

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant ☒

Filed by a party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting material under Rule 14a-11(c) or Rule 14a-12

Loews Corporation

(Name of Registrant as Specified in Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of filing fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies: N/A

(2) Aggregate number of securities to which transaction applies: N/A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): N/A

(4) Proposed maximum aggregate value of transaction: N/A

(5) Total fee paid: N/A

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid: N/A

(2) Form, Schedule or Registration Statement No.: N/A

(3) Filing party: N/A

(4) Date filed: N/A

[LOGO]

LOEWS
CORPORATION

667 Madison Avenue
New York, New York 10021-8087

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held on May 9, 2000

To the Shareholders:

The Annual Meeting of Shareholders of Loews Corporation (the "Company") will be held at The Regency Hotel, 540 Park Avenue, New York, New York, on Tuesday, May 9, 2000, at 11:00 A.M. New York City Time, for the following purposes:

- . To elect thirteen directors;
- . To consider and act upon a proposal to ratify the appointment by the Board of Directors of Deloitte & Touche LLP as independent certified public accountants for the Company;
- . To consider and act upon a proposal to approve the Loews Corporation 2000 Stock Option Plan;
- . To consider and act upon three shareholder proposals; and
- . To transact such other business as may properly come before the meeting or any adjournment thereof.

Shareholders of record at the close of business on March 13, 2000 are entitled to notice of and to vote at the meeting and any adjournment thereof.

By order of the Board of Directors,

BARRY HIRSCH
Secretary

Dated: March 28, 2000

SHAREHOLDERS ARE URGED TO COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND MAIL IT PROMPTLY IN THE ACCOMPANYING ENVELOPE WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.

LOEWS
CORPORATION

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Loews Corporation (the "Company") of proxies to be voted at the Annual Meeting of Shareholders of the Company to be held May 9, 2000. All properly executed proxies in the accompanying form received by the Company prior to the meeting will be voted at the meeting. Any proxy may be revoked at any time before it is exercised by giving notice in writing to the Secretary of the Company, by granting a proxy bearing a later date or by voting in person. The Company expects to mail proxy materials to the shareholders on or about March 28, 2000.

The mailing address of the Company is 667 Madison Avenue, New York, N.Y. 10021-8087.

As of March 13, 2000, the record date for determination of shareholders entitled to notice of and to vote at the meeting, there were 99,598,400 shares of Common Stock of the Company (the "Common Stock") outstanding. Each outstanding share is entitled to one vote on all matters which may come before the meeting. In accordance with the Company's by-laws and applicable law, the election of directors will be determined by a plurality of the votes cast by the holders of shares present in person or by proxy and entitled to vote. Consequently, the thirteen nominees who receive the greatest number of votes cast for election as directors will be elected as directors of the Company. Shares present which are properly withheld as to voting with respect to any one or more nominees, and shares present with respect to which a broker indicates that it does not have authority to vote ("broker non-votes") will not be counted. The affirmative vote of shares representing a majority of the votes cast by the holders of shares present and entitled to vote is required to approve each of the other proposals to be voted on at the Annual Meeting. Shares which are voted to abstain on these matters will be considered present at the meeting, but since

they are not affirmative votes for a proposal they will have the same effect as votes against the proposal. Broker non-votes are not counted as present.

The Board of Directors of the Company has adopted a policy of confidentiality regarding the voting of shares. Under this policy, all proxies, ballots and voting tabulations in relation to shareholder meetings that identify how an individual shareholder has voted will be kept confidential from the Company and its employees, except where disclosure is required by applicable law, a shareholder expressly requests disclosure, or in the case of a contested proxy solicitation. Proxy tabulators and inspectors of election will be employees of the Company's transfer agent or another third party, and not employees of the Company.

Principal Shareholders

The following table contains certain information as to all persons who, to the knowledge of the Company, were the beneficial owners of 5% or more of the outstanding shares of Common Stock. Except as otherwise noted, this information is as of February 29, 2000, and each person has sole voting and investment power with respect to the shares set forth, except as may be noted below.

Name and Address -----	Amount Beneficially Owned -----	Percent Of Class -----
Laurence A. Tisch 667 Madison Avenue New York, N.Y. 10021-8087	13,308,998	13.3%
Preston R. Tisch 667 Madison Avenue New York, N.Y. 10021-8087	17,308,998	17.2%

Laurence A. Tisch and Preston R. Tisch are each Co-Chairman of the Board of the Company, and are brothers. James S. Tisch, President and Chief Executive Officer and a director of the Company, and Andrew H. Tisch, Chairman of the Executive Committee and a director of the Company, are sons of Mr. L.A. Tisch.

Jonathan M. Tisch, President and Chief Executive Officer of Loews Hotels and a director of the Company, is the son of Mr. P.R. Tisch. Each of Messrs. J.S. Tisch, A.H. Tisch and J.M. Tisch are members of the Company's Office of the President.

Shares of Common Stock beneficially owned include 3,000,000 shares held by each of Messrs. L.A. Tisch and P.R. Tisch as trustees of trusts for the benefit of their respective wives. Shares of Common Stock beneficially owned by Mr. L.A. Tisch include 2,000,000 shares of Common Stock held of record by his wife.

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Director and Officer Holdings

The following table sets forth certain information as to the shares of Common Stock beneficially owned by each director and nominee, each executive officer named in the Summary Compensation Table, below, and by all executive officers and directors of the Company as a group, at February 29, 2000, based on data furnished by them.

Name	Amount Beneficially Owned (1)	Percent of Class
----	-----	-----
Charles B. Benenson	155,550(2)	*
John Brademas	1,110(3)	*
Dennis H. Chookaszian	4,000(4)	*
Paul J. Fribourg	6,000(5)	*
Bernard Myerson	31,500(6)	*
Edward J. Noha	1,500(7)	*
Arthur L. Rebell	500(8)	*
Gloria R. Scott	0	*
Andrew H. Tisch	1,002,000(9)	1.0%
James S. Tisch	1,080,000(10)	1.1%
Jonathan M. Tisch	155,020(11)	*
Laurence A. Tisch	13,308,998(12)(13)	13.3%
Preston R. Tisch	17,308,998(12)	17.2%
Fred Wilpon	0	*
All executive officers and directors as a group	33,055,776	32.9%
(23 persons including those listed above)		

* Represents less than 1% of the outstanding shares of Common Stock.

(1) Except as otherwise indicated the persons listed as beneficial owners of the shares have sole voting and investment power with respect to those shares.

(2) These shares are owned by a partnership in which a revocable trust created by Mr. Benenson has a 75% interest and of which Mr. Benenson is general manager. In addition, Mr. Benenson owns 5,000 shares of common stock of Diamond Offshore Drilling, Inc., a 52% owned subsidiary of the Company ("Diamond Offshore"). 70,200 shares of Common Stock and 30,000 shares of common stock of CNA Financial Corporation ("CNA"), an 86% owned subsidiary of the Company, are held by a charitable foundation. Mr. Benenson has shared voting and investment power with respect to the Common Stock and CNA common stock owned by the partnership and the foundation. He disclaims beneficial interest in the shares held by the foundation.

(3) In addition, Mr. Brademas owns 234 shares of CNA common stock.

(4) In addition, Mr. Chookaszian owns 404,031 shares of CNA common stock.

(5) These shares are owned by an affiliate of ContiGroup Companies, Inc. ("ContiGroup"). Mr. Fribourg is an executive officer of ContiGroup. Mr. Fribourg disclaims beneficial interest in these shares.

(6) In addition, Mr. Myerson's wife owns 2,500 shares of Common Stock as to which he disclaims any beneficial interest.

(7) In addition, Mr. Noha owns beneficially 1,350 shares of CNA common stock.

(8) In addition, Mr. Rebell owns beneficially 6,000 shares of CNA common stock, including 2,300 shares with respect to which he has shared voting and investment power.

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(9) Includes 1,000,000 shares of Common Stock held by a trust of which Mr. A.H. Tisch is the managing trustee and beneficiary. In addition, 20,000 shares of Common Stock are held by a charitable foundation as to which Mr. A.H. Tisch has shared voting and investment power.

(10) Includes 1,000,000 shares of Common Stock held by a trust of which Mr. J.S. Tisch is the managing trustee and beneficiary. In addition, 58,000 shares of Common Stock are held by a charitable foundation as to which Mr. J.S. Tisch has shared voting and investment power.

(11) In addition, 32,000 shares of Common Stock are held by a charitable foundation as to which Mr. J.M. Tisch has shared voting and investment power.

(12) Includes 3,000,000 shares of Common Stock held by each of Messrs. L.A. Tisch and P.R. Tisch as trustees of trusts, as to which they each have sole voting and investment power, for the benefit of their respective wives.

(13) Includes 2,000,000 shares of Common Stock held of record by the wife of Mr. L.A. Tisch.

ELECTION OF DIRECTORS (Proposal No. 1)

Pursuant to the by-laws of the Company, the number of directors constituting the full Board of Directors has been fixed by the Board at thirteen.

Accordingly, action will be taken at the meeting to elect a Board of thirteen directors to serve until the next Annual Meeting of Shareholders and until their respective successors are duly elected and qualified. It is the intention of the persons named in the accompanying form of proxy, unless shareholders otherwise specify by their proxies, to vote for the election of the nominees named below, each of whom is now a director. The Board of Directors has no reason to believe that any of the persons named will be unable or unwilling to serve as a director. Should any of the nominees be unable or unwilling to serve, it is intended that proxies will be voted for the election of a substitute nominee or nominees selected by the Board of Directors. Set forth below is the name, age, principal occupation during the past five years and other information concerning each nominee.

