Section 11.7 hereof, on the part of each Employer then a party to the Plan specifying (a) that the Plan is being terminated and (b) the date as of which the termination is to be effective and (2) notifying the Committee and the Trustee of such termination. Any successor business to an Employer may provide for

continuation of the Plan by formal action on its part in the manner described in Section 11.7 hereof. The Plan may be terminated in the manner described above with respect to one, but less than all, of the Employers theretofore parties hereto and the Plan continued for the remaining Employer or Employers. The Plan shall automatically terminate as to a particular Employer only upon adjudication by a court of competent jurisdiction that such Employer is bankrupt or insolvent (whether such proceedings be voluntary or involuntary), upon dissolution of such Employer or upon its liquidation, merger or consolidation without provisions being made by its successor, if any, for the continuation of the Plan.

(B) Upon termination of the Plan in accordance with the provisions of Section 11.4(A) above, the Committee shall determine the share of the value of the assets of the Trust Funds which is attributable to each Employer (or group of Employers) with respect to which the Plan represents a single plan as described in Section 2.5 hereof. The Committee shall then determine whether distribution on behalf of the Participants and Beneficiaries entitled to benefits under the Plan shall be by payment in cash, by transfer to Individual Retirement Accounts established under 408 of the Code, by maintenance of another or substituted trust fund, by the purchase of insured annuities, or shall be in kind based on the then market value. As soon as practicable after receipt by the Employer of notification from the Internal Revenue Service evidencing its approval of the proposed distribution of assets upon termination of the Plan and after payment of all expenses and costs, the Committee shall direct the Trustee to distribute, in the manner of distribution determined by the Committee, the amount then standing to the credit of the account of each applicable Participant or Beneficiary.

11.5 MERGER OF PLAN In the case of the merger of consolidation of the Plan with, or the transfer of assets of liabilities to, another qualified plan, each Participant must be entitled to receive a benefit, upon termination of such other qualified plan after such merger, consolidation or transfer, which is at least equal to the benefit which he would have been entitled to receive immediately before the merger, consolidation or transfer if the Plan had been terminated at that time.

11.6 EXPENSES OF ADMINISTRATION The Employer may pay all expenses incurred in the establishment and administration of the Plan, including expenses and fees of the Trustee, but it shall not be obligated to do so, and any such expenses not so paid by the Employer shall be paid from the Trust Fund.

11.7 FORMAL ACTION BY EMPLOYER Any formal action herein permitted or required to be taken by an Employer shall be:

(a) if and when a partnership, by written instrument executed by one or more of its general partners or by written instrument executed by a person or group of persons who has been authorized by written instrument executed by one or more general partners as having authority to take such action;

(b) if and when a proprietorship, by written instrument executed by the proprietor or by written instrument executed by a person or group of persons who has been authorized by written instrument executed by the proprietor as having authority to take such action;

(c) if and when a corporation, by resolution of its board of directors or other governing board, or by written instrument executed by a person or group of persons who has been authorized by resolution of its board of directors or other governing board as having authority to take such action; or

(d) if and when a joint venture, by formal action on the part of the joint ventures in the manner described above.

SECTION 12 ADMINISTRATION

12.1 ADMINISTRATION BY COMMITTEE The Plan will be administered by an administration committee (herein referred to as the "Committee"), consisting of a chairman and at least two additional members, each of whom will be appointed by the board of directors of the Company. Any member of the Committee may resign by delivering his written resignation to the board of directors of the Company and to the other members, if any, of the Committee. The board of directors of the Company may remove any member of the Committee by so notifying the member and other Committee members, if any, in writing. Vacancies on the Committee shall be filled by action of the board of directors of the Company. The Committee shall be the administrator of the Plan.

12.2 OFFICERS AND EMPLOYEES OF THE COMMITTEE The Committee may appoint a secretary who may, but need not, be a member of the Committee and may employ such agents, clerical and other services, legal counsel, accountants and actuaries as may be required for the purpose of administering the Plan. Any person or firm so employed may be a person or firm then, therefore or thereafter serving the Employer in any capacity. The Committee and any individual member of the Committee and any agent thereof shall be fully protected when acting in a prudent manner and relying in good faith upon the advice of the following professional consultants or advisors employed by the Employer or the Committee: any attorney insofar as legal matters are concerned, any certified public accountant insofar as accounting matters are concerned, and any enrolled actuary insofar as actuarial matters are concerned.

12.3 ACTION BY COMMITTEE (A) A majority of the members of the Committee shall constitute a quorum for the transaction of business and shall have full power to act hereunder. The Committee may act either at a meeting at which a quorum is present or by a writing subscribed by at least a majority of the members of the Committee then serving. Any written memorandum signed by the secretary or any member of the Committee who has been authorized to act on behalf of the Committee shall have the same force and effect as a formal resolution adopted in open meeting. Minutes of all meetings of the Committee and a record of any action taken by the Committee shall be kept in written form by the secretary appointed by the Committee or, if no secretary has been appointed by the Committee, by an individual member of the Committee. The Committee shall give to the Trustee any order, direction, consent or advice required under the terms of the Trust Agreement, and the Trustee shall be entitled to rely on any instrument delivered to it and signed by the secretary or any authorized member of the Committee as evidencing the action of the Committee. **(B)** A member of the Committee may not vote or decide upon any matter relating solely to himself or vote in any case in which his

individual right or claim to any benefit under the Plan is particularly involved. If, in any case in which any Committee member is so disqualified to act, the remaining members cannot agree or if there is only one individual member of the Committee, the board of directors of the Company will appoint a temporary substitute member to exercise all of the powers of a qualified member concerning the matter in which the disqualified member is not qualified to act.

12.4 RULES AND REGULATIONS OF COMMITTEE The Committee shall have the authority to make such rules and regulations and to take such action as may be necessary to carry out the provisions of the Plan and will, subject to the provisions of the Plan, decide any questions arising in the administration, interpretation and application of the Plan, which decisions shall be conclusive and binding on all parties. The Committee may allocate or delegate any part of its authority and duties as it deems expedient.

12.5 POWERS OF COMMITTEE (A) In order to effectuate the purposes of the Plan, the Committee shall have the following powers:

- (1) to make all determinations and computations concerning the benefits, credits and debits to which any Participant, or other Beneficiary, is entitled under the Plan;
- (2) to determine all questions relating to the eligibility of employees to become Participants and to determine the amount of Compensation of each Participant;
- (3) to determine all questions relating to acceptance of any Rollover Contributions to the Plan;
- (4) to make rules and regulations for the administration of the Plan which are not inconsistent with the terms and provisions hereof and to fix the taxable year of the Trust as required for tax return purposes and advise the Trustee thereof in writing;
- (5) to construe the Plan and to make equitable adjustments for any mistakes or errors made in the administration of the Plan;
- (6) to determine and resolve in its sole discretion all questions relating to the administration of the Plan and Trust (a) when differences of opinion arise between the Employer, the Trustee, a Participant, or any of them and (b) whenever it is deemed advisable to determine such questions in order to promote the uniform and nondiscriminatory administration of the Plan for the greatest benefit of all parties concerned;
- (7) to authorize and direct the Trustee to pay from the Trust Fund all costs and expenses incurred by the Committee in the administration of the Plan;
- (8) to determine whether a Participant is Totally and Permanently Disabled for the purposes of Section 8 hereof, and for this purpose it shall require proof in such form as it may desire, including the certificate of a duly licensed physician; and
- (9) to appoint, in its discretion, in accordance with the provisions of the Trust Agreement, one or more Investment Managers to manage, including the power to acquire or dispose of, all or any portion of the assets of the Plan and Trust Fund.

(B) The foregoing list of express powers is not intended to be either complete or conclusive, and the Committee shall, in addition, have such powers as it may reasonably determine to be necessary or appropriate in the performance of its powers and duties under the Plan.

12.6 DUTIES OF COMMITTEE (A) The Committee shall, as part of its general duty to supervise and administer the Plan:

- (1) establish and maintain, or cause to be maintained, the individual accounts described in Section 6.1 hereof and direct the maintenance of such other records and the preparation of such forms as are required for the efficient administration of the Plan;
- (2) give the Trustee specific directions in writing with respect to:
 - (a) the Investment Fund elections of the Participants;
 - (b) the making of distribution payments, giving the names of the payees, the amounts to be paid and the time or times when payments shall be made; and
 - (c) the making of any other payments which the Trustee is not by the terms of the Trust Agreement authorized to make without a direction in writing by the Committee.
- (3) prepare an annual report for the Employer, as of the last day of each Plan Year, in such form as may be required by the Employer;
- (4) maintain records of the age and amount of Compensation of each Employee;
- (5) comply with all applicable lawful reporting and disclosure requirements of the Employee Retirement Income Security Act of 1974; and
- (6) comply (or transfer responsibility for compliance to the Trustee) with all applicable Federal income tax withholding requirements for distribution payments imposed by the Tax Equity and Fiscal Responsibility Act of 1982. (B) The foregoing list of express duties is not intended to be either complete or conclusive, and the Committee shall, in addition, exercise such other powers and perform such other duties as it may deem necessary, desirable, advisable or proper for the supervision and administration of the Plan.

12.7 INDEMNIFICATION OF MEMBERS OF COMMITTEE To the extent not covered by insurance or if there is a failure to provide full insurance coverage for any reason and to the extent permissible under corporate by-laws and other applicable laws and regulations, the Company agrees to hold harmless and indemnify the members of the Committee and all employees, agents and other fiduciaries rendering services to the Committee, the Plan or Trust against any and all claims and causes of action by or on behalf of any and all parties whomsoever, and all losses therefrom, including, without limitation, costs of defense and attorneys' fees, based upon or arising out of any act or mission relating to or in connection with the Plan and Trust Agreement other than losses resulting from any such person's fraud or willful misconduct.

12.8 PLAN FIDUCIARIES (A) The Trustee is the named fiduciary hereunder with respect to the powers, duties and responsibilities of investment of the Trust Fund and the Committee is the named fiduciary hereunder with respect to the other powers, duties and responsibilities of the administration of the Plan. Certain powers, duties and responsibilities of each of said fiduciaries are specifically delegated to others under the provisions of the Plan and Trust Agreement and other powers, duties and responsibilities of any fiduciaries may be delegated by written agreement to others to the extent permitted under the provisions of the Plan and Trust Agreement.

(B) The powers and duties of each fiduciary hereunder, whether or not a named fiduciary, shall be limited to those specifically delegated to each of them under the terms of the Plan and Trust Agreement. It is intended that the provisions of the Plan and Trust Agreement allocate to each fiduciary the individual responsibilities for the prudent execution of the functions assigned to each fiduciary. None of the allocated responsibilities or any other responsibilities shall be shared by two or more fiduciaries unless such sharing shall be provided by a specific provision in the Plan or the Trust Agreement. Whenever one fiduciary is required by the Plan or the Trust Agreement to follow the directions of another fiduciary, the two fiduciaries shall not be deemed to have been assigned a share of any responsibility, but the responsibility of the fiduciary giving the directions shall be deemed to be his sole responsibility and the responsibility of the fiduciary receiving those directions shall be to follow some insofar as such instructions on their face are proper under applicable law. Any fiduciary may employ one or more persons to render advice with respect to any responsibility such fiduciary has under the Plan or Trust Agreement.

(C) Each fiduciary may, but need not, be an employee, partner, director or officer of the Employer. Nothing in the Plan shall be construed to prohibit any fiduciary from:

(1) serving in more than one fiduciary capacity with respect to the Plan and Trust Agreement;

(2) receiving any benefit to which he may be entitled as a Participant or Beneficiary in the Plan, so long as the benefit is computed and paid on a basis which is consistent with the terms of the Plan as applied to all other Participants and Beneficiaries; or

(3) receiving any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred in the performance of his duties with respect to the Plan, except that no person so serving who already receives full-time pay from the employer shall receive compensation from the Plan, except for reimbursement of expenses properly and actually incurred. (D) Each fiduciary shall be bonded as required by applicable law or statute of the United States, or of any state having appropriate jurisdiction, unless such bond may under such law or statute be waived by the parties to the Trust Agreement. The Employer shall pay the cost of bonding any fiduciary who is an employee or partner of the Employer.

12.9 APPLICABLE LAW The Plan will, unless superseded by federal law, be construed and enforced according to the laws of the State of Arkansas, and all provisions of the Plan will, unless superseded by federal law, be administered according to the laws of the said state.

SECTION 13 TRUST FUND

13.1 PURPOSE OF TRUST FUND A Trust Fund has been created and will be maintained for the purposes of the Plan, and the monies thereof will be invested in accordance with the terms of the agreement and declaration of trust which forms a part of the Plan. All contributions will be paid into the Trust Fund, and all benefits under the Plan will be paid from the Trust Fund.

13.2 BENEFITS SUPPORTED ONLY BY TRUST FUND Any person having any claim under the Plan will look solely to the assets of the Trust Fund for satisfaction.

13.3 TRUST FUND APPLICABLE ONLY TO PAYMENT OF BENEFITS The Trust Fund will be used and applied only in accordance with the provisions of the Plan, to provide the benefits thereof, and no part of the corpus or income of the Trust Fund will be used for, or diverted to, purposes other than the exclusive benefit of Participants and other persons thereunder entitled to benefits, except to the extent provided in Section 11.6 hereof with respect to expenses of administration.

SECTION 14 LOANS TO PARTICIPANTS

14.1 GENERAL PROCEDURE Subject to such rules and regulations of uniform application as the Employer may from time to time promulgate with respect to the amount of loans, maturity dates, interest rates and security, if any, the Employer, upon written application of a Participant upon a form prepared by the Employer, may, in its absolute discretion, direct the Trustee to make a loan to such Participant upon such terms as the Employer deems appropriate. The loan program shall be administered by the Committee or such sub-committee or person as it may appoint ("Loan Administrator"). The Loan Administrator shall adopt written policies and procedures for the Plan's loan program and such written policies and procedures are hereby incorporated by reference. A Participant wishing to obtain a loan from the Plan shall apply to the Loan Administrator by submitting a written loan application which can be obtained from the Loan Administrator upon request. All loans shall be made available to Participants who are "Parties in Interest" as defined in 3(14) of ERISA without regard to such Participant's race, color, religion, age, sex or national origin.

14.2 AMOUNT OF LOANS The Loan Administrator may authorize loans in an amount not less than \$1,000 and not more than an amount equal to 50% of the present value of a Participant's vested accounts under the Plan; provided that such loan amount shall in no event exceed the lesser of (a) \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans from the Plan to the Participant during the preceding one year period over the outstanding balance of loans from the Plan to the Participant as of the date the loan is made, or (b) the greater of (i) one-half of the present value of the Participant's nonforfeitable accrued benefit under the Plan, or (ii) \$10,000.

14.3 LOAN CONDITIONS If approved, each loan to a Participant pursuant to this Section 14 shall comply with the following conditions:
(a) Written Instrument. It shall be evidenced by a negotiable promissory note.
(b) Interest Rate. The loan shall bear a reasonable rate of interest which shall be commensurate with the prevailing interest rate charged by persons in the business of lending money for loans made under similar circumstances. Subject to this requirement, the Loan Administrator shall develop rules for determining the interest to be charged on Plan loans.

(c) Term. The loan, by its terms, must require level amortization of repayments (to be made not less frequently than quarterly) over a period not extending beyond five (5) years; provided, however, in the case of a home loan as described in 72(p) of the Code, such loan may be for a term in excess of five (5) years.

(d) Adequate Security. The loan shall be secured by up to 50% of the Participant's entire right, title and interest in his accounts under the Plan. However, a loan only may be made from a Participant's Salary Deferral Contribution Account, Employer Contribution Account and Rollover Account (excluding any such accounts transferred from the Thrift Plan), and only such accounts may be used as collateral to secure the loan. In addition, the Loan Administrator may require additional security (and shall require such additional security when the loan amount exceeds 50% of the Participant's nonforfeitable account balance under the Plan as determined on the date the loan proceeds are distributed to the Participant) to be pledged to the Plan by the Participant which may be sold, foreclosed upon or otherwise disposed of upon default of repayment of the loan in such a manner that the Plan is protected against loss of principal and interest as a result of the default. Any Participant who pledges any portion of his vested account balances under the Plan also shall be required to execute an Automatic Payroll Deduction Agreement under which loan payments will be deducted from the Participant's Compensation on a payroll date basis until the amount of the loan plus interest accrued thereon is paid in full.

(e) Default. In addition to any other conditions or events the Loan Administrator may specify, a loan shall be considered in default if the Participant fails to pay any installment when due and such failure is not cured within sixty (60) days. Any default by the Participant shall, at the election of the Loan Administrator, cause the remaining outstanding balance of the loan to be due and payable at once. In addition, the Loan Administrator shall proceed against the security pledged by the Participant in connection with the loan at such time and in such manner as it determines to be in the best interest of the Plan. The Loan Administrator is expressly authorized to delay enforcement of any security interest in the Participant's Accounts under the Plan until such time as the Participant is entitled to a distribution under the terms of the Plan and the Code provided such delay results in no loss of income or principal to the Plan. At such time as the Participant is entitled to a distribution under the terms of the Plan, the Loan Administrator may offset the vested portion of the Participant's account balances under the Plan against the remaining unpaid balance of the loan plus interest accrued thereon.

(f) Liquidation on Maturity. Each loan shall be due and payable in full by the Participant not later than the earliest of (1) the maturity date set forth in the promissory note, (2) the Participant's termination of employment with Employer, or (3) the termination of the Plan. In any event, all loans will mature at the time provided for any distribution to the Participant from the Plan, and no distribution shall be made to any Participant, beneficiary or beneficiaries or to the estate of a Participant unless and until all loans to such Participant, together with interest accrued thereon, have been paid in full.

(g) Investment Gain or Loss. To the extent a Participant's loan is secured by his/her Accounts, the investment gain or loss attributable to the loan shall not be included in the calculation or allocation of the increase or decrease in fair market value of the general assets of the Plan. The entire gain or loss (including any gain or loss attributable to interest payments or default) shall be allocated to the Accounts of the Participant.

IN WITNESS WHEREOF, TYSON FOODS, INC. has caused this instrument to be executed by its duly authorized officers effective as of January 1, 1993.

TYSON FOODS, INC.

By: _____
President

ATTEST:

**AMENDMENT TO THE
RETIREMENT SAVINGS PLAN OF
TYSON FOODS, INC.**

The beginning clause of subsection 8.4(B) is hereby amended as follows:

"(B) Notwithstanding subsection (A) above, all distributions of any amounts from a Participant's After-Tax Contribution Account and Employer Contribution Account attributable to such accounts transferred from the merged Tyson Thrift Plan shall be subject to the following additional provisions:"

**AMENDMENTS TO THE
RETIREMENT SAVINGS PLAN OF
TYSON FOODS, INC.**

The introduction to the Plan set forth on pages 1 and 2 is amended as follows:

- (a) The comma and words "to-wit," at the end of the last sentence are deleted and a period is inserted following the word "Plan".
- (b) A new paragraph is then added at the end of page 2 as follows:

"The Plan, as restated herein, also reflects amendments associated with the merger into this Plan, effective December 30, 1994, of the Arctic Alaska Fisheries Corporation Profit Sharing/Savings Plan (the "Arctic Plan"). Employer acknowledges receipt of all of the assets of the Arctic Plan effective December 30, 1994. Accordingly, the assets transferred from the Arctic Plan shall be held, administered and distributed for the purposes and in the manner set out in the following restated Plan. Following the merger of the Arctic Plan into this Plan, the accounts previously referred to as "Elective Contribution Accounts" shall be administered under this Plan as part of the Participant's "Salary Deferral Contribution Account", the accounts previously referred to as "Matching Contribution Accounts" shall be administered under this Plan as part of the Participant's "Employer Contribution Account" and the accounts previously referred to as "Rollover Contribution Accounts" shall be administered under this Plan as part of the Participant's "Rollover Contribution Account"; provided, however, that the amounts transferred from the Arctic Plan and administered as accounts under this Plan shall continue to be accounted for separately, as permitted under Section 6.1 of this Plan."

Section 8.4 is hereby amended as follows:

"8.4 Methods of Distribution

(A) Except as may be required under Sections 8.4(B), 8.4(C), 8.3(A), 8.10 and 8.11, all distributions made to a Participant or his beneficiaries shall be made by the Trustee in one of the three following methods:

(1) Lump Sum. By payment in a lump sum.

(2) Installments. By payment in equal installments over a period certain which does not extend beyond the lesser of twenty (20) years or the life expectancy of the Participant or the joint life expectancies of such Participant and the Participant's beneficiary determined as of the date that payment of benefits commences, subject to the following requirements:

(a) Fifty Percent (50%) Present Value Test. The present value of payments to be made to the Participant must be more than fifty percent (50%) of the present value of the total payments to be made to the Participant and the Participant's beneficiaries, all as determined as of the later of such Participant's normal retirement date or the Participant's termination of employment; and

(b) Equal Installments. Payments must be in the form of annual or more frequent installments provided the present value of all such periodic payments payable to the Participant or his or her beneficiary must be equal to the immediate lump sum otherwise distributable to the Participant had a lump sum settlement been made.

(3) Combination. By a combination of (1) and (2).

The method of distribution to the Participant or his beneficiaries shall be implemented by the Committee, in accordance with the directions of the Participant in effect at the time the Participant's employment is terminated.

(B) Except as may be required under Sections 8.3(A), 8.10 and 8.11, all distributions made to a Participant or his beneficiaries attributable to amounts transferred to this Plan from the Arctic Plan shall be made by the Trustee in one of the three following methods:

(1) Automatic Qualified Joint and Survivor Annuity (or Life Annuity). A Participant who is married and begins to receive payments under the Plan shall receive payments in the form of a Qualified Joint and Survivor Annuity, unless the Participant, with the consent of his spouse, has elected otherwise during the election period which shall be the 90-day period ending on the date benefit payments would commence). An unmarried Participant shall receive his benefits in the form of a life annuity, with monthly payments payable for 120 months certain and thereafter during his lifetime, unless the Participant elects otherwise during such election period. Any election shall be in writing and may be changed at any time.

(2) Automatic Preretirement Survivor Annuity. If a Participant who is married and at least partially vested dies before the date upon which his retirement benefits were to commence, such Participant's surviving spouse shall receive payments under this Plan in the form of a Preretirement Survivor Annuity, unless the Participant with the consent of his spouse has elected otherwise during the election period, which shall begin on the first day of the Plan Year in which the Participant attains age 35 (or for a Participant who is separated from service the date of such separation with respect to benefits accrued before separation) and end on the date of the Participant's death. Any election shall be in writing and may be changed at any time. The surviving spouse may elect to have such annuity distributed immediately or at a later date not later than the date the Participant would have attained his Normal Retirement Date. Also, the surviving spouse may elect to receive, in lieu of such annuity, any form of payment permitted under 8.4(B)(3) below.

(3) In the event a Participant (or surviving spouse) elects pursuant to 8.4(B)(1) or (2) not to receive retirement or death benefits in the forms described therein, such distributions shall be made by the Trustee in one of the methods described in 8.4(A). Additionally, the following distribution methods shall be available:

An immediate or deferred nontransferable annuity providing fixed or variable income (i) for the life of the Participant, with or without a specified period certain, or (ii) over the lives of the Participant and his designated beneficiary, with or without a specified period certain.

(C) Notwithstanding subsection (A) above, all distributions of any amounts from a Participant's After-Tax Contribution Account and Employer Contribution Account attributable to such accounts transferred from the merged Tyson Thrift Plan shall be subject to the following additional provisions:

(1) Annuity Option. Such Participant who retires and begins to receive payments under the Plan shall have, in addition to the distribution options available under Section 8.4(A) above, the right to elect to receive payment from such account in the form of a life annuity (or, if married, in the form of a Qualified Joint and Survivor Annuity). The Participant (and, if married, with the consent of his spouse) also may elect during the election period (which shall be the 90-day period ending

on the Annuity Starting Date) to receive payments from such account in the form of a straight life annuity or a straight life annuity with a ten-year guarantee. Any election shall be in writing and may be changed at any time.

(2) Preretirement Survivor Annuity. If a Participant who is married dies before the date upon which his retirement benefits were to commence, such Participant's surviving spouse shall have, in addition to the distribution options available under Section 8.4(A) above, the right to elect to receive payment from such account in the form of a Preretirement Survivor Annuity. The spouse also may elect during the election period, which shall begin on the first day of the Plan Year in which the Participant attains age 35 (or for a Participant who is separated from service the date of such separation with respect to benefits accrued before separation) and end, on the date benefits commence, to receive payments from such account in the form of a straight life annuity or a straight life annuity with a ten-year guarantee. Any election shall be in writing and may be changed at any time. The surviving spouse may elect to have such annuity distributed immediately or at a later date not later than the date the Participant would have attained the Normal Retirement Date.

For purposes of this Section 8.4 and elsewhere in this Plan, the following terms shall have the following meanings:

- (1) 'Annuity Starting Date' means the first day of the month following the date the Insurer receives from the Plan Administrator such written notice of a distribution as shall be required by the Insurer, or, if later, the first day of the month specified by Participant or Beneficiary for the commencement of benefit payment(s) in accordance with Section 8 hereof.
- (2) 'Qualified Joint and Survivor Annuity' means an annuity for the life of the Participant with a Survivor Annuity for the life of his/her spouse which is one-half of the amount of the annuity payable during the joint lives of the Participant and his/her spouse and which is the actuarial equivalent of a single life annuity for the life of the Participant.
- (3) 'Preretirement Survivor Annuity' means an annuity for the life of the surviving spouse of a deceased Participant that has an actuarial present value that is equal to 100% of the balance in the Participant's account as of the date of the Participant's death. (D) Notwithstanding any other Plan provision to the contrary, all Plan distributions shall comply with the requirements of 401(a)(9) of the Code and the regulations thereunder, including 1.401(a)(9)-2."

The first sentence of subsection 8.10(4) is hereby amended as follows:

"Except as provided below, a Participant may withdraw all or any portion of (i) his Salary Deferral Contribution Account, (ii) the vested portion of that part, if any, of his Employer Contribution Account from the Company's former Thrift Plan, (iii) that part of his Rollover Account from the Company's former Thrift Plan, and (iv) with the Participant's spouse's consent, the vested amounts attributable to his elective and matching contributions transferred to this Plan from the Arctic Plan, only in the event that he furnishes satisfactory evidence to the Committee that the withdrawal is on account of 'hardship'."

The second and third paragraphs of subsection 8.10(4)(b) are hereby amended as follows:

"Provided, however, that the provisions of (b)(ii) - (iv) shall not apply if the Participant's withdrawal under this Section 8.10(4) does not include any portion of amounts attributable to his elective deferrals under Code 402(g).

Notwithstanding the above language of this paragraph (4) of this Section 8.10, the following additional rules shall apply regarding the ability to make hardship withdrawals from amounts attributable to a Participant's elective deferrals:

- (a) income allocable to a Participant's Salary Deferral Contribution Account but credited after December 31, 1988 may not be withdrawn;
- (b) a Participant may not withdraw any non-elective Employer contributions which were credited to a Participant's Salary Deferral Contribution Account after December 31, 1988 because they were treated as Salary Deferral Contributions for purposes of Section 3.1(E) of the Plan;
- (c) effective April 1, 1993, no income, regardless of when allocated, may be withdrawn from a Participant's Salary Deferral Contribution Account; and
- (d) no income allocable to elective deferrals transferred to this Plan from the Arctic Plan may be withdrawn."

