



**AMERICAN EXPRESS COMPANY**  
**KEY EXECUTIVE LIFE INSURANCE PLAN**

**AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 1992**

**1. Purpose**

The purpose of the American Express Company Key Executive Life Insurance Plan as amended and restated effective January 1, 1992 (the "Plan") is to set forth the terms of a split-dollar insurance arrangement under which American Express Company (the "Company") and its participating companies can assist its key employees and those of its subsidiaries and affiliates in acquiring life insurance coverage.

**2. Definitions**

For purposes of this Plan, the following terms have the meanings set forth below:

- 2.01 Adjusted Coverage Amount** means the Participant's Coverage Amount in effect immediately prior to the Participant's Retirement, if the Participant's Retirement occurs at or after age 65. As to a Participant whose Retirement occurs before age 65, the Adjusted Coverage Amount shall equal the Participant's Coverage Amount in effect immediately prior to the Participant's Retirement, reduced by seven-twelfths of one percent ( $7/12\%$ ) for each month (or portion thereof) Retirement occurs before age 65.
- 2.02 Assignee** means that person or entity to whom the Participant has assigned his interest in the Policy by designating such assignee on forms provided by the Company.
- 2.03 Committee** means the Employee Benefits Administration Committee of the Company or any successor committee.
- 2.04 Consent** means the acknowledgment and consent executed by a Participant implementing the terms of this Plan.

- 2.05 Coverage Amount** means the insurance death benefit amount a Participant is eligible for under Section 4 of the Plan.
- 2.06 Disability** means (i) that the Participant is eligible to receive disability benefits under the long-term disability plan sponsored by the Participant's Employer if he participated in such plan or, (ii) if the Participant's Employer does not sponsor any such plan, if the Committee determines that the Participant's physical or mental condition would entitle him to benefits under the Company's Long-Term Disability Benefits Plan (or any successor thereto) if he were eligible therefor.
- 2.07 Effective Date** means January 1, 1992.
- 2.08 Employee** means an employee of an Employer who is eligible to participate in the Plan.
- 2.09 Employer** means the Company and any subsidiary or affiliate of the Company which is designated by the Compensation, Benefits and Nominating Committee of the Board of Directors of the Company to participate in this Plan.
- 2.10 Insurer** means, with respect to a Participant's Policy, the insurance company issuing the insurance policy on the Participant's life pursuant to the provisions of the Plan.
- 2.11 Lump Sum Payment** means a cash payment as described in Section 7.
- 2.12 Participant** means an eligible Employee who elects to participate in the Plan.
- 2.13 Plan Policy** means a Participant's Policy which has a death benefit equal to the Participant's Adjusted Coverage Amount which will, with no further premium payments to the Insurer, continue to provide a death benefit equal to the Participant's Adjusted Coverage Amount to the Participant's ninety-

fifth (95th) birthday, and if the Participant is alive on the Policy anniversary following the Participant's ninety-fifth (95th) birthday, will have sufficient cash values to pay to the Participant an amount equal to the Participant's Adjusted Coverage Amount. Any determination as to whether a Policy is a Plan Policy shall be made in the sole discretion of the Company based on such factors as it deems advisable.

- 2.14 **Policy** means the life insurance coverage acquired on the life of the Participant by the Policy Owner, which may be issued as a separate insurance policy.
- 2.15 **Policy Owner** means the Participant's Employer.
- 2.16 **Premium** means, with respect to a Participant's Policy, the amount paid to the Insurer with respect to a Participant's Policy.
- 2.17 **Retired Participant** means a Participant whose employment with the Employer has terminated as a result of Retirement.
- 2.18 **Retirement** means a termination of the Participant's employment with his Employer under circumstances where the Participant is immediately eligible to receive pension benefits under a pension plan sponsored by his Employer, or if the Participant's Employer does not sponsor or participate in any such plan, under the American Express Retirement Plan or any successor thereto.

### 3. Eligibility

- 3.01 **General.** Active Employees who were participants in the Key Executive Life Insurance Plan as of December 31, 1991, shall be eligible to participate in the Amended and Restated Plan.

**3.02 Other Employees.** Other Employees may be deemed eligible to participate in the Plan as determined by the Compensation, Benefits and Nominating Committee of the Board of Directors of the Company.