Charles B. Benenson, 87 - Officer and Director, Benenson Realty Company (real estate investments). Mr. Benenson has been a director of the Company since 1960 and is a member of the Audit Review Committee and the Incentive Compensation Committee.

John Brademas, 73 - President Emeritus since 1992 and, prior thereto, President of New York University. Mr. Brademas is also a director of Kos Pharmaceuticals, Inc. Mr. Brademas has been a director of the Company since 1982 and is a member of the Incentive Compensation Committee.

Dennis H. Chookaszian, 56 - Chairman of the Board and Chief Executive Officer of mPower since November 1999. He has also been Chairman of the Executive Committee of CNA since February 1999. Prior thereto, he had been Chairman of the Board and Chief Executive Officer of CNA Insurance Companies. Mr. Chookaszian is a director of CNA. He has been a director of the Company since 1995.

Paul J. Fribourg, 46 - Chairman of the Board and Chief Executive Officer of ContiGroup since 1997. Prior thereto he had been President and Chief Operating Officer of Continental Grain Company. Mr. Fribourg is also a director of ContiFinancial Corporation and Wyndham International, Inc. He has been a director of the Company since 1997 and is a member of the Audit Review Committee.

Bernard Myerson, 82 - Retired, formerly Chairman Emeritus of Sony Theatre Management

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Corporation. Mr. Myerson has been a director of the Company since 1963 and is a member of the Executive Committee.

Edward J. Noha, 72 - Chairman of the Board of CNA since 1992. Prior thereto, Mr. Noha had been Chairman and Chief Executive Officer of the CNA Insurance Companies. Mr. Noha has been a director of the Company since 1975.

Gloria R. Scott, 61 - President, Bennett College, Greensboro, North Carolina. Dr. Scott has been a director of the Company since 1990 and is a member of the Audit Review Committee.

Andrew H. Tisch, 50 - Chairman of the Executive Committee and member of the Office of the President of the Company since January 1999. Prior thereto he had been Chairman of the Management Committee of the Company. Mr. Tisch served as Chairman of the Board and Chief Executive Officer of Lorillard, Inc., a wholly owned subsidiary of the Company, from September 1989 to May 1995. Mr. Tisch is Chairman of the Board of Bulova Corporation ("Bulova"), a 97% owned subsidiary of the Company, and a director of Zale Corporation, Canary Wharf PLC and Integrated Graphics, Inc. Mr. Tisch has been a director of the Company since 1985.

James S. Tisch, 47 - President and Chief Executive Officer and a member of the Office of the President of the Company since January 1999. Prior thereto he had been President and Chief Operating Officer of the Company since 1994. He is also a director of CNA and Vail Resorts, Inc and Chairman of the Board and Chief Executive Officer of Diamond Offshore. Mr. Tisch has been a director of the Company since 1986 and is a member of the Finance Committee.

Jonathan M. Tisch, 46 - President and Chief Executive Officer of Loews Hotels and, since January 1999, a member of the Office of the President of the Company. Mr. Tisch has been a director of the Company since 1986 and is a member of the Executive Committee.

Laurence A. Tisch, 77 - Co-Chairman of the Board of the Company. Prior to January 1999 Mr. Tisch had also been Co-Chief Executive Officer of the Company. Mr. Tisch is Chief Executive Officer of CNA and a director of CNA and Bulova. In addition, he served as Chairman, President and Chief Executive Officer and a director of CBS Inc. ("CBS") until November 24, 1995. Mr. Tisch also serves as a director of Automatic Data Processing, Inc. He has been a director of the Company since 1959 and is a member of the Finance Committee.

Preston R. Tisch, 73 - Co-Chairman of the Board of the Company. Prior to January 1999, Mr. Tisch had also been Co-Chief Executive Officer of the Company. Mr. Tisch had been a director of the Company from 1960 to 1986, when he resigned to serve as Postmaster General of the United States. He was re-elected a director of the Company in March 1988. He is a director of Bulova, CNA, Hasbro, Inc. and Rite Aid Corporation.

Fred Wilpon, 63 - Chairman of the Board of Sterling Equities, Inc. (real estate investments) and President, Chief Executive Officer and co-owner of Sterling Doubleday Enterprises, L.P. (New York Mets baseball team). Mr. Wilpon is also a director of Pathogenesis Corporation and Bear Stearns Companies, Inc. He has been a director of the Company since February 2000.

Committees

The Company has an Audit Review Committee, a Finance Committee, an Incentive Compensation Committee and an Executive Committee. The Company has no nominating committee or compensation committee.

The functions of the Audit Review Committee include recommendation to the Board of Directors with respect to the engagement of the Company's independent certified public accountants, review of the scope and effectuation of the audit engagement and of the Company's internal audit procedures, approval of each service performed by the independent accountants, and review of the Company's internal accounting controls.

Attendance at Meetings

During 1999 there were six meetings of the Board of Directors, three meetings of the Audit Review Committee and one meeting of the Incentive Compensation Committee. Each director of the Company attended not less than 75% of the total number of meetings of the Board of Directors and committees of the Board on which that director serves, with the exception of John Brademas who attended approximately 71% of those meetings.

Director Compensation

Each director who is not an employee of the Company is paid an annual retainer of \$25,000 for serving as a director. In addition, members of the Audit Review Committee and of the Incentive Compensation Committee are paid \$1,000 for each meeting attended.

EXECUTIVE COMPENSATION

The following table sets forth information for the years indicated regarding the compensation of the Chief Executive Officer and each of the other five most highly compensated executive officers of the Company as of December 31, 1999 (the "Named Executive Officers"), for services in all capacities to the Company and its subsidiaries.

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SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation Payouts(2)	All Other Compensation
		Salary (1)	Bonus	Other Annual Compensation		
J.S. Tisch Chief Executive Officer, Office of the President	1999	\$1,323,146(3)	\$325,000(4)(5)			\$53,812(6)
	1998	1,200,462(3)	180,000(7)			38,258(6)
	1997	873,046				32,275(6)
L.A. Tisch Co-Chairman of the Board	1999	1,051,946				75,520(8)
	1998	1,003,204			\$1,125,000	69,743(8)
	1997	990,046			1,125,000	60,210(8)
P.R. Tisch Co-Chairman of the Board	1999	1,051,946		\$712,393(9)		75,520(8)
	1998	1,003,204		469,682(9)	1,125,000	69,743(8)
	1997	990,046		447,369(9)	1,125,000	60,210(8)
A.H. Tisch Chairman of the Executive Committee, Office of the President	1999	1,021,146	325,000(4)			14,940(10)
	1998	983,654				13,932(10)
	1997	940,142				7,905(10)
J.M. Tisch President and Chief Executive Officer of Loews Hotels, Office of the President	1999	1,021,146	325,000(4)			13,016(10)
	1998	983,654				12,203(10)
	1997	940,142				6,272(10)
A.L. Rebell Senior Vice President, Chief Investment Officer	1999	999,242	477,000(11)			6,400(10)
	1998	402,978	250,000(11)			22,875(12)
	1997					

(1) Salary includes payments to the named individual based on benefit choices under the Company's flexible benefits plan.

(2) Represents payout under the Company's Incentive Compensation Plan for Executive Officers (the "Incentive Compensation Plan") based upon awards granted in 1996.

(3) Includes \$300,000 and \$214,808 paid by Diamond Offshore to Mr. Tisch as compensation for his services as its Chief Executive Officer in 1999 and 1998, respectively.

(4) Represents payout under the Incentive Compensation Plan based upon awards granted in 1999.

(5) Does not include a bonus which may be granted by Diamond Offshore pursuant to its Management Bonus Program based on service during 1999, the amount of which is not currently calculable.

(6) Includes the annual contribution under the Company's Employees Savings Plan and related allocation under the Benefit Equalization Plan aggregating \$13,019, \$12,258 and \$6,275 for 1999, 1998 and 1997, respectively. Also includes director's fees paid by CNA amounting to \$33,000 for 1999 and \$26,000 for each of 1998 and 1997, and \$7,793 representing insurance premiums and retirement plan contributions paid by Diamond Offshore in 1999.

(7) Represents a bonus granted by Diamond Offshore, pursuant to its Management Bonus Program, based on service during 1998.

(8) Includes the annual contribution under the Company's Employees Savings Plan and related allocation under the Benefit Equalization Plan aggregating \$42,520, \$43,743 and \$34,210 for 1999, 1998 and 1997, respectively. Also includes director's fees paid by CNA amounting to \$33,000 for 1999 and \$26,000 for each of 1998 and 1997.

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(9) Represents the incremental cost of personal benefits provided by the Company, including \$665,000, \$437,153 and \$400,000 respectively, for 1999, 1998 and 1997 for the use by Mr. P.R. Tisch of an apartment at a Company operated hotel in New York City for the convenience of the Company and its Hotel Division.

(10) Represents the annual contribution under the Company's Employees Savings Plan and related allocation under the Benefit Equalization Plan.

(11) Represents the present value of deferred bonus compensation in the amounts of \$250,000 for 1998 and \$477,000 for 1999.

(12) Represents director's fees paid by Diamond Offshore in 1998.

Employment Agreements

The employment agreements the Company maintains with each of Messrs. A.H. Tisch, J.S. Tisch and J.M. Tisch expire on December 31, 2001. Each agreement provides for a basic salary of \$975,000 per annum, subject to such increases as the Board of Directors may from time to time determine in its sole discretion. These agreements also provide the right to participate in the Incentive Compensation Plan.