Subsection 8.10(6) is hereby amended as follows:

"A Participant may elect to withdraw, as of any Accounting Date, part or all of his After-Tax Contribution Account and/or, with the Participant's spouse's consent, amounts attributable to his rollover contributions transferred to this Plan from the Arctic Plan."

Subsection 11.4(B) is hereby amended as follows:

"(B) Upon termination of the Plan in accordance with the provisions of Section 11.4(A) above, the Committee shall determine the share of the value of the assets of the Trust Funds which is attributable to each Employer (or group of Employers) with respect to which the Plan represents a single plan as described in Section 2.5 hereof. As soon as practicable after receipt by the Employer of notification from the Internal Revenue Service evidencing its approval of the proposed distribution of assets upon termination of the Plan and after payment of all expenses and costs, the Committee shall direct the Trustee to distribute, in accordance with Section 8 hereof, the amount then standing to the credit of the account of each applicable Participant or Beneficiary.

Additionally, withdrawals of elective deferrals will be permitted under the following circumstances, subject to Code 401(k)(10):

- (a) the sale or other disposition by a corporation of at least 85% of all of the assets of the trade or business of the Employer, but only with respect to a Participant who continues employment with the corporation acquiring the assets, as provided in Reg. 1.401(k)-1(d)(1)(ii)(3).
- (b) the sale or other disposition by a corporation of its interests in a subsidiary to an unrelated entity, but only with respect to a Participant who continues in the employ of the subsidiary, as provided in Reg. 1.401(k)-1(d)(1)(ii)(4).

(c) the termination of the Plan without the establishment or maintenance of a successor defined contribution plan other than an employee stock ownership plan, as defined in Code 4975(e)(7) within one year of the date of termination of this Plan, as provided in Reg. 1.401(k)-1(d)(1)(ii) and (iii).

Withdrawals under this paragraph will be in accordance with Section 8 hereof, including spousal consent requirements, if applicable."

The last sentence of Section 14.1 is hereby amended as follows:

"Except as limited by such rules, regulations and procedures as the Employer may from time to time promulgate, all loans shall be made available to Participants who are 'Parties in Interest' as defined in 3(14) of ERISA without regard to such Participant's race, color, religion, age, sex or national original."

RESOLUTION REGARDING AMENDMENT NO. 3

TO RETIREMENT SAVINGS PLAN OF TYSON FOODS, INC.

RESOLVED, that effective April 1, 1995, Section 8.10 of the Retirement Savings Plan of Tyson Foods, Inc. is hereby amended deleting paragraph (5) thereof in its entirety and substituting therefor the following language:

"(5) At such time as a Participant attains the age of 59-1/2 years, the Participant may direct the Trustee to distribute up to the entire amount of his Salary Deferral Contribution Account as of any Accounting Date, including, with the Participant's spouse's consent, amounts transferred to this Plan from the Arctic Plan. Distributions must equal at least \$500 each and are limited to two (2) distributions per Plan Year. In the event a Participant elects to take such a distribution, he shall continue to be eligible to participate in the Plan on the same basis as any other Participant."

AMENDMENT NO. 4

TO THE

RETIREMENT SAVINGS PLAN OF TYSON FOODS, INC.

(As Restated Effective January 1, 1993)

(1) Effective April 1, 1995, Section 1.1(A)(36) is amended by deleting that section in its entirety and substituting the following language therefor:

"(36) 'Valuation Date' shall mean each day of a Plan Year."

(2) Effective April 1, 1995, Section 3.1(C) is amended by deleting the first paragraph of that subsection and substituting therefor the following language:

"(C) Right of Participant to Suspend or Change His Rate of Salary Deferral Contributions: Except as set forth below, a Participant may suspend or change his rate of Salary Deferral Contributions effective as soon as administratively practicable as of the end of any subsequent payroll period; however, except as provided in Section 3.1(E) below with respect to certain required suspensions, a Participant who suspends his Salary Deferral Contributions may not resume such contributions for a period of six months following the effective date of such suspension. Any resumption of Salary Deferral Contributions must be made by the Participant in writing filed with the Committee prior to the effective date of the resumption."

(3) Effective April 1, 1995, Section 8.3 is amended by deleting subsection (A) and the first paragraph of subsection (B) and substituting therefor the following language:

"(A) Less than \$3,500. Disbursement of a Participant's Distribution Account shall be made in one cash lump sum without his consent within ninety (90) days of the Accounting Date coincident with or immediately following his termination of employment if the vested amount of such account does not exceed \$3,500.

(B) Greater than \$3,500. If the vested amount of a Participant's Distribution Account exceeds \$3,500 upon termination of employment, disbursement of the Distribution Account shall be made, or begun if in periodic payments, subject to the provisions of Section 8.11 below, if applicable, as follows:

- (1) With the written consent of the Participant, within ninety (90) days of the Accounting Date coincident with or immediately following the date such consent is received by Employer; or
- (2) If the Participant does not consent to a distribution under (1) above, within ninety (90) days of the Accounting Date coincident with or immediately following the date:
 - (a) The Participant dies;
 - (b) The Participant incurs a Total and Permanent Disability (as defined in Section 1.1(A)(31));
 - (c) The Participant reaches age 55, has at least ten (10) years of service with Employer and elects to begin receiving distributions on or after such date; or
 - (d) The Participant reaches his Normal Retirement Date or Age (as defined below)."

(4) Effective April 1, 1996, Section 1.1(A)(24) is deleted in its entirety and the following new language substituted therefor:

"(24) 'Plan Year' shall mean the fiscal year on which the records of the Plan are kept as reported from time to time by the Plan Administrator to the Internal Revenue Service. The Plan Year, unless subsequently changed in accordance with the rules or regulations issued by the Internal Revenue Service or the Department of Labor, shall be the same as the calendar year."

(5) Effective April 1, 1996, Section 3.1 is amended by adding the following new subsection (F):

"(F) Stock Match Account: Additionally, for Plan Years beginning on or after April 1, 1996, the Employer will contribute to the Stock Match Accounts for those Participants who are entitled to matching contributions pursuant to the terms of Section 4.1(d) of the 'Tyson Foods, Inc. Employee Stock Purchase Plan' cash in the amounts and at such times as required by Section 4.1(d) of such plan. As soon as administratively feasible following receipt of such cash matching contributions, the Trustees of this Plan periodically shall purchase in the open market, through a fiduciary delegated such responsibilities by the Administrative Committee of this Plan, shares of Class A Common Stock of Tyson Foods, Inc. All assets held in the Stock Match Account shall be subject to the same vesting and distribution provisions that apply to Salary Deferral Contributions, as more specifically set forth in Section 3.1(B) above. For purposes of determining an individual's 'deferral percentage' under Section 3.1(E) for any Plan Year beginning on or after April 1, 1996, contributions allocated to his 'Stock Match Account' for such Plan Year shall be treated as additional Salary Deferral Contributions. All cash dividends received with respect to the shares of Class A Common Stock of Tyson Foods, Inc. held in a Participant's Stock Match Account shall be used by the Trustee to purchase additional shares of such stock as soon as administratively feasible."

(6) Effective April 1, 1996, Section 6.1(B) is amended by deleting that subsection in its entirety and substituting therefor the following new language:

"(B) In addition to the separate accounts described in Section 6.1(A) above, the Committee shall cause to be established and maintained for each applicable Participant until his Initial Distribution Date or until such later date as of which distribution of the value in such account is made:

(1) The Rollover Account described in Section 3.2 hereof which may include rollover accounts from any of the Merged Plans;

(2) Separate After-Tax Contribution Accounts for any after-tax contribution accounts from any of the Merged Plans; and

(3) A Stock Match Account described in Section 3.1(F) above (and such account shall be established and maintained separately notwithstanding the language in Section 6.1(A) above which provides that Salary Deferral Contribution Accounts shall include other Employer contributions which the Employer may have elected to treat as Salary Deferral Contributions). The additional Accounts created pursuant to this Section 6.1(B) at all times shall be 100% vested and shall consist of such subaccounts as are required to reflect a Participant's interest in the various Investment Funds in accordance with the Participant's directions as specified in Section 5 hereof."

(7) Effective April 1, 1996, Section 7.1 is amended by adding the following new sentence at the end of subsection (C) thereof, to-wit:
"Also, to the extent that a Participant's Stock Match Account includes shares of Class A Common Stock of Tyson Foods, Inc. on any

Valuation Date, the value of such shares shall be determined based on the fair market value of that stock as of such Valuation Date."

(8) Effective April 1, 1996, Section 8.4 is amended by changing the designation for existing subsection (D) to (E) and by adding a new subsection (D) to provide as follows:

"(D) Notwithstanding anything in this Section 8.4 to the contrary, all distributions of assets allocated to a Participant's Stock Match Account shall be paid in one cash lump sum, unless the Participant elects, in the manner and at such times as provided by the Committee for this purpose, to receive any of the shares of Class A Common Stock of Tyson Foods, Inc. in kind."

AMENDMENT NO. 5

TO THE

RETIREMENT SAVINGS PLAN OF TYSON FOODS, INC.

(1) Effective April 1, 1996, Section 1.1(37) is amended by adding the following sentence immediately after the fourth sentence of that subsection, to-wit:

"For purposes of the immediately preceding sentence, Culinary Foods, Inc. shall include its corporate predecessor, also known as Culinary Foods, Inc."

(2) Effective April 1, 1996, Section 8.4(D) of the Plan [as added by Amendment No. 4] is amended by deleting the language of that subsection in its entirety and substituting therefor the following new language:

"D. Notwithstanding anything in this Section 8.4 to the contrary, all distributions of assets allocated to a Participant's Stock Match Account shall be made in one lump sum and, to the extent that the assets in such account consist of shares of Class A Common Stock of Tyson Foods, Inc., such shares shall be distributed in kind."

(3) Effective April 1, 1996, Section 8 of the Plan is amended by adding new Section 8.12, as follows:

"8.12 LIMITATIONS ON BENEFITS AND DISTRIBUTIONS

All rights and benefits, including elections, provided to a Participant in this Plan shall be subject to the rights afforded to any 'alternate payee' under a 'qualified domestic relations order' ('QDRO') as those terms are defined in Code 414(p). Notwithstanding the provisions of Sections 8.2, 8.3 and 8.4 above, if a QDRO provides for payment from the Trust of part or all of Participant's Accounts to such 'alternate payee' prior to a time when such benefits otherwise would be distributable under the Plan and prior to the Participant's 'earliest retirement age' as defined in Code 414(p)(4)(B), the payment shall be made as directed by the QDRO if the amount does not exceed \$3,500; if the payment amount exceeds \$3,500, then it shall be made as directed by the QDRO only with the prior written consent of the 'alternate payee'."

**PROFIT SHARING PLAN AND TRUST
OF
TYSON FOODS, INC.
(Restated Effective April 1, 1993)**

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**PROFIT SHARING PLAN AND TRUST
OF
TYSON FOODS, INC.**

TYSON FOODS, INC., ("Employer"), a Delaware corporation, entered into an indenture as of October 1, 1976, to establish the Profit Sharing Plan and Trust of Tyson Foods, Inc. The Plan so established was continued and amended on April 1, 1993, and restated in its entirety, as set forth below, to incorporate all amendments made through April 1, 1993.

**ARTICLE I
Definitions**

The following definitions shall be used in this Plan and Trust unless the context of the Plan and Trust clearly indicates another meaning:

1.1 Basic Compensation. "Basic Compensation" means an employee's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the plan to the extent that the amounts are includable in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan). Any amounts that would have been includable in the employee's Basic Compensation as described above if they had not received special tax treatment because they were deferred by the employee through a salary reduction contribution shall be added to the amount described above and included in the employee's Basic Compensation for purposes of the Plan. However, Basic Compensation shall not include the following:

- (a) Other Employer contributions to a plan of deferred compensation which are not includable in the employee's gross income for a taxable year in which contributed; or any distributions from a plan of deferred compensation;
- (b) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (c) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (d) Other amounts which receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includable in gross income). The annual Compensation of each Employee taken into account under the Plan shall not exceed \$200,000 or such other amount as may be specified annually by the Secretary of the Treasury pursuant to his duties under 401(a)(17) of the Code. In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for plan years beginning on or after January 1, 1994, the annual compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined (determination

period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

For plan years beginning on or after January 1, 1994, any reference in this Plan to the limitations under section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision.

If Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current plan year, the Compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first plan year beginning on or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

For purposes of applying the above limit to Highly Compensated Employees who are 5% owners or one of the ten highest paid Highly Compensated Employees, such Highly Compensated Employee's family shall be treated as a single employee with one Compensation and the limit shall be allocated among the family members in proportion to each member's Compensation. For purposes of this paragraph, a Highly Compensated Employee's family shall include his or her spouse and his or her lineal descendants who have not reached the age of 19 before the end of the year.

1.2 Beneficiary. "Beneficiary" means such person or persons or legal entity as may be designated by a Member to receive benefits hereunder after his death, or the personal or legal representative of the Member as hereinafter provided in Section 2.3.

1.3 Break In Service. A "Break in Service" shall mean the failure of an employee to complete more than 500 hours of service during a Plan Year.

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

1.5 Disability. "Disability" means the total incapacity of a Member when so declared by the Employer in its judgment and discretion, supported by the written opinion of at least two disinterested physicians, after the expiration of at least thirty (30) days from the date of the inception of such incapacity.

1.6 Early Retirement Date. "Early retirement date" shall mean the date on which a Member or former Member has completed fifteen (15) years of service and has attained the age of fifty-five (55).

1.7 Effective Date. The original effective date of the Plan was October 1, 1976. The Plan has been restated effective April 1, 1993, to reflect all amendments thereto, which, except as provided below, were effective as of April 1, 1993. However, Section 1.8 was amended effective April 1, 1988; and Sections 1.1, 1.12, 2.1, 4.4, 5.1, 5.7, 6.1, 6.3, 6.4, 11.2(A) [last paragraph only] and 11.12 were amended effective April 1, 1989.

1.8 Employee. "Employee" means any person employed by Employer but does not include leased employees within the meaning of 414(n) and 414(o) of the Code.

1.9 Employer. "Employer" means Tyson Foods, Inc., or any corporation into which it may be merged or consolidated, or any corporation that may hereafter accept and adopt the terms of this Indenture with approval of the Board of Directors of Tyson Foods, Inc. For determining an

employee's length of service for purposes of determining eligibility, vesting and contributions, Employer also includes any corporation which is a member of a controlled group of corporations (as defined in 414(b) of the Code) and all trades or businesses (whether or not incorporated) which are under common control (as defined in 414(c) of the Code). Provided, however, that service with an incorporated or unincorporated employer which has not expressly adopted this Plan shall not give employees of such employers the right to share in any contributions made by employers which expressly have adopted this Plan.

1.10 Employment Commencement Date. "Employment Commencement Date" means the first date on which an employee completes an "hour of service", provided that in the case of a "break in service" an employee's employment commencement date shall be the first day thereafter on which he completes an "hour of service."

1.11 Entry Date. "Entry Date" shall mean April 1 and October 1 of each year.

1.12 Highly Compensated Employee. "Highly Compensated Employee" means any employee who, during the Determination Year or the Look-Back Year -- (A) was at any time a 5-percent owner, (B) received compensation in excess of \$75,000,

(C) received compensation in excess of \$50,000 and was in the Top-Paid Group of employees for such year, or (D) was at any time an officer and received compensation greater than 50 percent of the amount in effect under Code section 415(b)(1)(A) for such year. The Secretary shall adjust the \$75,000 and \$50,000 amounts under this

Section at the same time and in the same manner as under Code 415(d). An employee not described in (B), (C) or (D) above for the Look-Back Year (without regard to this paragraph) shall not be treated as described in (B), (C) or (D) for the Determination Year unless such employee is a member of the group consisting of the 100 employees paid the greatest compensation during the Determination Year. Determination Year means the Plan Year for which the determination of Highly Compensated Employee is being made. Look-Back Year means the twelve (12) month period immediately preceding the Determination Year. An employee is in the Top-Paid Group of employees for any year if such employee is in the group consisting of the top 20 percent of the employees when ranked on the basis of compensation paid during such year. For purposes of (D), no more than 50 employees (or, if lesser, the greater of 3 employees or 10 percent of the employees) shall be treated as officers. If for any year no officer of the Employer is described in (D), the highest paid officer of the Employer for such year shall be treated as described in (D). "Non-Highly Compensated Employee" means an employee who is not a Highly Compensated Employee.

1.13 Hour of Service. An "Hour of Service" means:

(a) Each hour for which an employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the employee for the computation period in which the duties are performed; and

(b) Each hour for which an employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including

disability), layoff, jury duty, military duty or leave of absence. Hours under this subparagraph (b) shall be calculated and credited pursuant to 2530.200(b)-2 of the Department of Labor Regulations which are incorporated herein by this reference; and

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same hours of service shall not be credited both under subparagraph (a) or (b), as the case may be, and under this subparagraph (c). These hours shall be credited to the employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made; and

(d) Hours of service credited to employees whose compensation is not determined on the basis of certain amounts for each hour worked during a given period and whose hours are not required to be counted and recorded by a separate federal statute such as the Fair Labor Standards Act shall be at the rate of 45 hours of service for each week that the employee is entitled to be credited with at least one "hour of service" under the provisions of this section.

1.14 Leave of Absence and Termination of Service. The Employer, under a uniform policy applied without discrimination, may grant a Leave of Absence without pay to any employee because of (a) service in any of the Armed Forces of the United States or other Government service, (b) temporary incapacity, or (c) a temporary lay-off by the Employer. To determine vested percentages and whether a break in service has occurred (but not to determine entitlement to share in contributions and forfeitures for the year), an employee will be credited with hours of service during a Leave of Absence as if he had been actively employed and had performed his customary duties, provided he returns to work at or before the end of the Leave of Absence or when so requested by the Employer after being temporarily laid off by the Employer; otherwise his service will be considered terminated as of the date on which his leave began. Any other absence from active employment not deemed a Leave of Absence shall terminate an Employee's service as of the date the Employer considers the Employee to have been dropped from its employment rolls.

1.15 Maternity or Paternity Absences. For any employee who is absent from work by reason of (i) the pregnancy of the employee; (ii) the birth of a child of the employee; (iii) the placement of a child with the employee in connection with the adoption of such child by the employee; or (iv) for purposes of caring for a child for a period beginning immediately following the birth or placement of such child, the Plan shall treat as Hours of Service for determining a Break in Service for purposes of eligibility and vesting the Hours of Service which otherwise would have been normally credited to the employee but for such absence or, in the event the Plan is unable to determine the Hours of Service normally to be credited, eight (8) Hours of Service per day of such absence. The total number of hours treated as Hours of Service under this section shall not exceed 501 hours. The Hours of Service attributable to an employee shall be credited to the employee in the Plan Year in which begins the absence from work if the employee would be prevented from incurring a Break in Service. In any other case, such Hours of Service shall be credited in the immediately following year. In the discretion of the Trustee, an employee may be required to furnish information that the absence from work qualifies under this section and/or the number of days of such absence.

1.16 Member. "Member" means any employee who has qualified for participation as provided in Article II of the Plan.

1.17 Name of Plan. The name of the Plan shall be the "Profit Sharing Plan of Tyson Foods, Inc."

1.18 Normal Retirement Age. "Normal retirement age" shall mean the 65th birthday of a Member.

1.19 Plan. "Plan" means the profit sharing plan set forth in this document and all subsequent amendments thereto which in the aggregate are intended by the Employer to constitute a profit sharing plan for purposes of the Code.

1.20 Rollover Contribution. "Rollover Contribution" means an amount transferred to the Trust by or on behalf of an employee that qualifies as an "Eligible Rollover Distribution" as described in 402(c)(4), 403(a)(4) and 408(d)(3) of the Code. The Trustee shall accept such Rollover Contributions from the employee or directly from another Eligible Retirement Plan as defined in Code 402(c)(8). The rollover of all or any part of an Eligible Rollover Distribution shall be in accordance with the provisions of Code 402(c) and the regulations thereunder, and the Employer may require the employee to furnish such evidence or information it deems necessary to comply with said laws and regulations. However, the Trustee shall not accept any part of an Eligible Rollover Distribution which consists of assets which are other than (i) cash or equivalents, or (ii) assets which are identical to those which Members may direct the Trustee to purchase under the terms of the Plan, if applicable. In the event a Rollover Contribution is accepted on behalf of a Member, an account called the "Rollover Account" shall be established for such Member and administered pursuant to the terms of the Plan as if such account (except for the provisions of Section 5.4 below) were an Employer Contribution Account of the Member.

1.21 Taxable Year, Fiscal Year, Plan Year and Limitation Year. "Taxable Year," "Fiscal Year," "Plan Year," or "Limitation Year" means the annual accounting period ending on the last day of March of each year, which Tyson Foods, Inc. has adopted for federal income tax purposes.

1.22 Trust. "Trust" means the legal entity resulting from this Agreement between the Employer and the Trustee by which the Trust Funds shall be received, held, invested and distributed to or for the benefit of Members or Beneficiaries hereunder.

1.23 Trust Fund. "Trust Fund" means all funds received hereunder by the Trustee, together with all income, profits and increments thereon.

1.24 Years of Service. A "year of service" means each twelve consecutive month period during which an employee has at least one thousand (1,000) "hours of service". For determining an employee's eligibility under the Plan, the "eligibility computation period" shall begin on the "employment commencement date" (as defined in Section 1.10 above) for such employee. Thereafter, the eligibility computation period shall be the "Plan Year" beginning with the Plan Year which includes the first anniversary of a Member's employment commencement date. For purposes of determining a Member's vested and nonforfeitable interest in his Employer Contribution Account, the "vesting computation period" shall be the Plan Year.

ARTICLE II

Eligibility for Membership

2.1 Requirements for Participation. Each employee shall become a Member in the Plan on the first Entry Date (as defined above) following the date the employee becomes an "Eligible Employee," as defined hereafter. For purposes of this Plan, an "Eligible Employee" shall mean

an employee who (i) has attained the age of 21; (ii) for Plan Years ending prior to April 1, 1993, is classified as an Executive, professional, supervisory, technical or office clerical employee; (iii) for Plan Years following March 1, 1993, is classified as a salaried employee; (iv) has completed a Year of Service (as defined above); provided, however, that any employee who is a Highly Compensated Employee, or who is a member of a collective bargaining unit and who is covered by a collective bargaining agreement which does not provide for coverage of such employee under this Plan, shall be excluded.

2.2 Effect of Break in Service on Eligibility. In the event an employee has a Break in Service (as defined above), the employee's Years of Service before such break shall not be required to be taken into account for eligibility purposes until the employee has completed a new Year of Service following such break; provided, that if such employee was a Member at the time of such Break in Service, then upon completion of the new Year of Service, he will be treated as a Member retroactively from his date of re-employment, but not for purposes of sharing in any Employer contributions or forfeitures for any plan year ending prior to the date he completes such new Year of Service.

2.3 Designation of Beneficiary. The provisions of this Plan shall apply to all Members uniformly. Each employee on becoming a Member shall:

(a) Agree in writing to be bound by the terms and conditions of this Plan.

(b) Designate in writing one or more beneficiaries to receive his benefits in the event of his death. If no such designation be made, or if such beneficiary be deceased without a successor beneficiary being designated in writing, then the death benefits shall be paid in a lump sum to the surviving spouse of said Member, if any, otherwise to the Member's personal representative or estate of the deceased Member. Should a beneficiary of a deceased Member die after he has started receiving payment under the Plan and if there is no living successor beneficiary named by the deceased Member, then the remaining benefits shall be paid in a lump sum to the surviving spouse of said beneficiary, if any, otherwise to the personal representative or estate of the beneficiary receiving payment at the time of his death. Each Member shall be entitled to change his designated beneficiaries from time to time by filing with the Trustee a new Designation of Beneficiary Form, and each change so made shall revoke all prior designations by the Member.

ARTICLE III Contributions by Employer

3.1 Discretionary Contribution of Employer. For the first taxable year ending after the effective date, and for each succeeding taxable year, the Employer (in its sole discretion) shall contribute to the Trustee such definite amount as the Board of Directors shall determine; provided that the Employer's total contribution to the Trust Fund for such year shall not exceed fifteen percent (15%) of the total Basic Compensation for the taxable year of all employees who are entitled to share in the Employer's contribution for such taxable year and shall be subject to the limitations in Section 4.7.

3.2 Time of Payment of Contribution by Employer. The full amount of the Employer's contribution for any taxable year shall be paid not later than the time prescribed by law for filing the Federal income tax return of Employer for such taxable year.

3.3 Adjustment of Erroneous Contribution. If for a taxable year there is an underpayment or overpayment of the contribution of the Employer, the following acts shall be performed, to-wit:

(a) If an underpayment is made, the deficiency shall be paid in the taxable year in which it is disclosed, and for the purpose of allocation shall be added to the contribution made in such taxable year of disclosure and allocated in the same manner and among the same Members as though it were part of the contribution for such taxable year of disclosure.

(b) If an overpayment is made, the Employer shall not be entitled to recoup any part of such excess, and the same shall remain to the credit of the accounts of the Members to whom it was allocated for the taxable year of contribution, but the contribution of the Employer for the year during which the overpayment is disclosed may, at the election of the Board of Directors of the Employer, be reduced by the amount of the overpayment for the prior year.

ARTICLE IV Allocation of Trust Fund Among Members

4.1 Accounts of Members. The Trustee shall establish and maintain for each Member until his "initial distribution date" (defined in Section 6.1) separate accounts, to be called the "Employer Contribution Account" and one or more "Rollover Contribution Accounts", and each such account shall be credited or debited to the extent required by the following sections. As of the Member's initial distribution date, an account called the "Distribution Account" shall be set up for the Member until his benefits have been fully paid.

4.2 Valuation of Fund and Allocation of Profits or Losses of Trust Fund. As of the last day of each taxable year, the total sum of all accounts (Employer Contribution Accounts, Rollover Contribution Accounts and Distribution Accounts) shall be compared with the fair market value of the Trust Fund as determined by the Trustee, excluding from such appraised value an amount equal to the sum of (a) the aggregate amounts forfeited during the taxable year in question and (b) the Employer's contribution for such year. The difference between the total of all accounts and the adjudged fair market value of the Trust Fund shall be allocated and credited to the Employer Contribution Account, Rollover Contribution Account, or Distribution Account of each Member, in the same proportion that the total of each separate account of each Member prior to the apportionment bears to the total of all accounts of all Members or former Members prior to the apportionment. (The term "amount forfeited" means that portion of a terminated Member's account to which he is not entitled by reason of the provisions of Article V.)

