



KIMBERLY-CLARK CORPORATION

A company incorporated and registered under the laws of the State of Delaware, USA

**PROSPECTUS FOR THE EMPLOYEES OF CERTAIN EUROPEAN
ECONOMIC AREA SUBSIDIARIES OF KIMBERLY-CLARK CORPORATION
IN RELATION TO THE KIMBERLY-CLARK SHAREPLUS PLAN AND THE
KIMBERLY-CLARK SHARE INCENTIVE PLAN**

WARNING: participation in the Plan is subject to the same risks as inherent to any investment in shares (such as movements in the stock exchange price of the shares). Share prices may go down, and the value of shares cannot be guaranteed.

8 September 2015

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LIST OF EXHIBITS

- EXHIBIT I ANNUAL REPORT OF THE ISSUER ON FORM 10-K FOR THE FISCAL YEAR ENDED 31 DECEMBER 2014, FILED WITH THE SEC ON 18 FEBRUARY 2015
- EXHIBIT II DEFINITIVE PROXY STATEMENT OF THE ISSUER ON SCHEDULE 14A, FILED WITH THE SEC ON 9 MARCH 2015
- EXHIBIT III QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE FIRST QUARTERLY PERIOD OF 2015 ENDED 31 MARCH 2015, FILED WITH THE SEC ON 21 APRIL 2015
- EXHIBIT IV QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE SECOND QUARTERLY PERIOD OF 2015 ENDED 30 JUNE 2015, FILED WITH THE SEC ON 23 JULY 2015
- EXHIBIT V KIMBERLY-CLARK SHAREPLUS PLAN, FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.1 OF FORM S-8
- EXHIBIT VI TRUST DEED AND RULES OF KIMBERLY-CLARK SHAREPLUS UK
- EXHIBIT VII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (JERSEY), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.3 OF FORM S-8
- EXHIBIT VIII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (UK), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.4 OF FORM S-8
- EXHIBIT IX RESOLUTION APPROVING AMENDMENTS TO THE RULES OF THE KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK PLANS
- EXHIBIT X TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

Section A – Introduction and Warnings		
A.1	Introduction:	<p>This summary must be read as an introduction to this prospectus.</p> <p>Any decision to invest in the Shares should be based on a consideration of this prospectus as a whole, including any information incorporated by reference.</p> <p>Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor may, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated.</p> <p>No civil liability will attach to any person solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus, including any information incorporated by reference, or it does not provide, when read together with the other parts of this prospectus, key information in order to aid investors when considering whether to invest in the Shares.</p>

Section B – Issuer		
B.1	Legal and commercial name of the Issuer:	Kimberly-Clark Corporation (the " Company ").
B.4a	Trends:	<p>Kimberly-Clark plans to continue to execute its Global Business Plan strategies for its long-term success. In 2015, Kimberly-Clark expects to remain focused on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. Kimberly-Clark continues to expect full-year growth in organic volume, price and mix in the 3 to 5 percent target range, with a focus on personal care and KCP in developing and emerging markets. Kimberly-Clark expects to achieve increased cost savings, which Kimberly-Clark expects will help offset anticipated unfavorable currency rates and moderate commodity cost inflation. Kimberly-Clark also plans to support its product innovations and targeted growth initiatives with effective marketing campaigns. Although the macro environment has recently become more volatile, Kimberly-Clark remains optimistic about its opportunities and Kimberly-Clark continues to focus on executing its initiatives well.</p> <p>Kimberly-Clark completed the spin-off of its Health Care business on 31 October 2014.</p>

B.7	Selected historical key financial information:	<p>The tables below show selected historical key financial information of the Company prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).</p> <p>The following selected financial data were derived from:</p> <ul style="list-style-type: none"> the unaudited consolidated income statement of the Company as of 31 March 2015 and 31 March 2014 set out in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2015 (attached hereto as Exhibit III); the unaudited consolidated income statement of the Company as of 30 June 2015 and 30 June 2014 set out in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2015 (attached hereto as Exhibit IV); and the consolidated income statements of the Company as of 31 December 2010, 31 December 2011, 31 December 2012, 31 December 2013 and 31 December 2014 set out in the Company's Annual Report on Form 10-K for the fiscal year ended 31 December 2014 (attached hereto as Exhibit I), which were audited by Deloitte & Touche LLP in accordance with the standards of the Public Company Accounting Oversight Board (United States). <p>Kimberly-Clark completed the spin-off of its Health Care business on 31 October 2014. As a result, the health care business is presented as discontinued operations on the consolidated income statement, and prior period consolidated income statements have been recast accordingly.</p> <table border="1" data-bbox="478 1075 1388 1971"> <thead> <tr> <th></th> <th colspan="5" style="text-align: center;">Year Ended December 31</th> </tr> <tr> <th></th> <th colspan="5" style="text-align: center;">(Millions of dollars, except per share amounts)</th> </tr> <tr> <th></th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2012</th> <th style="text-align: center;">2011</th> <th style="text-align: center;">2010</th> </tr> </thead> <tbody> <tr> <td>Net Sales</td> <td style="text-align: right;">\$ 19,724</td> <td style="text-align: right;">\$ 19,561</td> <td style="text-align: right;">\$ 19,467</td> <td style="text-align: right;">\$ 19,268</td> <td style="text-align: right;">\$ 18,323</td> </tr> <tr> <td>Gross 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Net income (loss)	(0.83)	1.35	1.27	1.41																																																																																																																																																																																														
	June 30, 2015	December 31, 2014	March 31, 2015	December 31, 2014																																																																																																																																																																																														
Total assets	\$ 15,346	\$ 15,526	\$ 15,053	\$ 15,526																																																																																																																																																																																														
Long-term debt	5,544	5,630	6,119	5,630																																																																																																																																																																																														
Stockholders' equity	744	999	412	999																																																																																																																																																																																														
		<p>There have been no material changes in the Company's financial or trading position since the end of the second quarterly period of 2015 ended on 30 June 2015.</p> <p>Future quarterly results and annual reports will be published respectively in the Company's Quarterly Reports on Form 10-Q and the Company's Annual Reports on Form 10-K, which will be made available on the Company's website (http://www.kimberly-clark.com/investors, under "Financial Information" - "SEC Filings").</p>																																																																																																																																																																																																
B.9	Profit Forecast:	Not Applicable; no profit forecast or estimate is made in this prospectus.																																																																																																																																																																																																
B.11	Explanation if Insufficient Working Capital:	Not Applicable; the Company's management believes that the Company's ability to generate cash from operations and its capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends and other needs in the foreseeable future.																																																																																																																																																																																																

Section C – Securities		
C.1	Type and Class:	The securities being offered are shares of the Company's common stock (the " Shares "). The Shares have been created under the laws of the State of Delaware, USA. Each Share has a par value of USD 1.25. The Shares are listed on the New York Stock Exchange (NYSE: KMB).
C.2	Currency:	Whilst the employees make contributions in local currency, the Shares are denominated in US Dollars. Therefore the employees' contributions will be converted into US Dollars prior to Shares being purchased. Shares allocated within the Plan (as defined below) will be in fractional form. Therefore, the total contribution made by each employee will be invested in the Company's stock.
C.4	Rights related to the Shares:	All Shares issued under the Plan shall as to voting, dividend, transfer and other rights rank equally in all respects with all other Shares then in issue. Any dividends declared by the Company will be used to purchase additional shares in the Plan.
C.5	Sale Restrictions:	The Partnership Shares (as defined below) can in principle be sold immediately (although those under Shareplus-UK have to be held for 3 years to benefit from partial tax relief and for 5 years for full tax relief). The Matching Shares (as defined below) can in principle be sold once the Eligible Employee (as defined below) owns them, but in Belgium, Italy and Spain, the Matching Shares must not be sold for a certain period of time (2 or 3 years, as the case may be) to benefit from (partial) tax relief. In addition, for Matching Shares under Shareplus-UK, there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full tax relief.
C.6	Application for Admission to Trading:	Not Applicable; the securities being offered are existing Shares, which are admitted to trading on the New York Stock Exchange.
C.7	Dividend Policy:	Dividend payout has increased from USD 0.84 per quarter for 2014 to USD 0.88 per quarter for 2015, based on the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2015 (attached hereto as Exhibit IV). This represents an increase of 4.8 per cent.