The employment agreements the Company maintains with each of Messrs. L.A. Tisch and P.R. Tisch expire on December 31, 2000. Each agreement provides for a basic salary of \$975,000 per annum, subject to such increases as the Board of Directors may from time to time determine in its sole discretion. These agreements also provide the right to participate in the Incentive Compensation Plan.

The Company's employment agreements with Messrs. L.A. Tisch and P.R. Tisch also provide for the payment of supplemental retirement benefits in an amount equal to the excess, if any, of (i) the retirement benefits payable under the Company's Retirement Plan without giving effect to benefit limitations imposed by the Retirement Plan and the Internal Revenue Code, over (ii) retirement benefits actually paid under the Retirement Plan as limited by those provisions. These supplemental benefits are equivalent to the benefits provided under the Benefit Equalization Plan (see "Pension Plan," below). Incentive compensation awarded the Messrs. Tisch under the Incentive Compensation Plan are included in the computation of their respective pensionable earnings in determining supplemental benefits under their employment agreements, but in no event will those supplemental benefits duplicate benefits under the Benefit Equalization Plan. The Company's Retirement Plan requires that pension payments for certain participants, including Messrs. L.A. Tisch and P.R. Tisch, commence in the year following the year in which each such participant attains age 70 1/2. Messrs. L.A. Tisch and P.R. Tisch are currently receiving pension payments under the Retirement Plan and supplemental retirement benefits under their employment agreements. Retirement benefits payable to Mr. L.A. Tisch have been reduced in relation to retirement benefits paid to him under the retirement plan of CBS, of which he served as president and chief executive officer from January 1987 to November 1995, and retirement benefits payable to Mr. P.R. Tisch have been adjusted to account for retirement benefits paid to him when he retired from the Company to serve as Postmaster General of the United States from August 1986 to February 1988.

The Company has entered into an agreement with Mr. Arthur Rebell supplementing the retirement benefits to which he is entitled under the Company's Retirement Plan, pursuant to which Mr. Rebell became vested in an account credited by the Company with \$727,000, representing deferred bonus compensation of \$250,000 for 1998 and \$477,000 for 1999. This account will be credited on the last day of each calendar year with the pay-based and interest credits which would have otherwise been credited to Mr. Rebell under the Retirement Plan. Mr. Rebell will receive, upon his retirement, the value

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of the account in the form of an annuity or, if he so requests and the Company's Chief Executive Officer approves, in a single lump sum payment.

Pension Plan

The Company provides a funded, tax qualified, non-contributory retirement plan for salaried employees, including executive officers (the "Retirement Plan") and an unfunded, non-qualified, non-contributory Benefit Equalization Plan (the "Benefit Equalization Plan") which provides for the accrual and payment of benefits which are not available under tax qualified plans such as the Retirement Plan. The following description of the Retirement Plan gives effect to benefits provided under the Benefit Equalization Plan.

Effective January 1, 1998, the Retirement Plan was converted to a cash balance plan. A cash balance plan is a form of non-contributory, defined benefit pension plan in which the value of each participant's benefit is expressed as a nominal cash balance account established in the name of the participant. Under the cash balance plan each participant's account is increased annually based on a specified percentage of annual earnings (based on the participant's age) and a specified interest rate (which is established annually for all participants). At retirement or termination of employment, a vested participant is entitled to receive the cash balance account in a lump sum or to convert the account into a monthly annuity. Compensation covered under the Retirement Plan consists of salary paid by the Company and its subsidiaries included under the heading "Salary" in the Summary Compensation Table above. In addition, awards under the Incentive Compensation Plan are deemed compensation for purposes of the Benefit Equalization Plan. Pension benefits are not subject to reduction for Social Security benefits or other amounts.

Participants with at least five years of service whose combined age and years of service equaled at least 60, or at least 18 years of service whose combined age and service equaled at least 58 at January 1, 1998, are entitled to a minimum retirement benefit ("Minimum Benefit") equal to the benefit they would have earned under the Retirement Plan before its conversion to a cash balance plan. This Minimum Benefit is based upon the average final compensation (i.e., the highest average annual salary during any period of five consecutive years of the ten years immediately preceding retirement) and years of credited service with the Company. The following table shows estimated annual benefits upon retirement under the Retirement Plan, based on the Minimum Benefit, for various average compensation and credited service based upon normal retirement at January 1, 2000 and a straight life annuity form of pension. Each of the Named Executive Officers qualifies for the Minimum Benefit except for Mr. A.L. Rebell. It is currently estimated that the cash balance of the account maintained under the Retirement Plan for Mr. Rebell will be approximately \$859,340 when Mr. Rebell reaches the normal retirement age of 65, assuming annual interest credits of 6% and no increases in the amount of Mr. Rebell's base salary.

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PENSION PLAN TABLE

Average Final Compensation - - - - -	Estimated Annual Pension for Representative Years of Credited Service - - - - -					
	15 --	20 --	25 --	30 --	35 --	40 --
\$ 400,000	\$ 72,000	\$ 99,200	\$131,200	\$163,200	\$ 195,200	\$ 227,200
600,000	108,000	148,800	196,800	244,800	364,800	340,800
800,000	144,000	198,400	262,400	326,400	390,400	454,400
1,000,000	180,000	248,000	328,000	408,000	488,000	568,000
1,200,000	216,000	297,600	393,600	489,600	585,600	681,600
1,400,000	252,000	347,200	459,200	571,200	683,200	795,200
1,600,000	288,000	396,800	524,800	652,800	780,800	908,800
1,800,000	324,000	446,400	590,400	734,400	878,400	1,022,400
2,000,000	360,000	496,000	656,000	816,000	976,000	1,136,000
2,200,000	396,000	545,600	721,600	897,600	1,073,600	1,249,600
2,400,000	432,000	595,200	787,200	979,200	1,171,200	1,363,200

The years of credited service of Messrs. A.H. Tisch, J.M. Tisch, J.S. Tisch, L.A. Tisch and P.R. Tisch are twenty-six, twenty, twenty-two, thirty-nine and thirty-seven, respectively.

Amounts paid to Mr. J.S. Tisch by Diamond Offshore listed on the Summary Compensation Table above are not covered by the Retirement Plan. Diamond Offshore maintains a tax qualified defined contribution retirement plan which provides that Diamond Offshore contribute 3.75% of each participant's defined compensation and match 25% of the first 6% of compensation voluntarily contributed by each participant. Participants are fully vested immediately upon enrollment in the plan. Diamond Offshore's 3.75% contribution on behalf of Mr. J.S. Tisch amounted to \$6,000 in 1999.

BOARD OF DIRECTORS REPORT ON EXECUTIVE COMPENSATION

General

The Company's policy regarding executive compensation has been adopted by the Board of Directors. The Board of Directors has no compensation committee. The Incentive Compensation Committee of the Board of Directors has been designated by the Board of Directors to administer and award grants under the Company's Incentive Compensation Plan and the newly adopted Stock Option Plan. (See Proposal No. 3 for a discussion of the terms and administration of the Stock Option Plan.)

The overall objective of the Company's executive compensation policy is to attract and motivate a high level of performance by the Company's executive officers. To further this objective and provide incentives to motivate executive officers to achieve long term Company goals, as well as to provide incentive compensation opportunities to executive officers that are competitive with those of other companies, on January 18, 2000 the Board of

Directors adopted, subject to shareholder approval, the Stock Option Plan.

The primary component of executive compensation of the Company's executive officers is cash

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salary. Salary levels are based upon an evaluation of the individual's performance and cash salaries paid to executives in similar positions by companies with comparable revenues. In determining comparable salaries the Company participates in and analyzes two management compensation surveys. These surveys have been selected primarily because of the broad range of companies of various sizes included in them, the manner in which the information is presented and, with respect to one survey, the consistency of the data presented. One survey includes two of the eight companies included in the Standard & Poor's Financial Diversified Index and the other survey includes one of the companies included in that index (see "Stock Price Performance Graph," below). In most cases, the Company seeks to maintain compensation levels for executive officers (as well as salaried employees generally) between the 50th and 75th percentiles of cash compensation paid by companies with comparable revenues. However, as a result of evaluation of job performance as well as length of service, the compensation levels of a majority of the Company's executive officers fall above these parameters.

Chief Executive Officer

The compensation of the Company's Chief Executive Officer for 1999 was established pursuant to the employment agreement negotiated between the Company and the Chief Executive Officer in 1998. This employment agreement provides for increases in remuneration as the Board of Directors may from time to time determine in its sole discretion. Consistent with the compensation policy with respect to executive officers generally, compensation to the Company's Chief Executive Officer includes, in addition to the salary provided in his employment agreement with the Company, awards under the Company's Incentive Compensation Plan, and subject to shareholder approval, grants of stock options under the Company's Stock Option Plan.

Internal Revenue Code

Under the Internal Revenue Code, the amount of compensation paid to or accrued for the Chief Executive Officer and the four other most highly compensated executive officers which may be deductible by the Company for federal income tax purposes is limited to \$1 million per person per year, except that compensation which is considered to be "performance-based" under the Internal Revenue Code and the applicable regulations is excluded for purposes of calculating the amount of compensation.

To the extent the Company's compensation policy can be implemented in a manner which maximizes the deductibility of compensation paid by the Company, the Board of Directors seeks to do so. Accordingly, the Company has adopted the Incentive Compensation Plan for the purpose of causing the compensation expense associated with that plan to qualify as performance-based compensation. Under the Incentive Compensation Plan, the Incentive Compensation Committee may grant awards to executive officers based on the attainment of specified performance goals in relation to the after tax net income of the Company. In addition, compensation resulting from grants of options under the Company's proposed Stock Option Plan will be considered to be "performance based" under the applicable provisions of the Internal Revenue Code.