4.3 Allocation of Forfeitures from Employer Contribution Accounts. After making the adjustment of Members' accounts required by Section 4.2, the aggregate amount forfeited during the taxable year in question from Employer Contribution Accounts shall be combined with the Employer's Contribution for such taxable year and shall be allocated and credited in the manner provided under Section 4.4.

4.4 Allocation of Employer Contribution. The Employer's contribution for each taxable year shall be allocated and credited to the Employer Contribution Account (or Distribution Account) of each Active Member who both (i) is employed by Employer at the end of the Plan Year, and (ii) has completed one thousand (1,000) hours of service in the Plan Year, in the same proportion that such Member's Basic Compensation for

the taxable year while a Member under the Plan bears to the total Basic Compensation of all such Members for such year while Members under the Plan. Active Member means a Member who meets the definition of "Eligible Employee" in Section 2.1 as of the end of the Plan Year in question.

4.5 Special Accounting Date. If the Trustee is of the opinion that a substantial change in the value of the Trust Fund has occurred since the last prior accounting date, the Trustee, if it deems it advisable and prior to the next regular accounting date, may establish a special accounting date and adjust the Members' accounts in accordance with the method described in Section 4.2 to make the total net credit balance in the accounts of all Members equal to the then market value of the assets of the Trust Fund (excluding from such market value an amount equal to the sum of the aggregate amounts forfeited and any Employer contributions since the last prior accounting date). All distributions which are to be made as of or after such special accounting date but prior to the next accounting date shall be made as if the net credit balance in all Distribution Accounts had actually been credited or debited to reflect the required adjustment described in Section 4.2.

4.6 Basis of Valuation. The value of the Trust Fund as of the last day of each taxable year or any other special accounting date established by the Trustee shall be determined on the basis of the fair market value of the assets of the Trust Fund as appraised by the Trustee, less any accrued expenses to be paid from the Trust Fund.

4.7 Limit on Contributions. Notwithstanding any other provisions of this or any other qualified defined contribution plan of Employer with respect to any Member, no Employer or Employee contributions or allocations with respect to a Member's Account shall be made to the extent it would cause the annual addition to a Member's account to exceed the lesser of:

(a) Twenty-five percent (25%) of the Member's compensation; or (b) \$30,000 or, if greater, 1/4 of the dollar limitation in effect under 415(b)(1)(A) of the Code as adjusted by the Secretary of the Treasury pursuant to his duties under 415(d) of the Code. "Annual addition" means the sum for any taxable year of the following amounts under this and any other defined contribution plan maintained by Employer and qualified under 401 of the Internal Revenue Code, as amended:

(a) Employer contributions;

(b) Employee contributions; and

(c) Forfeitures. For purposes of this Section 4.7, "compensation" shall have the same meaning as "Basic Compensation" defined above in Section 1.1 except that there shall be excluded any amounts that would have been includable in the employee's gross income if they had not received special tax treatment because they were deferred by the employee through salary reduction contributions. Employee contributions, for purposes of the preceding sentence, do not include "rollover contributions" defined in

Section 1.20. The Thirty Thousand Dollars (\$30,000) limitation referred to in this section shall be increased automatically pursuant to any regulation, ruling or announcement promulgated by the Secretary of the Treasury under Code 415(d)(1) to reflect increases in the cost of living. Any such increase shall be effective for the limitation year which ends with or within the calendar year for which such increase is effective. If a Member's "annual addition" would exceed the limits stated in this Section notwithstanding these provisions, then:

(a) First, his nondeductible voluntary employee contributions, to the extent that the return would reduce the amount by which the annual

addition exceeds such limits, shall be returned to the Member;

(b) Any remaining part of a Member's annual addition which would exceed such limits shall be reallocated among the accounts of other Members in the same proportion as each Member's compensation bears to the total compensation of all other Members whose annual additions, including such reallocations, do not exceed such limits; and

(c) To the extent that such excess annual additions cannot be allocated further under subparagraph (b) above due to such limitations, then such excess amounts shall be allocated to a suspense account and held therein until the next succeeding date on which allocations are made under this Plan at which time they shall be allocated and reallocated in accordance with subsection (b) before any contributions which would constitute annual additions may be made. In the event of termination of the Plan, the suspense account shall revert to the Employer to the extent it may not then be allocated to any Member's account. (If a suspense account is in existence at any time during the Limitation Year pursuant to this section, it will not participate in the allocation of the Trust's investment gains and losses for such year.)

4.8 Limited Allocation of Forfeitures. In allocating forfeitures as set forth in Section 4.3 of this Article, amounts forfeited by a Member shall be allocated only to the account of the remaining Members of the Plan employed by the employer of the forfeiting Member.

ARTICLE V

Vesting

5.1 Vesting of Employer Contribution Account. Except as hereinafter provided, the amount credited to the Employer Contribution Account of a Member shall become vested and nonforfeitable based upon his number of Years of Service (as defined in Section 1.24 above) in the percentage indicated as follows:

Years of Service	Percentage Vested
Less than 3 years	0%
3 years	20%
4 years	40%
5 years	60%
6 years	80%
7 years	100%

5.2 Vesting on Death, Disability or Normal Retirement. Upon a Member's death, severance of employment due to disability (defined in Section 1.5 above), or attainment of his Normal Retirement Age, the full amount of his Employer Contribution Account shall become vested and nonforfeitable.

5.3 Vesting if Plan Terminated or Employer Contributions Discontinued. Notwithstanding any other provisions of this Article V, if the Plan is terminated, or Employer contributions to the Trust Fund are permanently discontinued, the full amount of each Member's Employer Contribution Account shall become fully vested and nonforfeitable. If the Plan is partially terminated, then the accounts of those Members as to whom partial termination occurred shall be fully vested and nonforfeitable.

5.4 Rollover Contribution Account. Amounts credited to a Rollover Contribution Account shall always be 100% vested and nonforfeitable.

5.5 Effect of Break in Service on Vesting. A former Member who had a nonforfeitable right to all or a portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service prior to his Break in Service upon completing a Year of

Service after such break. A former Member who did not have a nonforfeitable right to any portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service before such break if (i) he completes a Year of Service after such break, and (ii) the number of consecutive one-year Breaks in Service is less than the greater of five (5) years or the aggregate number of the Member's Years of Service before such break. All Years of Service occurring after five (5) consecutive one-year Breaks in Service shall be disregarded for purposes of determining the Member's vested percentage in contributions that occurred before such five-year break. Separate accounts shall be maintained for the pre-break and post-break contributions.

5.6 Disposition of Forfeited Amounts. If a Member incurs five consecutive one-year Breaks in Service or if a Member receives a Cash-Out Distribution pursuant to Section 6.3, then, in either event, that part, if any, of his Employer Contribution Account which is not vested in accordance with the foregoing provisions of this Article V shall be forfeited and shall be reapportioned as provided in Sections 4.3. Any former Member receiving a Cash-Out Distribution as defined in Section 6.3 who returns to the employ of the Employer prior to incurring five consecutive one-year Breaks in Service and repays the amount of his previous distribution pursuant to Section 6.3 shall have restored to his Employer Contribution Account any amount previously forfeited. Such forfeiture shall be restored first from any forfeitures during the Plan Year of his return to employment and next from the Employer Contribution next occurring after his return. 5.7 Change in Vesting Schedule. As to each employee who had no less than 3 Years of Service on the date a Plan amendment which directly or indirectly changes the vesting schedule becomes effective, such employee may elect to have his vesting percentage computed without regard to such amendment. Such election will be irrevocable and must be made in writing to Employer not later than the latest of the following dates:

- (1) 60 days after the amendment is adopted;
- (2) 60 days after the effective date of the amendment;
- (3) 60 days after the date the employee is given written notice of the amendment by the Employer.

ARTICLE VI Distributions

6.1 Initial Distribution Date. The initial distribution date of a Member shall be the earlier of:

- (a) The date of termination of his employment; or
- (b) The end of his taxable year in which he attains age 70.

6.2 Establishment of Distribution Account. On a Member's initial distribution date, the Trustee shall determine the amount of each separate account of the Member to which such Member may be entitled on such date in accordance with the vesting provisions of Article V, and shall credit such amount or amounts to a new account for the former Member to be called the "Distribution Account." The balance of the Member's Employer Contribution Account (representing his forfeitable amount) shall continue to be held herein, until forfeited in accordance with Section 5.6. The net credit balance in each Distribution Account shall be subject on each accounting date to the adjustments specified in Section 4.2.

6.3 Date of Distribution. (A) Not Greater than \$3,500. Disbursement of a Member's

Distribution Account shall be made without his consent within the sixty (60) day period following the close of the Plan Year in which the Member terminates employment if the vested amount of his account does not exceed \$3,500. (B) Greater than \$3,500. If the vested amount of a Member's Distribution Account exceeds \$3,500 upon termination of employment, disbursement of the Distribution Account shall be made, or begun if in periodic payments, subject to the provisions of Section 6.11 below, if applicable, as follows:

- (1) If the Member consents by the end of the Plan Year in which termination occurs, within the sixty (60) day period following the close of such Plan Year; or
- (2) If the Member does not consent within the period described in (1) above, within the sixty (60) day period following the close of the earliest Plan Year in which:
 - (a) the Member dies;
 - (b) the Member incurs a Disability (as defined in Section 1.5 above);
 - (c) the Member reaches his Early Retirement Date and elects to begin receiving distributions on or after such date; or
 - (d) the Member reaches his Normal Retirement Age (as defined in Section 1.18 above).

(C) Pre-Retirement Distributions. A Member may elect to begin distributions of any amount of his account once the Member attains his Normal Retirement Age, even though the Member does not terminate his employment with the Employer. Notwithstanding the foregoing, the disbursement of the Distribution Account shall in any event be made or begun by April 1 of the calendar year following the calendar year in which the Member attains age 70r.

6.4 Methods of Distribution. All distributions made to a Member or his or her beneficiaries shall be made by the Trustee in one of the three following methods:

- (a) Lump Sum. By payment in a lump sum.
- (b) Installments. By payment equal in installments over a period certain which does not extend beyond the lesser of twenty (20) years or the life expectancy of the Member or the joint life expectancies of such Member and the Member's beneficiaries determined as of the date that payment of benefits commences, subject to the following requirements:

1. Fifty Percent (50%) Present Value Test. The present value of payments to be made to the Member must be more than fifty percent (50%) of the present value of the total payments to be made to the Member and the Member's beneficiaries, all as determined as of the later of such Member's Normal Retirement Age or the Member's termination of employment; and

2. Equal Installments. Payments must be in the form of annual or more frequent installments provided the present value of all such periodic payments payable to the Member or his or her beneficiaries must be equal to the immediate lump sum otherwise distributable to the Member had a lump sum settlement been made.

- (c) Combination. By any combination of (a) and (b). The choice of the method of distribution to the Member or his beneficiaries shall be made by the Member. Notwithstanding any other Plan provision to the contrary, all Plan distributions shall comply with the requirements of 401(a)(9) of the Code

and the regulations thereunder, including 1.401(a)(9)-2.

6.5 Deferred Retirement. If such Member elects to continue in the employment of the Employer beyond his Early Retirement Date or Normal Retirement Age, he shall continue to be treated in all respects as a Member under the Plan until his actual retirement.

6.6 Cash-Out Distributions. If a Member terminates service with the Employer and receives an immediate distribution of the vested portion of his accounts under the Plan pursuant to Section 6.3 (a "Cash-Out distribution), the nonvested portion of the Member's accounts under the Plan immediately will be forfeited and reallocated to other Members' accounts in accordance with Section 4.3. If the Member resumes or continues employment covered under the Plan and repays during the employment with the Employer the amount distributed pursuant to this Section within the time limit stated below, then the Trustee shall credit to his accounts under the Plan the amount standing to his credit in each account immediately prior to the distribution, unadjusted by any subsequent gains or losses of the Trust Fund. Such repayment must occur before the Member incurs five (5) consecutive one-year Breaks in Service.

6.7 Payment of Benefits Upon Death of Member. Upon the death of a Member the portion of the Member's account balance, if any, not yet paid to the Member shall be paid to the Member's surviving spouse; provided, however, that if the Member is not survived by a spouse or if such spouse consents to an election out of such payment as set forth in paragraph 6.8, such benefits shall be paid to the Member's designated beneficiary.

6.8 Spousal Consent. Any election by a Member to pay benefits upon the Member's death to a beneficiary other than the Member's spouse under paragraph 6.7 shall not be effective unless (i) the spouse of the Member consents in writing to such election and the spouse's consent acknowledges the effect of such election and is witnessed by the Employer or a notary public, or (ii) it is established to the satisfaction of the Employer that the consent required from the spouse may not be obtained because there is no spouse, because a spouse cannot be located or because of such other circumstances as may be established by the Secretary of Treasury under prescribed regulations.

6.9 Death Before Commencement of Benefits. If a Member dies before the distribution of his interest has commenced, the Member's entire interest shall be distributed within five (5) years after his death to his designated beneficiary; provided, however, that such benefits may be paid to the designated beneficiary over the life of the beneficiary or over a period not exceeding the life expectancy of the beneficiary if such benefits commence within one year of the Member's death. Notwithstanding the foregoing, if the Member's designated beneficiary is his or her spouse, such payments need not begin earlier than the date on which the Member would have attained age 70r years. If the spouse dies before distributions to such spouse begin, this section shall be applied as if the surviving spouse was the Member. If distributions have commenced prior to the Member's death, the remaining portion of the Member's account shall be distributed to such Member's beneficiary at least as rapidly as under the method of distribution being used at the time of the Member's death.

6.10 Benefits Payable to Minors and Incompetents. (A) Whenever any person entitled to payments under the Plan shall be a minor or under other legal disability or in the sole judgment of the Employer shall otherwise be unable to apply such payments to his own best interest and advantage (as in the case of illness, whether mental or physical or where the person not under legal disability is unable to preserve his estate for his own best interest), the Employer may in the

exercise of its discretion direct all or any portion of such payments to be made in any one or more of the following ways unless claim shall have been made therefore by an existing and duly appointed guardian, tutor, conservator, committee or other duly appointed legal representative, in which event payment shall be made to such representative:

- (1) directly to such person unless such person shall be an infant or shall have been legally adjudicated incompetent at the time of the payment;
- (2) to the spouse, child, parent or other blood relative to be expended on behalf of the person entitled or on behalf of those dependents as to whom the person entitled has the duty of support; or
- (3) to a recognized charity or governmental institution to be expended for the benefit of the person entitled or for the benefit of those dependents as to whom the person entitled has the duty of support. (B) The decision of the Employer will, in each case, be final and binding upon all persons and the Employer shall not be obliged to see to the proper application or expenditure of any payments so made. Any payment made pursuant to the power herein conferred upon the Employer shall operate as a complete discharge of the obligation of the Trustee and of the Employer.

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

(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 ten years or more; any distribution to the extent such distribution is required under 401(a)(9) of the Code; and the portion of any distribution that is not includable 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 408(a) of the code, an individual retirement annuity described in 408(b) of the Code, an annuity plan described in 403(a) of the Code, or a qualified trust described in 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(c) Distributee. 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 414(p) of the Code, 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.

6.12 Notification of Mailing Address. (A) Each Member and other person entitled to benefits hereunder shall file with the Committee (described in Section 8.1) from time to time, in writing, his post office address and each change of post office address, and any check representing payment hereunder and any communication addressed to a Member or a beneficiary hereunder at his last address filed with the Committee (or, if no such address has been filed, then at his last address as indicated on the records of the Employer) shall be binding on such person for all purposes of the Plan, and neither the Committee nor the Trustee shall be obliged to search for or ascertain the location of any such person. (B) If the Committee, for any reason, is in doubt as to whether payments are being received by the person entitled thereto, it may by registered mail addressed to the person concerned at his address last known to the Committee, notify such person that all unmailed and future payments shall be henceforth withheld until he provides the Committee with evidence of his continued life and his proper mailing address or his beneficiary provides the Committee with evidence of his death. In the event that (i) such notification is mailed to such person and his designated beneficiary, (ii) the Committee is not furnished with evidence of such person's continued life and proper mailing address or with evidence of his death, all payments shall be withheld until a claim is subsequently made by any such person to whom payment is due under the provisions of the Plan.

6.13 Lost Payee. In the event the Administrator is unable, within five years after payment of a benefit is due to a Member or beneficiary, to make such payment because it cannot ascertain the whereabouts of the Member or the identity and whereabouts of his beneficiary or personal representative by mailing to the last known address shown on the Administrator's records, and neither the Member, his beneficiary or personal representative has made written claim therefore before the expiration of such five years, then, and in such case, the Administrator shall direct that such amount shall be forfeited and reapportioned as provided in Section 4.3; provided, however, that such amount shall be reinstated if and in the event the said Member or his beneficiary or personal representative shall make a valid claim therefore upon presentation of proper identification.

ARTICLE VII

Trustee

7.1 Title to Trust Assets. The Trustee is charged with the custody, management and protection of the Trust Fund. Title to all of the assets of the Trust shall vest in the Trustee (or its nominee) who shall hold the same as a special Trust Fund to be administered and distributed as provided in the Plan.

7.2 Investment of Trust Funds. The Trustee is authorized to invest and reinvest the assets of the Trust in such real or personal property as it may deem proper, including but not limited to (i) common stocks and any common trust fund operated by the Trustee, and (ii) qualifying employer securities and qualifying employer real property (as defined in 407 of the Employee Retirement Income Security Act of 1974 and as permitted in 408(e) of such Act) so long as such investments are not prohibited by and are in conformity with any applicable law or regulations issued by the Internal Revenue Service in order continuously to qualify the Trust Fund as a tax-free employee profit sharing trust and so long as making of such investments does not constitute a prohibited

transaction as defined in 4975 of the Code. If a bank is appointed as Trustee or co-Trustee of this Trust, such bank is authorized to invest all or part of the assets of the Trust in deposits of such bank bearing a reasonable rate of interest.

7.3 Investment Manager. The Plan Administrator or the Trustee shall each have the right, but shall be under no obligation, to appoint an Investment Manager or Managers to direct the investment of all or any portion of the assets of the Trust Fund. The Investment Manager or Managers shall be (a) registered as an investment advisor under the Investment Advisors Act of 1940, (b) a bank as defined in that Act, or (c) an insurance company qualified to manage, acquire or dispose of assets of the Plan under the laws of more than one state. Upon appointment, the Investment Manager shall certify and acknowledge to the Trustee receipt of a copy of the Plan and Trust, that the Investment Manager is a fiduciary with respect to such Plan and Trust, and that the Investment Manager has assumed the duties and responsibilities conferred by the Trustee or Plan Administrator.

7.4 Records of Trustee. The Trustee shall keep such records and books as are necessary and appropriate to the administration of the Trust Fund created by the Plan. The Trustee is authorized to incur any expenses it deems appropriate and necessary in the preservation of assets of the Trust or the collection of income, which expenses shall be paid out of the Trust assets unless the Employer elects to pay any portion or all or said expenses.

7.5 Powers of Trustee. The Trustee shall have such powers, authority and discretion as it may need to administer the Trust Fund and as are authorized by the laws of Arkansas, expressly including all of the powers applicable to a trustee which are set forth in Section 3 of Act 153 of the 1961 Acts of the General Assembly of Arkansas, which section is incorporated herein by reference.

7.6 Liability of Trustee. The Trustee shall be under no duty to determine whether the contributions made by the Employer or any rules or instructions issued by the Employer comply with the terms of the Plan, and the Trustee shall be fully protected in acting in good faith on any information or instructions received from the Employer. The Trustee shall obtain such bond as may be required and cannot be waived by the parties to this Agreement under federal or state laws and the premium for the bond may be borne by the Employer if it so elects.

7.7 Reports by Trustee. The Trustee shall furnish to the Employer annual financial statements of the operation of the Trust Fund. The Trustee shall also furnish to each Member of the Plan an annual statement of the amounts credited to such Member's accounts.

7.8 Replacement of Trustee. Any Trustee may resign or may be removed as Trustee by action of the Board of Directors of the Employer. Any Successor Trustee or Trustees shall be appointed by the Board of Directors of the Employer and shall have all of the powers provided herein for the original Trustee.

7.9 Limitation on Investment in Employer Securities and Real Property. Notwithstanding Section 7.2 above, in no case shall the Trustee invest more than 85% of the Trust assets in such qualifying Employer securities and qualifying Employer real property (defined in Section 7.2).

ARTICLE VIII
Administration

8.1 Fiduciary. The Board of Directors of Tyson Foods, Inc. shall appoint a committee to be known as the "Administrative Committee" (the "Committee") to administer the Plan. The Committee will serve as the named fiduciary of the Plan. The Committee shall consist of officers or employees of the Employer or other individuals or entities, all of whom shall serve at the pleasure of the Board and without compensation. A member of the Committee may resign at any time upon delivery of a written resignation of the Board. Vacancies created by resignations, death or other cause may be filled by the Board or the assigned responsibilities may be reabsorbed or redelegated by the Board. Any person or entity may serve in more than one fiduciary capacity as respects the Plan.

8.2 Powers and Duties. The Committee shall administer the Plan in accordance with its terms and shall have all powers necessary to carry out its terms. The Committee shall act for and on behalf of the Employer in taking any action or furnishing any information required of the Employer with respect to the Plan. All interpretations of the Plan, and questions concerning its administration and application, shall be determined by the Committee, and such determinations shall be binding on all persons except as otherwise expressly provided herein. The Committee may employ one or more persons to render advice with regard to any responsibility under the Plan. In the event the members of the Committee are unable to act for any reason, any actions required of the Committee shall be performed by the Board. A Committee member who is a Member under the Plan will not vote or act on any matter relating only to himself. The Committee shall have the power to delegate specific fiduciary responsibilities (other than those of the Trustee with respect to controlling assets of the Plan) by written action. Such delegations may be officers or employees of the Employer or to other individuals or entities, all of whom shall serve at the pleasure of the Employer and, if full-time employees of the Employer, without compensation. Any person or entity may serve in more than one fiduciary capacity as respects the Plan.

8.3 Records and Reports. The Committee shall keep a record of all their proceedings and actions, and other data as shall be necessary for the proper administration of the Plan and meet the disclosure and reporting requirements of the law.

8.4 Claims Procedure. If a claim for benefit made by a Member or his beneficiary is denied, the Committee will give to the Member or beneficiary written notice of the denial and the specific reasons therefor. The notice shall be written in a manner calculated to be understood by the Member or beneficiary. The Member and beneficiary shall be given sixty (60) days after such notice to obtain by request to the Committee member designated in the notice a full and fair review by the Committee of the decision denying the claim.

8.5 Indemnification. The Employer shall indemnify each member of the Committee and any officer, director, or employee of the Employer against any and all claims and causes of action by or on behalf of any and all parties whomsoever, and all losses therefrom, including without limitation, cost of defense and attorneys fees, based upon or arising out of any act or omission relating to or in connection with the Plan and Trust Agreement, other than losses resulting from any such person's fraud or willful misconduct. The indemnity provided herein will not be available to the extent that it would deprive the person indemnified of the benefit of any insurance payment otherwise available.

ARTICLE IX
Amendment and Termination of Plan

9.1 Amendment of Plan. This Plan may be amended at any time and from time to time by the Board of Directors of Employer. However, no change may be made in the Plan which will vest in Employer, directly or indirectly, any interest, ownership or control in any of the present or subsequent funds set aside for Members pursuant to the Plan. No part of the funds shall, by reason of any amendment or under any other circumstances, be used for or diverted to purposes other than for the exclusive benefit of Members and their beneficiaries or for administration expenses of the Plan. Nor shall any amendment reduce any then vested interest of a Member.

9.2 Suspension of Contributions by Employer. Employer has established the Plan with the bona fide intention and expectation that from year to year it will be able to and will deem it advisable to make its contributions as herein provided. However, Employer realizes that circumstances not now foreseen or circumstances beyond its control may make it either impossible or inadvisable to continue to make its contributions as herein provided. If Employer decides it is impossible or inadvisable to make its contributions as herein provided, the Board of Directors of Employer shall have the power to suspend Employer's liability for contributions for a fixed or indeterminate period. However, all other provisions of the Plan shall remain in force, other than the provisions for contributions by the Employer during the period its contributions are suspended.

9.3 Termination of Plan. Employer may at any time terminate this Plan. In such event, after payment of all expenses and after proportionate adjustment of Members' accounts to reflect such expenses, fund profits or losses and reallocations to the date of termination, each Member shall be entitled to receive all amounts then credited to his separate accounts in the Trust Fund, said amounts to be paid by the Trustee in accordance with Section 6.3.

9.4 Termination of Trust. When all assets of the Trust have been distributed as herein provided, the Trust shall terminate and the Trustee shall be discharged. Unless sooner terminated under the provisions of this Indenture, the Trust shall terminate upon the expiration of such period as may be provided by any applicable Rule Against Perpetuities under Arkansas law.

9.5 Merger, Consolidation, or Transfer of Assets. This Plan and Trust shall not be merged or consolidated with, nor shall any assets or liabilities be transferred to, any other plan, unless the benefits payable to each Member if the Plan was terminated immediately after such action would be equal to or greater than the benefits to which such Member would have been entitled if this Plan had been terminated immediately before such action.

ARTICLE X
Miscellaneous Provisions

10.1 Rights of or to Employment. The adoption and maintenance of the Plan shall not be deemed to constitute a contract between Employer and any Employee, and shall not be deemed to be a consideration for, or an inducement or condition of, the employment of any person. Nothing herein contained shall be deemed to give to any employee the right to be retained in the employ of Employer or to interfere with the right of Employer to discharge any Employee at any time. Nor shall any provision

of the Plan be deemed to give to Employer the right to require any employee to remain in its employ; nor shall it interfere with any Employee's right to terminate his employment at any time.

10.2 Benefits Payable Solely from Trust Fund. All benefits payable under the Plan shall be paid or provided for solely from the Trust Fund, and Employer assumes no liability or responsibility therefor.

10.3 Affiliated Companies. Any affiliated, associated or subsidiary company of Employer may become a party to this Plan for the purpose of including hereunder as Members the Employees of such affiliated, associated or subsidiary company, but only at the time and in the manner and upon the terms and conditions specified by the Board of Directors of Employer.

10.4 Restrictions on Transfer and Claims of Creditors. Subject to the exceptions set forth in 401(a)(13) and 414(p) of the Code, the right to any Member or his beneficiary to any benefit or to any payment hereunder or to any separate account, prior to actual distribution to such Member, shall not be subject to alienation or assignment by any Member, and shall not be subject to attachment, execution, garnishment, sequestration or other legal, equitable or other process.

10.5 No Interference by Members in Administration of Trust. Nothing contained herein shall grant to any Member the right to question the types of investments made by the Trustee of Trust Funds nor to interfere in any manner with the Trustee's administration of the Trust. Neither the Trustee nor the Employer shall be obligated to disclose to any Member the compensation being paid to any other Member or to provide any Member with financial statements or operational data of the Employer.

10.6 Applicable Law. All legal questions pertaining to the Plan shall be determined in accordance with the laws of the State of Arkansas, and all contributions made hereunder shall be deemed to have been made in that State.

10.7 Titles to Articles and Paragraphs. The titles to articles and paragraphs are included solely for convenience of reference, and if there is any conflict between the titles and the text of this Plan the text shall control.