Section D - Risks		
D.1	Risks Specific to the Issuer:	The risks related to the Company's business may be, without limitation, economic, tax, legal, operational, political or geographical in nature (or a combination of two or more of any such factors).
D.3	Risks Specific to the Shares:	The risks related to participation in the Plan include, without limitation, the risks inherent to any investment in shares, exchange risks, tax and/or social security consequences of participation in the Plan and the fact that the Shares are not listed on a regulated market of the European Economic Area.

Section E - Offer		
E.1	Estimated Expenses:	The total expenses of the offer are estimated at EUR 100,000.
E.2a	Reasons for the Offer:	<p>The Company is offering Eligible Employees (as defined below) of its participating subsidiaries in Europe (the "Participating Companies") the opportunity to acquire Shares pursuant to a share purchase plan called Shareplus ("Shareplus" or the "Plan"). The employees thereby have an additional incentive to contribute to the Company's success.</p> <p>The Company and its subsidiaries are together referred to as "Kimberly-Clark".</p>
E.3	Terms and Conditions of the Offer:	<p>As from 1 October 2015, the Plan will be offered to employees in the following countries: Belgium, Czech Republic, Germany, Italy, Netherlands, Spain, Switzerland and the United Kingdom.</p> <p>Shareplus is designed as an "umbrella" plan to allow for differences by country to take account of local legal and tax requirements and to achieve tax benefits wherever possible. There are two main formats within the Plan:</p> <ul style="list-style-type: none"> • Shareplus Europe: the main format used in most countries. • Shareplus UK: for employees in the UK, a UK HM Revenue & Customs ("HMRC") approved share incentive plan (the "SIP") has been set up. The SIP confers favourable tax treatment for both Kimberly Clark and participants, but contributions are subject to HMRC limits. Employees in the UK will still be able to participate in Shareplus Europe, but only by contributing any excess contributions that exceed the limits of the SIP. This is referred to as the Shareplus UK top-up plan. <p>Note that the descriptions of certain provisions of the Plan in this summary and in this prospectus are executive summaries, that reading these summaries should not be taken as a substitute for reading the respective plan documents in their entirety, that the Company may determine that a subsidiary shall cease to be a Participating Company and that the rules of the Plan may be amended (within certain limits) by the European HR Policy Council.</p> <p>The key terms of the Plan are as follows:</p> <p>Eligible Employees All full-time and part-time employees being actively paid by the payroll of a Participating Company. There is no qualifying period of employment. Expatriates participate through their home country (they cannot participate if their home country is not participating even if they are located in a participating country).</p> <p>Contributions Eligible Employees will make a monetary contribution each month, via payroll, in their local currency. The minimum contribution is the local currency equivalent of approximately USD 15 per month. The maximum contribution an Eligible Employee can make is 4% of salary (contributions under the SIP are in any event limited to GBP 125 per month). If the minimum investment is actually more than 4% of the employee's pay, the</p>

		<p>minimum amount can still be invested.</p> <p>Administrator The Plan is administered by an external trustee and administrator, Computershare Plan Managers.</p> <p>Partnership Shares Each employee's investment will be transferred each month to the Administrator. The Administrator will use the funds to purchase Shares on a set date per month and will then hold these Shares in the employee's name in an account established within Shareplus. The Shares purchased by the employee are known as Partnership Shares.</p> <p>Matching Shares If the employee retains the Partnership Shares in Shareplus for the required period (1 year to 18 months), then Kimberly-Clark will award Matching Shares on a 1-for-2 basis.</p> <p>Dividend Shares Any dividends declared by the Company will be used to purchase additional shares in the Plan. These dividend Shares do not qualify for additional Matching Shares.</p>
E.6	Dilution:	Not Applicable; there will be no dilution as a result of the offer because the offered Shares are purchased in the market.
E.7	Costs:	<p>Kimberly-Clark will meet the cost of purchasing Shares and any associated administration charges whilst they remain held with Shareplus. Employees will be required to meet the cost of selling Shares. The cost of selling shares is a brokerage charge of 0.5% of the sale proceeds with a minimum of GBP 20 for Shareplus-UK (SIP) and USD 32 for Shareplus-Europe. This charge will be deducted from the employees' sale proceeds. The employees can sell their shares using the employee website provided by Computershare (the administrator) or by completing a paper sales form provided by Computershare. The website sales are done via Real Time Trading ensuring all participants in the plan can make informed decisions prior to electing to trade. The shares are always sold in the plan currency of USD. Upon converting the funds to the employees Computershare will convert the funds using guaranteed currency conversion fees. When converting the Shareplus-UK funds to GBP from USD a commission of 1.5% of the gross sale proceeds will be applied. When converting Shareplus-Europe funds to any global currency from USD a commission of 2.5% of the gross sale proceeds will be applied. The Shareplus-UK funds must be paid in GBP as this is a regulated approved plan. The Shareplus-Europe funds can be paid in any currency. If the participant wishes to receive their proceeds in USD no conversion costs are applied. The participant has this choice at the point of trading.</p> <p>The costs of the preparation and administration of the Plan (other than the cost of selling Shares) are born by Kimberly Clark Europe Limited and will not be recharged to the Participating Companies. However, the costs of purchasing the Matching Shares will be recharged to the Participating Companies.</p>

CHAPTER A RISK FACTORS

Any investment in the Shares involves substantial risks. Before deciding to purchase Shares, prospective investors should carefully review and consider the following risk factors and the other information contained in this prospectus. The occurrence of one or more of the risks described below may have a material adverse effect on the Company's cash flows, results of operations and financial condition and endanger the Company's ability to continue as a going concern. Moreover, the Company's share price could fall significantly if any of these risks were to materialize, in which case investors could lose all or part of their investment.

Investors should note that the risks discussed below are not the only risks to which Kimberly-Clark is exposed. Additional risks and uncertainties, which are not currently known to the Company, which the Company currently believes are immaterial or which are inherent in any company, could likewise impair its business operations or have an adverse effect on the Company's cash flows, results of operations, financial condition, the Company's ability to continue as a going concern and the price of its shares. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's cash flows, results of operations and financial condition, the Company's ability to continue as a going concern or the price of the Company's shares. This prospectus (including its exhibits) also contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this prospectus. Investors should consider carefully whether an investment in the Shares is suitable for them in light of the information contained in this prospectus and their own personal circumstances.

The risk factors to be taken into consideration when participating in Shareplus and the SIP consist of risks related to the Company's business and risks related to participation in the Plan.

1. RISKS RELATED TO THE COMPANY'S BUSINESS

The risks related to the Company's business, which may affect its future results, are described in detail in the Company's Annual Report on Form 10-K for the fiscal year ended 31 December 2014 (attached hereto as **Exhibit I**) on pages 3-7 (*Item 1A. Risk Factors*) and 25-26 (*Item 7A. Quantitative and Qualitative Disclosures about Market Risk*) and can be summarized as set forth below. This summary should be read together with, and is qualified in its entirety by, the risk factors in the Form 10-K (as attached as **Exhibit I**), which investors should read in their entirety.

- Intense competition for sales of Kimberly-Clark's products, changes in consumer purchasing patterns and the inability to innovate or market Kimberly-Clark's products effectively could have an adverse effect on Kimberly-Clark's financial results.
- Kimberly-Clark's international operations are subject to foreign market risks, including foreign exchange risk, currency restrictions and political, social and economic instability, which may adversely affect Kimberly-Clark's financial results.
- Increasing dependence on key retailers in developed markets and the emergence of new sales channels may adversely affect Kimberly-Clark's business.
- Significant increases in prices for raw materials, energy, transportation and other necessary supplies and services, without corresponding increases in Kimberly-Clark's selling prices, could adversely affect Kimberly-Clark's financial results.
- Disruption in Kimberly-Clark's supply chain or the failure of third-party providers to satisfactorily perform could adversely impact Kimberly-Clark's operations.
- There is no guarantee that Kimberly-Clark's ongoing efforts to reduce costs will be successful.
- New or revised future legal or regulatory requirements, potential litigation or administrative actions, or tax matters could have an adverse effect on Kimberly-Clark's financial results.