By the Board of

Directors:	Charles B. Benenson	Bernard Myerson	James S. Tisch
	John Brademas	Edward J. Noha	Jonathan M. Tisch
	Dennis H. Chookaszian	Gloria R. Scott	Laurence A. Tisch
	Paul J. Fribourg	Andrew H. Tisch	Preston R. Tisch

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Messrs. A.H. Tisch, J.M. Tisch, J.S. Tisch, L.A. Tisch and P.R. Tisch, each of whom are directors of the Company, also serve as officers of the Company or its subsidiaries. In addition, Messrs. D.H. Chookaszian, B. Myerson and E.J. Noha, each of whom are directors, have formerly served as officers of the Company or its subsidiaries.

CERTAIN TRANSACTIONS

Messrs. L.A. Tisch and P.R. Tisch and their affiliates reimbursed to the Company approximately \$4,130,059 in the aggregate for the utilization by them of the services of certain employees and facilities of the Company during 1999.

ContiGoup, of which Paul J. Fribourg, a director of the Company, is a shareholder, director and executive officer, from time to time purchases marine cargo and other insurance from insurance subsidiaries of CNA, in the ordinary course of business. Annual premiums for this insurance aggregated approximately \$1.13 million in 1999.

Pursuant to the terms of its Stock Ownership Plan, in October 1998 CNA provided a loan to Dennis H. Chookaszian to assist him with the purchase of common stock of CNA. Interest on this loan is 5.39% compounded semi-annually, and will be added to the principal balance until the loan is settled. The term of the loan is 10 years. It is unconditional with full recourse against the maker. As of March 15, 2000, the outstanding amount of this loan was \$15,112,660.

See "Compensation Committees Interlocks and Insider Participation" above, for information with respect to relationships between certain members of the Board of Directors and the Company.

STOCK PRICE PERFORMANCE GRAPH

The following graph compares the total annual return of the Company's Common Stock, the Standard & Poor's 500 Composite Stock Index ("S&P 500 Index") and the Standard & Poor's Financial Diversified Stock Index ("S&P Financial Diversified") for the five years ended December 31, 1999. The graph assumes that the value of the investment in the Company's Common Stock and each Index was \$100 on December 31, 1994 and that all dividends were reinvested.

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[GRAPH]

	1994	1995	1996	1997	1998	1999
Loews Corporation	100	182.24	221.85	252.24	236.04	147.78
S&P 500 Index	100	137.58	169.17	225.60	290.08	351.12
S&P Financial Diversified	100	160.61	206.87	326.13	426.86	565.00

RATIFICATION OF THE APPOINTMENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS (Proposal No. 2)

The Board of Directors of the Company has selected the firm of Deloitte & Touche LLP, independent certified public accountants, as the principal independent auditors of the Company for the year ending December 31, 2000, subject to ratification by the shareholders. Deloitte & Touche LLP served as the Company's independent auditors during 1999. If the appointment of the firm of Deloitte & Touche LLP is not approved or if that firm declines to act or their employment is otherwise discontinued, the Board of Directors will appoint other independent auditors. Representatives of Deloitte & Touche LLP are expected to be present at the Annual Meeting, at which time they will be available to respond to appropriate questions from shareholders and be given an opportunity to make a statement if they desire to do so.

The Board of Directors recommends a vote FOR Proposal No. 2.

APPROVAL OF THE LOEWS CORPORATION 2000 STOCK OPTION PLAN (Proposal No. 3)

On January 18, 2000, the Board of Directors approved the Company's 2000 Stock Option Plan (the "Stock Option Plan"). The purposes of the Stock Option Plan are to allow the Company and its

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subsidiaries to attract and retain qualified employees and consultants and to allow the Company to attract and retain non-employee directors, to motivate these individuals to achieve the Company's long term goals and to reward them upon achievement of those goals.

Under the Internal Revenue Code the amount of compensation paid to each of the Chief Executive Officer and the four other most highly compensated executive officers which may be deductible by the Company for federal income tax purposes is limited to \$1 million per person per year, except that compensation which is considered to be "performance-based" is not subject to this limitation. Awards under the Stock Option Plan will be considered performance-based under the Internal Revenue Code if the Stock Option Plan is approved by the Company's shareholders. As stated above, the Board of Directors believes that where the Company's compensation policy can be implemented in a manner which maximizes the deductibility for federal income tax purposes of compensation paid by the Company, the Company should seek to do so. Accordingly, the Board of Directors has directed that the Stock Option Plan be submitted to the Company's shareholders for approval at the Annual Meeting. If the Company's shareholders fail to approve the Stock Option Plan, options previously granted under the Stock Option Plan will never become exercisable and no further options will be granted thereunder.

The following is a summary of certain terms of the Stock Option Plan. It is qualified in its entirety by the full text of the Stock Option Plan, which is set forth in Exhibit A attached to this Proxy Statement.

Eligibility and Types of Grants. Those persons who are responsible for or contribute to the management, growth or profitability of the businesses of the Company and its subsidiaries may receive grants under the Stock Option Plan. Optionees will be selected from time to time by the Incentive Compensation Committee (the "Committee") from a pool of all employees and consultants of the Company and its subsidiaries and the non-employee directors of the Company, an estimated 26,000 people. The Stock Option Plan provides for the grant of both incentive stock options ("ISOs"), within the meaning of Section 422 of the Internal Revenue Code, and nonqualified stock options ("NQOs"), which do not meet, or are not intended to meet, the requirements of Section 422 of the Internal Revenue Code. (See "Federal Income Tax Consequences" below.)

Shares Subject to the Stock Option Plan. The aggregate number of shares of

Common Stock for which options may be granted under the Stock Option Plan is 1,000,000; and the maximum number of shares of Common Stock with respect to which options may be granted to any individual in any calendar year is 200,000. These shares of Common Stock may consist either in whole or in part of authorized but unissued shares of Common Stock or shares of Common Stock held in the treasury of the Company. Shares of Common Stock subject to an option which has expired or been canceled or terminated will become available for the granting of additional options under the Stock Option Plan.

Administration. The Stock Option Plan will be administered by the Committee. Subject to the terms of the Stock Option Plan, the Committee has broad authority to administer and interpret the Stock Option Plan, including the authority to determine who will receive a grant and to determine the specific provisions of that grant. The Committee also has the authority to accelerate the exercisability of an outstanding option and extend the option term of an outstanding option.

Exercise. The exercise price for the purchase of shares of Common Stock under each option will be determined by the Committee; provided, however, that the exercise price per share may not be

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less than 100% of the fair market value of the Common Stock on the date of grant. The full exercise price of these shares shall be paid at the time of exercise. The Committee may permit an optionee to elect to pay the exercise price of an option by irrevocably authorizing a third party to sell the shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the option and remit to the Company a sufficient portion of the sale proceeds to pay the entire exercise price and any applicable tax withholding. In addition, the Committee may permit full or partial payment to be made in the form of unrestricted shares of Common Stock that have been owned by the optionee for at least six months based on the fair market value of those shares on the date of exercise.

Vesting. Unless otherwise provided by the Committee at the time of grant or thereafter, each option granted under the Stock Option Plan will vest and become exercisable in four equal annual installments, commencing on the first anniversary of the date of grant of the option, and shall thereafter remain exercisable for the duration of the option's term.

Term. Unless otherwise provided by the Committee at the time of grant or thereafter, the term of each option granted under the Stock Option Plan will end on the earliest to occur of (i) the date the optionee's employment, directorship or consultancy with the Company or its subsidiaries, as applicable, is terminated for cause or voluntarily by the optionee, (ii) the first anniversary of the optionee's death or disability, (iii) the third anniversary of the optionee's retirement (if the optionee is an employee), (iv) the ninetieth day after the optionee's employment, directorship or consultancy terminates for any other reason. In no event may the term of any option granted under the Stock Option Plan exceed ten years from the option's date of grant. Unless otherwise provided by the Committee, any outstanding option that is unvested following a termination of employment, directorship or consultancy shall be forfeited immediately.

Transferability. Options granted under the Stock Option Plan are not transferable, except by will or the laws of descent and distribution or, in the case of an NQO, to the optionee's immediate family, if expressly permitted by the Committee.

Adjustments. In the event of a stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, split-up, spin-off, combination or exchange of shares, the Committee may make adjustments to preserve the benefits or potential benefits of the Stock Option Plan and outstanding stock options. These adjustments may include adjustments to (i) the number and kind of shares deliverable under the Stock Option Plan, (ii) the number and kind of shares that may be covered by options granted to any individual optionee, (iii) the number and kind of shares covered by outstanding options, (iv) the exercise price of outstanding options, (v) settlement of outstanding options in cash or Common Stock, and (vi) other adjustments that the Committee determines to be equitable.

Amendments and Termination. The Stock Option Plan will be unlimited in duration. The Board of Directors may, at any time, amend or terminate the Stock Option Plan, provided that no such amendment or termination may adversely affect the rights of any optionee under any option granted under the Stock Option Plan prior to the date of such amendment or termination without the prior written consent of that optionee. The Stock Option Plan may not be amended without shareholder approval to the extent such approval is required by law or the rules of any exchange on which the Common Stock is traded.