10.8 Gender. The masculine gender shall include the feminine where applicable, and the singular shall include the plural unless the context clearly indicates otherwise.

ARTICLE XI - TOP HEAVY PROVISIONS

Definitions

For purposes of this Article, the following definitions shall apply: 11.1 Determination Date. "Determination Date" means, with respect to any Plan Year -

- (i) the last day of the preceding Plan Year, or
- (ii) in the case of the first Plan Year of any plan, the last day of such Plan Year.

11.2 (A) Key Employee. A Key Employee means an Employee, former Employee or the beneficiary of either who, at any time during the Plan Year or any of the 4 preceding Plan Years, is -

- (i) an officer of Employer having an annual compensation greater than 50% of the amount in effect under Code 415(b)(1)(A) for any Plan Year,
- (ii) one of the 10 Employees having annual compensation from Employer of more than the limitation in effect under Code 415(c)(1)(A)

and owning (or considered as owning within the meaning of Code 318) the largest interests in Employer,

(iii) a 5-percent owner of Employer, or

(iv) a 1-percent owner of Employer having an annual compensation from Employer of more than \$150,000. For purposes of clause (i), no more than 50 Employees (or, if lesser, the greater of 3 or 10 percent of the Employees) shall be treated as officers. For purposes of clause (ii), if 2 Employees have the same interest in Employer, the Employee having greater annual compensation from Employer shall be treated as having a larger interest. For purposes of this subparagraph (A), the term "compensation" has the meaning given such term by 414(q)(7) of the Code.

(B) PERCENTAGE OWNERS.--

(i) **5-PERCENT OWNER.--**For purposes of this paragraph, the term "5-percent owner" means--

(I) if Employer is a corporation, any person who owns (or is considered as owning within the meaning of Code 318) more than 5 percent of the outstanding stock of the corporation or stock possessing more than 5 percent of the total combined voting power of all stock of the corporation, or

(II) If Employer is not a corporation, any person who owns more than 5 percent of the capital or profits interest in Employer.

(ii) **1-PERCENT OWNER.--**For purposes of this paragraph, the term "1-percent owner" means any person who would be described in clause (i) if "1 percent" were substituted for "5 percent" each place it appears in clause (i).

(iii) **CONSTRUCTIVE OWNERSHIP RULES--**For purposes of subparagraphs (B)(i) and B(ii)--

(I) subparagraph (C) of Code 318(a)(2) shall be applied by substituting "5 percent" for "50 percent," and

(II) in the case of any employer which is not a corporation, ownership in such employer shall be determined in accordance with regulations prescribed by the Secretary which shall be based on principles similar to the principles of Code 318 (as modified by subclause (I)).

(C) AGGREGATION RULES DO NOT APPLY FOR PURPOSES OF DETERMINING OWNERSHIP IN THE EMPLOYER.--The rules of subsections (b), (c) and (m) of 414 of the Code shall not apply for purposes of determining ownership in the employer.

11.3 Non-Key Employee. The term "Non-Key Employee" means any Employee who is not a Key Employee.

11.4 Top Heavy Plan. A plan shall be a top heavy plan if, as of the Determination Date, the aggregate of the accounts of Key Employees under the plan, exceeds 60% of the aggregate of the accounts of all Employees under the plan. Notwithstanding the foregoing, a plan shall not be a top heavy plan if it is part of an Aggregation Group and such Aggregation Group is not a Top Heavy Group. For purposes of this section and Section 11.7, the account balance of an Employee as of the Determination Date shall be the sum of (i) the account balance as of the most recent valuation date occurring within a 12-month period ending on the Determination Date, and (ii) the amount of any contributions actually made after the valuation date but on or before the Determination Date.

11.5 Aggregated Plans. Each plan of an Employer required to be included in an Aggregation Group shall be treated as a top heavy plan if such group is a top heavy group.

11.6 AGGREGATION GROUP.

A. REQUIRED AGGREGATION GROUP means --

- (i) each plan of the Employer in which a Key Employee is a participant, and
- (ii) each other plans of Employer which enables any plan described in subclause (i) to meet the requirements of 401(a)(4) or 410 of the Code, or
- (iii) any other plan included by Employer if such group would continue to meet the requirements of 401(a)(4) and 410 of the Code with such plan being taken into account.

B. PERMISSIVE AGGREGATION GROUP means --

- (i) each plan of the Employer that is required to be aggregated, and
- (ii) each other plan of the Employer that is not part of a Required Aggregation Group but that satisfies the requirements of 401(a)(4) and 410 of the Code when considered together with the Required Aggregation Group.

11.7 Top Heavy Group. The term "Top Heavy Group" means any aggregation group if, as of the determination date, the sum of
 (i) the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans included in such group, and
 (ii) the aggregate of the accounts of Key Employees under all defined contribution plans included in such group exceeds 60% of a similar sum determined for all Employees.

11.8 Distributions During Previous Five Years. For purposes of paragraph 11.4, the amount of the account of any Employee shall include the aggregate distributions made with respect to such employee under the Plan during the five year period ending on the Determination Date.

11.9 Rollover Contributions. Any rollover contribution, or similar transfer, initiated by an Employee, shall not be taken into account with respect to the Plan for purposes of determining whether such plan is a top heavy plan or whether any aggregation group which includes such plan is a top heavy group.

11.10 Change of Status. If any Employee changes status thereby becoming classified as a Non-Key Employee with respect to any Plan Year, the balance in the accounts of such Employee shall not be considered in determining whether the Plan is a Top Heavy Plan for such Plan Year. In addition, the account balance of any Employee who has not performed services for Employer during the 5 year period ending on the Determination Date shall also be disregarded.

PROVISIONS APPLICABLE DURING TOP HEAVY YEARS

For any year in which the Plan of Employer is considered a Top Heavy Plan, the following shall apply.

11.11 Vesting. The vesting schedule applicable to employer contributions during top heavy years shall be:

Years of Service	Percentage Vested
2	20%
3	40%
4	60%
5	80%
6 or more	100%.

11.12 Minimum Benefits. During any year Employer's Plan is a Top Heavy Plan, th minimum contribution made by Employer to the account of each Active Member in the Plan who is a Non-Key Employee shall not be less than the lesser of:

- (a) 3% of such Non-Key Employee's compensation, or
- (b) the highest percentage of compensation contributed to the account for any Key Employee for the year. "Compensation" for purposes of this Section shall be as defined in Section 4.7 above. "Active Member" shall be as defined in Section 4.4 above.

Notwithstanding the above, any Employer who maintains this Plan plus one or more additional qualified employee benefit plans may choose to fund any required minimum benefit through such other plan(s) but must notify the Trustee of this Plan of such election.

To provide for the minimum allocation, the Employer contribution shall be allocated as follows:

- (a) An amount of the Employer Contribution equal to 3% of total compensation (or the total Employer Contribution if less than 3%) shall be allocated to the Employer Contribution Accounts of the Active Members in proportion to each Active Member's compensation; and
- (b) The balance, if any, of the Employer's Contribution shall be allocated as set forth in Section 4.4 of the Plan. A minimum allocation shall be provided to any Active Member who is employed as of the last day of the Plan Year regardless of such member's Hours of Service.

11.13 Change in Vesting Schedules. Any change in the vesting schedule applicable to the Plan due to the Plan becoming a top heavy plan or a non-top heavy plan shall be subject to the same restriction as set forth in Section 5.7 of the Plan governing amendments in the vesting schedule. IN WITNESS WHEREOF, Tyson Foods, Inc. has caused this Indenture to be executed by its duly authorized officer, and the Trustee, to indicate acceptance of this Trust, has executed this Indenture, on this first day of April, 1993.

TYSON FOODS, INC.

By: _____
EMPLOYER

ATTEST:

TRUSTEES:

AMENDMENT NO. 1

TO THE

PROFIT SHARING PLAN AND TRUST OF TYSON FOODS, INC.

(As Restated Effective April 1, 1993)

Effective April 1, 1995, the Plan is amended as follows:

- (1) Section 9.3 is amended by deleting the reference to Section 6.3 at the end of Section 9.3 to read "Section 6.4";
- (2) Section 9.3 is further amended by adding the following new language at the end thereof:

"Notwithstanding Section 6.4, to the extent that shares of Class A Common Stock of Tyson Foods, Inc. are owned by the Trust at the time of such Plan termination distribution, such shares shall be allocated and credited to the Distribution Accounts of all Participants in the proportion which their respective account balances bear to the aggregate fair market value of all assets owned by the Trust at such time, and such stock will be distributed in kind if the Participant is entitled to an immediate distribution, or in cash if a deferred distribution is elected by the Participant."

**RESOLUTION REGARDING TERMINATION OF
PROFIT SHARING PLAN
OF TYSON FOODS, INC.**

RESOLVED, that effective March 31, 1996, the Profit Sharing Plan is terminated; the Company agrees to purchase from the trust for said plan all employer real property currently owned by that trust and leased by the Company, such purchases to be for the properties' fair market values, as determined by updated independent appraisals, and with such purchases to be consummated in time to permit distributions of cash from the plan on or before March 31, 1997; such distributions from the plan shall be made pursuant to the plan's terms and shall be made on or before March 31, 1997.

TYSON FOODS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
 (Restated Effective April 1, 1993)

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TYSON FOODS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

TYSON FOODS, INC., a corporation organized and existing under the laws of the State of Delaware (hereinafter called "Employer") hereby restates the "Tyson Foods, Inc. Employee Stock Ownership Plan" effective April 1, 1993 to reflect all amendments made through such date, with the intention that the Plan (and the related Tyson Foods, Inc. Employee Stock Ownership Trust) should continue to qualify as a stock bonus plan and an "employee stock ownership plan" ("ESOP") pursuant to 401, 409 and 4975(e)(7) of the Internal Revenue Code of 1986 (the "Code"). The Plan is designed to invest primarily in qualifying employer securities.

Prior to 1987, the Plan had been administered so as to permit certain Employer contributions pursuant to the Plan to qualify for the ("PAYSOP") Employee Stock Ownership Credit permitted by 41 of the Internal Revenue Code of 1954. Section 41 was repealed by the Tax Reform Act of 1986 effective for compensation paid after December 31, 1986. All benefits accrued hereunder prior to January 1, 1987, shall continue to be maintained in separate accounts pursuant to Article IV hereof, which accounts shall be administered like Employer Contribution Accounts under the Plan except where specifically set forth to the contrary in Article IV or elsewhere in the Plan.

ARTICLE I

Definitions

The following definitions shall be used in this Plan unless the context of the Plan clearly indicates another meaning:

1.1 Basic Compensation. "Basic Compensation" means an employee's wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer maintaining the plan to the extent that the amounts are includable in gross income (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan). Any amounts that would have been includable in the employee's Basic Compensation as described above if they had not received special tax treatment because they were deferred by the employee through a salary reduction contribution shall be added to the amount described above and included in the employee's Basic Compensation for purposes of the Plan. However, Basic Compensation shall not include the following:

- (a) Other Employer contributions to a plan of deferred compensation which are not includable in the employee's gross income for a taxable year in which contributed; or any distributions from a plan of deferred compensation;
- (b) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (c) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
- (d) Other amounts which receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includable in gross income).

The annual Compensation of each Employee taken into account under the Plan shall not exceed \$200,000 or such other amount as may be specified annually by the Secretary of the Treasury pursuant to his duties under 401(a)(17) of the Code. In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for plan years beginning on or after January 1, 1994, the annual compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

For plan years beginning on or after January 1, 1994, any reference in this Plan to the limitations under section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision. If Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current plan year, the Compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first plan year beginning on or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

For purposes of applying the above limit to Highly Compensated Employees who are 5% owners or one of the ten highest paid Highly Compensated Employees, such Highly Compensated Employee's family shall be treated as a single employee with one Compensation and the limit shall be allocated among the family members in proportion to each member's Compensation. For purposes of this paragraph, a Highly Compensated Employee's family shall include his or her spouse and his or her lineal descendants who have not reached the age of 19 before the end of the year.

1.2 Beneficiary. "Beneficiary" means such person or persons or legal entity as may be designated by a Member to receive benefits hereunder after his death, or the personal or legal representative of the Member as hereinafter provided in Section 2.3.

1.3 Break In Service. A "Break in Service" shall mean the failure of an Employee to complete more than 500 hours of service during a Plan Year.

1.4 Disability. "Disability" means the total incapacity of a Member when so declared by the Employer in its judgment and discretion, supported by the written opinion of at least two disinterested physicians, after the expiration of at least thirty (30) days from the date of the inception of such incapacity.

1.5 Early Retirement Date. "Early retirement date" shall mean the date on which a Member or former Member has completed fifteen (15) years of service and has attained the age of fifty-five (55).

1.6 Effective Date. The original effective date of the Plan was April 1, 1977. The Plan has been restated effective April 1, 1993, to reflect all amendments thereto, which, except as provided below, were effective as of

April 1, 1993. However, Section 1.7 was amended effective April 1, 1988; and Sections 1.1, 1.12, 2.1, 5.4, 6.1, 6.7, 7.1, 7.3, 7.4, 12.1(b)(v) and 12.2 were amended effective April 1, 1989.

1.7 Employee. "Employee" means any person employed by Employer but does not include leased employees within the meaning of 414(n) and 414(o) of the Code.

1.8 Employer. "Employer" means TYSON FOODS, INC. and any corporation that may hereafter accept and adopt the terms of this Indenture with the approval of the Board of Directors of Tyson Foods, Inc. Such other adopting corporations, together with Tyson Foods, Inc., hereafter occasionally may be referred to as Participating Employers. For determining an Employee's length of service for purposes of determining eligibility, vesting and contributions, "Employer" also includes any corporation which is a member of a controlled group of corporations (as defined in 414(b) of the Code) and all trades or businesses (whether or not incorporated) which are under common control (as defined in 414(c) of the Code). Provided, however, that service with an incorporated or unincorporated employer which has not expressly adopted this Plan shall not give employees of such employer the right to share in any contributions made by Employers which expressly have adopted this Plan.

1.9 Employer Stock. "Employer stock" initially shall mean the Class A common stock of Tyson Foods, Inc. However, at all times "Employer stock" shall have that meaning set forth in 409(l) of the Code.

1.10 Employment Commencement Date. "Employment Commencement Date" means the first date on which an Employee completes an "hour of service", provided that in the case of a "break in service", an Employee's employment commencement date shall be the first day thereafter on which he completes an "hour of service."

1.11 Entry Date. "Entry Date" shall mean April 1 and October 1 of each year.

1.12 Highly Compensated Employee. "Highly Compensated Employee" shall mean any Employee who, during the Determination Year or the Look Back Year (A) was at any time a "5-percent owner" (as defined in 416(q)(3) of the Code, (B) received compensation in excess of \$75,000.

(C) received compensation in excess of \$50,000 and was in the Top- Paid Group of employees for such year, or (D) was at any time an officer and received compensation greater than 50 percent of the amount in effect under 415(b)(1)(A) of the Code for such year. The Secretary shall adjust the \$75,000 and \$50,000 amounts under this Section at the same time and in the same manner as under 415(d) of the Code. For purposes of this Section 1.12, the term "compensation" shall have the meaning given such term by 414(q)(7) of the Code. An Employee not described in (B), (C) or (D) above for the Look-Back Year (without regard to this paragraph) shall not be treated as described in (B), (C) or (D) for the Determination Year unless such Employee is a member of the group consisting of the 100 employees paid the greatest compensation during the Determination Year. Determination Year means the Plan Year for which the determination of Highly Compensation Employee is being made. Look Back Year means the twelve (12) month period immediately preceding the Determination Year.

An Employee is in the Top-Paid Group of employees for any year if such Employee is in the group consisting of the top 20 percent of the employees when ranked on the basis of compensation paid during such year. For purposes of (D), no more than 50 employees (or, if lesser, the greater of 3 employees or 10 percent of the employees) shall be treated as officers. If for any year no officer of the Employer is described in (D), the highest paid officer of the Employer for such year shall be treated as described in (D).

If an Employee is a Family Member of a 5-percent owner (as described in subsection (A)) or of a Highly Compensated Employee in the group consisting of the 10 most highly compensated Employees who are Members in this Plan for the Plan Year, then such Employee will not be considered to be a separate Employee, and any compensation paid to such Employee and any contributions made to such Employee's Accounts shall be treated as if made to or on behalf of such Employee's Family Member who is a 5-percent owner or is one of the 10 most highly compensated Employees. For purposes of this section, the term 'Family Member' shall mean with respect to an Employee, (1) the Employee's spouse; (2) the Employee's lineal ascendants and descendants; and (3) the spouses of such lineal ascendants and descendants. "Non-Highly Compensated Employee" shall mean an Employee who is neither a Highly Compensated Employee nor a Family Member (as defined above) of a Highly Compensated Employee.

1.13 Hour of Service. An "hour of service" means:

- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the Employee for the computation period in which the duties are performed;
- (b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Except as otherwise required by applicable federal or state law, no more than 501 hours of service shall be credited under this paragraph for any single continuous period (whether or not such period occurs in a single computation period). Hours under this paragraph shall be calculated and credited pursuant to 2530.200(b)-2 of the Department of Labor Regulations which are incorporated herein by this reference;
- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same hours of service shall not be credited both under paragraph (a) or (b), as the case may be, and under this paragraph (c). These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made; and
- (d) Hours of service credited to Employees whose compensation is not determined on the basis of certain amounts for each hour worked during a given period and whose hours are not required to be counted and recorded by a separate federal statute such as the Fair Labor Standards Act shall be at the rate of 45 hours of service for each week that the Employee is entitled to be credited with at least one "hour of service" under the provisions of this Section.

1.14 Leave of Absence and Termination of Service. The Employer, under a uniform policy applied without discrimination, may grant a Leave of Absence without pay to any Employee because of (a) service in any of the

Armed Forces of the United States or other governmental service, (b) temporary incapacity, or (c) a temporary lay-off by the Employer. To determine vested percentages and whether a Break in Service has occurred (but not to determine entitlement to share in contributions and forfeitures for the year), an Employee will be credited with Hours of Service during a Leave of Absence as if he had been actively employed and had performed his customary duties, provided he returns to work at or before the end of the Leave of Absence or when so requested by the Employer after being temporarily laid off by the Employer; otherwise his service will be considered terminated as of the date on which his leave began. Any other absence from active employment not deemed a Leave of Absence shall terminate an Employee's service as of the date the Employer considers the Employee to have been dropped from its employment rolls.

1.15 Maternity or Paternity Absences. For any Employee who is absent from work by reason of (i) the pregnancy of the Employee; (ii) the birth of a child of the Employee; (iii) the placement of a child with the Employee in connection with the adoption of such child by the Employee; or (iv) for purposes of caring for a child for a period beginning immediately following the birth or placement of such child, the Plan shall treat as Hours of Service for determining a Break in Service for purposes of eligibility and vesting, the Hours of Service which otherwise would have been normally credited to the Employee but for such absence or, in the event the Plan is unable to determine the Hours of Service normally to be credited, eight (8) Hours of Service per day of such absence. Except as otherwise required by applicable federal and state law, the total number of hours treated as Hours of Service under this Section shall not exceed 501 hours. The Hours of Service attributable to an Employee shall be credited to the Employee in the Plan Year in which begins the absence from work if the Employee would be prevented from incurring a Break in Service. In any other case, such Hours of Service shall be credited in the immediately following year. In the discretion of the Trustee, an Employee may be required to furnish information that the absence from work qualifies under this Section and/or the number of days of such absence.

1.16 Member. "Member" means any Employee who has qualified for participation as provided in Article II of the Plan.

1.17 Name of Plan. The name of the Plan shall be the "Tyson Foods, Inc. Employee Stock Ownership Plan".

1.18 Normal Retirement Age. "Normal retirement age" shall mean the 65th birthday of a Member.

1.19 Plan. "Plan" means the stock bonus employee stock ownership plan set forth in this document and all subsequent amendments thereof.

1.20 Rollover Contribution. "Rollover Contribution" means an amount transferred to the Trust by or on behalf of an Employee that qualifies as an "Eligible Rollover Distribution" as described in 402(c)(4), 403(a)(4) and 408(d)(3) of the Code. The Trustee shall accept such Rollover Contributions from the Employee or directly from another Eligible Retirement Plan as defined in Code Sec. 402(c)(8). The rollover of all or any part of an Eligible Rollover Distribution shall be in accordance with the provisions of Code Sec. 402(c) and the regulations thereunder, and the Employer may require the Employee to furnish such evidence or information

it deems necessary to comply with said laws and regulations. However, the Trustee shall not accept any part of an Eligible Rollover Distribution which consists of assets which are other than (i) cash or equivalents, or (ii) assets which are identical to those which Members may direct the Trustee to purchase under the terms of the Plan, if applicable. In the event a Rollover Contribution is accepted on behalf of a Member, an account called the "Rollover Account" shall be established for such Member and administered pursuant to the terms of the Plan as if such account (except for the provisions of Section 6.4 below) were an Employer Contribution Account of the Member.

1.21 Taxable Year, Fiscal Year, Plan Year and Limitation Year. "Taxable Year", "Fiscal Year", "Plan Year", or "Limitation Year" means the annual accounting period ending March 31, which Tyson Foods, Inc. has adopted for federal income tax purposes.

1.22 Trust. "Trust" refers to the "Trust Agreement" between Tyson Foods, Inc. and the Trustee or Trustees who have executed the Trust Agreement ("Trustee") through which the Trust Funds shall be received, held, invested and distributed to or for the benefit of Members or beneficiaries hereunder.

1.23 Trust Fund. "Trust Fund" means all funds received hereunder by the Trustee and any and all securities and other property purchased or otherwise acquired out of such funds, together with all income, profits and increments thereon.

1.24 Years of Service. A "year of service" means each twelve consecutive month period during which an Employee has at least one thousand (1,000) "hours of service". For determining an Employee's eligibility under the Plan, his "eligibility computation period" shall begin on the "employment commencement date" (as defined in Section 1.10 above) for such Employee. Thereafter, the eligibility computation period shall be the "Plan Year" beginning with the Plan Year which includes the first anniversary of a Member's Employment Commencement Date. For determining a Member's vested and nonforfeitable interest in his Employer Contribution Account, the "vesting computation period" shall be the Plan Year.

ARTICLE II

Eligibility for Membership

2.1 Requirements for Participation. Each Employee shall become a Member in the Plan on the first Entry Date (as defined above) following the date the Employee becomes an "Eligible Employee," as defined hereafter. For purposes of this Plan, an "Eligible Employee" shall mean an Employee who

(i) has attained the age of 21; (ii) for Plan Years ending prior to April 1, 1993, is classified as an Executive, professional, supervisory, technical or office clerical employee; (iii) for Plan Years following March 31, 1993, is classified as a salaried employee; and (iv) has completed a Year of Service (as defined above); provided, however, that any Employee who is a Highly Compensated Employee, or who is a member of a collective bargaining unit and is covered by a collective bargaining agreement which does not provide for coverage of such Employee under this Plan, shall be excluded.

2.2 Effect of Break in Service on Eligibility. In the event an Employee has a Break in Service (as defined above), the Employee's Years of

Service before such break shall not be required to be taken into account for eligibility purposes until the Employee has completed a new Year of Service following such break; provided, that if such Employee was a Member at the time of such Break in Service, then upon completion of the new Year of Service he will be treated as a Member retroactively from his date of re-employment, but not for purposes of sharing in any Employer contributions or forfeitures for any Plan Year ending prior to the date he completes such new Year of Service.

2.3 Designation of Beneficiary. The provisions of this Plan shall apply to all Members uniformly. Each Employee on becoming a Member shall:

(a) Agree in writing to be bound by the terms and conditions of this Plan.

(b) Designate in writing one or more beneficiaries to receive his benefits in the event of his death. If no such designation be made, or if such beneficiary be deceased without a successor beneficiary being designated in writing, then the death benefits shall be paid in a lump sum to the surviving spouse of said Member, if any, otherwise to the personal representative or estate of the deceased Member. Should a beneficiary of a deceased Member die after he has started receiving payment under the Plan and if there is no living successor beneficiary named by the deceased Member, then the remaining benefits shall be paid in a lump sum to the surviving spouse of said beneficiary, if any, otherwise to the personal representative or estate of the beneficiary receiving payment at the time of his death. Each Member shall be entitled to change his designated beneficiaries from time to time by filing with the Trustee a new Designation of Beneficiary Form, and each change so made shall revoke all prior designations by the Member.

ARTICLE III Contributions by Employer

3.1 Annual Contribution of Employer. Formula for Contribution. Subject to the limitations of Section 5.7 below, the Participating Employers shall contribute as a whole with respect to each Plan Year a total amount determined by the Board of Directors of Tyson Foods, Inc. and authorized by written resolution. Contributions under the Plan may be in cash or in the form of Employer stock. Total contributions made by any Participating Employers to the Trust Fund for any fiscal year shall not exceed fifteen percent (15%) of the aggregate Basic Compensation of all Members who are entitled to share in that Participating Employer's contribution for such year; provided, however, that to the extent that Employer contributions are applied to the payment of principal and/or interest on an "exempt loan" (defined in 5.11 below), such contributions may exceed the limitations set forth above in this Section 3.1 to the extent permitted in 404(a)(9) and 404(k) of the Code.

3.2 Time of Payment of Contribution by Employer. The full amount of an Employer's contribution for any taxable year shall be paid not later than the time prescribed by law for filing the Federal income tax return of the Employer for such taxable year.

3.3 Adjustment of Erroneous Contribution. If for a taxable year there is an underpayment or overpayment of the contribution of an Employer, the following acts shall be performed, to-wit:

(a) If an underpayment is made, the deficiency shall be paid in the

taxable year in which it is disclosed, and for the purpose of allocation shall be added to the contribution made in such taxable year of disclosure and allocated in the same manner and among the same Members as though it were part of the contribution for such taxable year of disclosure. (b) If an overpayment is made, the Employer shall not be entitled to recoup any part of such excess, and the same shall remain to the credit of the accounts of the Members to whom it was allocated for the taxable year of contribution, but the contribution of the Employer for the year during which the overpayment is disclosed may, at the election of the Board of Directors of the Employer, be reduced by the amount of the overpayment for the prior year.

ARTICLE IV PAYSOP Accounts

4.1 Establishment of Accounts. Prior to April 1, 1987, the accounts of all Members in the Plan were administered so as to permit certain Employer contributions to the Plan to qualify for the ("PAYSOP") Employee Stock Ownership Credit permitted by 41 of the Code, which section was repealed by the Tax Reform Act of 1986 effective for compensation paid after December 31, 1986. All of these accounts existing on March 31, 1987, are now referred to as the "PAYSOP Accounts." As reflected in Article V hereof, said PAYSOP Accounts shall continue under the Plan, and in all respects shall be considered as accounts under the Plan and administered pursuant to the terms and conditions of the Plan, except as specifically provided otherwise below in Section 4.2.