- Damage to the reputation of Kimberly-Clark or to one or more of Kimberly-Clark's brands could adversely affect Kimberly-Clark's business.
- If Kimberly-Clark's information technology systems suffer interruptions, failures or breaches, Kimberly-Clark's business operations could be disrupted and Kimberly-Clark could face financial and reputational damage.
- Kimberly-Clark may divest or acquire product lines or businesses, which could impact Kimberly-Clark's results.
- The spin-off of Kimberly-Clark's health care business could result in substantial tax liability to Kimberly-Clark and its shareholders.

2. **RISKS RELATED TO PARTICIPATION IN THE PLAN**

The risks related to participation in the Plan can be summarized as follows:

- Participation in the Plan is subject to the same risks as inherent to any investment in shares (such as movements in the stock exchange price of the shares). Share prices may go down, and the value of shares cannot be guaranteed.
- Participation in the Plan is subject to a currency risk (e.g. USD/EUR, USD/CZK or USD/GBP) that could adversely affect the amount invested in the Plan and anticipated profit resulting from participation in the Plan.
- The possible tax and/or social security consequences of participation in the Plan could adversely affect the anticipated profit resulting from participation in the Plan.
- The Company may determine that a subsidiary shall cease to be a Participating Company.
- The rules of the Plan may be amended (within certain limits) by the European HR Policy Council.
- There may be a delay between the date of the contributions made by participants and the actual investment of these contributions by the Administrator in the purchase of the Company's stock on the New York Stock Exchange.
- The Shares of the Company are listed on the New York Stock Exchange only and not on a regulated market of the European Economic Area.

CHAPTER B GENERAL INFORMATION

1. INFORMATION CONCERNING RESPONSIBILITY FOR THE PROSPECTUS

Kimberly-Clark Europe Limited, a company incorporated and existing under the laws of England, having its registered office at 40 London Road, Reigate, Surrey RH2 9QP, United Kingdom, represented by its board of directors, assumes responsibility for the prospectus.

Kimberly-Clark Europe Limited declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

2. APPROVAL OF THE PROSPECTUS

On 8 September 2015, the Belgian Financial Services and Markets Authority (the "FSMA") approved this prospectus in accordance with article 23 of the Law of 16 June 2006 relating to public offers of securities and to the admission to trading of securities on regulated markets. The FSMA's approval does not imply any judgment on the merits or the quality of the offer or the offered Shares, nor of the status of the Company.

This prospectus is for use solely in connection with offerings under the Plan to certain employees of Kimberly-Clark in certain jurisdictions within the European Economic Area. This prospectus is not to be distributed in any other jurisdiction and is not to be used in connection with any offer of, or any invitation or solicitation by or on behalf of the Company or any of its affiliates to subscribe for or purchase securities in any other jurisdiction.

This prospectus has not been submitted to the review or registration procedures of the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended, or to any other regulatory authority outside of the European Economic Area.

The distribution of this prospectus and the offer of the Shares under the Plan may be restricted by law in certain jurisdictions. Kimberly-Clark requires persons into whose possession this prospectus comes to inform Kimberly-Clark about and to observe any such restrictions. This prospectus does not constitute an offer to sell, or an invitation to purchase, the Shares in connection with Kimberly-Clark's employee share plans in any jurisdiction in which such offer or invitation would be unlawful.

3. AVAILABILITY OF THE PROSPECTUS

This prospectus will be made available to employees of the European Economic Area subsidiaries of the Company based in countries in which offerings under the Plan are considered public offerings, subject to the laws applicable in each country, at the respective head offices of their employers. In addition, this prospectus along with summary translations (as applicable) will be posted on the intranet of Kimberly-Clark, and free copies will be available to the employees upon request by contacting the human resources departments of their employers.

4. FURTHER INFORMATION

Further information about Shareplus-Europe and Shareplus-UK is set forth in the Kimberly-Clark Shareplus Plan (**Exhibit V**), the Trust Deed and Rules of Kimberly-Clark Shareplus UK (**Exhibit VI**), the Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey) (**Exhibit VII**) and the Trust Deed of the Kimberly-Clark Employee Share Trust (UK) (**Exhibit VIII**). Please also refer to the resolution approving amendments to the rules of the Kimberly-Clark Shareplus and Shareplus-UK plans (**Exhibit IX**).

The Company's internet address is www.kimberly-clark.com. More detailed information about the Company, including information about its charter documents, its businesses and the Company's SEC reports, can be accessed free of charge through the Investor Relations section of the Company's website (<http://www.kimberly-clark.com/investors/>).

CHAPTER C INFORMATION CONCERNING THE OFFER

1. OUTLINE OF SHAREPLUS

1.1 Background and purpose

Shareplus was authorized and agreed by the Chief Executive Officer and Chief Operating Officer of the Company on 6 September 2001, in accordance with the authority granted to them by the Board of Directors of the Company. The Plan will continue to operate until 9 May 2082, unless terminated earlier by resolution of the Board of Directors of the Company.

The Plan was adopted to provide an opportunity for the Eligible Employees of the Participating Companies to purchase Shares through payroll deductions and to receive free shares, the Matching Shares, in proportion to the purchased shares after having held them for a certain period of time. The employees thereby have an additional incentive to contribute to the Company's success.

In 2002, the Company filed a registration statement on Form S-8 with the SEC registering 500,000 Shares under the Plan and on 18 September 2009, the Company filed a subsequent registration statement registering additional 500,000 Shares. The aggregate number of Shares offered for purchase under the Plan is 661,140 Shares, subject to the provisions in relation to adjustments to such number in the event of certain fundamental changes in the amount (or kind) of Shares. The Shares have been created under the laws of the State of Delaware, USA. Each Share has a par value of USD 1.25.

1.2 Eligible Employees

All full-time and part-time employees being actively paid by the payroll of a Participating Company are eligible to participate in the Plan. There is no qualifying period of employment. Expatriates participate through their home country (they cannot participate if their home country is not participating even if they are located in a participating country). Temporary workers (employed by a third party), contractors and suppliers cannot participate in the Plan.

1.3 Invitation to participate

Eligible Employees may be invited by Kimberly-Clark to participate in the Plan at any time and at Kimberly-Clark's sole discretion. The invitations to participation are normally issued on a continuing basis, but there exists no obligation for Kimberly-Clark to do so. An Eligible Employee who starts employment with a Participating Company is typically given an invitation as soon as administratively possible after the date of commencement of his employment.

These invitations (the "**Letter of Offer**") shall enclose, among other items, the draft agreement that will set out the terms of participation in the Plan (the "**Partnership Share Agreement**"). Eligible Employees who have received a Letter of Offer and who wish to participate in the Plan should return the Partnership Share Agreement, duly signed, within the date specified in the Letter of Offer. Upon receipt of the Partnership Share Agreement by the Company, they become "**Participating Employees**". The Partnership Share Agreement, duly signed, is collected by (or on behalf of) the Participating Company and sent to the Company.

1.4 Administrator

The Plan is set up under a trust and Kimberly-Clark has appointed an independent company, Computershare Plan Managers ("**Computershare**"), The Pavilions, Bridgwater Road, Bristol, BS13 8AE, United Kingdom, to be the external trustee and administrator of the Plan. It is their responsibility to administer the Plan in line with its rules.

1.5 Acquisition and award of shares

(a) *Monthly contributions by Participating Employees*

The Partnership Share Agreement shall include an agreement by the Participating Employee to make regular monthly contributions, via payroll, under the Plan.

The Participating Employee shall state the monthly contributions that he/she wishes to make. The minimum investment per employee will be the local currency equivalent of approximately USD 15 per month. For the minimum contribution on a country-by-country basis, please refer to Chapter C section 3 (*Regional Variations*). The maximum investment per employee will be 4 per cent. of the employee's gross salary (excluding bonuses, overtime payments, and benefits in kind). If the minimum investment is actually more than 4 per cent. of the employee's pay, he/she can still invest the minimum amount (but will not be allowed to invest more than that).

This monthly contribution shall be paid to the Administrator by the employer of the Participating Employee in accordance with the instructions of the Participating Employee. The Administrator shall keep this money on behalf of the Participating Employee and shall use it for the acquisition of Partnership Shares.

