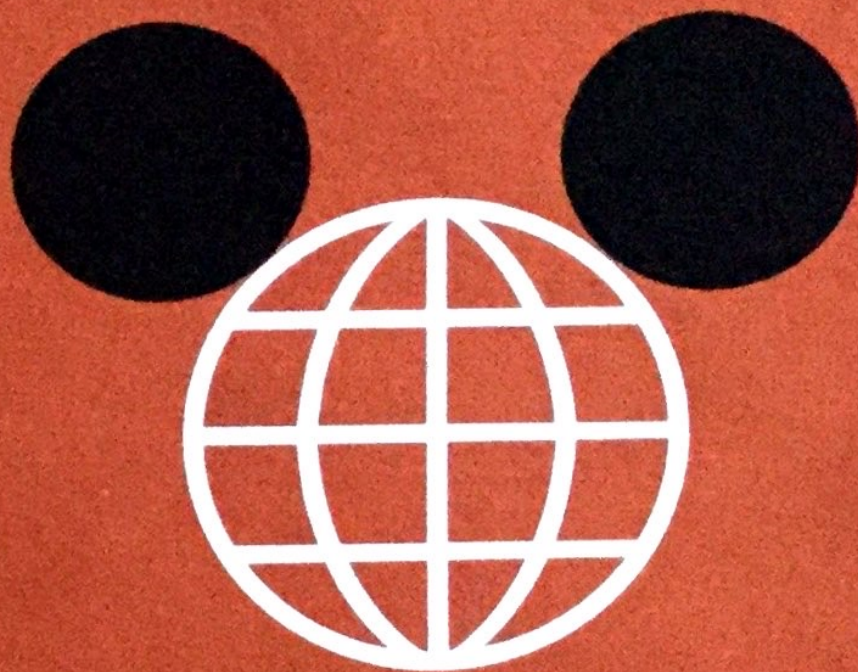


EMPLOYEE GROUP INSURANCE PROGRAM



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WALT DISNEY PRODUCTIONS
& ASSOCIATED COMPANIES

DISNEYLAND

To All Employees:

Our Group Insurance Program has been developed over the years to provide our employees with assistance in time of financial need due to illness, injury, disability or death.

To assure the best possible protection in these areas, the Company has reviewed the Program periodically and made such improvements that would provide the most complete and up to date coverage obtainable.

This has resulted in a well balanced package of benefits that, we are proud to say, is among the finest within our industry.

The Company subsidizes a large portion of the cost of these plans, thus giving you the opportunity to provide yourself and your family with maximum protection at low cost group rates.

The following pages contain an outline of the benefits of our Life Insurance, Long Term Disability and Medical Plans. We urge you to read this material thoroughly and to give serious consideration to participation in this program at the time of your enrollment.

New employees are eligible to join the Group Insurance Program on the first day of the calendar quarter (January 1, April 1, July 1, October 1) following completion of 30 days on the payroll.



Donn B. Tatum
Chairman of the Board



E. Cardon Walker
President

FAMILY INCOME PROTECTION

THE BASIC TERM LIFE INSURANCE PLAN

- Provides Life Insurance in an amount approximately equal to your annual salary.
- Provides Accidental Death & Dismemberment benefits equal to your Basic Life amount.
- Provides Dependent's Life Insurance in the following amounts:

*Spouse	\$1,000
Children, 6 months to age 19.....	1,000
14 days to 6 months	100

Unmarried children who are 19 but less than 21 are also eligible if they depend upon you for support and are full-time students in an educational institution.

*A female employee may list her husband as a dependent spouse.

THE ADDITIONAL TERM LIFE INSURANCE PLAN (Optional Coverage)

Provides you with the opportunity to purchase additional life insurance in an amount equal to twice your Basic Life Insurance, at low cost group rates.

The combination of Basic and Additional Life Insurance will always provide an amount approximately three times your annual salary, up to a maximum of \$150,000.

EXAMPLES OF AMOUNTS AT DIFFERENT WEEKLY EARNINGS

WEEKLY EARNINGS	BASIC LIFE	ACCIDENTAL DEATH AND DISMEMBERMENT	ADDITIONAL LIFE
\$ 45 - 54	\$ 4,000	\$ 4,000	\$ 8,000
65 - 74	5,000	5,000	10,000
85 - 94	6,000	6,000	12,000
105 - 114	7,000	7,000	14,000
125 - 134	8,000	8,000	16,000
145 - 154	9,000	9,000	18,000
165 - 174	10,000	10,000	20,000
185 - 194	10,000	10,000	20,000
205 - 214	11,000	11,000	22,000
225 - 234	12,000	12,000	24,000
245 - 254	13,000	13,000	26,000
265 - 274	14,000	14,000	28,000
285 - 294	15,000	15,000	30,000
etc.			
*Age 60 or over at time of hire	\$ 1,000	\$ 1,000	\$ 2,000

*A limited amount of life insurance is available to employees who are age 60 or over at time of hire.