4.2 PAYSOP Accounts. Notwithstanding any other provisions of this Plan, all PAYSOP Accounts shall be subject to the following additional requirement:

Employer stock allocated to a Member's PAYSOP Account shall not be distributed from that account before the end of the 84th month beginning after the month in which the Employer stock actually was allocated to such Account, except when the Member separates from service with Employer, dies, becomes disabled, is transferred to the employment of an acquiring employer in the case of a sale to the acquiring corporation of substantially all of the assets used by the selling corporation in a trade or business conducted by the selling corporation, or, with respect to the stock of a selling corporation, when there is a disposition of such selling corporation's interest in the subsidiary when the Member continues employment with such subsidiary. Furthermore, the 84 month distribution restriction shall not apply to any distribution required under 401(a)(9) of the Code, to any distribution or reinvestment required under 401(a)(28) of the Code, or in the case of termination of the Plan.

ARTICLE V Allocation of Trust Fund Among Members

5.1 Accounts of Members. The Committee shall establish and maintain for each Member until his initial distribution date (defined in Section 7.1) separate accounts, to be called the "Employer Contribution Account", and a "Rollover Account" (if applicable) and, pursuant to Article IV (if applicable) a "PAYSOP Account." Each such account shall be credited or debited to the extent required by the following Sections. As of the Member's initial distribution date, an account called the "Distribution Account" shall be set up for the Member until his benefits have been fully paid.

5.2 Valuation of Fund and Allocation of Profits or Losses of Trust Fund. As of the last day of each taxable year, the total sum of all accounts (Employer Contribution Accounts, Rollover Accounts, PAYSOP Accounts and Distribution Accounts) shall be compared with the fair market value of the Trust Fund as determined by the Trustee, excluding from such appraised value an amount equal to the sum of (a) the aggregate amounts forfeited during the taxable year in question and (b) the Employer's contribution for such year. The difference between the total of all accounts and the adjudged fair market value of the Trust Fund shall be allocated and credited to the Employer Contribution Account, Rollover Account, PAYSOP Account or Distribution Account of each Member, in the same proportion that the total of each separate account of each Member prior to the apportionment bears to the total sum of all accounts of all Members or former Members prior to the apportionment. (The term "amount forfeited" means that portion of a terminated Member's account to which he is not entitled by reason of the provisions of Article VI.)

5.3 Allocation of Forfeitures. After making the adjustment of Members' accounts required by Section 5.2, the aggregate amount forfeited during the taxable year in question from Employer Contribution Accounts shall be allocated and credited to the Employer Contribution Accounts of only those Members (as of the close of business on the last day of the taxable year in question) of the Participating Employer with whom the terminated Member was last employed who are entitled to share in the Employer contribution for that year, in the same proportions in which the Employer contributions are allocated, in accordance with Section 5.4 below.

5.4 Allocation of Employer Contribution. The Employer contributions of all Participating Employers for each taxable year shall be allocated and credited to the Employer Contribution Accounts (or Distribution Accounts) of each of their Active Members entitled to share in such contributions for such year in the same proportion that each such Member's Basic Compensation for the taxable year while a Member under the Plan bears to the Basic Compensation of all such Members for such year while Members under the Plan. Each Active Member who both (i) is employed by the Participating Employer at the end of the Plan Year, and (ii) has completed one thousand (1,000) hours of service in such Plan Year shall be entitled to share in the Employer's contribution for such year. Active Member means a Member who meets the definition of "Eligible Employee" in Section 2.1 as of the end of the Plan Year in question. If an Employer contribution is made with Employer stock, fractional shares of such stock may be allocated to the accounts of Members, but no allocation shall be made in fractions of less than one-tenth (1/10) of a share. Unallocated shares in the hands of the Trustee shall be carried over to and shall be allocated with the next contribution of such stock.

5.5 Special Accounting Date. If the Trustee is of the opinion that a substantial change in the value of the Trust Fund has occurred since the last prior accounting date, the Trustee, if it deems it advisable and prior to the next regular accounting date, may establish a special accounting date and adjust the Members' accounts in accordance with the method described in Section 5.2 to make the total net credit balance in the accounts of all Members equal to the then market value of the assets of the Trust Fund (excluding from such market value an amount equal to the sum of the aggregate amounts forfeited and any Employer contributions since the last prior accounting date). All distributions which are to be made as of

or after such special accounting date but prior to the next accounting date shall be made as if the net credit balance in all Distribution Accounts had actually been credited or debited to reflect the required adjustment described in Section 5.2.

5.6 Basis of Valuation. The value of the Trust Fund as of the last day of each taxable year or any other special accounting date established by the Trustee shall be determined on the basis of the fair market value of the assets of the Trust Fund as appraised by the Trustee, less any accrued expense to be paid from the Trust Fund.

5.7 Limit on Contributions. Except as provided below, notwithstanding any other provisions of this Plan or any other qualified defined contribution plan of Employer, no Employer contributions or allocations with respect to a Member's Account in a Limitation Year shall be made to the extent it would cause the Annual Addition to a Member's account to exceed the lesser of:

(a) Twenty-five percent (25%) of the Member's compensation for the Limitation Year; or
(b) \$30,000 or, if greater, one-fourth (1/4) of the defined benefit dollar limitation in effect under 415(b)(1)(A) of the Code. For purposes of this Section 5.7, "compensation" shall have the same meaning as "Basic Compensation" defined in Section 1.1 above except that there shall be excluded any amounts that would have been includable in the Employee's gross income if they had not received special tax treatment because they were deferred by the Employee through salary reduction contributions. "Annual Addition" means the sum for any Limitation Year of the following amounts allocated on behalf of a Member under this Plan and any other qualified defined contribution plan of Employer:

(a) Employer contributions;

(b) Employee contributions; and

(c) all forfeitures. Employee contributions, for purposes of the preceding sentence, do not include "rollover contributions" (as defined in Section 1.20 above) and without regard to Employee contributions to a simplified employee pension which are excludable from gross income under 408(k)(6) of the Code. Provided, however, that in the event no more than one-third (1/3) of Employer contributions for the fiscal year are allocated to Highly Compensated Employees, then the following special limitation rules shall apply, notwithstanding any other provision in this Section 5.7:

(i) In the event that the Trust remains liable for any part of an "Exempt Loan" (defined in Section 5.11 below), Employer contributions, to the extent such amounts are applied to the payment of interest on such Exempt Loan and are charged against the Member's account, shall not be included in the definition of "annual addition" set forth above; and

(ii) Forfeitures of Employer stock which was acquired with the proceeds of any Exempt Loan shall not be included in the definition of "annual additions" set forth above. Also, dividends from Employer stock (whether or not allocated under Sections 5.4 and 5.10) which are used to repay principal or interest on an Exempt Loan pursuant to Section 5.9 below shall not constitute annual additions. If a Member's "Annual Addition" would exceed the limit stated in this

Section notwithstanding these provisions, then:

(a) First, his Employer contributions, to the extent that the return would reduce the amount by which the Annual Addition exceeds the limit stated in

this Section, shall be returned to the Member; (b) Any remaining part of a Member's Annual Addition which would exceed the limit stated in this

Section shall be reallocated among the accounts of other Members in the same proportion as each Member's compensation bears to the total compensation of all other Members whose Annual Additions, including such reallocations, do not exceed the limit stated herein; and (c) To the extent that such excess Annual Additions cannot be allocated further under subparagraph (b) above due to the limitations contained in this Section 5.7, then such excess amounts shall be allocated to a suspense account and held therein until the next succeeding date on which allocations are made under this Plan at which time they shall be allocated and reallocated in accordance with subsection (b) before any contributions which would constitute Annual Additions may be made. In the event of termination of the Plan, the suspense account shall revert to the Employer to the extent it may not then be allocated to any Member's account. (If a suspense account is in existence at any time during the Limitation Year pursuant to this Section, it will not participate in the allocation of the Trust's investment gains and losses for such year.)

5.8 Reporting for Employer Contribution Account. Notwithstanding Section 5.1, for purposes of reporting to Members and beneficiaries the value of their Employer Contribution Account and PAYSOP Account (or Distribution Account), the Committee shall establish a separate Cash Account and Stock Account for each Member or beneficiary. Cash Accounts shall be kept in dollars and cents and shall reflect the value of the Member's or beneficiary's interest in all assets of the Trust other than Employer stock. The Stock Account shall be kept in number of shares of Employer stock to the nearest onetenth (1/10) of a share. At any time the value of a Member's or a beneficiary's "Stock Account" is reported for a Plan Year, the Trustee also shall set forth the latest price publicly quoted (if applicable) for Employer stock during such Plan Year.

5.9 Suspense Account. All shares of Employer stock acquired by the Trustee with the proceeds of an Exempt Loan shall be held by the Trustee in a separate "Suspense Account" until withdrawn and allocated to Members' accounts as provided in Section 5.10 below. Any dividends received by the Trustee attributable to shares held in the Suspense Account shall first be applied towards the reduction of any such Exempt Loan, and any excess dividends shall be allocated as income of the Plan pursuant to Section 5.2 above.

5.10 Withdrawal from Suspense Account. All shares held in the Suspense Account shall be withdrawn at the same rate that such shares are released as collateral for the Exempt Loan (or, as if such shares were encumbered to secure the Exempt Loan), the proceeds of which were used to acquire such shares. In any event, such shares shall be withdrawn in accordance with regulation 54.497511(c). On the last day of each Plan Year, the Trustee shall allocate all shares withdrawn during such year to the Members' Employer Contribution Accounts in the same proportions in which Employer contributions are allocated in accordance with Section 5.4 above, accounting for such allocated shares at their "cost" basis to the Trust. Such allocations of withdrawn shares shall be made in number of shares to the nearest one-tenth (1/10) of a share. For purposes of determining the amount of the Employer's contribution to be allocated (under Section 5.4) in assets other than shares of stock withdrawn from the suspense account, the Employer's contribution shall first be reduced by the amount of the Employer's contribution applied towards the reduction of the Exempt Loan

(rather than the current fair market value of such withdrawn shares). For purposes of Section 5.7 above, "Annual Additions" shall be calculated with respect to Employer contributions used to repay the Exempt Loan rather than with respect to the value of shares allocated to Members' accounts.

5.11 Exempt Loan. For purposes of this Article V, "Exempt Loan" shall mean a loan exempt under 4975(d)(3) of the Code and conforming with the requirements of regulation 54.4975-7, and all future amendments thereto.

5.12 Dividends. All dividends paid on Employer stock allocated to Members' accounts and received by the Trustee in a taxable year shall be distributed to such Members on or before the 90th day following the end of such year.

5.13 Other Limitations. Subject to the special rules and definitions of 409(n) of the Code, no portion of the assets of the Plan attributable to (or allocable in lieu of) Employer stock acquired by the Plan in a sale to which 1042 or 2057 of the Code applies may be allocated (directly or indirectly) to the account of:

(a) any person who makes an election under 1042 with respect to Employer stock, any decedent if the executor of the estate of such decedent makes a "qualified sale" to which 2057 applies, or any individual who is related to such person or decedent (within the meaning of 267(b) of the Code; or

(b) any other person who owns (after application of 318(a)) more than 25 percent of the outstanding Employer stock.

ARTICLE VI

Vesting

6.1 Vesting of Employer Contribution Account. Except as hereinafter provided, the amount credited to the Employer Contribution Account of a Member shall become vested and nonforfeitable based upon his number of Years of Service (as defined in Section 1.24 above) in the percentage indicated as follows:

Years of Service	Percentage Vested
Less than 3 years	0%
3 years	20%
4 years	40%
5 years	60%
6 years	80%
7 years	100%

6.2 Vesting on Death, Disability or Normal Retirement. Upon a Member's death, severance of employment due to Disability (defined in Section 1.4 above) or attainment of his Normal Retirement Age, the full amount of his Employer Contribution Account shall become vested and nonforfeitable.

6.3 Vesting if Plan Terminated or Employer Contributions Discontinued. Notwithstanding any other provisions of this Article VI, if the Plan is terminated, or Employer contributions to the Trust Fund are permanently discontinued, the full amount of each Member's Employer Contribution Account shall become fully vested and nonforfeitable. If the Plan is partially terminated, then the accounts of those Members as to whom partial termination occurred shall be fully vested and nonforfeitable.

6.4 Rollover Account and PAYSOP Account. Amounts credited to a Member's Rollover Account and PAYSOP Account always shall be 100% vested and nonforfeitable.

6.5 Effect of Break in Service on Vesting. A former Member who had a nonforfeitable right to all or a portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service prior to his Break in Service upon completing a Year of Service after such break. A former Member who did not have a nonforfeitable right to any portion of his Employer Contribution Account at the time of a Break in Service shall receive credit for all Years of Service before such break if (i) he completes a Year of Service after such break, and (ii) the number of consecutive one-year Breaks in Service is less than the greater of five (5) years or the aggregate number of the Member's Years of Service before such break. All Years of Service occurring after five (5) consecutive one-year Breaks in Service shall be disregarded for purposes of determining the Member's vested percentage in contributions that occurred before such five-year break. Separate accounts shall be maintained for the pre-break and post-break contributions.

6.6 Disposition of Forfeited Amounts. If a Member incurs five consecutive one-year Breaks in Service or if a Member receives a Cash-Out Distribution pursuant to Sections 7.3 and 7.6, then, in either event, that part, if any, of his Employer Contribution Account which is not vested in accordance with the foregoing provisions of this Article VI shall be forfeited and shall be reallocated as provided in Sections 5.3. Provided, however, that if a portion of a Member's account is so forfeited, any interest in any shares of Employer stock that have been allocated to such Member's account may be forfeited and reallocated only after other assets of the Member's account. Any former Member receiving a Cash-Out Distribution as defined in Section 7.6 who returns to the employ of the Employer prior to incurring five consecutive one-year Breaks in Service and repays the amount of his previous distribution pursuant to Section 7.6 shall have restored to his Employer Contribution Account any amount previously forfeited. Such forfeiture shall be restored first from any forfeitures during the Plan Year of his return to employment and next from the Employer Contribution next occurring after his return.

6.7 Change in Vesting Schedule. As to each Employee who had no less than 3 Years of Service on the date a Plan amendment which directly or indirectly changes the vesting schedule becomes effective, such Employee may elect to have his vesting percentage computed without regard to such amendment. Such election will be irrevocable and must be made in writing to Employer not later than the latest of the following dates:

- (1) 60 days after the amendment is adopted;
- (2) 60 days after the effective date of the amendment;
- (3) 60 days after the date the Employee is given written notice of the amendment by the Employer.

ARTICLE VII

Distributions

7.1 Initial Distribution Date. The initial distribution date of a Member shall be the earlier of:

- (a) The date of termination of his employment; or
- (b) The end of the taxable year in which he attains age 70.

7.2 Establishment of Distribution Account. On a Member's initial distribution date, the Trustee shall determine the amount of each separate account of the Member to which such Member may be entitled on such date in

accordance with the vesting provisions of Article VI, and shall credit such amount or amounts to a new account for the former Member to be called the "Distribution Account." The balance of the Member's Employer Contribution Account (representing his forfeitable amount) shall continue to be held therein, until forfeited in accordance with Section 6.6. The net credit balance in each Distribution Account shall be subject on each accounting date to the adjustments specified in Section 5.2.

7.3 Date of Distribution.

(A) Not Greater than \$3,500. Disbursement of a Member's Distribution Account shall be made without his consent within the sixty (60) day period following the close of the Plan Year in which the Member terminates employment if the vested amount of his account does not exceed \$3,500. (B) Greater than \$3,500. If the vested amount of a Member's Distribution Account exceeds \$3,500 upon termination of employment, disbursement of the Distribution Account shall be made, or begun if in periodic payments, subject to the provisions of Section 7.14 below, if applicable, as follows:

(1) If the Member consents by the end of the Plan Year in which termination occurs, within the sixty (60) day period following the close of such Plan Year; or
(2) If the Member does not consent within the period described in (1) above, within the sixty (60) day period following the close of the earliest Plan Year in which:

(a) the Member dies;
(b) the Member incurs a Disability (as defined in Section 1.4 above);
(c) the Member reaches his Early Retirement Date and elects to begin receiving distributions on or after such date; or
(d) the Member reaches his Normal Retirement Age (as defined in Section 1.18 above).

(C) Pre-Retirement Distributions. A Member may elect to begin distributions of any amount of his account once the Member attains his Normal Retirement Age, even though the Member does not terminate his employment with the Employer. The distribution provisions of this Section 7.3 shall be subject to the following additional restrictions, requirements and exceptions:

(i) The disbursement of the Distribution Account of a Member shall in any event be made or begun by April 1 of the calendar year following the calendar year in which the Member turns age 70 years.

(ii) No portion of a Member or former Member's Distribution Account which consists of Employer stock acquired with the proceeds of an Exempt Loan is required to be distributed until the last day of the Plan Year in which such Exempt Loan is repaid in full.

(iii) Distributions from PAYSOP Accounts shall be subject to the limitations specified in Article IV above.

7.4 Methods of Distribution. All distributions made to a Member or his or her beneficiaries shall be made by the Trustee in one of the four following methods:

(a) Mandatory Installments. Unless the Member affirmatively elects in writing not to receive payments under this subparagraph (a), distribution shall be in equal annual installments over a period of not exceeding the greater of (i) five (5) years or (ii) in the case of a Member with an account balance in excess of \$500,000, five (5) years plus one (1) additional year (but not more than five (5) additional years) for each

\$100,000 or fraction thereof by which such balance exceeds \$500,000.

(b) Lump Sum. By payment in a lump sum.

(c) Elective Installments. By payment in equal annual installments over a period certain which does not extend beyond the lesser of twenty (20) years or the life expectancy of the Member or the joint life expectancies of such Member and the Member's beneficiary determined as of the date that payment of benefits commences, subject to the following requirements:

1. Fifty Percent (50%) Present Value Test. The present value of payments to be made to the Member must be more than fifty percent (50%) of the present value of the total payments to be made to the Member and the Member's beneficiaries, all as determined as of the later of such Member's normal retirement age or the Member's termination of employment; and

2. Equal Installments. Payments must be in the form of annual or more frequent installments provided the present value of all such periodic payments payable to the Member or his or her beneficiary must be equal to the immediate lump sum otherwise distributable to the Member had a lump sum settlement been made.

(d) Combination. By any combination of (b) and (c). The method of distribution to the Member or his beneficiaries shall be implemented by the Committee, in accordance with the directions of the Member in effect at the time the Member's employment is terminated. Notwithstanding any other Plan provision to the contrary, all Plan distributions shall comply with the requirements of 401(a)(9) of the Code and the regulations thereunder, including 1.401(a)(9)-2.

7.5 Deferred Retirement. If such Member elects to continue in the employment of the Employer beyond his Early or Normal Retirement Date, he shall continue to be treated in all respects as a Member under the Plan until his actual retirement.

7.6 Cash-Out Distributions. If a Member terminates service with the Employer and receives an immediate distribution of the vested portion of his accounts under the Plan pursuant to Section 7.3 (a "Cash-Out Distribution"), the nonvested portion of the Member's accounts under the Plan immediately will be forfeited and reallocated to other Members' accounts in accordance with Section 5.3. If the Member resumes or continues employment covered under the Plan and repays during the employment with the Employer the amount distributed pursuant to this Section within the time limit stated below, then the Trustee shall credit to his accounts under the Plan the amount standing to his credit in each account immediately prior to the distribution, unadjusted by any subsequent gains or losses of the Trust Fund. Such repayment must occur before the Member incurs five (5) consecutive one-year Breaks in Service.

7.7 Payment of Benefits Upon Death of Member. Upon the death of a Member the portion of the Member's account balance, if any, not yet paid to the Member shall be paid to the Member's surviving spouse; provided, however, that if the Member is not survived by a spouse or if such spouse consents to an election out of such payment as set forth in paragraph 7.8, such benefits shall be paid to the Member's designated beneficiary.

7.8 Spousal Consent. Any election by a Member to pay benefits upon the Member's death to a beneficiary other than the Member's spouse under paragraph 7.7 shall not be effective unless (i) the spouse of the Member consents in writing to such election and the spouse's consent acknowledges

the effect of such election and is witnessed by the Employer or a notary public, or (ii) it is established to the satisfaction of the Employer that the consent required from the spouse may not be obtained because there is no spouse, because a spouse cannot be located or because of such other circumstances as may be established by the Secretary of Treasury under prescribed regulations.

7.9 Death Before Commencement of Benefits. If a Member dies before the distribution of his interest has commenced, the Member's entire interest shall be distributed within five (5) years after his death to his designated beneficiary; provided, however, that such benefits may be paid to the designated beneficiary over the life of the beneficiary or over a period not exceeding the life expectancy of the beneficiary if such benefits commence within one year of the Member's death. Notwithstanding the foregoing, if the Member's designated beneficiary is his or her spouse, such payments need not begin earlier than the date on which the Member would have attained age 70r years. If the spouse dies before distributions to such spouse begin, this Section shall be applied as if the surviving spouse was the Member. If distributions have commenced prior to the Member's death, the remaining portion of the Member's account shall be distributed to such Member's beneficiary at least as rapidly as under the method of distribution being used at the time of the Member's death.

7.10 Distributions to be Made in Employer Stock. Except as set forth below in this Section, Employer shall have the option of making all distributions to a Member or his beneficiary either in cash or in the form of shares of Employer stock. Provided, however, the following additional restrictions shall apply:

(a) The distributee shall have the right to demand that his benefits be distributed in the form of Employer stock. Employer must advise the distributee in writing of this right at least 30 days before making any election to distribute cash;

(b) If the distributee elects to receive any shares of Employer stock and at the time of distribution such shares are not "readily tradable on an established market" (as defined in regulation 54.4975-7(b)(1)(iv) and 54.4975-7(b)(10)), then, only as to those shares, the distributee shall have the right to require Employer to repurchase such shares under the following terms:

(i) Upon receipt of such restricted shares, the distributed shall have up to 60 days to give Employer written notice requiring Employer to repurchase all or any part of the shares at "fair market value" (as defined in Section 11.11). If such notice is not timely made, the distributee's put option will lapse temporarily;

(ii) After the close of Employer's taxable year in which the temporary lapse occurs, and following a determination of the fair market value of the restricted shares as of that same year, Employer shall notify each distributee whose put option lapsed temporarily of such value determination. Following receipt of this notice of the value of the restricted shares, the distributee shall have an additional 60 days to give Employer written notice requiring Employer to purchase all or part of such shares, or else the option shall permanently expire;

(iii) In the event Employer repurchases restricted shares pursuant to this Section 7.10 (or if the Trust elects to repurchase such shares, which it may do but is not required to do), such repurchasing party shall have the option to pay for such shares on an equal annual installment basis beginning not later than 30 days after the exercise of the put option described in (ii) above and not exceeding a five year period. If an

installment repurchase is elected, the distributee must give the repurchasing party a promissory note, the full payment of which may be required by the seller if the repurchaser defaults on the scheduled payments of the note. In addition, such promissory note must be adequately secured and bear a reasonable interest rate; and

(iv) If the Member has elected an installment distribution under

Section 7.4 above, the provisions of subparagraph (b) of this Section shall be satisfied if the amount to be paid for the stock is paid not later than 30 days after the exercise of the put option described in subparagraph (b) of this Section. (c) Except as provided in this Section 7.10 and except as permitted by subparagraphs (b)(9) and (10) of Regulation 54.4975- 7(b), no Employer stock acquired with the proceeds of an Exempt Loan (defined in

Section 5.11) may be subject to a put, call, or other option or buy-sell or similar arrangement while held by and when distributed from the Plan.

(d) If securities to be distributed were acquired with the proceeds of an Exempt Loan (defined in Section 5.11) and such securities consist of more than one class, the distributee must receive substantially the same proportion of each such class. 7.11 Benefits Payable to Minors and Incompetents. (A) Whenever any person entitled to payments under this Plan shall be a minor or under other legal disability or in the sole judgment of the Committee shall otherwise be unable to apply such payments to his own best interest and advantage (as in the case of mental or physical illness or where the person not under legal disability is unable to preserve his estate for his own best interest), the Committee may in the exercise of its discretion direct all or any portion of such payments to be made in any one or more of the following ways, unless claim shall have been made therefore by an existing and duly appointed guardian or other legal representative in which event payment shall be made to such representative:

(1) Directly to such person unless such person shall be a minor or shall have been legally adjudicated incompetent at the time of the payment.

(2) To the spouse, child, parent or other blood relative to be expended on behalf of the person entitled or on behalf of those dependents as to whom the person entitled has the duty to support.

(3) To a recognized charity to be expended for the benefit of the person entitled or for the benefit of those dependents as to whom the person has the duty to support. (4) By the Committee itself receiving and expending or directing the expenditures of the same for the benefit of those dependents as to whom the person has the duty of support. (B) The decision of the Committee will, in each case, be final and binding upon all persons and, except in the case of Section 7.11(A)(4) above, the Committee will not be obligated to see to the proper allocation or expenditure of any payments so made. Any payment made pursuant to the power herein conferred upon the Committee shall operate as a complete discharge of the obligations of the Trustee and of the Committee.

7.12 Notification of Mailing Address. (A) Each Member and other person entitled to benefits hereunder shall file with the Committee, from time to time, in writing, his post office address and each change of post office address, and any check representing payment hereunder and any communication addressed to a Member or a beneficiary hereunder at his last address filed with the Committee (or, if no such address has been filed, then at his last address as indicated on the records of the Employer) shall be binding on such person for all purposes of the Plan, and neither the Committee nor the Trustee shall be obliged to search for or ascertain the location of any such person. (B) If the Committee, for any reason, is in doubt as to whether payments are being received by the person entitled thereto, it may

by registered mail addressed to the person concerned at his address last known to the Committee, notify such person that all unmailed and future payments shall be henceforth withheld until he provides the Committee with evidence of his continued life and his proper mailing address or his beneficiary provides the Committee with evidence of his death. In the event that (I) such notification is mailed to such person and his designated beneficiary, (ii) the Committee is not furnished with evidence of such person's continued life and proper mailing address or with evidence of his death, all payments shall be withheld until a claim is subsequently made by any such person to whom payment is due under the provisions of the Plan.

7.13 Lost Payee. In the event the Administrator is unable, within five years after payment of a benefit is due to a Member or beneficiary, to make such payment because it cannot ascertain the whereabouts of the Member or the identity and whereabouts of his beneficiary or personal representative by mailing to the last known address shown on the Administrator's records, and neither the Member, his beneficiary or personal representative has made written claim therefore before the expiration of such five years, then, and in such case, the Administrator shall direct that such amount shall be forfeited to the Plan; provided, however, that such amount shall be reinstated if and in the event the said Member or his beneficiary or personal representative shall make a valid claim therefore upon presentation of proper identification.

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

(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 ten years or more; any distribution to the extent such distribution is required under 401(a)(9) of the Code; and the portion of any distribution that is not includable 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 408(a) of the code, an individual retirement annuity described in 408(b) of the Code, an annuity plan described in 403(a) of the Code, or a qualified trust described in 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(c) Distributee. 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 414(p) of the Code, 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.