The Partnership Share Agreement shall include a provision allowing the Participating Employee to stop the monthly contributions at any time. The employee may, however, do so only after having notified the Participating Company.

After having given such a notice, the employee may re-start the monthly contributions in the same calendar year, although the payments that have been missed in the interim period may not be made up.

The Participating Employee is also entitled under the Partnership Share Agreement to vary his monthly contributions. Having said that, subject to a Participating Employee's right to stop purchasing Shares at any time, only two events of starting, stopping or varying are permitted in each calendar year. The Company has the discretion to allow further events in particular circumstances.

(b) *Acquisition of Partnership Shares*

The Partnership Shares will be bought and kept by the Administrator on behalf of the Participating Employees. On a monthly basis, the Administrator shall use the money transferred to it by the Participating Employees to purchase and allocate the Partnership Shares on behalf of the Participating Employees.

Whilst the employees make contributions in local currency, the Shares are denominated in US Dollars. Therefore, the employees' contributions will be converted into US Dollars prior to Shares being purchased. The Administrator collects the employees' contributions in a local currency collection account prior to the share purchase on the 5th calendar day of each month. The employer of the Participating Employees transfers the employees' contributions in bulk to the Administrator in local currency at least 5 working days before the purchase date. The exchange rate to US Dollars is then applied at the same time for all funds in each local currency collection account before the Shares are purchased.

On or as soon as possible after the 5th calendar day of the month, the Administrator will instruct the Plan stockbroker to invest all Plan contributions in the purchase of Shares on the New York Stock Exchange. In practice, and to be consistent each month, the Partnership Shares shall be purchased as close as possible to the opening of the New York Stock Exchange on the acquisition date (5th calendar day) each month. The Partnership Shares will be purchased in the market and there will therefore be no dilution of existing shareholders.

The number of Partnership Shares to be acquired shall be determined in accordance with the market value of Shares at that time. Whole Shares and fractional Shares (to five decimal places) will be allocated to the Participating Employees' accounts, ensuring that the total contribution for each Participant is fully invested, to the nearest cent. In the event that any sum of money from the contribution remains unused for the acquisition of Partnership Shares, it may be retained by the Administrator to the Participating Employee's account and added to his next contribution.

Any interest earned from the Participating Employees' contributions does not belong to the Participating Employees but is instead used to meet the expenses of the trust.

(c) *Award of Matching Shares*

After holding the Partnership Shares for a certain period of time (the "**Holding Period**"), the Participating Employee shall be granted free shares, the Matching Shares, in proportion to the Partnership Shares acquired by him.

The Matching Shares are awarded on the basis of one share for every two Shares that the Participating Employee has bought (i.e. for every two Partnership Shares).

The number of Matching Shares that each Participating Employee is entitled to receive is calculated twice per year, on 1 January and 1 July (the "**Calculation Date**"). However, the Matching Shares are only effectively awarded one year after the Calculation Date (i.e. the "**Vesting Date**"). Participating Employees must hold the Participating Shares that entitle them to receive the Matching Shares until the Matching Shares are vested. In other words, a Participating Employee loses the right to the Matching Shares if he/she sells or transfers the Partnership Shares to which they relate before or within a year of the Calculation Date. Similarly, if a Participating Employee leaves the Kimberly-Clark group, he/she will lose any Matching Shares that have not been awarded.

As the Matching Shares are calculated at six monthly intervals and only vest one year later, the Holding Period for Partnership Shares is between 1 year and 18 months to receive the Matching Shares. In some circumstances, the Holding Period does not apply.

Note that a different Holding Period applies in Shareplus-UK. This is set out in more detail in Chapter C section 2 (*Specific provisions for Shareplus-UK*).

1.6 Direct reinvestment of dividends: Dividend Shares

All dividends payable in respect of Shares acquired or received under the Plan will be directly reinvested by the Administrator in additional Shares of the Company on behalf of Participating Employees. These further Shares are known as Dividend Shares. The Dividend Shares are purchased on the 5th calendar day of the following month.

Dividends are only due on Shares that the Participating Employee fully owns. Dividends are therefore not due on Matching Shares before they have vested.

Dividend Shares do not qualify for additional Matching Shares.

1.7 Rights of the Shares under the Plan

All shares issued under the Plan shall as to voting, dividend, transfer and other rights rank equally in all respects with all other Shares then in issue.

The Participating Employee will receive all rights as to voting, dividend transfer and other rights in respect of Partnership Shares from the acquisition date and in respect of Matching Shares and Dividend Shares from the respective award date.

There exist no restrictions on their transfer, other than the sale restrictions imposed under the Plan.

1.8 Sale restrictions

The Partnership Shares can in principle be sold immediately (although the Partnership Shares under Shareplus-UK have to be held for 3 years to benefit from partial tax relief and for 5 years for full tax relief; see Chapter C section 2 (*Specific provisions for Shareplus-UK*) for more information).

The Matching Shares can in principle be sold as of the Vesting Date. However, in Belgium, Italy and Spain, the Matching Shares must not be sold for a certain period of time (2 or 3 years, as the case may be) to benefit from (partial) tax relief. In addition, for Matching Shares under Shareplus-UK, there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full tax relief. For further details, please refer to Chapter C section 3 (*Regional Variations*) below.

1.9 Cessation of participation in the Plan

(a) *General*

A Participating Employee may stop his monthly contribution and acquisition of Partnership Shares at any time after having given notice to the relevant Participating Company (*i.e.* his employer).

After having given such a notice, the employee may restart his participation in the Plan, although the payments that have been missed in the interim period may not be made up.

A Participating Employee may withdraw any or all of his Partnership Shares from the Plan at any time.

Subject to the sale restrictions mentioned above, a Participating Employee may direct the Administrator to transfer to him the legal ownership of the Partnership Shares, the Matching Shares (after the Vesting Date) and the Dividend Shares, as well as any money held on his behalf, at any time. He may also ask the Administrator to sell his Shares and send him the cash proceeds after deduction of the expenses of the sale.

The relevant Participating Company, *i.e.* the employer of a Participating Employee, will be entitled to withhold, and the Participating Employee will be obliged to pay, the amount of tax or any social security contributions or other regulatory payments which may be payable by or on behalf of such Participating Employee in connection with the award of Shares. For more details on the tax consequences, please refer to **Exhibit X** of this prospectus.

Any direction given by a Participating Employee must be in the form set out by the rules of the Plan (see **Exhibits V and VI**).

(b) *Termination of employment*

In the event of a Participating Employee ceasing to be employed by the Participating Company in any circumstances, his Shares (as described below) and money held on his behalf by the Administrator will be transferred to him as soon as practicable after such cessation.

A Participating Employee who ceases employment may also ask the Administrator to sell his Shares and send him the cash proceeds, after deduction of the expenses of sale.

Unless the employment ceases for one of the reasons laid down in the next paragraph, a Participating Employee who ceases employment during the Holding Period will lose any entitlement to receive any corresponding Matching Shares.

However, if the cessation of employment occurs by reason of:

- injury, disability (in each case as defined in the country in which the Participating Employee is employed); or
- redundancy or its equivalent in accordance with the laws and practices of the country in which the Participating Employee is employed, and as determined by the Company; or
- a change of control or other circumstances resulting in the Participating Company ceasing to be a member of the Kimberly-Clark group; or
- the sale of a business or part of a business of a Participating Company in such circumstances that employees retain their existing employment rights in accordance with the legislation in their country of residence; or
- retirement in accordance with the laws and practices of the country in which the Participating Employee is employed; or
- death,

the Holding Period will come to an end on the date of cessation and the Participating Employee or his estate will receive the corresponding Matching Shares on that date.

If a Participating Employee ceases to be employed by a Participating Company in one country and commences employment with a Participating Company in another country, the Holding Period will come to an end on the date of cessation and the Participating Employee will receive the corresponding Matching Shares on that date in accordance with the Plan rules.

1.10 Takeovers

If any person obtains control of the Company as a result of making a general offer to acquire the whole of the issued share capital of the Company, the European HR Policy Council will, as soon as practicable, give notice to all Participating Employees of the choices available to them.

1.11 Administration and Alterations

The Company shall have at any time power to make and vary such regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan as it thinks fit.