#### **4. Amount of Coverage**

**4.01 Active Employee.** While an active employee, the Participant's Coverage Amount shall be an amount equal to four (4) times the Participant's base annual salary as of January 1, 1992 or the date of such Participant's admission to participate in the Plan, whichever is later. If a Participant's base annual salary subsequently changes, the Participant's Coverage Amount will be changed as soon as practicable thereafter.

**4.02 Retired Participants.** The Coverage Amount for a Retired Participant shall be an amount equal to the Participant's Adjusted Coverage Amount.

**4.03 Maximum Coverage.** The maximum Coverage Amount under the Plan shall be \$1,500,000.

#### **5. Payment of Premiums**

**5.01 Employer Payments.** At such time or times as it deems advisable, the Employer shall pay the Premium for the participant's Policy as it determines is required to provide for the Coverage Amount until an event of termination hereunder occurs.

**5.02 Adjustment of Employer Premiums.** Notwithstanding the provisions of Section 5.01, the Employer can discontinue its Premium payments for a Policy if the Employer, in its sole discretion, determines that the payments already made by the Employer under Section 5.01 are adequate to provide the participant with a Plan Policy after the Employer withdrawal specified in Section 7.02.

## 6. Policy Ownership

**6.01 Ownership.** The Policy Owner shall be the sole and exclusive owner of a Participant's Policy and shall be entitled to exercise all of the rights of ownership including but not limited to the right to borrow against or withdraw policy cash values or surrender the Policy. The following rights shall be exercisable by the Participant (or Assignee): 1) the right to designate the beneficiary or beneficiaries to receive payment of the portion of the death benefit under the Policy equal to the Coverage Amount; and 2) the right to assign any part or all of the Participant's rights under the Policy to any person, entity or trust by the execution of a written instrument prescribed by the Policy Owner which is delivered to the Policy Owner.

**6.02 Possession of Policy.** The Policy Owner shall keep possession of the Policy. The Policy Owner agrees to make the Policy available to the Participant (or Assignee) or to the Insurer at such times as and such terms as the Policy Owner determines for the sole purposes of endorsing or filing any change of beneficiary or assignment on the Policy.

## 7. Termination Events

**7.01 Termination Events.** The Employer's obligation to pay Premiums with respect to the Participant's Policy shall automatically terminate upon the first to occur of any of the following events:

- a. Termination of employment of the Participant with the Employer or its subsidiaries and affiliates for any reason (including Retirement) other than Disability or death.
- b. Termination of the Plan by the Company.
- c. The death of the Participant.

7.02 Disposition of Policy.

- a. In the event of a termination under Section 7.01a of the Plan as a result of the Participant's Retirement, the Policy Owner shall, as soon as practicable, withdraw from the Policy an amount equal to the sum of the Premiums paid with respect to such policy; provided, however, that the Policy Owner may, in the Policy Owner's discretion, withdraw from the Policy an amount in excess of the sum of such Premiums if, immediately after the Employer withdrawal, the Participant's Policy meets the requirements of a Plan Policy. As soon as practicable thereafter, the Policy Owner shall transfer ownership of the Policy to the Participant (or Assignee), who shall become sole owner of the Policy free of all provisions and restrictions of this Plan. In addition, if after the Policy Owner's withdrawal the Policy has insufficient cash value to qualify as a Plan Policy, the Policy Owner shall pay to the Participant as soon as practicable thereafter, a Lump Sum Payment equal to the amount that would be required to add to such cash value for the Policy to qualify as a Plan Policy. Any determination of whether a Lump Sum Payment is owing and the amount of a Lump Sum Payment shall be made in the sole discretion of the Company. Following the transfer of the Policy to the Participant (or Assignee) and the payment to the Participant of any Lump Sum Payment to which the Participant may be entitled, all rights and obligations of the Participant (or Assignee) and the Participant's Employer under the Plan shall terminate.
  
- b. In the event of a termination under Section 7.01a other than by reason of Retirement, or in the event of a termination under Section 7.01b, the Participant (or Assignee) shall have the right, exercisable within thirty (30) days following such event, to acquire the Policy from the Policy Owner by paying to it a cash payment equal to the Policy's cash surrender value at the date of such termination, plus any other charges under the Policy or any out-of-pocket costs to the Company

(including, without limitation, fees of legal counsel, if any), and by executing such documents as the Company may request. Upon receipt of such cash payment, the Policy Owner shall transfer ownership of the Policy to the Participant (or Assignee), who shall become sole owner of the Policy free of all provisions and restrictions of this Plan. If after the expiration of such thirty (30) day period the Participant (or Assignee) has not acquired the Policy pursuant to the terms described above: (i) all rights and obligations of the Participant (or Assignee) and the Participant's Employer under the Plan shall terminate; and (ii) the Policy Owner may retain the ownership of the Policy or dispose of it as it deems appropriate in its sole discretion.

