

AMERICAN EXPRESS COMPANY

RETIREMENT PLAN

FOR NON-EMPLOYEE DIRECTORS

[As Amended through January 25, 1988]

I. PURPOSE

This plan shall be known as the American Express Company Retirement Plan for Non-Employee Directors (the "Plan"). The Plan shall be maintained by American Express Company (the "Company") solely for the purpose of providing retirement benefits to persons who serve as directors of the Company on or after the effective date of the Plan and who are not current or former employees of the Company or its subsidiaries.

II. PAYMENTS OF BENEFITS

The benefits payable under the Plan will be paid from the Company's general revenues as payments become due under the Plan, will not be funded in advance through an IRS qualified trust arrangement or through insurance annuity contracts, and will not be subject to the jurisdiction of or be guaranteed by the Pension Benefit Guaranty Corporation. The Company shall not be required to establish any

special or separate fund or to make any other segregation of assets to assure the payment of benefits under the Plan and the payment of benefits under the Plan shall be subordinate to the claims of the Company's general creditors.

III. YEARS OF SERVICE

Service as a non-employee director of the Company from one Annual Meeting of Shareholders to the next subsequent Annual Meeting of Shareholders shall constitute one Year of Service under the Plan. In the case of service as a non-employee Director for part of a year, attendance at six or more meetings of the Board of Directors of the Company shall count as one Year of Service. All Years of Service shall be counted for non-employee directors who serve as such, both before and after the effective date of the Plan.

IV. RETIREMENT BENEFITS

A non-employee director who retires from the Board of Directors of the Company with at least five (5) Years of Service as a director shall have a vested right to receive an annual benefit equal to the amount of the annual retainer which is payable to Company directors for the year in which the non-employee director's retirement occurs, but effective January 1, 1988 in no event shall such annual benefit exceed Thirty Thousand Dollars (\$30,000). Such non-employee directors will be entitled to receive the annual benefit for a

period of years equal to the number of full Years of Service or until his or her death occurs, whichever is sooner. One fourth (1/4) of the annual benefit shall be payable to the non-employee director on a quarterly basis starting with the last day of the calendar quarter following the date of retirement and ending with the last day of the calendar quarter in which the benefit period ends or death occurs, whichever is sooner.

V. SPECIAL RETIREMENT BENEFITS

The Board of Directors of the Company, upon recommendation of the Committee on Directors of the Company's Board of Directors or of a successor committee (the "Committee"), shall have the right in its sole discretion to grant retirement benefits to any non-employee director who is otherwise not entitled to a retirement benefit under this Plan, in any amount which it shall deem appropriate at the time of such non-employee director's retirement from the Company.

VI. BENEFIT NOT ASSIGNABLE

A non-employee director's rights under the Plan shall not be subject to assignment, encumbrance, garnishment, attachment or charge, whether voluntary or involuntary.

VII. EFFECTIVE DATE, AMENDMENT AND TERMINATION OF PLAN

The Plan shall be effective January 1, 1986. The Company reserves the right to amend or terminate the Plan at any time by action of its Board of Directors, provided that any such action shall not, without his or her consent, adversely affect any non-employee director's right to a benefit which accrued pursuant to the provisions of the Plan prior to such action.

VIII. ADMINISTRATION OF PLAN

The Plan shall be administered by the Secretary of the Company (the "Administrator"). All decisions that are made by the Administrator with respect to interpretation of the terms of the Plan, with respect to the amount of benefits payable under the Plan, and with respect to any questions or disputes arising under the Plan shall be final and binding on the Company and the directors and their heirs or beneficiaries.

As approved by the Board of Directors on July 22, 1985, effective January 1, 1986, and amended by the Board of Directors on January 25, 1988, effective January 1, 1988.

- 10.2 American Express Company Directors' Deferred Compensation Plan, as amended (incorporated by reference to Exhibit 10.3 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1986).
- +10.3 American Express Company Executives' Incentive Compensation Plan.
- 10.4 American Express Company Supplementary Incentive Savings Plan (incorporated by reference to Exhibit 10.7 of the registrant's Registration Statement on Form S-14, dated November 17, 1983 (File No. 2-87925)).
- 10.5 American Express Company Supplementary Pension Plan, as amended (incorporated by reference to Exhibit 10.8 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1985).
- +10.6 American Express Company 1983 Stock Purchase Assistance Plan, as amended.
- 10.7 Letter Agreement dated August 23, 1983 regarding pension benefits of Aldo Papone (incorporated by reference to Exhibit 10.10 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1986).
- 10.8 Consulting Agreement dated November 15, 1984 between Shearson Lehman Hutton Inc. and Kissinger Associates, Inc. (incorporated by reference to Exhibit 10.18 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1984).
- 10.9 Consulting Agreement dated November 1, 1984 between Shearson Lehman Hutton Inc. and Henry A. Kissinger (incorporated by reference to Exhibit 10.19 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1984).
- 10.10 Written description of consulting agreement between American Express Company and Kissinger Associates, Inc. (incorporated by reference to Exhibit 10.20 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1984).
- +10.11 Written description of services provided by Henry A. Kissinger to Shearson Lehman Hutton Inc.
- +10.12 American Express Company Retirement Plan for Non-Employee Directors, as amended.
- 10.13 American Express Company Directors' Stock Option Plan (incorporated by reference to Exhibit 10.16 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1987).
- 10.14 Shearson Lehman Hutton Holdings Inc. 1987 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 of Shearson Lehman Brothers Holdings Inc.'s Registration Statement on Form S-1, dated March 30, 1987 (File No. 33-12976)).