The Company shall have at any time power to decide that any subsidiary over which it has control shall become a Participating Company for the purposes of the Plan. Any such subsidiary shall cease to be a Participating Company as from such date as the Company may so determine and shall be deemed not to be a Participating Company as from the date on which the Company ceases to have control of the subsidiary.

The Plan rules may be altered by the European HR Policy Council **provided that**:

- no alteration which would adversely affect the rights of any Participating Employee in respect of Shares already acquired or awarded under the Plan shall be effective; and
- no alteration may be made which would alter the fundamental purpose of the Plan (subject to the rights of the Company to terminate the Plan).

The Company, the relevant Participating Company, and, where appropriate, the Administrator, may do all such acts and things as they may agree to rectify any error or omission, including any error or omission or as a result of which any Eligible Employee is not included in an award of Matching Shares, notwithstanding that such action may fall outside the time limits or otherwise conflict with the provisions of the Plan rules, **provided always that** the limits of subscribed Shares set out in the Plan rules would not thereby be exceeded.

Kimberly-Clark will meet the cost of purchasing Shares and any associated administration charges whilst they remain held with Shareplus. Employees will be required to meet the cost of selling Shares. The cost of selling shares is a brokerage charge of 0.5% of the sale proceeds with a minimum of GBP 20 for Shareplus-UK (SIP) and USD 32 for Shareplus-Europe. This charge will be deducted from the employees' sale proceeds. The employees can sell their shares using the employee website provided by Computershare (the administrator) or by completing a paper sales form provided by Computershare. The website sales are done via Real Time Trading ensuring all participants in the plan can make informed decisions prior to electing to trade. The shares are always sold in the plan currency of USD. Upon converting the funds to the employees Computershare will convert the funds using guaranteed currency conversion fees. When converting the Shareplus-UK funds to GBP from USD a commission of 1.5% of the gross sale proceeds will be applied. When converting Shareplus-Europe funds to any global currency from USD a commission of 2.5% of the gross sale proceeds will be applied. The Shareplus-UK funds must be paid in GBP as this is a regulated approved plan. The Shareplus-Europe funds can be paid in any currency. If the participant wishes to receive their proceeds in USD no conversion costs are applied. The participant has this choice at the point of trading.

The costs of the preparation and administration of the Plan (other than the cost of selling Shares) are born by Kimberly Clark Europe Limited and will not be recharged to the Participating Companies. However, the costs of purchasing the Matching Shares will be recharged to the Participating Companies.

1.12 Miscellaneous

The total expenses of the offer are estimated at EUR 100,000.

The operation of the Plan is at the absolute discretion of the European HR Policy Council and its operation in any particular year or years shall not create any obligation to operate it in any other year or years.

In no circumstances shall any person who has ceased to be an employee of any Participating Company by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim against Kimberly-Clark or the Administrator any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan.

In case of disputes, the decision of the European HR Policy Council in any dispute or question affecting any Eligible Employee or Participating Employee under the Plan shall be final and conclusive.

Any notice or communication to be given by the Company or the Administrator to any Eligible Employee or Participating Employee, or vice versa, has to be given as set out in the Plan rules (see **Exhibit V**, section 20 (*Notices*)).

The Plan is governed by and shall be construed in accordance with the laws of England.

2. **SPECIFIC PROVISIONS FOR SHAREPLUS-UK**

For employees in the UK a separate format of the Plan is used, Shareplus-UK. Shareplus-UK is based on the same principles as Shareplus. The general rules are therefore the same as those applicable to Shareplus in general. The difference is that Shareplus-UK is a UK HMRC-approved share incentive plan (SIP) and offers tax advantages, including:

- companies receive corporation tax relief for the costs incurred in providing Matching Shares for employees;
- employees who keep their Shares in the SIP for five years pay no income tax or national insurance contributions on those Shares;
- employees who sell their Shares will be liable to capital gains tax only on any increase in the value of their Shares after they come out of the SIP.

Because these advantages are significant, there is a limit on the amount that can be invested. Under Shareplus-UK, the maximum investment per employee will be GBP 125 per month. However, the purpose of the SIP and Shareplus is that each employee globally should be able to contribute up to a maximum of 4 per cent. of salary. Therefore if a UK Eligible Employee is earning a salary of more than GBP 37,500 per annum he/she could top-up his/her maximum contribution of GBP 125/month under the SIP with an additional contribution under the general Shareplus plan, up to the overall 4 per cent. of his/her pay. This is called the Shareplus-UK top-up plan.

Shareplus-UK also utilises Partnership, Matching and Dividend Shares, but there are a number of different holding periods for the Shares in Shareplus-UK.

The number of Matching Shares that each Participating Employee is entitled to receive (on a 1-for-2 basis) is not calculated twice per year, but every month on the same day as the acquisition date of the Partnership Shares, and the Matching Shares are immediately awarded. In other words, there is no vesting period. However, the Partnership Shares have to be held for 1 year in order for a Participating Employee to keep the Matching Shares that were received when buying the Partnership Shares. Partnership Shares under Shareplus-UK have to be held for longer to benefit from tax relief: for 3 years to benefit from partial tax relief and for 5 years for full tax relief. See **Exhibit X**, section 7 (*United Kingdom*) for further details.

Matching Shares have to be held in Shareplus-UK for three years, and for longer to benefit from full income tax and national insurance relief. See **Exhibit X**, section 7 (*United Kingdom*) for further details.

Dividend Shares have to be held in Shareplus-UK for three years in order to benefit from tax relief.

These holding periods do not apply in case of termination of employment for the reasons set out in Chapter C section 1.9(b) above.

The Administrator administers Shareplus-UK as well as Shareplus.

3. REGIONAL VARIATIONS

The regional variations that are in place on a country-by-country basis within the Plan are summarized in the table below.

	UK (SIP)	Belgium	Netherlands	Germany	Czech Republic	Italy	Spain
Minimum investment	10 GBP	15 EUR	15 EUR	15 EUR	500 CZK	15 EUR	15 EUR
Calculation Matching Shares	Every month on the same day as the acquisition date	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates
Award Matching Shares	Immediately, every month	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date
Forfeiture period Matching Shares	1 year	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)
Sale restrictions	Partnership Shares under Shareplus-UK must not be sold for 3 years to benefit from partial tax relief; 5 years for full tax relief. For Matching Shares under Shareplus-UK,	Matching Shares must not be sold for 2 years to benefit from partial tax relief	None	None	None	Matching Shares must not be sold for 3 years to benefit from tax relief (holding on a voluntary basis)	Matching Shares must not be sold for 3 years to benefit from tax relief (holding on a voluntary basis)

	UK (SIP)	Belgium	Netherlands	Germany	Czech Republic	Italy	Spain
	there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full income tax and social security relief.						

4. TAX CONSEQUENCES

The tax consequences of participation in the Plan are set out in **Exhibit X**.

CHAPTER D GENERAL INFORMATION OF THE COMPANY

1. DESCRIPTION OF THE COMPANY

The name of the Company is Kimberly-Clark Corporation.

The Company was incorporated in Delaware in 1928. The Company is a global health and hygiene company focused on product innovation and building its personal care, consumer tissue, K-C Professional brand and health care brands. The Company is principally engaged in the manufacturing and marketing of a wide range of health and hygiene products around the world. Most of these products are made from natural or synthetic fibres using advanced technologies in fibres, nonwovens and absorbency. For further information regarding the Company's business, see **Exhibit I** hereto, notably pages 1 to 3.

The independent auditor of the Company is Deloitte & Touche LLP.

2. WORKING CAPITAL STATEMENT

The Company's management believes that the Company's ability to generate cash from operations and its capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends and other needs in the foreseeable future.