Registration of Common Stock issued under the Stock Option Plan. The Company intends

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that the 1,000,000 shares of Common Stock covered by the Stock Option Plan will be registered under the Securities Act of 1933, as amended. Such registration, if completed, would in most cases permit the unrestricted resale in the public market of shares issued pursuant to the Stock Option Plan.

New Plan Benefits. The following table sets forth certain information as to options to purchase shares of Common Stock granted under the Stock Option Plan on January 18, 2000 to each of the Named Executive Officers, to all of the Company's executive officers as a group, and to all of the Company's non-executive employees as a group. Each such option remains subject to shareholder approval of the Stock Option Plan and becomes exercisable

thereafter at a rate of 25% per year beginning on the first anniversary of the grant date. No grants have been made to any of the Company's non-executive directors. All grants under the Stock Option Plan have been and will be made in consideration of services rendered or to be rendered to the Company or any of its subsidiaries by optionees. As of the date hereof, there has been no determination by the Committee with respect to future awards under the Stock Option Plan.

Name and Position -----	Dollar Value \$(1) -----	No. of Securities Underlying Options Granted -----	Exercise Price (\$/Share) -----	Expiration Date -----	Market Value of Underlying Securities \$(1) -----
James S. Tisch Chief Executive Officer, Office of the President, Director	\$0	10,000	\$60.28	1/18/10	\$ 402,500
Andrew H. Tisch Chairman of the Executive Committee, Office of the President, Director	0	10,000	60.28	1/18/10	402,500
Jonathan M. Tisch President and Chief Executive Officer of Loews Hotels, Office of the President, Director	0	10,000	60.28	1/18/10	402,500
Arthur L. Rebell Senior Vice President, Chief Investment Officer	0	7,500	60.28	1/18/10	301,875
Executive Group	0	69,650	60.28	1/18/10	2,803,413
Non-Executive Officer Employee Group	0	62,350	60.28	1/18/10	2,509,588

(1) Calculated as of the close of business on March 13, 2000.

Federal Income Tax Consequences. The following is a brief summary of the principal federal income tax consequences of transactions under the Stock Option Plan based on current federal income tax laws. This summary is not intended to be exhaustive and, among other things, does not describe state, local or foreign tax consequences.

Nonqualified Stock Options. In general, (i) an optionee will not be subject to tax at the time an NQO is granted, and (ii) an optionee will include in ordinary income in the taxable year in which he or she exercises an NQO an amount equal to the difference between the exercise price and the fair market value of the Common Stock on the date of exercise. Upon disposition of the Common Stock acquired

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upon exercise, appreciation or depreciation after the date ordinary income is recognized will be treated as capital gain (or loss). The Company generally will be entitled to a deduction in an amount equal to a recipient's ordinary income in the Company's taxable year in which the optionee includes that amount in income. The exercise of NQO's is subject to withholding of all applicable taxes.

Incentive Stock Options. No taxable income will be realized by an option holder upon the grant or exercise of an ISO. If shares are issued to an optionee pursuant to the exercise of an ISO granted under the Stock Option Plan and if no disposition of those shares is made by that optionee within two years after the date of grant of the ISO or within one year after the receipt of those shares by that optionee, then (i) upon a sale of those shares, any amount realized in excess of the exercise price of the ISO will be taxed to that optionee as a long-term capital gain and any loss sustained will be a long-term capital loss, and (ii) no deduction will be allowed to the Company. However, if shares acquired upon the exercise of an ISO are disposed of prior to the expiration of either holding period described above, generally (i) the optionee will realize ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of the shares at exercise (or, if less, the amount realized on the disposition of the shares) over the exercise price thereof, and (ii) the Company will be entitled to deduct that amount. Any additional gain or loss recognized by the option holder will be taxed as a short-term or long-term capital gain or loss, as the case may be, and will not result in any deduction by the Company. If an ISO is exercised at a time when it no longer qualifies as an incentive stock option under the Internal Revenue Code, it will be treated as an NQO.

The Board of Directors recommends a vote FOR Proposal No. 3.

SHAREHOLDER PROPOSALS

The Company has been advised that the three shareholder proposals described below will be presented at the Annual Meeting. For the reasons set forth below, the Board of Directors recommends a vote against each proposal.

SHAREHOLDER PROPOSAL RELATING TO REPORTING OF EXECUTIVE COMPENSATION

Evelyn Y. Davis, 2600 Virginia Avenue, N.W., Washington, D.C. 20037, owner of 122 shares of Common Stock, has notified the Company in writing that she intends to present the following resolution at the Annual Meeting for action by the shareholders:

"RESOLVED: That the shareholders recommend that the Board take the necessary steps that Loews Corporation specifically identify by name and corporate title in all future proxy statements those executive officers, not otherwise so identified, who are contractually entitled to receive in excess of \$250,000 annually as a base salary, together with whatever other additional compensation bonuses and other cash payments were due them.

"REASONS: In support of such proposed Resolution it is clear that the shareholders have a right to comprehensively evaluate the management in the manner in which the Corporation is being operated and its resources utilized. At present only a few of the most senior executive officers are so identified, and not the many other senior executive officers who should contribute to the ultimate success

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of the Corporation. Through such additional identification the shareholders will then be provided an opportunity to better evaluate the soundness and efficacy of the overall management.

"Last year the owners of 9,675,573 shares, representing approximately 9.3% of the shares voting, voted FOR this proposal.

"If you AGREE, please mark your proxy FOR this proposal."

The Board of Directors recommends a vote AGAINST Proposal No. 4.

The disclosure of executive compensation has been required by the rules of the Securities and Exchange Commission for many years. In accordance with these rules, this Proxy Statement includes detailed information regarding the compensation of the six highest paid executive officers of the Company. This proposal seeks to impose on the Company a unique, overly broad disclosure obligation to which, to the best knowledge of the Company, no other public company is subject. The Board believes that a public rule-making proceeding before the Securities and Exchange Commission is the appropriate forum for the consideration of proposals such as this. Furthermore, this proposal was overwhelmingly defeated at last year's annual meeting of shareholders. Accordingly, the Board of Directors recommends a vote against this proposal.

SHAREHOLDER PROPOSAL RELATING TO YOUTH-FRIENDLY
TOBACCO ADVERTISING
(Proposal No. 5)

The Congregation of the Sisters of Charity of the Incarnate Word, 6510 Lawndale, Houston, Texas 77223, owner of 100 shares of Common Stock, and the Minnesota State Board of Investment, Capitol Professional Office Building, Suite 200, 590 Park Street, St. Paul, MN 55103, owner of 31,079 shares of Common Stock, have notified the Company in writing that they intend to present the following resolution at the Annual Meeting for action by the shareholders:

"WHEREAS our Company insists its tobacco ads and ad campaigns are not geared to underage youth and has even taken some actions that would indicate it is serious about ensuring that youth do not use our tobacco products;

"Furthermore various studies independent of our company's own research have shown that teens have not been influenced not to buy our company's cigarettes by ad campaigns that have been run and/or supported by our company.

"As concerned shareholders, we are aware that the future viability of our company's tobacco divisions is based on ensuring new users, most of whom will continue to use our brands because they began as underage youth;

"A 1996 University of British Columbia study found that teenagers are three times as likely as adults to respond to cigarette ads and, on average, whenever a cigarette brand increased its advertising budget by 10%, its share of the adult smoking market grew only 3% but its share of teen smokers grew 9%.

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"Cigarettes are the most heavily advertised product in the U.S.A. However, unlike adults, whose consumption patterns do not reflect advertising dollars, the three-most advertised cigarettes in the U.S. are the three used most by underage youth.

"Further evidence presented in the New England Journal of Medicine, American Journal of Public Health, and the Journal of Pediatrics, among other publications, had demonstrated that tobacco advertising plays a significant role in stimulating illegal consumption of tobacco by minors.

"Such data seems to undermine the stated stance of our company that it is not advertising in ways that influence young people to use our products verses. This leaves some shareholders confused as to how to be sure they are not invested in a company whose activities may possibly be illegal at the worst and immoral at the least.

"RESOLVED: Shareholders request the Board to implement the following, or a similar policy for our Company: That, within six months of this annual meeting, before any promotional, marketing, and/or advertising campaign presently running is allowed to continue or is inaugurated in the future, it

must be submitted to independent and certifiable testing to ensure that it is not equally or more appealing to the 12-to-17-age group than groups 18 and over.

"SUPPORTING STATEMENT: We suggest that, in creating this approach to testing, that the testing entity be independent of the company and the tobacco industry, eliminating any possible conflict of interest. Its task will be to determine the effectiveness of the advertising campaign in making a positive impression on two age groups: those under 18 and those spread evenly between 18 and 45. If the test results on the young focus group show the campaign is equal to or exceeds the effectiveness on the older group the (proposed) campaign shall be terminated.

"If you agree for the need of independent data to show our company does not advertise in ways that overly-impact underage minors vs. adults, please vote "yes" for this resolution."

The Board of Directors recommends a vote AGAINST proposal No. 5.

On November 23, 1998, Lorillard Tobacco Company ("Lorillard"), together with other companies in the U.S. tobacco industry, entered into a Master Settlement Agreement ("MSA") with a group of State Attorneys General, designed to provide a comprehensive framework to resolve many of the issues affecting the United States tobacco industry. This framework prohibits Lorillard, and the other participating companies, from targeting youth in its advertising and marketing. It also provides for the establishment of a foundation designed to, among other things, research, identify and implement effective means of reducing underage smoking, to be funded by approximately \$1.45 billion supplied by the participating companies, including Lorillard, over a five year period.