ARTICLE VIII Amendment and Termination of Plan

8.1 Amendment of Plan. This Plan may be amended at any time and from time to time by the Board of Directors of Tyson Foods, Inc. However, no change may be made in the Plan which will vest in any Participating Employer, directly or indirectly, any interest, ownership or control in any of the present or subsequent funds set aside for Members pursuant to the Plan. No part of the funds shall, by reason of any amendment or under any other circumstances, be used for or diverted to purposes other than for the exclusive benefit of Members and their beneficiaries or for administration expenses of the Plan. Nor shall any amendment reduce any then vested interest of a Member or eliminate an optional form of benefits under the Plan.

8.2 Suspension of Contributions by Employer. Tyson Foods, Inc. has established the Plan with the bona fide intention and expectation that from year to year the Participating Employers will be able to and will deem it advisable to make contributions as herein provided. However, Tyson Foods, Inc. realizes that circumstances not now foreseen or circumstances beyond its control may make it either impossible or inadvisable for all Participating Employers to continue to make such contributions. If Tyson Foods, Inc. or any of the Participating Employers decides it is impossible or inadvisable to make its contributions as herein provided, the Board of Directors of Tyson Foods, Inc. shall have the power to suspend any Participating Employer's liability for contributions for a fixed or indeterminate period. However, all other provisions of the Plan shall remain in force, other than the provisions for contributions by the Participating Employer during the period its contributions are suspended.

8.3 Termination of Plan. The Plan may be terminated at any time by delivering to the Trustee in writing a resolution of the Board of Directors of Tyson Foods, Inc. duly certified by one of its officers specifying that the Plan is being terminated. Such termination may be so made without any consent being obtained from the Trustee, the Participating Employers, Members, or their beneficiaries or any interested or other persons.

8.4 Distribution on Termination. Upon termination as provided in Section 8.3 above, the Committee shall direct the Trustee, as soon as practicable, to pay the expenses of distribution and other expenses and liquidation costs of the Plan and trust and upon completion of such liquidation and the payment of all expenses and costs, the Trustee shall proportionately adjust the Members' accounts to reflect such expenses and the fund profits or losses and reallocations to the date of termination, and thereafter disburse to each Member the amount then standing to his credit in his account, in accordance with Article VII above.

8.5 Termination of Trust. When all assets of the Trust have been distributed as herein provided, the Trust shall terminate and the Trustee shall be discharged. Unless sooner terminated under the provisions of this Indenture, the Trust shall terminate upon the expiration of such period as may be provided by any applicable Rule Against Perpetuities under Arkansas law.

8.6 Merger, Consolidation, or Transfer of Assets. This Plan and Trust shall not be merged or consolidated with, nor shall any assets or liabilities be transferred to, any other plan, unless the benefits payable to each Member if the Plan was terminated immediately after such action would be equal to or greater than the benefits to which such Member would have been entitled if this Plan had been terminated immediately before such action.

ARTICLE IX Trust Fund and Trustee

9.1 Trustee. The term "Trustee" shall mean the Trustee or Trustees appointed by Employer under the terms of the stock ownership trust executed in connection with the Plan to administer the trust fund created for the purpose of the Plan, or such other Trustee or Trustees as may be designated from time to time under the terms of said trust. The Trustee's obligations, duties and responsibilities are governed solely by the terms of such trust instrument, reference to which is here made for all purposes.

9.2 Purpose of the Trust Fund. A trust fund will be created and maintained for the purposes of the Plan, and the money thereof will be invested in accordance with the terms of the agreement and declaration of trust which forms a part of the Plan. All contributions will be paid into the trust fund, and, except as permitted by Section 9.5 below, all benefits under the Plan will be paid from the trust fund. To the fullest extent practicable, assets of the trust fund shall be invested in Employer stock.

9.3 Benefits Supported Only by the Trust. Except as provided in Section 9.5 below, any person having any claim under the Plan will look solely to the assets of the trust fund for satisfaction.

9.4 Trust Fund Applicable Only to Payment of Benefits. The trust fund will be used and applied only in accordance with the provisions of the Plan, to provide the benefits thereof, and no part of the principal or income of the trust fund will be used for, or diverted to, purposes other than for the exclusive benefit of Members and other persons thereunder entitled to benefits.

9.5 Diversification of Investments. Notwithstanding the provisions of Sections 9.2 and 9.3 above, any Member who has completed at least ten (10) years of participation in the Plan and has attained age 55 may elect within 90 days after the close of each Plan Year in the "qualified election period" (defined below) to direct the Plan as to the investment of at least 25 percent of the cumulative total of his accounts (to the extent such portion exceeds the amount to which a prior election under this Section 9.5 applies). In the sixth year of such "qualified election period," the Member may direct the investment of at least 50 percent of his accounts. Provided, this diversification election shall not apply to a Member's PAYSOP Account, except to the extent of dividends paid with respect to Employer stock in such Account as of December 31, 1986, if such dividends are either paid in the form of Employer stock or paid in cash or other property that later is used to acquire Employer stock. The "qualified election period" is the six Plan Year period beginning with the Plan Year in which the Member attains age 55 (or, if later, beginning with the first Plan Year in which the Member completes his tenth year of participation in the Plan). If such a diversification election is made, the Committee, in its sole discretion, may satisfy the election in either of the following methods:

- (a) distribute to the Member within 90 days after the relevant election period that portion of his accounts covered by the election either
 - (i) in Employer stock, or
 - (ii) in cash in lieu of Employer stock; or
- (b) transfer that portion of his accounts covered by the election to another qualified plan of Employer which provides for Employee-directed investments in at least three investment options other than in Employer stock.

ARTICLE X

Administration

10.1 Fiduciary. The Board of Directors of Tyson Foods, Inc. shall appoint a committee to be known as the "Administrative Committee" (the "Committee") to administer the Plan. The Committee will serve as the named fiduciary of the Plan. The Committee shall consist of officers and Employees of the Tyson Foods, Inc. or other individuals or entities, all of whom shall serve at the pleasure of the Board and without compensation, and whose number shall not be less than three (3) nor more than seven (7). A member of the Committee may resign at any time upon delivery of a written resignation of the Board. Vacancies created by resignation, death, or other cause may be filled by the Board or the assigned responsibilities may be reabsorbed or redelegated by the Board. Any person or entity may serve in more than one fiduciary capacity as respects the Plan.

10.2 Powers and Duties. The Committee shall administer the Plan in accordance with its terms and shall have all powers necessary to carry out its terms. The Committee shall act for and on behalf of the Participating Employers in taking any action or furnishing any information required of the Participating Employers with respect to the Plan. All interpretations of the Plan, and questions concerning its administration and application, shall be determined by the Committee, and such determinations shall be binding on all persons except as otherwise expressly provided herein. The Committee may employ one or more persons to render advice with regard to any responsibility under the Plan. In the event the members of the Committee are unable to act for any reason, any actions required of the Committee shall be by the Board. A Committee member who is a Member under the Plan will not vote or act on any matter relating only to himself. The Committee shall have the power to delegate specific fiduciary responsibilities (other than those of the Trustee with respect to controlling assets of the Plan) by written action. Such delegations may be officers or Employees of the Participating Employers or to other individuals or entities, all of whom shall serve at the pleasure of the Committee, and, if full-time Employees of a Participating Employer, without compensation. Any responsibility allocated or delegated shall be the sole and several responsibility of the person or entity to whom allocated or delegated. Any person or entity may serve in more than one fiduciary capacity as respects the Plan.

10.3 Records and Reports. The Committee shall keep a record of all their proceedings and actions, and other data as shall be necessary for the proper administration of the Plan and meet the disclosure and reporting requirements of the law.

10.4 Claims Procedure. If a claim for benefit made by a Member or his beneficiary is denied, the Committee will give to the Member or beneficiary written notice of the denial and the specific reasons therefore. The notice shall be written in a manner calculated to be understood by the Member or

beneficiary. The Member and beneficiary shall be given sixty (60) days after such notice to obtain by request to the Committee member designated in the notice a full and fair review by Committee of the decision denying the claim.

10.5 Indemnification. The Participating Employers shall indemnify each member of the Committee and any officer, director, or Employee of the Participating Employers against any and all claims and causes of action by or on behalf of any and all parties whomsoever, and all losses therefrom, including without limitation costs of defense and attorney's fees, based upon or arising out of any act or omission relating to or in connection with the Plan and Trust Agreement, other than losses resulting from any such person's fraud or willful misconduct. The indemnity provided herein shall not be available to the extent that it would deprive the person indemnified of the benefit of any insurance payment otherwise available.

10.6 Administrative Procedures.

(a) The Committee shall establish a set of accounting records (including a general ledger) separate from the accounting records of the Trustee. The Committee shall designate one person to be responsible for the recording of transactions pertaining to the Plan and to prepare financial statements each calendar quarter for presentation to the Committee.

(b) On the last day of March and September of each year a physical count of all securities owned by the Trust Fund shall be performed, with the results being reconciled to the assets per the accounting records.

(c) A complete and organized file of all correspondence regarding the Plan shall be maintained in one location.

(d) A separate accounting shall be maintained for all securities and other assets that are to be distributed to terminated Employees.

(e) All matters concerning the Plan shall be transacted separately and distinctly from any other plan administered by a Participating Employer. In no event shall any assets of this Plan be distributed to members or beneficiaries of any other plan administered by a Participating Employer.

(f) All distributions of benefits shall be checked and verified by the Committee prior to the actual distribution.

(g) All buy and sell transactions of the shares of Employer stock shall be coordinated between the Committee and the Trustee.

(h) All shares of Employer stock owned by the Trust Fund shall be issued in the name of the Trustee under the Plan and Trust, and such shares shall not be commingled with other accounts held by the Trustee.

(i) The Committee shall meet at least once each Plan Year and at such meeting the following matters shall be discussed:

(i) Investment policies and decisions;

(ii) The determination of the market value of investments for financial statement presentation; and

(iii) Approval of transactions with parties- ininterest. The Committee shall designate one member of the Committee to be responsible for recording minutes of each Committee meeting.

ARTICLE XI

Miscellaneous Provisions

11.1 Rights of or to Employment. The adoption and maintenance of the Plan shall not be deemed to constitute a contract between the Participating Employers and any Employee, and shall not be deemed to be a consideration for, or an inducement or condition of, the employment of any

person. Nothing herein contained shall be deemed to give to any Employee the right to be retained in the employ of a Participating Employer or to interfere with the right of a Participating Employer to discharge its Employee at any time. Nor shall any provision of the Plan be deemed to give to a Participating Employer the right to require any Employee to remain in its employ; nor shall it interfere with any Employee's right to terminate his employment at any time.

11.2 Benefits Payable Solely from Trust Fund. All benefits payable under the Plan shall be paid or provided for solely from the Trust Fund, and the Participating Employers assume no liability or responsibility therefore.

11.3 Restrictions on Transfer and Claims of Creditors.

(A) Subject to the exceptions set forth in 401(a)(13) and 414(p) of the Code, no benefits, rights or accounts shall exist under the Plan which are subject in any manner to voluntary or involuntary anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, transfer, assign, pledge, encumber or charge the same shall be void. Nor shall any such benefit, right or account be in any manner liable for or subject to the debts, contracts, liabilities, engagements, torts or other obligations of the person entitled to such benefit, right or account except as specifically provided in the Plan. Nor shall any benefit, right or account under the Plan constitute an asset in case of the bankruptcy, receivership or divorce of any person entitled under the Plan. (B) If a Member or any other person entitled under the Plan becomes bankrupt or makes an assignment for the benefit of creditors or in any way suffers a lien or judgment against his personal assets or in any way attempts to anticipate, alienate, sell, assign, pledge, encumber or charge a benefit, right or account, except as specifically provided in the Plan, then such benefit, right or account in the discretion of the Committee may cease and terminate and in that event the Trustee shall at the direction of the Committee hold or apply funds equal in value to such terminated account to the best interest of such Member or his dependents as the Committee shall determine.

11.4 No Interference by Members in Administration of Trust. Nothing contained herein shall grant to any Member the right to question the types of investments made by the Trustee of Trust Funds nor to interfere in any manner with the Trustee's administration of the Trust. Neither the Trustee nor the Employee shall be obligated to disclose to any Member the compensation being paid to any other Member or to provide any Member with financial statements or operational data of the Employer.

11.5 Members to Furnish Required Information. Each Member will furnish to the Committee such information in writing as the Committee considers necessary or desirable for purposes of administering the Plan, and the provisions of the Plan respecting any payments thereunder are conditional upon the Member's furnishing promptly such true, full and complete information as the Committee may request. Any notice or information which, according to the terms of the Plan or the rules of the Committee, must be filed with the Committee, shall be deemed so filed at the time that it is actually received by the Committee.

11.6 Employer's Contributions Irrevocable. No Participating Employer shall have any right, title or interest in the Trust fund or in any part

thereof, and no contributions made thereto shall revert to a Participating Employer.

11.7 Applicable Law. All legal questions pertaining to the Plan shall be determined in accordance with the laws of the State of Arkansas, and all contributions made hereunder shall be deemed to have been made in that State.

11.8 Titles to Articles and Paragraphs. The titles to articles and paragraphs are included solely for convenience of reference, and if there is any conflict between the titles and the text of this Plan the text shall control.

11.9 Gender. The masculine gender shall include the feminine where applicable, and the singular shall include the plural unless the context clearly indicates otherwise.

11.10 Nonterminable Provisions. Any shares of Employer stock acquired with proceeds of an Exempt Loan (as defined in Section 5.11 above) will continue, after the loan is paid, and in the event that the Plan ever fails to qualify as an Employee stock ownership plan for failure to meet the requirements of 4975(e)(7) of the Code and regulation 54.4975-11, to be subject to regulation 54.4975-7(b)(4), (10), (11) and (12), relating to put, call or other options and to buy- sell or similar arrangements.

11.11 Valuation. For purposes of making valuations under the Plan, valuations of such securities shall be made in good faith, and based on all relevant factors for determining the fair market value of securities. However, at any time the Employer stock is not readily tradeable on an established securities market, all valuations of Employer stock with respect to activities carried on by the Plan shall be made by an independent appraiser (as defined in 401(a)(28)(C) of the Code). In the case of a transaction between the Plan and a disqualified person, value must be determined as of the date of the transaction. For all other purposes, value must be determined as of the most recent valuation date under the Plan. An independent appraisal will not in itself be a good faith determination of value in the case of a transaction between the Plan and a disqualified person. However, in all other cases, a determination of fair market value based on at least an annual appraisal independently arrived at by a person who customarily makes such appraisals and who is independent of any party to the transaction will be deemed to be a good faith determination of value. For purposes of this Section and all other Sections of the Plan, "readily tradeable on an established securities market" shall have the meanings set forth in regulation 54.4975-7(b)(1)(iv) and 54.4975- 7(b)(10).

ARTICLE XII

Top Heavy Provisions

12.1 Definitions. For purposes of this Article XII, the following definitions shall apply:

- (a) "Determination Date". "Determination Date" means, with respect to any Plan Year -
 - (i) the last day of the preceding Plan Year, or
 - (ii) in the case of the first Plan Year of any plan, the last day of such Plan Year.

- (b) "Key Employee". A "Key Employee" means an Employee, a former Employee (or the beneficiary of either), who, at any time during the Plan Year or any of the four preceding Plan Years, is -
- (i) an officer of the Employer having an annual compensation greater than 50% of the amount in effect under 415(b)(1)(A) of the Code for any Plan Year,
 - (ii) one of the 10 Employees having annual compensation from the Employer of more than the limitation in effect under 415(c)(1)(A) of the Code and owning (or considered as owning within the meaning of 318) the largest interests in the Employer,
 - (iii) a 5-percent owner of the Employer, or
 - (iv) a 1-percent owner of the Employer having an annual compensation from the Employer of more than \$150,000. For purposes of clause (i), no more than 50 Employees (or, if lesser, the greater of 3 or 10 percent of the Employees) shall be treated as officers. For purposes of clause (ii), if 2 Employees have the same interest in the Employer, the Employee having greater annual compensation from the Employer shall be treated as having a larger interest. Percentage Owners:
 - (i) 5-Percent Owner. For purposes of this paragraph, the term "5- percent owner" means:
 - (A) If the Employer is a corporation, any person who owns (or is considered as owning within the meaning of 318) more than 5 percent of the outstanding stock of the corporation or stock possessing more than 5 percent of the total combined voting power of all stock of the corporation; or
 - (B) If the Employer is not a corporation, any person who owns more than 5 percent of the capital or profits interest in the Employer.
 - (ii) 1-Percent Owner. For purposes of this paragraph, the term "1-percent owner" means any person who would be described in clause (i) if "1-percent" were substituted for "5 percent" each place it appears in clause (i).
 - (iii) Constructive Ownership Rules. For purposes of this Article XII:
 - (A) Subparagraph (C) of 318(a)(2) shall be applied by substituting "5 percent" for "50 percent," and (B) In the case of any Employer which is not a corporation, ownership in such Employer shall be determined in accordance with regulations prescribed by the Secretary which shall be based on principles similar to the principles of 318 (as modified by subclause (A)).
 - (iv) Aggregation rules do not apply for purposes of determining ownership in the Employer. The rules of subsections (b), (c) and (m) of 414 shall not apply for purposes of determining ownership in the Employer.
 - (v) Compensation. For purposes of this Section, the term "compensation" has the meaning given such term by 414(q)(7) of the Code.
- (c) "Non-Key Employee". The term "Non-Key Employee" means any Employee who is not a Key Employee.
- (d) "Top Heavy Plan". An Employer's plan shall be a Top Heavy Plan if, as of the Determination Date, the aggregate of the accounts of Key Employees under the Plan exceeds 60% of the aggregate of the accounts of all Employees under the Plan.
- (e) "Aggregated Plans". Each plan of an Employer required to be included in an Aggregation Group shall be treated as a Top Heavy Plan if such group is a Top Heavy Group.
- (f) "Aggregation Group". Aggregation Group means:
- (i) "Required Aggregation":
 - (A) each plan of the Employer in which a Key Employee is a participant (in the Plan Year containing the Determination Date or any of the four preceding Plan Years), and

(B) each other plan of the Employer which enables any plan described in subclause (A) to meet the requirements of 401(a)(4) or 410 of the Code, or

(ii) "Permissive Aggregation": any other plan not required to be aggregated may be included by the Employer if such group would continue to meet the requirements of 401(a)(4) and 410 with such plan being taken into account.

(iii) In determining the Aggregation Group, plans terminated within the five-year period ending on the Determination Date also shall be taken into consideration.

(g) "Top Heavy Group". The term "Top Heavy Group" means any Aggregation Group if, as of the Determination Date, the sum of

(i) the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans included in such group, and

(ii) the aggregate of the accounts of Key Employees under all defined contribution plans included in such group exceeds 60% of a similar sum determined for all Employees.

(h) "Rollover Contributions". Any rollover contribution, or similar transfer, initiated by an Employee and made after December 31, 1983, shall not be taken into account with respect to the Plan for purposes of determining whether such Plan is a Top Heavy Plan or whether any Aggregation Group which includes such Plan is a Top Heavy Group.

(i) For purposes of this Article XII, the amount of the account of any Employee shall include the aggregate distributions made with respect to such Employee under the Plan during the five year period ending on the Determination Date, including distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group. If any participant is a NonKey Employee with respect to any Plan Year, the balance in the accounts of such Employee shall be considered the account balance of a Non-Key Employee for such Plan Year. In addition, the account balance of any Member who has not performed services for Employer during the five year period ending on the Determination Date also shall be disregarded.

(j) "Valuation Date". The "Valuation Date" shall be the most recent valuation date described in either Section 5.2 or Section 5.5 above within the twelve-month period ending on the Determination Date.

12.2 Provisions Applicable During Top Heavy Years. For any year in which the Plan is considered a Top Heavy Plan, the following provisions shall apply notwithstanding any other provision of this Plan to the contrary:

(a) "Vesting". The vesting schedule applicable to Employer contributions which shall apply during Top Heavy Years shall be as follows:

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

(b) "Minimum Benefits". Notwithstanding the language of Section 5.4 above or any other provision in this Plan to the contrary, during any year the Employer's Plan is a Top Heavy Plan, the minimum contribution made by the Employer to the account of each Active Member (as defined in Section

5.4 above) of the Plan who is a NonKey Employee shall not be less than the lesser of:

(i) 3% of such Non-Key Employee's compensation (as defined in Section 5.7 above), or

(ii) the highest percentage of compensation contributed to the account for any Key Employee for the year. Notwithstanding the above, any Employer who maintains this Plan plus one or more additional qualified employee benefit plans may choose to fund any required minimum benefit through such other plan(s) but must notify the Trustee of this Plan of such election. To provide for the minimum allocation, the Employer contribution shall be allocated as follows:

(a) An amount of the Employer contribution equal to the minimum benefit determined above (or the total Employer contribution if less than the minimum benefit determined above) shall be allocated to the Employer Contribution Accounts of each Active Member of the Plan who is a Non-Key Employee; and

(b) The balance, if any, of Employer's Contribution shall be allocated as set forth in Article V of the Plan. A minimum benefit allocation shall be provided to any Active Member who is a Non-Key Employee who is employed as of the last day of the Plan Year regardless of such Member's Hours of Service.

IN WITNESS WHEREOF, TYSON FOODS, INC. has caused this Indenture to be executed by its duly authorized officers as of the 1st day of April, 1993.

TYSON FOODS, INC.

By: _____

President

ATTEST:

Secretary

**RESOLUTION REGARDING TERMINATION OF TYSON FOODS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

RESOLVED, that effective March 31, 1996, the ESOP will be terminated and its assets shall be distributed pursuant to the plan's terms on or before March 31, 1997, and as required by Section 8.3 of said plan, the administrator of the plan shall deliver to the plan's trustees a certified copy of this resolution informing them of such termination.

TYSON FOODS, INC.
EMPLOYEE STOCK PURCHASE PLAN

PURPOSE OF THE PLAN

The purpose of the Tyson Foods, Inc. Employee Stock Purchase Plan (the "Plan") is to provide the employees of Tyson Foods, Inc. ("Tyson") and its Participating Affiliates a convenient way to acquire shares of Tyson's Class A Common Stock through periodic investment and thus maintain and stimulate employee interest in the growth and profitability of Tyson by means of an opportunity to share in a proprietary interest in Tyson.

ARTICLE I
Definitions

1.1 Affiliate. "Affiliate" shall include all wholly owned subsidiaries of Tyson and any other entity which may be designated from time to time as such by the Board of Directors of Tyson.

1.2 Base Earnings. "Base Earnings" means the amount of regular salary or wages, including overtime payments, and commission payments, but does not include discretionary and non-discretionary bonuses, or other irregular payments made by an employer to an employee.

1.3 Committee. "Committee" shall mean the Administrative Committee appointed by the Board of Directors of Tyson to carry out the purposes of the Plan as set forth in Section 5.1 below.

1.4 Effective Date. The "Effective Date" of the Plan as it relates to its extended term is October 1, 1989; however the Plan has been restated effective December 7, 1990 to reflect amendments made which were effective as of that date.

1.5 Employer. "Employer" means Tyson and all Participating Affiliates.

1.6 Full-Time Employee. "Full-time Employee" means any person (including a corporate officer) who is employed on a full-time basis in the regular service of Tyson or one of its Affiliates; provided, however, such term shall not include persons employed for temporary periods or for temporary jobs. For purposes of this Plan, full time basis shall mean regular employment of not less than 1,000 hours per calendar year.

1.7 Leave of Absence. "Leave of Absence" means absence from the active service with Tyson or an Affiliate, with the permission of the Employer, by reason of illness, military service, or for any other reason as approved or allowed by the Employer's personnel policies. Such Leave of Absence will not terminate an employee's Service, provided he returns to active employment at the expiration of his leave in accordance with his Employer's policy with respect to permitted absences. An employee whose Service is terminated and who is subsequently re-employed by Tyson or an Affiliate will, for all purposes of the Plan, be considered a new employee as of the effective date of his re-employment.

1.8 Pay Period, Payday. "Pay Period" means the interval of a time for which an employee regularly receives his compensation and "Payday" means the day on which the employee regularly receives his compensation for the Pay Period.

1.9 Participating Affiliate. "Participating Affiliate" means an Affiliate which has adopted the Plan with the consent of the Board of Directors of Tyson. If an organization which is or has become an Affiliate ceases to be an Affiliate, such organization shall be deemed to have withdrawn from participation in the Plan.

1.10 Payroll Deduction Agreement. The "Payroll Deduction Agreement" shall be in a form specified by the Committee, shall direct the employee's Employer to withhold from his paycheck a specified dollar amount or a specified percentage of his Base Earnings to be used for the purchase of Stock under this Plan, and shall list the participating employee's mailing address and social security number.

1.11 Prevailing Market Price. The term "Prevailing Market Price" shall mean:

(a) the actual purchase price if purchased in the open market; or

(b) if treasury shares are purchased:

(i) if the Stock is not at the time listed or admitted to trading on a stock exchange or in the over-the-counter market under the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ"), the Prevailing Market Price shall be the mean between the lowest reported bid price and highest reported asked price of the Stock on the date in question in the over-the-counter market, as such prices are reported in a publication of general circulation selected by Tyson and regularly reporting the market price of the Stock in such market; or

(ii) If the Stock is at the time listed or admitted to trading in the over-the-counter market under NASDAQ or on any stock exchange, then the Prevailing Market Price shall be the reported closing sale price of the Stock on the date in question on NASDAQ or on the principal exchange on which the Stock is then listed or admitted to trading, as the case may be. If no reported sale of Stock takes place on the date in question, then the reported closing asked price of the Stock on such date shall be determinative of Prevailing Market Price.

1.12 Service. "Service" means that period of continuous uninterrupted employment with Tyson or any one or more of its Affiliates, from the employee's first day of employment until his date of termination of employment with all Affiliates. However, in the case of an Affiliate which has been acquired by Tyson through the acquisition of substantially all of the assets or all of the stock of the Affiliate, Service only shall include employment subsequent to the later of (i) Tyson's consummation of the acquisition the Affiliate or (ii) the date on which such Affiliate is designated as a Participating Affiliate. Service with two or more Affiliates during consecutive periods shall be considered continuous service with one Affiliate.

1.13 Stock. All references herein to "Stock" shall mean shares of Class A Common Stock of Tyson.

1.14 Termination of Service. "Termination of Service" means any absence from the employment of Tyson or any Affiliate (including, but not limited to, absences by reason of discharge or resignation) which is not deemed a Leave of Absence as defined herein.

ARTICLE II

Eligibility to Participate

2.1 Eligibility. Except as provided below, each Full-Time Employee of Tyson or of a Participating Affiliate who has completed sixty (60) days of Service shall be eligible to participate in the Plan commencing on the first Payday thereafter. However, any employee who is a member of a collective bargaining unit and who is covered by a collective bargaining agreement which does not provide for coverage of such employee under this Plan shall not be eligible to participate in this Plan.

ARTICLE III
Employee Participation and Contributions

3.1 Voluntary, Non-Discriminatory Plan. Participation in this Plan shall be voluntary and all employees who participate in the Plan shall have the same rights and privileges under the Plan.