3. STATEMENT OF CAPITALISATION AND INDEBTEDNESS AS OF 31 DECEMBER 2014

(a) Capitalisation and Indebtedness (in millions of USD)

Total Current debt	1,326
(a) Guaranteed	-
(b) Secured	-
(c) Unguaranteed/Unsecured	1,326
Total Non - Current debt (excluding current portion of long-term debt)^(*)	5,702
(a) Guaranteed	-
(b) Secured	-
(c) Unguaranteed/Unsecured	5,702
Shareholder's Equity	729
(a) Share Capital	1,168
(b) Legal Reserve	-
(c) Other Reserves	-439
Total	7,757

(*) Includes Redeemable Preferred and Common Securities of Subsidiaries

(b) Net Indebtedness (in millions of USD)

A Cash	-
B Cash and equivalent ⁽¹⁾	789
C Trading securities	-
D Liquidity	789
E Current Financial Receivables⁽²⁾	130

F	Current Bank debt	-
G	Current portion of non current debt	549
H	Other current financial debt	777
I	Current Financial debt	1,326
J	Net Current Financial Indebtedness	407
K	Non Current Bank Loans	62
L	Bonds Issued	261
M	Other non-current Loans	5,928
N	Non- current Indebtedness	6,251
O	Net Financial Indebtedness	6,658

⁽¹⁾ Cash equivalents are short-term investments with original maturities of 90 days or less

⁽²⁾ *I.e.*, time deposits

There has been no material change in the information in the statement of capitalisation and indebtedness since 31 December 2014.

4. **TRENDS**

Information concerning the Company's trends is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2014 (attached hereto as **Exhibit I**), on pages 12-14 (*Overview of Business* and *Overview of 2014 Results*) and pages 24-25 (*Business Outlook*), as well as in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2015 (attached hereto as **Exhibit IV**), on page 21 (*Business Outlook*).

5. **FURTHER INFORMATION ABOUT THE COMPANY'S FINANCIAL CONDITION**

Further information about the Company's financial condition is available on the Company's website (<http://www.kimberly-clark.com>, under the headings "*Investors*" and "*Newsroom*").

6. **BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT**

6.1 Board of directors

The Company's board of directors comprises the following 11 directors (as at 31 July 2015):

Name	Function
Thomas J. Falk	Chairman of the board Executive Committee <i>Chairman of the Board and Chief Executive Officer Kimberley-Clark Corporation</i>
John F. Bergstrom	Audit Committee <i>Chairman and Chief Executive Officer Bergstrom Corporation</i>
Abelardo E. Bru	Management Development and Compensation Committee Chairman <i>Executive Committee Retired Vice Chairman PepsiCo, Inc.</i>
Robert W. Decherd	Audit Committee <i>Vice Chairman A.H. Belo Corporation</i>

Name	Function
Fabian T. Garcia	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>Chief Operating Officer, Global Innovation and Growth, Europe & Hill's Pet Nutrition, Colgate-Palmolive Company</i>
Mae C. Jemison, M.D	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>President The Jemison Group</i>
James M. Jenness	Lead Director Executive Committee Chairman <i>Retired Chairman of the Board and CEO Kellogg Company</i>
Nancy J. Karch	Audit Committee <i>Retired Director McKinsey & Company</i>
Ian C. Read	Nominating and Corporate Governance Committee Chairman Executive Committee <i>Chairman of the Board and Chief Executive Officer Pfizer, Inc.</i>
Linda Johnson Rice	Audit Committee <i>Chairman Johnson Publishing Company, Inc.</i>
Marc J. Shapiro	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>Retired Vice Chairman JPMorgan Chase & Co.</i>

6.2 Executive management

The Company's executive officers are as follows (as at 31 July 2015):

Name	Function
Thomas J. Falk	Chairman of the Board and Chief Executive Officer
Thomas J. Mielke	Senior Vice President – General Counsel
Anthony J. Palmer	President of Global Brands and Innovation
Maria Henry	Senior Vice President and Chief Financial Officer
Mark A. Buthman	Executive Vice President
Elane B. Stock	Group President Kimberly-Clark International
Lizanne C. Gottung	Senior Vice President and Chief Human Resources Officer
Kimberly K. Underhill	President – Kimberly-Clark Professional
Sandra MacQuillan	Senior Vice President and Chief Supply Chain Officer
Michael Hsu	Group President – Kimberly-Clark North America
Todd Yost	Vice President, Corporate Strategy

6.3 Certain additional information regarding the Company's directors and executive officers

For at least the last five years, none of the directors or executive officers of the Company named in Chapter D sections 6.1 (*Board of Directors*) and 6.2 (*Executive Management*) above has:

- (a) been convicted in relation to fraudulent offences;

- (b) been associated with any bankruptcies, receiverships or liquidations when acting in their capacity of directors or executive officers; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

There are no family relationships between any of the directors and executive officers named in Chapter D sections 6.1 (*Board of Directors*) and 6.2 (*Executive Management*) above.

More detailed information about the Company's directors and executive officers as of 31 December 2014, including information about their previous functions, conflicts of interest and the shareholdings and stock options with respect to these persons, is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2014 (attached hereto as **Exhibit I**), on pages 8-9 (*Executive Officers of the Registrant*), as well as in the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on 9 March 2015 (attached hereto as **Exhibit II**) on pages 11-12 (*Director Independence*), 22-27 (*The Nominees*), 28 (*Director compensation*), 29-30 (*2014 Outside Director Compensation*), 37-63 (*Compensation Discussion and Analysis*), 64-85 (*Compensation Tables*) and 88-92 (*Other Information*).

7. DIVIDEND POLICY

The amount of dividend per share from 2010 to 2014 as included in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2014 (attached hereto as **Exhibit I**) is set forth below.

	Year Ended 31 December				
	2014	2013	2012	2011	2010
	<i>(in USD)</i>				
Cash Dividends Per Share					
Declared.....	3.36	3.24	3.96	2.80	2.64
Paid.....	3.33	3.17	2.92	2.76	2.58

Dividend payout has increased from USD 0.84 per quarter for 2014 to USD 0.88 per quarter for 2015, based on the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2015 (attached hereto as **Exhibit IV**). This represents an increase of 4.8 per cent.

8. LEGAL AND ARBITRATION PROCEEDINGS

Information on any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is subject, as at 31 December 2014 is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2014 (attached hereto as **Exhibit I**) on pages 8 (*Legal Proceedings*), 24 (*Legal Matters*) and 49 (*Legal Matters*). No other legal proceeding pending on that date, to the extent not previously provided for, were expected to have a material adverse effect.

9. CHANGE IN THE ISSUER'S FINANCIAL OR TRADING POSITION

There have been no material changes in the Company's financial or trading position since the end of the second quarterly period of 2015 ended on 30 June 2015.

EXHIBIT I ANNUAL REPORT OF THE ISSUER ON FORM 10-K FOR THE FISCAL YEAR ENDED 31 DECEMBER 2014, FILED WITH THE SEC ON 18 FEBRUARY 2015



2014 Annual Report
on Form 10-K

Kimberly-Clark Corporation

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

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2014

or

Transition Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____



Kimberly-Clark Corporation

KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-225
(Commission file number)

39-0394230
(I.R.S. Employer Identification No.)

P.O. Box 619100, Dallas, Texas
(Address of principal executive offices)

75261-9100
(Zip code)

Registrant's telephone number, including area code: (972) 281-1200

Securities registered pursuant to Section 12(b) of the Act:

Common Stock—\$1.25 Par Value
(Title of each class)

New York Stock Exchange
(Name of each exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates on June 30, 2014 (based on the most recent closing stock price on the New York Stock Exchange as of such date) was approximately \$41.6 billion.

As of February 11, 2015, there were 365,468,649 shares of Kimberly-Clark common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information contained in the definitive Proxy Statement for Kimberly-Clark's Annual Meeting of Stockholders to be held on April 30, 2015 is incorporated by reference into Part III.

KIMBERLY-CLARK CORPORATION

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ITEM 1. BUSINESS

Kimberly-Clark Corporation was incorporated in Delaware in 1928. We are a global company focused on leading the world in essentials for a better life through product innovation and building our personal care, consumer tissue and K-C Professional brands. We are principally engaged in the manufacturing and marketing of a wide range of products mostly made from natural or synthetic fibers using advanced technologies in fibers, nonwovens and absorbency. Unless the context indicates otherwise, the terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

For financial information by business segment and geographic area, including revenue, profit and total assets of each reportable segment, and information about our principal products and markets, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") and Item 8, Note 18 to the Consolidated Financial Statements.

Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted. Kimberly-Clark's prior period Consolidated Income Statements and related disclosures have been recast to present the results of the spun-off health care business (see further discussion below) as discontinued operations. Segment results have also been recast to present net sales and operating profit by segment on a continuing operations basis.