The MSA requires corporate culture commitments in relation to full compliance with the MSA, including furthering its goal of preventing underage tobacco use. Lorillard and other cigarette manufacturers would be subject to state enforcement actions for breaching their obligations concerning the development, implementation and enforcement of these corporate principles. As a consequence, Lorillard has advised the Company that all current and future promotional, marketing and/or advertising campaigns will be closely reviewed by Lorillard with the aim of complying with both the MSA, and Lorillard's continuing commitment to reduce youth smoking.

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Lorillard believes that the carefully balanced framework already provided by the MSA, including the establishment of a well-funded research foundation which, among other things, is intended to develop and implement programs designed to reduce underage tobacco use, is the most appropriate manner by which to assure a substantial meaningful reduction in youth smoking and that any effort to impose a single method of achieving that goal is inappropriate. Furthermore, the method specifically advanced in Proposal No. 5, requiring "independent and certifiable testing," would impose a vague and ill-defined burden on Lorillard's marketing efforts. Accordingly, the Board of Directors recommends a vote against this proposal.

SHAREHOLDER PROPOSAL RELATING TO NEWPORT ADVERTISING
(Proposal No. 6)

Mercy Health Services, 34605 Twelve Mile Road, Farmington Hills, Michigan 48331, owner of 1,300 shares of Common Stock, has notified the Company in writing that it intends to present the following resolution at the Annual Meeting for action by the shareholders:

"WHEREAS our Company's Newport cigarette, in 1998, was the second largest selling cigarette in the U.S.A. According to John C. Maxwell, as U.S. cigarette sales continued to fall between 1997 and 1998, Newport was one of two brands to register increases in sales and market share.

"A significant percentage of those smoking our Newport cigarettes are people of African descent. Over 75% of African American smokers smoke menthol cigarettes as compared to 23% of white smokers. 61.3% of African American adolescents who smoke smoke Newports.

"Health risks associated with smoking among African Americans are greater than those of their white counterparts. African American men have a lung cancer death rate 50% higher than whites while over 80% of African American men who smoke and have contracted lung cancer die from the disease, compared with 54% of their white counterparts.

"Our company, along with the other U.S. tobacco companies, have inundated the African American community with various media campaigns. Nearly 66% of cigarette advertisements in African American magazines are for menthol cigarettes, compared to 15.4% of those in general population magazines. African American communities have had 2.6 times as many billboards advertising cigarettes as white communities.

"Smoking rates among African American high school students rose 80% from 1991 to 1997. The smoking rate for African American males doubled in that time from 14.1% to 28.2%.

"The Surgeon General of the United States, Dr. David Satcher, warned in 1998 that, if the pattern of African American youth who take up smoking continues, an estimated 1.6 million black children will become regular smokers and 500,000 will die as a result.

"In 1998 a civil rights suit was filed against the tobacco industry for targeting African Americans with menthol brands. Building on documents released as a result of Minnesota's Medicaid trial, the suit charges that our

Company and others targeted African American communities in their marketing of mentholated products and asserts that menthol may be a factor in the disproportionate

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smoking-related death and disease in the African American community.

"RESOLVED: that shareholders request the Board of Directors to prepare a special Report detailing our company's promotion of Newport cigarettes to African Americans. Using 1999 as the base year, this Report, produced at a reasonable cost and excluding proprietary information, shall be made available within six months of the annual meeting. We recommend that it include:

1. An comparison of the total number of advertisements place in both Black-oriented and 'general public' media.
2. A description of the programs and monies expended for our Company's Newport brand in:
 - a. Promotions and sponsorships of events allowed by the Master Settlement Agreement that are oriented to African-Americans, as well as the extent of point-of-purchasing advertising.
 - b. Making African-American youth aware of the health-hazards related to smoking.

"Supporting Statement: The possibility that our Company might be targeting the African American community leaves it open to accusations of racism in our marketing programs, please vote 'yes' for this resolution."

The Board of Directors recommends a vote AGAINST proposal No. 6.

The Board of Directors is opposed to this proposal as not being in the interest of the Company and its shareholders. Lorillard advertises and promotes its cigarettes, including Newport, only to adult smokers, and maintains its rights to communicate with all of its consumers in all legally and contractually permissible ways. Lorillard's advertising is reviewed for compliance with legal requirements and Lorillard's Corporate Principles Concerning Marketing, Promotion and Youth Smoking. Those principles expand upon commitments embodied in the tobacco industry's Cigarette Advertising and Promotion Code, which Lorillard has adhered to for many years, and in the MSA. Furthermore, the lawsuit referred to in the proposal was dismissed by a federal court judge in Philadelphia who concluded that plaintiffs' claims in the case were without legal merit. Accordingly, the Board of Directors recommends a vote against this proposal.

OTHER MATTERS

The Company knows of no other matters to be brought before the meeting. If other matters should properly come before the meeting, proxies will be voted on such matters in accordance with the best judgment of the persons appointed by the proxies.

The Company will bear all costs in connection with the solicitation of proxies for the meeting. The Company intends to request brokerage houses, custodians, nominees and others who hold stock in their names to solicit proxies from the persons who own stock, and such brokerage houses, custodians, nominees and others, will be reimbursed for their out-of-pocket expenses and reasonable clerical expense. In addition to the use of the mails, solicitation may be made by employees of the Company and its subsidiaries personally or by mail or telephone.

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Shareholder Proposals for the 2001 Annual Meeting

Shareholder proposals for the Annual Meeting to be held in the year 2001 must be received by the Company at its principal executive offices not later than November 28, 2000 in order to be included in the Company's proxy materials. Proxies solicited by the Company for the year 2001 Annual Meeting may confer discretionary authority to vote on any proposals submitted after February 13, 2001 without a description of them in the proxy materials for that meeting. Shareholder proposals should be addressed to Loews Corporation, 667 Madison Avenue, New York, New York 10021-8087, Attention: Corporate Secretary.

By order of the Board of Directors,

BARRY HIRSCH
Secretary

Dated: March 28, 2000

PLEASE COMPLETE, DATE, SIGN AND
RETURN YOUR PROXY PROMPTLY

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LOEWS CORPORATION

Proxy

This Proxy is Solicited on Behalf of the Board of Directors

The undersigned hereby constitutes and appoints Bernard Myerson, Barry Hirsch and Gary W. Garson and each of them, each with full power of substitution, true and lawful attorneys, agents and proxies with all the powers the undersigned would possess if personally present, to vote all shares of Common Stock of the undersigned in Loews Corporation at the Annual Meeting

of Shareholders to be held at The Regency Hotel, 540 Park Avenue, New York, New York, on May 9, 2000, at 11:00 A.M., New York City Time, and at any adjournments thereof, upon the matters set forth in the Notice of Meeting and accompanying Proxy Statement and, in their judgment and discretion, upon such other business as may properly come before the meeting.

This Proxy when properly executed will be voted in the manner directed by the undersigned shareholder. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF DIRECTORS, "FOR" PROPOSALS 2 AND 3, AND "AGAINST" PROPOSALS 4, 5 AND 6.

THIS PROXY IS CONTINUED ON THE REVERSE SIDE
PLEASE SIGN ON THE REVERSE SIDE AND RETURN PROMPTLY

The Board of Directors recommends a vote
FOR Items 1, 2 and 3

The Board of Directors recommends a vote AGAINST
Items 4, 5 and 6

Please mark
your votes
like this [X]

Item 1-ELECTION OF DIRECTORS			WITHHELD								
Nominees: C.B. Benenson,	FOR	FOR ALL		FOR	AGAINST	ABSTAIN		FOR	AGAINST	ABSTAIN	
J. Brademas,			ITEM 3-APPROVAL	[]	[]	[]	ITEM 4-SHAREHOLDER	[]	[]	[]	
D.H. Chookaszian,			OF STOCK				PROPOSAL -				
P. Fribourg,			OPTION PLAN				EXECUTIVE				
B. Myerson,							COMPENSATION				
E.J. Noha,	[]	[]									
G.R. Scott,							ITEM 5-SHAREHOLDER	[]	[]	[]	
A.H. Tisch,							PROPOSAL -				
J.S. Tisch,							YOUTH-FRIENDLY				
J.M. Tisch,							TOBACCO				
L.A. Tisch,							ADVERTISING				
P.R. Tisch											
and F. Wilpon.							ITEM 6-SHAREHOLDER	[]	[]	[]	
							PROPOSAL -				
							NEWPORT				
							ADVERTISING				

WITHHELD FOR: (Write that Nominee's name
in the space provided below.)

ITEM 2-RATIFY DELOITTE & TOUCHE LLP AS
INDEPENDENT ACCOUNTANTS
FOR AGAINST ABSTAIN
[] [] []

Signature(s)-----

Please sign EXACTLY as name appears on this Proxy. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. Corporate and partnership proxies should be signed by an authorized person indicating the person's title.

Date:-----

LOEWS CORPORATION
2000 STOCK OPTION PLAN

SECTION 1

GENERAL

1.1 Purpose. The Loews Corporation 2000 Stock Option Plan (the "Plan")

has been established by Loews Corporation (the "Company") to (i) attract and retain persons eligible to participate in the Plan, (ii) motivate Participants, by means of appropriate incentives, to achieve long-term Company goals, and reward Participants for achievement of those goals, and (iii) provide incentive compensation opportunities that are competitive with those of other similar companies, and thereby promote the financial interest of the Company and its Subsidiaries.