The exact amount of your coverage and contribution will be discussed with you at the time of your enrollment.

DISABILITY INCOME PROTECTION

THE LONG TERM DISABILITY INSURANCE PLAN provides some income protection if you should suffer a disabling illness or injury and be unable to work for an extended period of time.

The benefits begin on the 29th day of such a disability, and continue for as long as you are totally disabled, up to age 65.

(Benefits for the first 28 days are provided California, New Jersey, and New York employees through their respective State Disability Income laws.)

BENEFITS

Benefits are based on the following formula:

60% of the first \$400 of your weekly earnings, plus

40% of your weekly earnings in excess of \$400 up to a maximum benefit of \$2,400 per month.

DEFINITION OF DISABILITY

First two years: unable to perform normal duties of job.

After two years: unable to perform any job for which qualified by reason of education, training and experience.

PRE-EXISTING CONDITION

Any disability incurred in the first 12 months will not be covered if it involved medical treatment or the use of drugs in the three months immediately preceding the individual's effective date of insurance.

CONTRIBUTIONS

Your contribution is .68% of your weekly earnings to the nearest \$10.00.

EXAMPLES

Weekly Earnings*	Weekly Benefit	Weekly Contribution
\$ 50.00	\$ 30.00	\$.34
80.00	48.00	.54
100.00	60.00	.68
130.00	78.00	.88
150.00	90.00	1.02
180.00	108.00	1.22
200.00	120.00	1.36
300.00	180.00	2.04
400.00	240.00	2.72
500.00	280.00	3.40

etc. - to a maximum benefit of \$2,400.00 per month.

INTEGRATION WITH OTHER BENEFITS

Benefits will be reduced by any benefits payable from any other Company sponsored plan, Pension Plan, Workmen's Compensation, State Disability, or Social Security Disability benefits; but not by benefits from any individual personal plan you may have.

* Normal weekly earnings, exclusive of bonus or overtime pay.

The exact amount of your weekly benefit and weekly contribution will be discussed with you at the time of your enrollment.

MEDICAL EXPENSE PROTECTION

MAJOR MEDICAL EXPENSE INSURANCE

BENEFITS NOT SUBJECT TO DEDUCTIBLE:

Provides payment for the following eligible medical expenses for both employees and their insured dependents.

HOSPITAL	90% of the eligible Hospital charges. Room and Board charges are limited to charges for semi-private accommodations.
AMBULANCE	90% of local Ambulance charges.
SURGERY	90% of the reasonable and customary charges for surgeon and assistant surgeon.
ANESTHESIA	90% of eligible charges for Anesthetist.
X-RAY and LABORATORY	90% of the eligible charges for X-Ray and Laboratory examinations.
ACCIDENT	90% of the eligible expenses as a result of an accident (incurred within 90 days of the accident).
CONVALESCENT NURSING HOME	A maximum of 60 days paid at the rate of 50% of the standard room rate of the hospital from which the person has been transferred and where confined for at least five consecutive days.
MATERNITY	\$350 Flat Rate for normal delivery and miscarriage. (Applies only to pregnancies conceived while insured.) Certain complications are covered under other parts of the Major Medical Expense Insurance.

MAJOR MEDICAL DEDUCTIBLE AND COINSURANCE:

Other eligible expenses are subject to deductible and coinsurance as outlined below:

DEDUCTIBLE	\$100 Calendar Year Deductible per individual (with a \$250 Family Maximum).
COINSURANCE	90% of eligible expenses paid by the Group Insurance Plan. 10% of eligible expenses paid by the employee.

OTHER FEATURES OF THE PLAN:

100% of eligible expenses will be paid by the Group Insurance Plan for the remainder of the calendar year after \$1,000 of individual or covered family member "out-of-pocket" eligible expenses are incurred. For these purposes, "out-of-pocket" eligible expenses include amounts applied toward satisfaction of the deductibles and the coinsurance paid by the employee (other than maternity expenses for normal delivery and miscarriage).

The maximum benefit per individual under this Major Medical Expense Plan is \$500,000, (\$20,000 maximum for mental, psychoneurotic and personality disorders).

Benefits from this Plan will be coordinated with benefits payable under any other group plan or government plan.

The above benefits do not apply to any insured individual who is or could be covered through Medicare. A supplement to Medicare is available to those who qualify.