3.2 How an Employee Elects to Participate. Except as provided in Sections 3.8 and 4.2 below, an eligible employee may elect to participate in the Plan by executing a "Payroll Deduction Agreement" (within the time period prescribed by the Committee) prior to the Payday on which the employee will begin participation. By signing a Payroll Deduction Agreement an employee will indicate his acceptance of the terms of this Plan.

3.3 Limits on Contribution. The minimum payroll deduction shall be one dollar (\$1.00) per week and the maximum shall be twenty-five dollars (\$25.00) per week, as the employee shall elect, or, in the alternative, the minimum payroll deduction shall be 1% of Base Earnings and the maximum shall be 10% of Base Earnings. At such times as permitted by the Committee, an employee may increase or decrease his contribution under the Plan by any multiple of one dollar or one percent; however, no employee may contribute, in any one year, more than 10% of his Base Earnings or, if he elects a payroll deduction of a specific dollar amount, \$25.00 per week.

3.4 Voluntary Withdrawal from the Plan. An employee who remains employed by an Employer may withdraw from the Plan by submitting a signed written notice of cancellation of his Payroll Deduction Agreement to his personnel department (within the time period prescribed by the Committee) prior to the Payday for which cancellation is to be effective. Any employee who so withdraws from the Plan shall be ineligible to renew his participation for a period of six months from the date of cancellation of his payroll deduction and will be entitled to withdraw his Stock from the Plan only in accordance with Section 6.2.

3.5 Termination of Service Means Withdrawal from Plan. Upon an employee's Termination of Service (as defined above), the employee will be deemed to have withdrawn from the Plan as of the date of his Termination of Service.

3.6 Effect of Employee's Withdrawal from Plan. On and after the effective date of an employee's withdrawal from the Plan, no further contribution under the Plan shall be permitted by or made for the employee, except as may be provided pursuant to Sections 3.8 and 4.2 below.

3.7 Distributions from Plan Upon Termination of Service. Upon a participating employee's Termination of Service for any reason, the Committee shall obtain a share certificate representing the number of shares of Stock to which the employee is entitled and shall send the share certificate and a check for the sum of uninvested funds held to the credit of such employee, by ordinary mail, to the address indicated on the employee's Payroll Deduction Agreement, or otherwise to the employee's mailing address last known to his Employer. Upon the death of a participating employee and upon receipt by the Employer of proof of identity and existence at the participating employee's death of a beneficiary validly designated by him under the Plan, the Committee shall obtain and forward the share certificate and check for uninvested funds in the manner provided above to such beneficiary. In the event of the death of a participating employee and in the absence of a beneficiary validly designated under the Plan who is living at the time of such participating employee's death, the committee shall obtain and forward such share certificate and check for uninvested funds to the executor or administrator of the estate of the participating employee, or if no such executor or

administrator has been appointed (to the knowledge of the Committee) the Committee, in its discretion, may deliver such share certificate and check to the spouse, if any, or otherwise equally to the surviving children of the participating employee. No beneficiary shall, prior to the death of the participating employee by whom he has been designated, acquire any interest in the Tyson Stock or cash credited the participating employee under the Plan.

3.8 Optional Employee Stock Contribution. Whether or not an eligible employee elects to participate in the Plan in the manner provided in Section 3.2 above, any eligible employee who received shares of Stock on or after December 1, 1989 as a stock bonus from Tyson may contribute all (but not less than all) of such shares to the Plan on or before December 31, 1991 and thereafter participate in the Plan. Also, the Committee shall have the authority to permit from time to time contributions by eligible employees of other shares of Stock, regardless of when and how acquired by such employees. Such contributions shall be made in the manner prescribed by the Committee. Contributed shares shall be held for the account of the contributing participant (or combined with any existing account of the participant) and administered pursuant to all provisions of the Plan. All of such contributed shares at all times shall remain the property of the contributing employee and shall remain subject to any legal or contractual restrictions to which the shares may have been subject at the time of the contribution.

ARTICLE IV Employer Contributions

4.1 Employer Matching Contributions. Participants in the Plan who have completed at least one year of Service (as defined above) with Tyson or a Participating Affiliate shall be entitled to Employer matching contributions, determined as follows: (i) if shares are purchased in the open market pursuant to the Plan, Tyson shall contribute a cash amount equal to one-third (1/3) of the purchase price; and (ii) if treasury shares are purchased, then the participating employees' purchase price for such shares shall be two-thirds (2/3) of the Prevailing Market Price for such shares on the date of purchase. Contributions made pursuant to this

Section 4.1 shall match only the employee contributions made pursuant to Section 3.2 above.

4.2 Employer Discretionary Non-matching Contributions. In addition to Employer matching contributions made pursuant to Section 4.1, Tyson, in the sole discretion of its Board of Directors, may from time to time make non-matching contributions of cash or shares of Tyson Stock to the Plan for allocation to certain participants in the Plan or to certain other eligible employees who are not enrolled in the Plan. Such contributed shares shall be held for the account of the participant (or combined with any existing account of the participant) and administered pursuant to all provisions of the Plan. If directed by the Board of Directors of Tyson, the Committee shall cause shares of Stock purchased with such discretionary contributions to bear appropriate legends referring to the terms, conditions and restrictions, if any, applicable to such contributions or necessary to permit Tyson to comply with all applicable state and federal securities laws. All of such contributed shares at all times shall remain the property of the contributing employee and shall remain subject to any legal or contractual restrictions to which the shares may have been subject at the time of the contribution.

ARTICLE V
Administration of the Plan

5.1 Administrative Committee. To carry out the purposes of the Plan, the Board of Directors shall appoint an Administrative Committee (the "Committee") consisting of not less than three members who may be officers and/or directors of Tyson. The Board may remove members from or add members to the Committee at any time, within its discretion, and may fill vacancies on the Committee. An individual member of the Committee may not participate in any decision exclusively affecting his own participation in the Plan. The Committee shall select one of its members as Chairman, and shall hold meetings at such times and places as it may determine. Acts of a majority of the Committee at which a quorum is present, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be valid acts of the Committee. The Committee shall have the sole authority, in its absolute discretion, to adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan; to construe and interpret the Plan, the rules and regulations; and to make all other determinations deemed necessary or advisable for the administration of the Plan. All decisions, determinations, and interpretations of the Committee shall be binding on all participants. The Committee may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received for any such consultant or agent. Expenses incurred by the Board of Directors or the Committee in the engagement of such counsel, consultant or agent shall be paid by the Company. No member or former member of the Committee or of the Board of Directors shall be liable for any action or determination made in good faith with respect to the Plan or any awards granted hereunder. The Committee, in its sole discretion, may delegate all or any portion of its duties hereunder to other individuals or entities.

5.2 Employer Contributions of Cash and Dividends. Each Employer shall remit the funds deducted from payrolls under this Plan, plus any Employer contributions of cash and dividends received on Stock held by the Plan, to the brokerage firm or firms designated by the Committee.

5.3 Investment in Tyson Stock. As soon as practicable after receipt of funds remitted under the Plan, the Committee or its designated representative shall purchase on behalf of the Plan participants shares of the Class A Common Stock of Tyson either directly from Tyson or in the open market at Prevailing Market Prices. The Committee shall purchase the maximum number of shares purchasable with such funds. Such shares shall be purchased on an aggregate basis rather than on a per employee basis. The number of shares to be purchased is to be determined by the aggregate amount of funds available to buy a whole share or multiple thereof. While no fractional shares will be acquired or distributed, a participating employee's interest in the Plan will be accounted for to include, and will reflect, the fractional share, if any, which could have been acquired with the funds allocable to him if fractional shares were purchased.

5.4 No Interest to be Paid. During the interim between receipt of the funds and purchase of the shares, no interest will be paid to participating employees.

5.5 Dividends to be Used to Purchase Additional Shares. All cash dividends received with respect to shares registered in the name of the brokerage firm shall be used by it to purchase additional shares for participating employees in proportion to their specified interest in the shares upon which the dividends were paid. Stock dividends, warrants and

rights of any kind received with respect to such shares shall be held and distributed in the manner provided in Sections 3.7 or 6.2, herein, as applicable. Provided, however, that the Committee, in its sole discretion, may elect to pay dividends received which are attributable to stock allocable to employees who have withdrawn from the Plan (pursuant to Section 3.4 above) directly to such employees on an annual basis.

5.6 Shares Held in Broker's Name Not Transferable. An employee's undivided interest in the shares registered in the name of the broker may not be assigned, sold, pledged or alienated except by testate or intestate succession. In addition, such undivided interest may not be encumbered by lien or security interest of any kind and shall not be liable for the debts of the employee or subject to attachment, or to any judgment rendered against the employee or to the process of any court in aid or execution of any judgment so rendered.

5.7 Voting Rights. The Committee shall have the power to vote all shares held in the name of the broker in any and all matters which shall be the subject of the vote for the shareholders. In connection with any such vote, the proxies' beneficial owners of such shares shall be solicited and the Committee shall cast its votes in accordance with such proxies.

5.8 Costs of the Plan. The costs of maintaining records and executing transfers under the Plan shall be paid by Tyson or allocated to and paid by Participating Affiliates, as the Board of Directors of Tyson may direct.

5.9 Brokerage Costs. Brokerage expenses incurred in the purchase of shares shall be included as part of the cost of shares to participating employees.

5.10 Indemnification. Neither Tyson, the Committee and its delegates, nor any broker through whom purchase orders are executed pursuant to this Plan shall have any responsibility or liability for any action or determination in good faith including, without limiting the generality of the foregoing, any action with respect to price, time, quantity or other conditions and circumstances of the purchase of shares under the terms of the Plan. Tyson shall indemnify and hold harmless any officer, employee, agent, delegee or representative who incurs damage or loss, including the expense of defense thereof, in connection with the performance of the duties specified herein.

ARTICLE VI

Monthly Reports and Delivery of Share Certificates

6.1 Monthly Reports. The Committee shall make monthly reports to each participating employee, specifying the status of his interest in the Plan.

6.2 Delivery of Share Certificates. Shares purchased from contributions made by participating employees and shares purchased from contributions made by Tyson will be issued to participating employees (I) only in increments of ten (10) shares from either of such accounts, and (ii) only upon receipt by the Committee of a written request from the participating employee, setting forth the amount of shares requested to be issued and indicating from which of the employee's accounts the shares are to be issued. Requests for distributions of Stock purchased from contributions made by participating employees will be limited to four times per calendar year, and except as restricted above, the employee may request an amount to be issued up to the appropriate amount set forth on the employee's last quarterly statement from the Plan. Requests for distributions of Stock purchased from Employer contributions and dividends will be limited to four times per calendar year, and except as restricted

above, a participating employee may request in any one calendar year an amount not to exceed the shares purchased from the Employer's contributions and dividends as of the December 31 report from the immediately preceding calendar year.

ARTICLE VII
Amendment and Termination of the Plan

The Tyson Board of Directors or its delegate may, at any time and in its discretion, alter, amend, suspend or terminate the Plan or any part thereof; provided, however, that (i) the Board shall be required to obtain stockholder approval for any amendment to the Plan where such approval is necessary to maintain qualification of the Plan under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, or to comply with the rules and regulations of any applicable stock exchange or self-regulatory organization, (ii) the Board shall not amend the provisions of Sections 3.3 and 4.1 of the Plan more than once in any six-month period and (iii) the Plan shall terminate automatically on March 31, 2000. Notice of any amendment, suspension or termination of the Plan, in whole or in part, shall be given to each participating employee as soon as practicable after such action is taken.

ARTICLE VIII
Adjustments Upon Changes in Stock

If any change is made in the stock subject to the Plan (through merger, consolidation, reorganization, recapitalization, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or otherwise), the maximum number of shares subject to the Plan and the number of shares and price per share of Stock subject to outstanding rights under the Plan shall be adjusted automatically to reflect such change.

In the event of (1) a dissolution or liquidation of Tyson, (2) a merger or a consolidation in which Tyson is not the surviving corporation, or a reverse merger in which Tyson is the surviving corporation but the shares of Tyson's Common Stock by virtue of the merger are converted into other property, whether in the form of securities, cash or otherwise; or

(3) any other capital reorganization in which more than 50% of the Shares of Tyson entitled to vote are exchanged, the Plan shall terminate, unless determines in its discretion that the Plan shall nevertheless continue in full force and effect. If the Committee elects to terminate the Plan, the Committee shall send to each participating employee a stock certificate representing the number of whole shares to which the employee is entitled. In addition, the Committee shall send checks drawn on the Plan's account to each participating employee in an amount equal to the sum of the uninvested funds held to the credit of each employee under the Plan, in the manner provided in Section 3.7 above. The grant of any right to an employee pursuant to the Plan shall not affect in any way the right or power of Tyson to make adjustments, reclassifications, reorganizations or changes of its capital or business structure or to merge or to consolidate or to dissolve, liquidate or sell, or transfer all or any part of its business or assets.

ARTICLE IX
Miscellaneous Provisions

9.1 No Contract of Employment Intended. The granting of any right to an employee, pursuant to this Plan, shall not constitute an agreement or understanding, express or implied, on the part of Tyson or any Affiliate, to employ such employee for any specified period.

9.2 Financial Information Available. If required by law, the offered shares of Tyson shall be registered under the Securities Act of 1933 on Form S-8, or such other form as shall be specified by the Securities and Exchange Commission, and Tyson shall deliver to each employee participating in the Plan a copy of the prospectus or such other information as may be required from time to time as required.

9.3 Governing Law. The construction, validity, and operation of this Plan shall be governed by the laws of the State of Arkansas.

9.4 Rules of Construction. Throughout this Plan, the masculine includes the feminine, and the singular and the plural, and vice versa, where applicable.

9.5 Plan Year. The Plan's plan year and fiscal year shall end on March 31 of each year.

9.6 Designation of Beneficiary. A participating employee may file a written designation of a beneficiary who is to receive any Stock and/or cash. Such designation of a beneficiary may be changed by the participating employee at any time in writing delivered to his Employer.

TYSON FOODS, INC.

By:

TYSON FOODS, INC.

EMPLOYEE STOCK PURCHASE PLAN

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AMENDMENT NO. 1

TO THE

TYSON FOODS, INC. EMPLOYEE STOCK PURCHASE PLAN

Effective April 1, 1996, the Plan is amended as follows:

(1) Section 4.1 of the Plan is amended by deleting that section in its entirety and substituting therefor the following new language:

"4.1 Employer Matching Contributions.

(a) Participants in the Plan who have completed at least one year of Service (as defined above) with Tyson or a Participating Affiliate shall be entitled to Employer matching contributions as determined in subsections (c) and (d) of this section;

(b) Contributions made pursuant to this Section 4.1 shall match only the employee contributions made pursuant to Section 3.2 above;

(c) Participants determined to be (x) 'Highly Compensated Employees' on April 1, 1996 and thereafter on January 1 of each subsequent calendar year under the provisions of the 'Retirement Savings Plan of Tyson Foods, Inc.' or (y) 'executive officers' as defined by Rule 16a of the Securities Exchange Act of 1934, as amended, and who otherwise are entitled to matching contributions under this Plan shall have such contributions determined as follows:

(i) If shares are purchased in the open market pursuant to the Plan, Tyson shall contribute a cash amount equal to one-third (1/3) of the purchase price; and

(ii) If treasury shares are purchased, then the participating employees' purchase price for such shares shall be two-thirds (2/3) of the Prevailing Market Price for such shares on the date of purchase;

(d) All other Participants hereunder who are entitled to Employer Matching Contributions shall have them determined as follows:

(i) Such matching contributions shall be equal to 50% of all amounts deferred by such Participants under Section 3.2 of the Plan on and after April 1, 1996; and

(ii) Within ten days after the end of each month in which such deferrals are made, Tyson shall make such matching contributions directly to the 'Stock Match Accounts' established for such Participants under the 'Retirement Savings Plan of Tyson Foods, Inc.', with such amounts to be administered and distributed pursuant to the related terms of such plan."

(2) Section 6.1 is amended by deleting that section in its entirety and substituting therefor the following new language:

"6.1 Quarterly Reports. The Committee shall make quarterly reports to each participating employee, specifying the status of his interest in the Plan through the last day of each calendar quarter."

(3) Section 6.2 is amended by deleting that section in its entirety and substituting therefor the following new language:

"6.2 Delivery of Share Certificates.

(a) On or after April 1, 1996, participating employees may request that any or all of the shares of Stock purchased in their accounts through March 31, 1996, whether such Shares were purchased from contributions made by such Participant, from contributions made by Tyson or from dividends received by the Plan, be issued and distributed to such participating employees;

(b) All shares of Stock purchased on or after April 1, 1996 from contributions made by participating employees, contributions made by Tyson or dividends received by the Plan, will be issued to participating employees pursuant to the following rules:

(i) Only in increments of ten (10) shares from either of such accounts;

(ii) Only upon receipt by the Committee of a written request from the participating employee setting forth the amount of shares requested to be issued;

(iii) Distributions of Stock will be limited to four times per calendar year, and will be made as soon as administratively feasible following the last day of the calendar quarter in which the request was made;

(iv) Distributions of Stock purchased from contributions made by participating employees may not exceed the amount of such Stock set forth on their last quarterly statement;

(v) Distributions of Stock purchased from Employer contributions and dividends may not exceed the amount of such Stock set forth on their last quarterly report from the immediately preceding calendar year;

(vi) The order in which shares of Stock are withdrawn from an employee's separate accounts shall be determined pursuant to rules and regulations to be adopted by the Committee."

(4) Section 9.5 is amended by deleting that section in its entirety and substituting therefor the following new language:

"9.5 Plan Year. The Plan's Plan Year and Fiscal Year shall end on December 31 of each year."

AMENDMENT NO. 2

TO THE

TYSON FOODS, INC. EMPLOYEE STOCK PURCHASE PLAN

(1) Effective April 1, 1996, Section 1.12 of the Plan is amended by adding the following sentence at the end thereof, to-wit:

"Notwithstanding the above, Service also shall include employment with Culinary Foods, Inc. prior to its becoming a Participating Affiliate."

(2) Effective April 1, 1996, Section 4.1 of the Plan [as added by Amendment No. 1] is amended by deleting the language of subsection (c) in its entirety and substituting therefor the following new language:

"(c) Participants determined to be (x) 'eligible employees' on April 1, 1996 and thereafter on January 1 of each subsequent calendar year under the provisions of the 'Executive Savings Plan of Tyson Foods, Inc.' or (y) 'executive officers' as defined by Rule 16a-1 of the Securities Exchange Act of 1934, as amended, and who otherwise are entitled to matching contributions under this Plan shall have such contributions determined as follows:

(i) If shares are purchased in the open market pursuant to the Plan, Tyson shall contribute a cash amount equal to one-third (1/3) of the purchase price; and

(ii) If treasury shares are purchased, then the participating employees' purchase price for such shares shall be two-thirds (2/3) of the Prevailing Marketing Price for such shares on the date of purchase."

**EXECUTIVE SAVINGS
PLAN OF
TYSON FOODS, INC.**

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**EXECUTIVE SAVINGS PLAN
OF TYSON FOODS, INC.**

This Plan, adopted effective April 1, 1991 by Tyson Foods, Inc., is hereby established as an unfunded, non-qualified deferred compensation plan designed to provide, solely for a select group of management and highly compensated employees of Tyson Foods, Inc., an opportunity to provide for eventual retirement income. All amounts credited on the books of Tyson Foods, Inc. for the accounts of members under this Plan at all times shall remain as unfunded, general obligations of Tyson Foods, Inc. to such members, it being the intention that such obligations to members under the Plan be paid, when due, solely out of the general assets of Tyson Foods, Inc. available at such time. The Plan shall be administered in the manner set forth in the following Plan, to-wit:

ARTICLE I
Definitions

The following definitions shall be used in this Plan unless the context of the Plan clearly indicates another meaning:

1.1 Beneficiary. "Beneficiary" means such person or persons or legal entity as may be designated by a Member to receive benefits hereunder after his death, or the personal or legal representative of the Member as hereinafter provided in Section 2.3.

1.2 Break in Service. A "Break in Service" shall mean the failure of an Employee to complete more than 500 Hours of Service during a Plan Year.

1.3 Code. "Code" means the Internal Revenue Code of 1986, as now in effect or as amended from time to time. A reference to a specific provision of the Code shall include such provision and any applicable regulation pertaining thereto.

1.4 Compensation. "Compensation" means an Employee's earned income, wages, salaries, and fees for professional services and other amounts received for personal services actually rendered in the course of employment with the Employer maintaining the Plan (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits and bonuses). Any amounts that would have been includable in the Employee's Compensation as described above if they had not received special tax treatment because they were deferred by the Employer through a Salary Reduction Agreement shall be added to the amount described above and included in the Employee's Compensation for purposes of the Plan. However, Compensation shall not include the following:

(a) Other Employer contributions to a plan of deferred compensation which are not includable in the Employee's gross income for a taxable year in which contributed, or Employer contributions under simplified employee pension plans to the extent such contributions are deductible by the Employee, or any distributions from a plan of deferred compensation;

(b) Amounts realized from the exercise of non-qualified stock options, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;

(c) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option;

(d) Other amounts which received special tax benefits, or contributions made by the Employer (whether or not under a salary reduction agreement) towards the purchase of an annuity described in Section 403(b) of the Internal Revenue Code (whether or not the amounts are actually excludable from the gross income of the Employee); and

(e) Amounts received as automobile and office allowances.

1.5 Disability. "Disability" means the total incapacity of a Member when so declared by the Employer in its judgment and discretion, supported by the written opinion of at least two disinterested physicians, after the expiration of at least thirty (30) days from the date of the inception of such incapacity.

1.6 Effective Date. The effective date of the Plan shall be April 1, 1991.

1.7 Elective Deferrals or Deferrals. "Elective Deferrals" or "Deferrals" means reductions pursuant to a Member's Salary Reduction Agreement, in the whole percentages (permitted below in Section 3.1) of the Member's Compensation, which amounts are credited by the Employer to the Member's Elective Deferral Account under the Plan, as provided below.

1.8 Eligible Employee. "Eligible Employee" shall mean an Employee who, as of the immediately preceding March 31 was a Highly Compensated Employee, as defined below, who has been determined by the Administrative Committee of this Plan to be a member of a select group of individuals who, because of their position with the Employer or their compensation level, have the most influence on the day-to-day management and future growth of the Employer's business. The Administrative Committee shall re-determine each March 31 during the term of this Plan which of its Employees qualify as Eligible Employees as defined hereunder.

1.9 Employee. "Employee" means any person employed by Employer.

1.10 Employer. "Employer" means Tyson Foods, Inc., or any corporation into which it may be merged or consolidated, or any corporation that may hereafter accept and adopt the terms of this Indenture with approval of the Board of Directors of Tyson Foods, Inc. For determining an Employee's length of service for purposes of determining eligibility, vesting and credits, Employer also includes any corporation which is a member of a controlled group of corporations (as defined in 414(b) of the Code) and all trades or businesses (whether or not incorporated) which are under common control (as defined in 414(c) of the Code). Provided, however, that service with an incorporated or unincorporated employer which has not expressly adopted this Plan shall not give employees of such employers the right to share in any credits made by employers which have expressly adopted this Plan.

1.11 Employer Match. "Employer Match" shall mean the credit, if any, made to the Member's Employer Match Account by the Employer pursuant to Section 3.2 below.

1.12 Employment Commencement Date. "Employment Commencement Date" means the first date on which an Employee completes an "Hour of Service", provided that in the case of a "Break in Service" an Employee's employment commencement date shall be the first day thereafter on which he completes an "Hour of Service."

1.13 Enrollment Period. "Enrollment Period" means each period designated by the Employer with respect to the Plan Year during which new Members may establish, and current Members may amend, their rates of Elective Deferrals under their Salary Reduction Agreements.

1.14 Entry Date. "Entry Date" shall mean April 1 and October 1 of each year.

1.15 Highly Compensated Employee. "Highly Compensated Employee" means an Employee defined in Section 414(q) of the Code and Regulations issued thereunder. "Non-highly Compensated Employee" shall mean an Employee who is neither a Highly Compensated Employee nor a Family Member (as defined in Code 414(q)(6)(B)) of a Highly Compensated Employee.

1.16 Hour of Service. An "Hour of Service" means:

- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the Employee for the computation period in which the duties are performed; and
- (b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. Hours under this subparagraph (b) shall be calculated and credited pursuant to Section 2530.200(b)-2 of the Department of Labor Regulations which are incorporated herein by this reference; and
- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same hours of

service shall not be credited both under subparagraph (a) or (b), as the case may be, and under this subparagraph (c). These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made; and

(d) Hours of Service credited to Employees whose compensation is not determined on the basis of certain amounts for each hour worked during a given period and whose hours are not required to be counted and recorded by a separate federal statute such as the Fair Labor Standards Act shall be at the rate of 45 Hours of Service for each week that the employee is entitled to be credited with at least one "hour of service" under the provisions of this section.

1.17 Leave of Absence and Termination of Service. The Employer, under a uniform policy applied without discrimination, may grant a Leave of Absence without pay to any Employee because of (a) service in any of the Armed Forces of the United States or other Government service, (b) temporary incapacity, or (c) a temporary lay-off by the Employer. To determine vested percentages and whether a Break in Service has occurred (but not to determine entitlement to share in credits for the year), an Employee will be credited with Hours of Service during a Leave of Absence as if he had been actively employed and had performed his customary duties, provided he returns to work at or before the end of the Leave of Absence or when so requested by the Employer; otherwise his service will be considered terminated as of the date on which his leave began. Any other absence from active employment not deemed a Leave of Absence shall terminate an Employee's service as of the date the Employer considers the Employee to have been dropped from its employment rolls.

1.18 Maternity or Paternity Absences. For any Employee who is absent from work by reason of (i) the pregnancy of the Employee; (ii) the birth of a child of the Employee; (iii) the placement of a child with the Employee in connection with the adoption of such child by the Employee; or (iv) for purposes of caring for a child for a period beginning immediately following the birth or placement of such child, the Plan shall treat as Hours of Service for determining a Break in Service for purposes of eligibility and vesting, the Hours of Service which otherwise normally would have been credited to the Employee but for such absence or, in the event the Plan is unable to determine the Hours of Service normally to be credited, eight (8) Hours of Service per day of such absence. The total number of hours treated as Hours of Service under this section shall not exceed 501 hours. The Hours of Service attributable to an Employee shall be credited to the Employee in the Plan Year in which begins the absence from work if the Employee would be prevented from incurring a Break in Service. In any other case, such Hours of Service shall be credited in the immediately following year. In the discretion of the Committee, an Employee may be required to furnish information that the absence from work qualifies under this section and/or the number of days of such absence.

1.19 Member. "Member" means any Employee who has qualified for participation as provided in Article II of the Plan.

1.20 Normal Retirement Date or Age. "Normal Retirement Date or Age" shall mean the 65th birthday of a Member.

1.21 Plan. "Plan" means the savings and profit sharing plan set forth in this document and all subsequent amendments thereto which in the aggregate are intended by the Employer to constitute a non-qualified savings and profit sharing retirement plan. The name of the Plan shall be the "Executive Savings Plan of Tyson Foods, Inc.".