Recent Developments

Spin-off of Health Care Business

On October 31, 2014 (the "Distribution Date"), we completed the spin-off of our health care business, creating a stand-alone, publicly traded health care company, Halyard Health, Inc. ("Halyard"), with approximately \$1.7 billion in annual net sales. On the Distribution Date, each of our shareholders of record as of the close of business on October 23, 2014 (the "Record Date") received one share of Halyard common stock for every 8 shares of our common stock held as of the Record Date. The distribution was structured to be tax free to our U.S. shareholders for U.S. federal income tax purposes. Halyard's common stock trades on the New York Stock Exchange under the symbol "HYH." After the distribution, we do not beneficially own any shares of Halyard common stock.

The spun-off health care business is presented as discontinued operations in the Consolidated Income Statement for all periods presented. The health care business' balance sheet, other comprehensive income and cash flows are included within our Consolidated Balance Sheet, Consolidated Statement of Stockholders' Equity, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement through October 31, 2014. See additional information related to the impact of the spin-off in Item 8, Note 2 to the Consolidated Financial Statements.

2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The restructuring is expected to be completed by the end of 2016, with total costs anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Workforce reductions are expected to be in the range of 1,100 to 1,300 and primarily impact salaried employees. The restructuring is expected to impact all of our business segments and our organizations in all major geographies. See additional information in MD&A and Item 8, Note 3 to the Consolidated Financial Statements.

Remeasurement of Venezuela Balance Sheet

We remeasured our local currency-denominated balance sheet in Venezuela as of December 31, 2014 at the year end floating SICAD II exchange rate of 50 bolivars per U.S. dollar, resulting in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014. Prior to December 31, 2014, we measured results in Venezuela at the official exchange rate of 6.3 bolivars per U.S. dollar. See additional information in MD&A and Item 8, Note 1 to the Consolidated Financial Statements.

Description of Kimberly-Clark

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments. Information on these three segments, as well as their principal sources of revenue, is included below.

- *Personal Care* brands offer parents a trusted partner in caring for their families and deliver confidence, protection and discretion to adults through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional ("KCP")* helps transform workplaces for employees and patrons, making them healthier, safer and more productive, through a range of solutions and supporting products such as apparel, wipers, soaps, sanitizers, tissue and towels. Key brands in this segment include Kleenex, Scott, WypAll, Kimtech and Jackson Safety.

These reportable segments were determined in accordance with how our chief operating decision maker and our executive managers develop and execute our global strategies to drive growth and profitability of our worldwide personal care, consumer tissue and KCP operations. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management and capacity and capital investments for each of these businesses.

Products for household use are sold directly to supermarkets, mass merchandisers, drugstores, warehouse clubs, variety and department stores and other retail outlets, as well as through other distributors and e-commerce. Products for away-from-home use are sold through distributors and directly to manufacturing, lodging, office building, food service, and high volume public facilities.

Net sales to Wal-Mart Stores, Inc. were approximately 13% in 2014, 2013 and 2012.

Patents and Trademarks

We own various patents and trademarks registered domestically and in many foreign countries. We consider the patents and trademarks that we own and the trademarks under which we sell certain of our products to be material to our business. Consequently, we seek patent and trademark protection by all available means, including registration.

Raw Materials

Cellulose fiber, in the form of kraft pulp or fiber recycled from recovered waste paper, is the primary raw material for our tissue products and is a component of disposable diapers, training and youth pants, feminine pads and incontinence care products.

Polypropylene and other synthetics and chemicals are the primary raw materials for manufacturing nonwoven fabrics, which are used in disposable diapers, training and youth pants, wet wipes, feminine pads, incontinence products, and away-from-home wipers. Superabsorbent materials are important components of disposable diapers, training and youth pants and incontinence care products.

Raw materials are purchased from third parties, and we consider the supply to be adequate to meet the needs of our businesses. See Item 1A, "Risk Factors."

Competition

We have several major competitors in most of our markets, some of which are larger and more diversified than us. The principal methods and elements of competition include brand recognition and loyalty, product innovation, quality and performance, price, and marketing and distribution capabilities. For additional discussion of the competitive environment in which we conduct our business, see Item 1A, "Risk Factors."

Research and Development

Research and development expenditures are directed toward new or improved personal care, tissue, wiping, safety and nonwoven materials. Consolidated research and development expense was \$368 in 2014, \$333 in 2013 and \$335 in 2012.

Foreign Market Risks

We operate and market our products globally, and our business strategy includes targeted growth in Asia, Latin America, Eastern Europe, the Middle East and Africa, with a particular emphasis in China, Eastern Europe and Latin America. See Item 1A, "Risk Factors" for a discussion of foreign market risks that may affect our financial results.

Environmental Matters

Total worldwide capital expenditures for voluntary environmental controls or controls necessary to comply with legal requirements relating to the protection of the environment at our facilities are expected to be as follows:

	2015	2016
Facilities in U.S.	\$ 9	\$ 2
Facilities outside U.S.	41	10
Total.....	<u>\$ 50</u>	<u>\$ 12</u>

Total worldwide operating expenses for environmental compliance, including pollution control equipment operation and maintenance costs, governmental payments, and research and engineering costs are expected to be as follows:

	2015	2016
Facilities in U.S.	\$ 67	\$ 70
Facilities outside U.S.	58	62
Total.....	<u>\$ 125</u>	<u>\$ 132</u>

Total environmental capital expenditures and operating expenses are not expected to have a material effect on our total capital and operating expenditures, consolidated earnings or competitive position. Current environmental spending estimates could be modified as a result of changes in our plans, changes in legal requirements, including any requirements related to global climate change, or other factors.

Employees

In our worldwide consolidated operations, we had approximately 43,000 employees as of December 31, 2014.

Available Information

We make financial information, news releases and other information available on our corporate website at www.kimberly-clark.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge on this website as soon as reasonably practicable after we file these reports and amendments with, or furnish them to, the Securities and Exchange Commission ("SEC"). The information contained on or connected to our website is not incorporated by reference into this Annual Report on Form 10-K and should not be considered part of this or any other report filed with the SEC. Stockholders may also contact Stockholder Services, P.O. Box 612606, Dallas, Texas 75261-2606 or call 972-281-1522 to obtain a hard copy of these reports without charge.

ITEM 1A. RISK FACTORS

Our business faces many risks and uncertainties that we cannot control. Any of the risks discussed below, as well as factors described in other places in this Form 10-K, or in our other filings with the SEC, could adversely affect our business, consolidated financial position, results of operations or cash flows. In addition, these items could cause our future results to differ from those in any of our forward-looking statements. These risks are not the only ones we face. Other risks that we do not presently know about or that we presently believe are not material could also adversely affect us.

Intense competition for sales of our products, changes in consumer purchasing patterns and the inability to innovate or market our products effectively could have an adverse effect on our financial results.

We operate in highly competitive domestic and international markets against well-known, branded products and low-cost or private label products. Inherent risks in our competitive strategy include uncertainties concerning trade and consumer acceptance, the effects of consolidation within retailer and distribution channels, and competitors' actions. Our competitors for these markets include global, regional and local manufacturers, including private label manufacturers. Some of these competitors may have

better access to financial resources and greater market penetration, which enable them to offer a wider variety of products and services at more competitive prices. Alternatively, some of these competitors may have significantly lower product development and manufacturing costs, particularly with respect to private label products, allowing them to offer products at a lower price. The actions of these competitors could adversely affect our financial results. It may be necessary for us to lower prices on our products and increase spending on advertising and promotions, which could adversely affect our financial results.

We may be unable to anticipate or adequately respond to changes in consumer demand for our products. Demand for our products may change based on many factors, including shifting consumer purchasing patterns to lower cost options such as private-label products and mid to lower-tier value products, low birth rates in certain countries due to slow economic growth or other factors, negative consumer response to pricing actions or changes in consumer trends or habits. If we experience lower sales due to changes in consumer demand for our products, our earnings could decrease.