1.2 Operation and Administration. The operation and administration of

the Plan shall be subject to the provisions of Section 3 (relating to operation and administration). Capitalized terms in the Plan shall be defined as set forth in the Plan (including the definition provisions of Section 6 of the Plan).

SECTION 2

OPTIONS

2.1 Option Grant. The Committee may grant Options in accordance with

this Section 2.

2.2 Definitions. The grant of an "Option" permits the Participant to

purchase shares of Stock at an Exercise Price established by the Committee. Any Option granted under the Plan may be either an incentive stock option (an "ISO") or a non-qualified option (an "NQO"), as determined in the discretion of the Committee. An "ISO" is an Option that is intended to be an "incentive stock option" described in section 422(b) of the Code and does in fact satisfy the requirements of that section. An "NQO" is an Option that is not intended to be an "incentive stock option" as that term is described in section 422(b) of the Code, or that fails to satisfy the requirements of that section.

2.3 Exercise Price. The "Exercise Price" of each Option granted under

this Section 2 shall be established by the Committee or shall be determined by a method established by the Committee at the time the Option is granted; except that the Exercise Price shall not be less than 100% of the Fair Market Value of a share of Stock on the date of grant (or, if greater, the par value of a share of Stock).

2.4 Vesting and Exercise. An Option shall be exercisable in accordance

with such terms and conditions and during such periods as may be established by the Committee.

(a) Unless otherwise provided by the Committee at the time of grant or thereafter, each Option shall vest and become exercisable in four equal annual installments beginning on the first anniversary of the date of grant, and shall thereafter remain exercisable during the Option Term.

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(b) Unless otherwise provided by the Committee at the time of grant or thereafter, the Option Term of each Option shall end on the earliest of (1) the date on which such Option has been exercised in full, (2) the date on which the Participant experiences a Termination for Cause or a voluntary Termination, (3) the one-year anniversary of the date on which the Participant experiences a Termination due to death or Disability, (4) the three-year anniversary of the date on which the Participant experiences a Termination due to such person's Retirement, and (5) the 90th day after the Participant experiences a Termination for any other reason; provided, that in no event may the Option Term exceed ten (10)

years from the date of grant of the Option. Except as otherwise determined by the Committee at the time of grant or thereafter, upon the occurrence of a Termination of a Participant for any reason, the Option Term of all outstanding Options held by the Participant that are unvested as of the date of such Termination shall thereupon end and such unvested Options shall be forfeited immediately; provided, however, that the Committee may,

in its sole discretion, accelerate the vesting of any Option and/or extend the exercise period of any Option (but not beyond the ten-year anniversary of the grant date).

(c) An Option may be exercised and the underlying shares purchased in accordance with this Section 2 at any time after the Option with respect to those shares vests and before the expiration of the Option Term. To exercise an Option, the Participant shall give written notice to the Company stating the number of shares with respect to which the Option is

being exercised.

- (d) The full Exercise Price for shares of Stock purchased upon the exercise of any Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described in the last sentence of this paragraph (d), payment may be made as soon as practicable after the exercise). The Exercise Price shall be payable by check, or such other instrument as the Committee may accept. The Committee may permit a Participant to elect to pay the Exercise Price upon the exercise of an Option by irrevocably authorizing a third party to sell shares of Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise. In the case of any ISO such permission must be provided for at the time of grant and set forth in an Option Certificate. In addition, if approved by the Committee, payment, in full or in part, may also be made in the form of unrestricted Mature Shares, based on the Fair Market Value of the Mature Shares on the date the Option is exercised; provided, however, that, in the case of an ISO

the right to make a payment in such Mature Shares may be authorized only at the time the Option is granted.

SECTION 3

OPERATION AND ADMINISTRATION

3.1 Effective Date. Subject to the approval of the shareholders of the

Company at the Company's 2000 annual meeting of its shareholders, the Plan shall be effective as of January 18, 2000 (the "Effective Date"); provided,

however, that to the extent that Options are granted under the Plan prior to

its approval by shareholders, the Options shall be contingent on approval of the Plan by the shareholders of the Company at such annual meeting. The Plan shall be unlimited in duration and, in the event of Plan termination, shall remain in effect as long as any Options under it are outstanding.

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3.2 Shares Subject to Plan. The shares of Stock for which Options may

be granted under the Plan shall be subject to the following:

- (a) The shares of Stock with respect to which Options may be granted under the Plan shall be shares currently authorized but unissued or currently held or subsequently acquired by the Company as treasury shares, including shares purchased in the open market or in private transactions.
- (b) Subject to the following provisions of this subsection 3.2, the maximum number of shares of Stock that may be delivered to Participants and their beneficiaries under the Plan shall be 1,000,000 shares of Stock.
- (c) To the extent any shares of Stock covered by an Option are not delivered to a Participant or beneficiary because the Option is forfeited or canceled, or the shares of Stock are used to pay the Exercise Price or satisfy the applicable tax withholding obligation, such shares shall not be deemed to have been delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan.
- (d) Subject to paragraph 3.2(e), the maximum number of shares that may be covered by Options granted to any one individual during any one calendar year period shall be 200,000 shares.
- (e) In the event of a corporate transaction involving the Company (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), the Committee may make adjustments to preserve the benefits or potential benefits of the Plan and outstanding Options. Action by the Committee may include: (i) adjustment of the number and kind of shares which may be delivered under the Plan; (ii) adjustment of the number and kind of shares referred to in Section 3.2(d); (iii) adjustment of the number and kind of shares subject to outstanding Options; (iv) adjustment of the Exercise Price of outstanding Options; (v) settlement in cash or Stock in an amount equal to the excess of the value of the Stock subject to such Option over the aggregate Exercise Price (as determined by the Committee) of such Options; and (vi) any other adjustments that the Committee determines to be equitable.

3.3 General Restrictions. Delivery of shares of Stock or other amounts

under the Plan shall be subject to the following:

- (a) Notwithstanding any other provision of the Plan, the Company shall have no liability to deliver any shares of Stock under the Plan or make any other distribution of benefits under the Plan unless such delivery or distribution would comply with all applicable laws (including, without limitation, the requirements of the Securities Act of 1933), and the applicable requirements of any securities exchange or similar entity.
- (b) To the extent that the Plan provides for issuance of stock certificates to reflect the issuance of shares of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or

the applicable rules of any stock exchange.

3.4 Tax Withholding. All distributions under the Plan are subject to

withholding of all applicable taxes, and the delivery of any shares or other benefits under the Plan shall be conditioned on

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satisfaction of the applicable withholding obligations. The Committee, in its discretion, and subject to such requirements as the Committee may impose prior to the occurrence of such withholding, may permit such withholding obligations to be satisfied through cash payment by the Participant, through the surrender of shares of Stock which the Participant already owns, or through the surrender of shares of Stock to which the Participant is otherwise entitled under the Plan; provided that surrender of shares may be used only to satisfy

the minimum withholding required by law.

3.5 Grant and Use of Options. In the discretion of the Committee, more

than one Option may be granted to a Participant. Options may be granted as alternatives to or replacements of Options granted or outstanding under the Plan, or any other plan or arrangement of the Company or a Subsidiary (including a plan or arrangement of a business or entity, all or a portion of which is acquired by the Company or a Subsidiary). Subject to the overall limitation on the number of shares of Stock that may be delivered under the Plan, the Committee may use available shares of Stock as the form of payment for compensation, grants or rights earned or due under any other compensation plans or arrangements of the Company or a Subsidiary, including the plans and arrangements of the Company or a Subsidiary assumed in business combinations. Notwithstanding the foregoing, the assumption by the Company of options in connection with the acquisition of a business or other entity and the conversion of such options into options to acquire Stock shall not be treated as a new grant of Options under the Plan unless specifically so provided by the Committee.

3.6 Settlement of Options. The Committee may from time to time

establish procedures pursuant to which a Participant may elect to defer, until a time or times later than the exercise of an Option, receipt of all or a portion of the shares of Stock subject to such Option and/or to receive cash at such later time or times in lieu of such deferred shares, all on such terms and conditions as the Committee shall determine. If any such deferrals are permitted, then a Participant who elects such deferral shall not have any rights as a stockholder with respect to such deferred shares unless and until shares are actually delivered to the Participant with respect thereto, except to the extent otherwise determined by the Committee.

3.7 Other Plans. Amounts payable under this Plan shall not be taken

into account as compensation for purposes of any other employee benefit plan or program of the Company or any of its Subsidiaries, except to the extent otherwise provided by such plans or programs, or by an agreement between the affected Participant and the Company.

3.8 Heirs and Successors. The terms of the Plan shall be binding upon,

and inure to the benefit of, the Company and its successors and assigns, and upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company's assets and business.

3.9 Transferability. Options granted under the Plan are not

transferable except (i) as designated by the Participant by will or by the laws of descent and distribution or (ii) in the case of an NQO, as otherwise expressly permitted by the Committee including, if so permitted, pursuant to a transfer to such Participant's immediate family, whether directly or indirectly or by means of a trust or partnership or otherwise. If any rights exercisable by a Participant or benefits deliverable to a Participant under any Option Certificate under the Plan have not been exercised or delivered, respectively, at the time of the Participant's death, such rights shall be exercisable by the Designated Beneficiary, and such benefits shall be delivered to the Designated Beneficiary, in accordance with the provisions of the

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applicable terms of the Option Certificate and the Plan. The "Designated Beneficiary" shall be the beneficiary or beneficiaries designated by the Participant to receive benefits under the Company's group term life insurance plan or such other person or persons as the Participant may designate by notice to the Company. If a deceased Participant fails to have designated a beneficiary, or if the Designated Beneficiary does not survive the Participant, any rights that would have been exercisable by the Participant and any benefits distributable to the Participant shall be exercised by or distributed to the legal representative of the estate of the Participant. If a deceased Participant designates a beneficiary and the Designated Beneficiary survives the Participant but dies before the Designated Beneficiary's exercise of all rights under the Option Certificate or before the complete distribution of benefits to the Designated Beneficiary under the Option Certificate, then any rights that would have been exercisable by the Designated Beneficiary shall be exercised by the legal representative of the estate of the Designated Beneficiary, and any benefits distributable to the Designated Beneficiary shall be distributed to the legal representative of the estate of the Designated Beneficiary. All Options shall be exercisable, subject to the terms

of this Plan, only by the Participant or any person to whom such Option is transferred pursuant to this paragraph, it being understood that the term Participant shall include such transferee for purposes of the exercise provisions contained herein.