1.22 Profit Sharing Plan. "Profit Sharing Plan" shall mean the qualified profit sharing retirement plan adopted by Employer and known as the Profit Sharing Plan of Tyson Foods, Inc.

1.23 Restricted Stock Bonus Plan. "Restricted Stock Bonus Plan" shall mean the Tyson Foods, Inc. Restricted Stock Bonus Plan adopted by Employer, a copy of which is attached to this Plan as Schedule "A".

1.24 Return on Equity. "Return on Equity" for any Plan Year means a percentage determined by dividing Employer's "Net Income" by Employer's "Shareholders' Equity", with such terms having the following definitions:

(a) "Net Income" means the sum of Employer's net pre-tax income as reported in its annual and quarterly reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, for the fiscal quarter ending on the Saturday closest to March 31 of such Plan Year and the immediately preceding three fiscal quarters;

(b) "Shareholders' Equity" means the simple arithmetic average of Employer's shareholders' equity as reported in its annual and quarterly reports filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, for the fiscal quarter ending on the Saturday closest to March 31 of such Plan Year and the immediately preceding four fiscal quarters.

1.25 Salary Reduction Agreement. "Salary Reduction Agreement" means an agreement entered between the Member and the Employer during the Enrollment Period by which the Member agrees to accept a reduction in his Compensation from the Employer equal to any whole percentage, per payroll period, not to exceed the percentages permitted under Section 3.1(A) below. The Salary Reduction Agreement shall be irrevocable by the Member until the next Enrollment Period and shall apply to each payroll period during such time in which the Member receives Compensation from the Employer.

1.26 Subsidiary or Affiliate. "Subsidiary" or "Affiliate" means:

(a) All corporations which are members of a controlled group of corporations within the meaning of Section 1563(a) of the Code determined without regard to Section 1563(a)(4) and Section 1563(e)(3)(C) of said Code and of which Tyson Foods, Inc. is then a member, and

(b) All trades or businesses, whether or not incorporated, which, under the Regulations prescribed by the Secretary of the Treasury pursuant to Section 210(d) of ERISA are then under, control with Tyson Foods, Inc.

1.27 Taxable Year and Plan Year. "Taxable Year" and "Plan Year" means the annual accounting period ending on the last day of March each year, which Employer has adopted for federal income tax purposes.

1.28 Valuation Date. "Valuation Date" under the plan shall mean the last day of each calendar month.

1.29 Years of Service. A "Year of Service" means each twelve consecutive month period during which an Employee has at least one thousand (1,000) Hours of Service. For determining an Employee's eligibility under the Plan, his "eligibility computation period" shall begin on the Employment Commencement Date (as defined in Section 1.12 above) for such Employee. For determining a Member's vested and nonforfeitable interest in his Employer Match Account and Floor Account, the "vesting computation period" shall be the Plan Year.

ARTICLE II

Eligibility for Participation

2.1 Requirements for Participation. Eligible Employees shall be eligible to participate under the Plan as follows:

- (a) Eligible Employees shall be eligible to make Elective Deferrals and receive Employer Matches as of the first Enrollment Period (as established by the Administrative Committee) immediately following completion of six months of service);
- (b) Eligible Employees shall be eligible to receive Floor Account Credits under Section 3.3 of the Plan as of the first Entry Date (as defined above) following the Eligible Employee's completion of a Year of Service.

2.2 Participation Following Re-Employment. Each Employee whose service is terminated and who subsequently is re-employed by the Employer shall be treated under the Plan upon such re-employment as though he then first entered the employment of the Employer; except that, if he previously was a Member the Plan or if he had met the service requirements for participation in the Plan as of his previous date of termination of service, he shall be deemed for the purposes of 2.1 hereof to have met the service requirements for participation in the Plan as of his date of reemployment. Provided, however, that the application of this Section shall not entitle such re-employed former Member to any Employer Match or Floor contributions under Article III below attributable to the period of time between his date of termination of service and his date of re-employment.

2.3 Designation of Beneficiary. The provisions of this Plan shall apply to all Members uniformly. Each Employee on becoming a Member shall:

- (a) Agree in writing to be bound by the terms and conditions of this Plan.
- (b) Designate in writing one or more beneficiaries to receive his benefits in the event of his death. If no such designation be made, or if such beneficiary be deceased without a successor beneficiary being designated in writing, then the death benefits shall be paid in a lump sum to the surviving spouse of said Member, if any, otherwise to the Member's surviving children, in equal shares, per stirpes, otherwise to the personal representative or estate of the deceased Member. Should a beneficiary of a deceased Member die after he has started receiving payment under the Plan and if there is no living successor beneficiary named by the deceased Member, then the remaining benefits shall be paid in a lump sum to the surviving spouse of said beneficiary, if any, otherwise to the personal representative or estate of the beneficiary receiving payment at the time of his death. Each Member shall be entitled to change his designated beneficiaries from time to time by filing with the Administrative Committee a new Designation of Beneficiary Form, and each change so made shall revoke all prior designations by the Member.

ARTICLE III Credits to Accounts

3.1 Members' Elective Deferrals. (A) Amount of Elective Deferrals. Each Eligible Employee may elect, pursuant to a Salary Reduction Agreement, to direct the Employer to reduce his Compensation, and in lieu thereof, credit to the Elective Deferral Account of such Eligible Employee an amount equal to such reduction, with such reduction amounts to be in integral percentages determined as follows:

- (i) From one percent (1%) to twenty percent (20%) of his Compensation, excluding bonuses, if any; and
- (ii) One percent (1%) to fifty percent (50%) of the amount of any bonus included in his Compensation. Eligible Employees may elect to have Elective Deferrals applied either to Compensation excluding bonuses, to bonuses, or both.

(B) Initial Authorization for Elective Deferrals. All Salary Reduction Agreements shall be in writing and Elective Deferrals made pursuant to such agreement shall be authorized in writing by the Member and shall be filed with the Employer. Any such Salary Reduction Agreement shall continue in effect for as long as the Member remains an Eligible Employee or until he elects to suspend or change his rate of Elective Deferrals under the Plan as provided in Section 3.1(C) below.

(C) Right of Member to Suspend or Change His Rate of Elective Deferrals. Except as set forth below, a Member may suspend or change his rate of Elective Deferrals effective as soon as administratively practicable as of the end of any subsequent payroll period; however, a Member may change his deferral rate only twice in any calendar year without the consent of the Employer, and except as provided in Section 3.1(E) below with respect to certain required suspensions, a Member who suspends his Elective Deferrals may not resume such contributions for a period of six months following the effective date of such suspension. Any such change of rate, suspension or resumption of Elective Deferrals must be made by the Member in writing filed with the Employer at least 30 days prior to the effective date of the change, suspension or resumption. A Member whose Elective Deferrals are suspended during a period of leave of absence or who is reemployed following a termination of service may elect, upon his return to active employment with the Employer, to have the Employer resume Elective Deferrals on his behalf to the Plan. Any such election shall be in writing filed with the Employer and shall specify the percentage of Elective Deferrals to be deducted from his Compensation. (D) Crediting Elective Deferrals. Elective Deferrals under the Plan shall be credited by the Employer to the Member's Elective Deferral Account as of the end of the month in which the deferral amounts were deducted from the Member's Compensation.

3.2 Employer Match. (A) Amount of Employer Match. The Employer shall credit to the Employer Match Account of each Member who has elected to make an Elective Deferral pursuant to Section 3.1 above an amount equal to the lesser of (i) 100% of such Deferrals and (ii) 2% of such Member's Compensation for that portion of the year during which the Member was eligible to make such Deferrals. (B) Crediting the Employer Match. The Employer Match shall be credited by the Employer to the Member's Employer Match Account as of the end of the month in which the corresponding credit to the Member's Elective Deferral Account is made pursuant to Section 3.1(D) above.

3.3 Floor Accounts. (A) Amount of Floor Account Credit. For each Plan Year the Employer (in its sole discretion) shall credit to the Floor Account of each Member who both has satisfied the eligibility requirements set forth in Section 2.1(b) above and is actively employed by Employer on the last day of such Plan Year, an amount equal to the product of the "Profit Sharing Percentage" (defined below) and the Member's Compensation for that portion of the Plan Year during which the Member was eligible to receive such credits as provided in Section 2.1(b) above. The "Profit Sharing Percentage", if any, shall be determined by the Board of Directors of Tyson Foods, Inc. after considering Employer's profitability and overall performance for such Plan Year. (B) Crediting Floor Accounts. Floor Accounts shall be credited with the amounts determined in Section 3.3(A) above as of March 31 of the Plan Year for which such Floor Account Credits were determined.

(C) One Time Mandatory Floor Account Credit. In addition to any amounts which may be credited to Floor Accounts for the Plan Year ending

March 31, 1992, the Employer, effective March 31, 1992, shall make additional Floor Account Credits attributable to the Employer's Taxable Years ending March 31, 1990 and 1991. These additional credits shall be made only to the accounts of those Members in the Plan who both are actively employed by Employer on March 31, 1992 and would have been eligible to receive a Profit Sharing Plan allocation during one or both of those prior Taxable Years except for the fact they were excluded because they were determined to be Highly Compensated Employees for such years. Such Members shall receive credits equal to the product of the "Mandatory Profit Sharing Percentage" (defined below) and the Member's "Basic Compensation" (as defined in the Profit Sharing Plan) which would have been taken into consideration for purposes of allocating the Employer's profit sharing contribution to such Member had such Member not been excluded from the Profit Sharing Plan during such prior Taxable Year or Years. The "Mandatory Profit Sharing Percentage" shall be determined on or before March 31, 1992 by the Board of Directors of Tyson Foods, Inc. after considering Employer's profitability and overall performance for its financial reporting fiscal year which ends September 30, 1991, together with other relevant considerations. The additional Mandatory Floor Account Credits determined pursuant to this subparagraph (C) shall be increased by an eight percent (8%) base rate of earnings, determined from the respective dates that Employer's contributions to the Profit Sharing Plan were made for such prior Taxable Years.

ARTICLE IV

Accounts and Earnings Credited

4.1 Accounts of Members. The Employer shall establish and maintain for each Member separate accounts, to be called the "Elective Deferral Account", "Employer Match Account", and "Floor Account". Each such account shall be further subdivided into separate sub-accounts for each Plan Year for which credits were made to such accounts. Each such sub-account shall be credited as required in Article III above and Section 4.2 below.

4.2 Earnings Credited. In addition to amounts credited to subaccounts hereunder pursuant to Article III above, the following additional amounts will be credited:

(A) Base Earnings. Each Elective Deferral, Employer Match and Floor sub-account shall be credited on each Valuation Date with Base Earnings, computed by multiplying the value of such sub-accounts as of the preceding Valuation Date by a "base" earnings rate determined by Employer, in its sole discretion, on or before the first day of each Plan Year based on the anticipated annual borrowing rate for the Employer for that ensuing Plan Year. Such "base" rate for the Plan Year beginning April 1, 1991 shall be eight percent (8%).

(B) Premium Earnings. In addition to any Base Annual Interest credited to the Floor sub-accounts pursuant to Section 4.2(A) above, such Floor sub-accounts shall earn on an annual basis "Premium Earnings" determined as follows.

(1) Amount of Premium Earnings. As of March 31 of 1992 and each succeeding year thereafter during the term of this Plan, there shall be credited to the Floor sub-accounts an amount equal to the product of the "Premium Earnings Rate" (defined below) and the total Floor sub-account balances as of March 31 of the immediately preceding Plan Year. (For purposes of computing Premium Earnings only for the Plan Year ending March 31, 1992, Members will be deemed to have Floor sub-account balances on March 31, 1991 equal to the Mandatory Floor Account Credits determined pursuant to Section 3.3(c) above, increased only by the base rate of

earnings described therein on the Mandatory Floor Account Credits attributable to the Taxable Year ending March 31, 1990 and computed through March 31, 1991.) The "Premium Earnings Rate" shall be based on the Employer's Return On Equity for the Plan Year, to the extent such Return On Equity exceeds twenty percent (20%), and shall be determined in accordance with the following schedule:

Return On Equity	Premium Earnings Rate
Under 20%	0%
20% - 20.9%	3%
21% - 21.9%	4%
22% - 22.9%	5%
23% - 23.9%	6%
Over 24%	7%

The Premium Earnings Rate schedule set forth in the prior sentence shall be effective for the Plan Year ending March 31, 1992. A Premium Earnings Rate schedule for each succeeding Plan Year shall be determined by the Employer prior to the first day of each such succeeding Plan Year, in the sole discretion of the Employer. Members of the Plan eligible on April 1 of each Plan Year shall be notified in writing of the Premium Earnings Rate schedule for the ensuing Plan Year.

(2) Conversion to Restricted Stock. Within sixty (60) days of the end of each Plan Year for which Premium Earnings were credited, such Premium Earnings shall be converted into grants of restricted shares of Tyson Foods, Inc. Class A Common Stock, with such grants to be made pursuant to the Restricted Stock Bonus Plan and administered solely in accordance with the terms of that Plan. The number of shares of such restricted stock granted to any Member for any Plan Year shall be equal to the amount of Premium Earnings credited to the Member's Floor sub-account for such year divided by the "prevailing marketing price" for Tyson Foods, Inc. Class A Common Stock as of the last business day of such Plan Year. Prevailing marketing price shall be determined as follows:

(a) If the stock is not at the time listed or admitted to trading on a stock exchange or in the over-the-counter market under the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ"), the market price shall be the mean between the lowest reported bid price and highest reported asked price of the stock on the date in question in the over-the-counter market, as such prices are reported in a publication of general circulation selected by Tyson Foods, Inc. and regularly reporting the market price of the stock in such market; or

(b) If the stock is at the time listed or admitted to trading in the over-the-counter market under NASDAQ or on any stock exchange, then the prevailing market price shall be the reported closing sale price of the stock on the date in question on NASDAQ or on the principal exchange on which the stock is then listed or admitted to trading, as the case may be. If no reported sale of stock takes place on the date in question, then the reported closing asked price of the stock on such date shall be determinative of the market price. In determining Premium Earnings for any Plan Year, Floor sub-accounts shall not include Premium Earnings amounts converted to restricted stock grants for Plan Years prior to such Plan Year. All restricted shares of Tyson Foods, Inc. Class A Common Stock granted pursuant to the Restricted Stock Bonus Plan as Premium Earnings on Floor sub-accounts shall be subject to the restrictions that such shares only will become vested and nonforfeitable and transferable after the Member to whom the shares were granted completes four (4) Years of Service with the Employer following the Plan Year for which such Premium Earnings were credited; provided, however, that such shares shall become vested and

non-forfeitable upon the Member attaining age 55. If a Member's employment with the Employer terminates for any reason prior to satisfying the four

(4) year service requirements of this paragraph but has attained age 55, then such shares shall become transferable at such time as the former Member would have completed such four (4) year service requirement had his employment not terminated.

ARTICLE V

Vesting

5.1 Vesting of Employer Match and Floor Accounts. Except as hereinafter provided, amounts credited to the Employer Match Account and the Floor Account of a Member shall become vested and nonforfeitable based upon his number of Years of Service (as defined in Section 1.29 above) in the percentage indicated as follows:

Years of Service	Percentage Vested
Less than 5 years	0%
5 years	100%

5.2 Vesting on Death, Disability or Normal Retirement. Upon a Member's death, severance of employment due to disability (defined in Section 1.5 above), or attainment of his Normal Retirement Age, the full amount of his Employer Match Account and Floor Account shall become vested and nonforfeitable.

5.3 Vesting if Plan Terminated. Notwithstanding any other provisions of this Article V, if the Plan is terminated, the full amount of each Member's Employer Match Account and Floor Account shall become fully vested and nonforfeitable.

5.4 Elective Deferral Accounts. Amounts credited to Elective Deferral Accounts at all times shall be 100% vested and nonforfeitable.

5.5 Effect of Break in Service on Vesting. A former Member who did not have a nonforfeitable right to his Employer Match Account or his Floor Account at the time of a Break in Service shall receive no credit for Years of Service before such break and all balances in such accounts shall be forfeited.

ARTICLE VI

Distributions

6.1 Elective Deferral, Employer Match and Floor Accounts. Amounts credited to a Member's Elective Deferral Account, Employer Match Account and Floor Account shall be distributed to the Member or his beneficiaries in such form and at such times as set forth below:

(A) During Employment. A Member's sub-account for any Plan Year under his Elective Deferral, Employer Match and Floor Accounts shall be distributed in one cash lump sum not later than sixty (60) days following the end of the tenth Plan Year immediately following the Plan Year for which such sub-account was established. (By way of example, sub-accounts established for the Plan Year ending March 31, 1992 for Elective Deferral, Employer Match and Floor Account credits, together with all earnings credited (excluding Premium Earnings) for all Plan Years in which such sub accounts remain in effect, shall be distributed not later than sixty (60) days following March 31, 2002.)

(B) Termination of Employment. Except as provided below in subparagraphs (C) and (D), if a Member's employment with the Employer is terminated, the vested portion of such Member's accounts hereunder shall be

distributed to him in one cash lump sum not later than sixty (60) days following the end of the Plan Year in which Members employment terminated.

(C) Termination of Employment Due to Death. If a Member dies before all of the accounts established under this Plan have been distributed to him, the remaining balances credited to all of his accounts hereunder shall be distributed in one cash lump sum to his beneficiaries in accordance with

Section 2.3 above not later than sixty (60) days following the end of the Plan Year in which the Member died.

(D) Termination of Employment on or After Attaining Age 55 or Due to Disability. If a Member retires from employment with the Employer on or after attaining age 55 or terminates employment due to disability, the Member's vested portion of his accounts (or 100% of his accounts in the event of disability) shall be distributed to the Member as follows:

(i) All amounts which, following the distribution rules set forth above in Section 6.1(A), would have been distributed to the Member not later than the sixty (60) day period following the end of the fifth Plan Year following the Plan Year in which the Member terminates employment shall continue to be distributed pursuant to the rules set forth above in Section 6.1(A);

(ii) To the extent that the amounts credited to any sub- accounts would not be distributed within the time period described in subparagraph (i) of this Section 6.1(D), such sub-accounts shall be aggregated and exactly twenty percent (20%) of such aggregate amount shall be paid to the Member within sixty (60) days after the end of each of the five Plan Years immediately following the Plan Year in which the Member terminated employment, together with earnings credited on the undistributed balance as determined under Article IV above.

6.2 Benefits Payable to Minors and Incompetents. (A) Whenever any person entitled to payments under the Plan shall be a minor or under other legal disability or in the sole judgment of the Employer otherwise shall be unable to apply such payments to his own best interest and advantage (as in the case of illness, whether mental or physical or where the person not under legal disability is unable to preserve his estate for his own best interest), the Employer may in the exercise of its discretion direct all or any portion of such payments to be made in any one or more of the following ways unless claim shall have been made therefor by an existing and duly appointed guardian, tutor, conservator, committee or other duly appointed legal representative, in which event payment shall be made to such representative:

(1) directly to such person unless such person shall be an infant or shall have been legally adjudicated incompetent at the time of the payment;

(2) to the spouse, child, parent or other blood relative to be expended on behalf of the person entitled or on behalf of those dependents as to whom the person entitled has the duty of support; or

(3) to a recognized charity or governmental institution to be expended for the benefit of a person entitled or for the benefit of those dependents as to whom the person entitled has the duty of support. (B) The decision of the Employer will, in each case, be final and binding upon all persons and the Employer shall not be obliged to see to the proper application or expenditure of any payments so made. Any payment made pursuant to the power herein conferred upon the Employer shall operate as a complete discharge of the obligation of the Employer.

6.3 Withholding Taxes. The Employer shall have the right to withhold from any amounts due or to become due from the Employer pursuant to this Plan to a Member or his beneficiary any taxes required by any government to

be withheld or otherwise deducted and paid by the Employer in respect of such amounts paid or to be paid.

ARTICLE VII
Administration of the Plan

7.1 Administrative Committee. To carry out the purposes of the Plan, the Board of Directors of Tyson Foods, Inc. shall appoint a Committee (the "Committee") consisting of not less than three members who may be officers and/or directors of Tyson Foods, Inc.. The Board may remove members from or add members to the Committee at any time, within its discretion, and may fill vacancies on the Committee. An individual member of the Committee may not participate in any decision exclusively affecting his own participation in the Plan. The Committee shall select one of its members as Chairman, and shall hold meetings at such times and places as it may determine. Acts of a majority of the Committee at which a quorum is present, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be valid acts of the Committee. The Committee shall have the sole authority, in its absolute discretion, to adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan; and to construe and interpret the Plan, the rules and regulations, and to make all other determinations deemed necessary or advisable for the administration of the Plan. All decisions, determinations, and interpretations of the Committee shall be binding on all Members. The Committee may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received for any such consultant or agent. Expenses incurred by the Board of Directors or the Committee in the engagement of such counsel, consultant or agent shall be paid by the Employer. No member or former member of the Committee or of the Board of Directors shall be liable for any action or determination made in good faith with respect to the Plan or any awards granted hereunder.

7.2 Accounts Not Transferable. A Member's undivided interest in the amounts credited to his accounts under the Plan may not be assigned, sold, pledged or alienated except by testate or intestate succession. In addition, such undivided interest may not be encumbered by lien or security interest of any kind and shall not be liable for the debts of the Member or subject to attachment, or to any judgment rendered against the Member or to the process of any court in aid or execution of any judgment so rendered.

7.3 Costs of the Plan. The costs of maintaining records and executing transfers under the Plan shall be paid by Tyson Foods, Inc.

7.4 Indemnification. Tyson Foods, Inc. shall indemnify and hold harmless any officer, employee, agent, or representative who incurs damage or loss, including the expense of defense thereof, in connection with the performance of the duties specified herein, other than losses resulting from any such person's fraud or willful misconduct.

ARTICLE VIII
Amendment and Termination of the Plan

The Tyson Foods, Inc. Board of Directors or its delegate may, at any time and in its discretion, alter, amend, suspend or terminate the Plan or any part thereof. Notice of any amendment, suspension or termination of the Plan, in whole or in part, shall be given to each Member as soon as practicable after such action is taken.

ARTICLE IX
Miscellaneous Provisions

- 9.1 No Contract of Employment Intended. The granting of any right to an employee, pursuant to this Plan, shall not constitute an agreement or understanding, express or implied, on the part of Tyson Foods, Inc. or any Affiliate, to employ such employee for any specified period.
- 9.2 Financial Information Available. If required by law, the offered shares of Tyson Foods, Inc. Class A Common Stock shall be registered under the Securities Act of 1933 on Form S-8, or such other as shall be specified by the Securities and Exchange Commission, and Tyson shall deliver to each Member a copy of the prospectus (or such other information as may be required) from time to time as required.
- 9.3 Governing Law. The construction, validity, and operation of this plan shall be governed by the laws of the State of Arkansas.
- 9.4 Rules of Construction. Throughout this Plan, the masculine includes the feminine, and the singular and the plural, and vice versa, where applicable.

TYSON FOODS, INC.

By: _____

AMENDMENT NO. 1

TO THE

EXECUTIVE SAVINGS PLAN OF TYSON FOODS, INC.

Effective April 1, 1996, the Plan is amended as follows:

(1) Section 1.27 is deleted in its entirety and the following new language inserted therefor:

"1.27 Taxable Year and Plan Year. 'Taxable Year' and 'Plan Year' mean the annual accounting period ending on the last day of December of each year."

(2) Section 6.1 of the Plan is amended by deleting subsection (D) in its entirety and substituting therefor the following new language:

"(D) Termination of Employment on or After Early Retirement or Due to Disability. If a Member (i) retires from employment with the Employer on or after attaining age 55, (ii) retires from employment with the Employer on or after attaining age 50 and his age plus Years of Service equal or exceed 75, or (iii) terminates employment due to disability, the Member's vested portion of his accounts (or 100% of his accounts in the event of disability) shall be distributed to the Member as follows:

(i) All amounts which, following the distribution rules set forth in Section 6.1(A), would have been distributed to the Member not later than the sixty (60) day period following the end of the fifth Plan Year following the Plan Year in which the Member terminates employment shall continue to be distributed pursuant to the rules set forth above in

Section 6.1(A);

(ii) To the extent that the amounts credited to any sub-accounts would not be distributed within the time period described in subparagraph (i) of this Section 6.1(D), such sub-accounts shall be aggregated and exactly twenty percent (20%) of such aggregate amount shall be paid to the Member within sixty (60) days after the end of each of the five Plan Years immediately following the Plan Year in which the Member terminated employment, together with earnings credited on the undistributed balance as determined under Article IV above."

EXHIBIT 11

TYSON FOODS, INC.
 COMPUTATION OF EARNINGS PER SHARE
 (In millions except per share data)

	Quarter Ended	
	March 30, 1996	April 1, 1995
Primary:		
Average common shares outstanding during the period	144.9	144.2
Net effect of dilutive stock options based on the treasury stock method using average market price	.4	.8
Total common and common equivalent shares outstanding	145.3	145.0
Net income	\$14.4	\$50.5
Earnings per share	\$0.10	\$0.35
Fully Diluted:		
Average common shares outstanding during the period	144.9	144.2
Net effect of dilutive stock options based on the treasury stock method using the quarter-end market price, if higher than average market price	.4	.9
Total common and common equivalent shares outstanding	145.3	145.1
Net income	\$14.4	\$50.5
Earnings per share	\$0.10	\$0.35

EXHIBIT 11

TYSON FOODS, INC.
 COMPUTATION OF EARNINGS PER SHARE
 (In millions except per share data)

	Six Months Ended	
	March 30, 1996	April 1, 1995
Primary:		
Average common shares outstanding during the period	144.9	144.2
Net effect of dilutive stock options based on the treasury stock method using average market price	.4	.8
Total common and common equivalent shares outstanding	145.3	145.0
Net income	\$57.7	\$102.7
Earnings per share	\$0.40	\$0.71
Fully Diluted:		
Average common shares outstanding during the period	144.9	144.2
Net effect of dilutive stock options based on the treasury stock method using the quarter-end market price, if higher than average market price	.6	.9
Total common and common equivalent shares outstanding	145.5	145.1
Net income	\$57.7	\$102.7
Earnings per share	\$0.40	\$0.71

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE QUARTERLY FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 30, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

CIK: 0000100493

NAME: TYSON FOODS, INC.

MULTIPLIER: 1,000,000

PERIOD TYPE	6 MOS
FISCAL YEAR END	SEP 28 1996
PERIOD END	MAR 30 1996
CASH	33
SECURITIES	0
RECEIVABLES	559
ALLOWANCES	3
INVENTORY	1090
CURRENT ASSETS	1715
PP&E	3124
DEPRECIATION	1113
TOTAL ASSETS	4624
CURRENT LIABILITIES	770
BONDS	1853
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	14
OTHER SE	1504
TOTAL LIABILITY AND EQUITY	4624
SALES	3135
TOTAL REVENUES	3135
CGS	2638
TOTAL COSTS	2638
OTHER EXPENSES	6
LOSS PROVISION	0
INTEREST EXPENSE	68
INCOME PRETAX	86
INCOME TAX	32
INCOME CONTINUING	54
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	58
EPS PRIMARY	.40
EPS DILUTED	.40

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