**7.03 Allocation of Death Benefit.** In the event of a termination due to the death of the Participant, the death benefit under the Participant's Policy shall be divided as follows:

- a. The beneficiary or beneficiaries of the Participant (or Assignee) shall be entitled to receive an amount equal to the Coverage Amount (or the Adjusted Coverage Amount, for a Retired Participant).
- b. The Policy Owner shall be entitled to receive the excess of the death benefit.

The Policy Owner agrees to execute an endorsement to the Policy issued to it by the Insurer providing for the division of the death benefit in accordance with the provisions of this Section.

## **8. Governing Laws & Notices**

**8.01 Governing Law.** This Plan shall be governed by and construed in accordance with the substantive law of the state of New York without giving effect to the choice of law rules of the state of New York.



8.02 **Notices.** All notices hereunder shall be in writing and sent by first class mail with postage prepaid. Any notice to the Employer shall be addressed to the Employee Benefits Administration Committee of American Express Company, Attention: Vice President, Employee Benefits, at American Express Tower, World Financial Center, New York, NY 10285-4780. Any notice to the Employee (or Assignee) shall be addressed to the Employee (or Assignee) at the address following such party's signature on his Consent. Any party may change the address for such party herein set forth by giving notice of such change to the other parties pursuant to this Section.

**9. Miscellaneous Provisions**

9.01 This Plan and any Consent executed hereunder shall not be deemed to constitute a contract of employment between an Employee and the Employer or a Participant and the Employer, nor shall any provision restrict the right of the Employer to discharge an Employee or Participant, or restrict the right of an Employee or Participant to terminate employment.

9.02 The masculine pronoun includes the feminine and the singular includes the plural where appropriate.

9.03 The Company and Employer shall have the right to deduct from any payment made under the Plan any federal, state, local or foreign income or other taxes required by law to be withheld with respect to such payment. It shall be a condition to the obligation of the Company to transfer any Policy to a Participant that such Participant pay to the Company, upon its demand, such amount as may be requested by the Company for the purpose of satisfying any liability to withhold federal, state, local or foreign income or other taxes.

**10. Amendment, Termination, Administration, Construction and Successors.**

10.01 **Amendment.** This Plan may be modified or amended by the Company at any time without notice to or the consent of any Participant (or Assignee).

**10.02 Termination.** The Company may terminate the Plan at any time without notice to or the consent of any Participant (or Assignee).

**10.03 Administration.** This Plan shall be administered by the Committee. Members of the Committee may be Participants. The Committee shall have the authority to make, amend, interpret, and enforce all rules and regulations for the administration of the Plan and decide or resolve any and all questions, including interpretations of the Plan, as may arise in connection with the Plan in its sole discretion. In the administration of this Plan, the Committee may, from time to time, employ agents and delegate to them or to others (including Employees) such administrative duties as it sees fit. The Committee may from time to time consult with counsel, who may be counsel to the Company. The decision or action of the Committee (or its designee) with respect to any question arising out of or in connection with the administration, interpretation and application of this Plan shall be final and conclusive and binding upon all persons having any interest in the Plan. The Company shall indemnify and hold harmless the members of the Committee and any Employees to whom administrative duties under this Plan are delegated, against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to this Plan, except in the case of gross negligence or willful misconduct by the Committee.

**10.04 Successors.** The terms and conditions of this Plan shall inure to the benefit of and bind the Employer and the Participant and their successors, assignees, and representatives.

## **11. Claims Procedure**

**11.01 Named Fiduciary.** The Committee is hereby designated as the named fiduciary under this Plan. The named fiduciary shall have authority to control and manage the operation and administration of this Plan.

**11.02 Claims Procedures.** The Committee or its designee shall adopt a claims review procedure to make determinations concerning rights to benefits under this Plan. Any decision by the Committee or its designee denying a claim by the Participant, Assignee or a beneficiary of the Participant or Assignee for benefits under an Agreement shall be stated in writing and delivered or mailed to the Participant, Assignee or such beneficiary. Such decision shall set forth the specific reasons for the denial. In addition, the Committee shall afford a reasonable opportunity to the Participant, Assignee or such beneficiary for a review of the decision denying such a claim.