3.10 Notices. Any written notices provided for in the Plan or under any

Option Certificate shall be in writing and shall be deemed sufficiently given if either hand delivered or if sent by confirmed fax or overnight courier, or by postage paid first class mail. Notice and communications shall be effective when actually received by the addressee. Notices shall be directed, if to the Participant, at the Participant's address indicated in the Option Certificate, or if to the Company, at the Company's principal executive office to the attention of the Company's Secretary.

3.11 Action by Company. Any action required or permitted to be taken by

the Company shall be by resolution of the Board, or by action of one or more members of the Board (including a committee of the Board) who are duly authorized to act for the Board, or by a duly authorized officer of the Company.

3.12 Limitation of Implied Rights.

- (a) Neither a Participant nor any other person shall, by reason of participation in the Plan, acquire any right in or title to any assets, funds or property of the Company whatsoever, including, without limitation, any specific funds, assets, or other property which the Company, in its sole discretion, may set aside in anticipation of a liability under the Plan. A Participant shall have only a contractual right to the amounts, if any, payable under the Plan, unsecured by any assets of the Company, and nothing contained in the Plan shall constitute a guarantee that the assets of the Company shall be sufficient to pay any benefits to any person.
- (b) The Plan does not constitute a contract of employment, and selection as a Participant will not give any Participant the right to be retained in the employ of, or as a director or consultant to, the Company or any Subsidiary, nor any right or claim to any benefit under the Plan, unless such right or claim has specifically accrued under the terms of the Plan.

3.13 Gender and Number. Where the context admits, words in any gender

shall include any other gender, words in the singular shall include the plural and the plural shall include the singular.

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3.14 Laws Applicable to Construction. The interpretation, performance

and enforcement of this Plan and all Option Certificates shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware.

3.15 Evidence. Evidence required of anyone under the Plan may be by

certificate, affidavit, document or other information which the person acting on it considers pertinent and reliable, and signed, made or presented by the proper party or parties.

SECTION 4

COMMITTEE

4.1 Administration. The authority to control and manage the operation

and administration of the Plan shall be vested in the Compensation Committee of the Board or such other committee of the Board as the Board may from time to time designate (the "Committee") in accordance with this Section 4. In addition, the Board may exercise any power given to the Committee under the Plan.

4.2 Powers of Committee. The Committee's administration of the Plan

shall be subject to the following:

- (a) Subject to the provisions of the Plan, the Committee will have the authority and discretion to select from among the Eligible Grantees those persons who shall receive Options, to determine the grant date of, the number of shares subject to and the Exercise Price of those Options, to establish all other terms and conditions of such Options, and (subject to the restrictions imposed by Section 5) to cancel or suspend Options.
- (b) The Committee will have the authority and discretion to interpret the Plan, to establish, amend, and rescind any rules and regulations relating to the Plan, and to make all other determinations that may be necessary or advisable for the administration of the Plan.
- (c) Any interpretation of the Plan by the Committee and any decision made by it under the Plan is final and binding on all persons.
- (d) In controlling and managing the operation and administration of the Plan, the Committee shall take action in a manner that conforms to the articles

and by-laws of the Company, and applicable state corporate law.

4.3 Delegation by Committee. Except to the extent prohibited by

applicable law or the applicable rules of a stock exchange, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it. Any such allocation or delegation may be revoked by the Committee at any time.

4.4 Information to be Furnished to Committee. The Company and

Subsidiaries shall furnish the Committee with such data and information as it determines may be required for it to discharge its

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duties. The records of the Company and Subsidiaries as to an employee's or Participant's employment, engagement, termination, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined to be incorrect. Participants and other persons eligible for benefits under the Plan must furnish the Committee such evidence, data or information as the Committee considers desirable to carry out the terms of the Plan.

SECTION 5

AMENDMENT AND TERMINATION

The Board may, at any time, amend or terminate the Plan; provided that no

amendment or termination may, in the absence of written consent to the change by the affected Participant (or, if the Participant is not then living, the affected beneficiary), adversely affect the rights of any Participant or beneficiary under any Option granted under the Plan prior to the date such amendment is adopted by the Board; and further provided that adjustments

pursuant to paragraph 3.2(e) shall not be subject to the foregoing limitations of this Section 5.

SECTION 6

DEFINED TERMS

In addition to the other definitions contained herein, the following definitions shall apply:

(a) Board. The term "Board" means the Board of Directors of the Company.

(b) Cause: The term "Cause" shall have the meaning set forth in the

employment or engagement agreement between a Participant and the Company or any Subsidiary thereof, if such an agreement exists and contains a definition of Cause; otherwise Cause shall mean (1) conviction of the Participant for committing a felony under Federal law or the law of the state in which such action occurred, (2) dishonesty in the course of fulfilling a Participant's employment, engagement or directorial duties, (3) willful and deliberate failure on the part of a Participant to perform the Participant's employment, engagement or directorial duties in any material respect or (4) such other events as shall be determined in good faith by the Committee. The Committee shall, unless otherwise provided in the Option Certificate or an employment agreement with the Participant, have the sole discretion to determine whether Cause exists, and its determination shall be final.

(c) Code. The term "Code" means the Internal Revenue Code of 1986, as

amended. A reference to any provision of the Code shall include reference to any successor provision of the Code.

(d) Committee. The term "Committee" shall have the meaning set forth in

Section 4.1.

(e) Company. The term "Company" shall have the meaning set forth in Section

1.1.

(f) Designated Beneficiary. The term "Designated Beneficiary" shall have the

meaning set forth in

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Section 3.9.

(g) Disability. The term "Disability" shall mean, unless otherwise provided by

the Committee, (1) "Disability" as defined in any individual Option Certificate to which the Participant is a party, or (2) if there is no such Option Certificate or it does not define "Disability," permanent and total disability as determined under the Company's long-term disability plan applicable to the Participant.

- (h) Effective Date. The term "Effective Date" shall have the meaning set forth

in Section 3.1.
- (i) Eligible Grantee. The term "Eligible Grantee" shall mean any individual

who is employed on a full-time or part-time basis, or who serves as a consultant to, by the Company or a Subsidiary and any non-employee director of the Company. An Option may be granted to an individual in connection with such individual's hiring or engagement prior to the date the individual first performs services for the Company or the Subsidiaries, provided that the individual will be an Eligible Grantee

upon his hiring or engagement, and further provided that such Options

shall not become vested prior to the date the individual first performs such services.
- (j) Exercise Price. The term "Exercise Price" shall have the meaning set forth

in Section 2.3.
- (k) Fair Market Value. The "Fair Market Value" of a share of Stock shall be,

as of any given date, the mean between the highest and lowest reported sales prices on the immediately preceding date (or, if there are no reported sales on such immediately preceding date, on the last date prior to such date on which there were sales) of the Stock on the New York Stock Exchange Composite Tape or, if not listed on such exchange, on any other national securities exchange on which the Stock is listed or on NASDAQ. If there is no regular public trading market for such Stock, the Fair Market Value of the Stock shall be determined by the Committee in good faith.
- (l) ISO. The term "ISO" shall have the meaning set forth in Section 2.2.

- (m) Mature Shares. The term "Mature Shares" shall mean shares of Stock that

have been owned by the Participant in question for at least six months.
- (n) NQO. The term "NQO" shall have the meaning set forth in Section 2.2.

- (o) Option. The term "Option" shall have the meaning set forth in Section 2.2.

- (p) Option Certificate: The term "Option Certificate" shall mean a written

Option certificate setting forth the terms and conditions of an Option, in the form attached hereto as Exhibit A or such other form as the Committee may from time to time prescribe.
- (q) Option Term: The term "Option Term" shall mean the period beginning on

the date of grant of an Option and ending on the date the Option expires pursuant to the Plan and the relevant Option Certificate.
- (r) Plan: The term "Plan" shall have the meaning set forth in Section 1.1.

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- (s) Retirement: The term "Retirement" shall mean retirement from active

employment with the Company pursuant to any retirement plan or program of the Company or any Subsidiary in which the Participant participates. A Termination by a consultant or non-employee director shall in no event be considered a Retirement.
- (t) Stock. The term "Stock" shall mean shares of common stock of the Company.

- (u) Subsidiary. The term "Subsidiary" means any business or entity in which at

any relevant time the Company holds at least a 50% equity (voting or non-voting) interest.
- (v) Termination. A Participant shall be considered to have experienced a

Termination if he or she ceases, for any reason, to be an employee, consultant or non-employee director of the Company or any of its Subsidiaries, including, without limitation, as a result of the fact that the entity by which he or she is employed or engaged or of which he or she is a director has ceased to be affiliated with the Company.

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