Our ability to develop new products is affected by whether we can successfully anticipate consumer needs and preferences, develop and fund technological innovations, and receive and maintain necessary patent and trademark protection. In addition, we incur substantial development and marketing costs in introducing new and improved products and technologies. The introduction of a new consumer product (whether improved or newly developed) usually requires substantial expenditures for advertising and marketing to gain recognition in the marketplace. If a product gains consumer acceptance, it normally requires continued advertising and promotional support to maintain its relative market position. Some of our competitors may spend more aggressively on advertising and promotional activities, introduce competing products more quickly and respond more effectively to changing business and economic conditions. We may not be successful in developing new or improved products and technologies necessary to compete successfully in the industry, and we may not be successful in advertising, marketing, timely launching and selling our products.

Our international operations are subject to foreign market risks, including foreign exchange risk, currency restrictions and political, social and economic instability, which may adversely affect our financial results.

Our strategy includes growing our operations outside the U.S., especially in developing markets such as China, Latin America and Eastern Europe. More than half of our net sales are generated from markets outside the U.S. We and our equity companies have manufacturing facilities in 38 countries, with products sold in more than 175 countries. Our results may be substantially affected by a number of foreign market risks:

- Exposure to the movement of various currencies against each other and the U.S. dollar. A portion of the exposures, arising from transactions and commitments denominated in non-local currencies, is systematically managed through foreign currency forward and swap contracts. We do not generally hedge our translation exposure with respect to foreign operations.
- Increases in dollar-based input costs for operations outside the U.S. due to weaker foreign exchange rates versus the U.S. dollar. There can be no assurance that we will be protected against substantial foreign currency fluctuations.
- Increases in currency exchange restrictions. These restrictions could limit our ability to repatriate earnings from outside the U.S.
- Adverse political conditions. Risks related to political instability, expropriation, new or revised legal or regulatory constraints, difficulties in enforcing contractual and intellectual property rights, and potentially adverse tax consequences would adversely affect our financial results.

The inability to effectively manage foreign market risk could adversely affect our business, consolidated financial condition, results of operations or liquidity. See Recent Developments, MD&A and Item 8, Note 1 for information about the effects of currency restrictions and related exposures in Venezuela.

Increasing dependence on key retailers in developed markets and the emergence of new sales channels may adversely affect our business.

Our products are sold in a highly competitive global marketplace, which continues to experience increased concentration and the growing presence of large-format retailers and discounters. With the consolidation of retail trade, especially in developed markets such as the U.S., Europe and Australia, we are increasingly dependent on key retailers, and some of these retailers, including large-format retailers, may have significant bargaining power. They may use this leverage to demand higher trade discounts or allowances which could lead to reduced profitability. We may also be negatively affected by changes in the policies of our retail trade customers,

such as inventory de-stocking, limitations on access to shelf space, delisting of our products, additional requirements related to safety, environmental, social and other sustainability issues, and other conditions. If we lose a significant customer or if sales of our products to a significant customer materially decrease, our business, financial condition and results of operations may be adversely affected. In addition, the emergence of new sales channels may affect customer preferences and market dynamics and could adversely impact our financial results. These new channels include sales of consumer and other products via e-commerce, as well as the growth of large-format retailers and discounters that exclusively sell private-label products.

Significant increases in prices for raw materials, energy, transportation and other necessary supplies and services, without corresponding increases in our selling prices, could adversely affect our financial results.

Increases in the cost and availability of raw materials, including pulp and petroleum-based materials, the cost of energy, transportation and other necessary services, supplier constraints, an inability to maintain favorable supplier arrangements and relations or an inability to avoid disruptions in production output could have an adverse effect on our financial results.

Cellulose fiber, in the form of kraft pulp or recycled fiber from recovered waste paper, is used extensively in our tissue products and is subject to significant price fluctuations. Cellulose fiber, in the form of fluff pulp, is a key component in our personal care products. In recent years, pulp prices have experienced significant volatility, and this volatility is expected to continue. Increases in pulp prices or limits in the availability of recycled fiber could adversely affect our earnings if selling prices for our finished products are not adjusted or if these adjustments significantly trail the increases in pulp prices. We have not used derivative instruments to manage these risks.

A number of our products, such as diapers, training and youth pants, feminine pads, incontinence care products and disposable wipes, contain certain materials that are principally derived from petroleum. These materials are subject to price fluctuations based on changes in petroleum prices, availability and other factors, with these prices experiencing significant volatility in recent years. We purchase these materials from a number of suppliers. Significant increases in prices for these materials could adversely affect our earnings if selling prices for our finished products are not adjusted, if these adjustments significantly trail the increases in prices for these materials, or if we do not utilize lower priced substitutes for these materials. Generally, we have not used derivative instruments to manage these risks.

Our manufacturing operations utilize electricity, natural gas and petroleum-based fuels. To ensure we use all forms of energy efficiently and cost-effectively, we maintain energy efficiency improvement programs at our manufacturing sites. Our contracts with energy suppliers vary as to price, payment terms, quantities and duration. Our energy costs are also affected by various market factors including the availability of supplies of particular forms of energy, energy prices and local and national regulatory decisions (including actions taken to address climate change and related market responses). There can be no assurance that we will be fully protected against substantial changes in the price or availability of energy sources. We use derivative instruments to manage a portion of natural gas price risk in accordance with our risk management policy.

Disruption in our supply chain or the failure of third-party providers to satisfactorily perform could adversely impact our operations.

We operate on a global scale and therefore our ability to manufacture, distribute and sell products is critical to our operations. These activities are subject to inherent risks such as natural disasters, power outages, fires or explosions, labor strikes, terrorism, pandemics, import restrictions, regional economic, business, environmental or political events, governmental regulatory requirements or nongovernmental voluntary actions in response to global climate change or other concerns regarding the sustainability of our business, which could impair our ability to manufacture or sell our products. This interruption, if not mitigated in advance or otherwise effectively managed, could adversely impact our business, financial condition and results of operations, as well as require additional resources to address.

In addition, third parties manufacture some of our products and provide certain administrative services. Disruptions or delays at these third-party manufacturers or service providers due to the reasons above or the failure of these manufacturers or service providers to otherwise satisfactorily perform, could adversely impact our operations, sales, payments to our vendors, employees, and others, and our ability to report financial and management information on a timely and accurate basis.

There is no guarantee that our ongoing efforts to reduce costs will be successful.

We continue to implement plans to improve our competitive position by achieving cost reductions in our operations, including implementing restructuring programs in functions or areas of our business where we believe such opportunities exist. In addition, we expect ongoing cost savings from our continuous improvement activities. We anticipate these cost savings will result from

reducing material costs and manufacturing waste and realizing productivity gains, distribution efficiencies and overhead reductions in each of our business segments and in our corporate functions. If we cannot successfully implement our cost saving and restructuring plans, we may not realize all anticipated benefits. Any negative impact these plans have on our relationships with employees or customers or any failure to generate the anticipated efficiencies and savings could adversely affect our financial results.

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The successful implementation of this program presents significant organizational challenges, including successfully managing the relationship with Halyard, and we may not be able to realize all of the expected benefits of the program. Any failure to implement our restructuring plan in accordance with our expectations could adversely affect our business, results of operations, cash flows and financial condition.

New or revised future legal or regulatory requirements, potential litigation or administrative actions, or tax matters could have an adverse effect on our financial results.

As a global company, we are subject to many laws and governmental regulations, including regulations by the U.S. Food and Drug Administration and comparable foreign agencies, as well as potential litigation or administrative actions. Additionally, our sales and results of operations may be adversely impacted by new or revised legal requirements, including excise or other taxes, financial reform legislation and regulations, export control and foreign sanctions legislation, and climate change and other environmental legislation and regulations. The costs and other effects of pending litigation and administrative actions against us and new legal requirements cannot be determined with certainty. For example, new legislation or regulations may result in increased costs to us, directly for our compliance or indirectly to the extent suppliers increase prices of goods and services because of increased compliance costs or reduced availability of raw materials. Adverse regulatory action, including a recall, regulatory or other governmental investigation, or product liability or other litigation may adversely affect our financial condition and business operations.

We are subject to income tax requirements in various jurisdictions in the U.S. and internationally. Many of these jurisdictions face budgetary shortfalls or have unpredictable enforcement activity. Increases in applicable tax rates, implementation of new taxes, changes in applicable tax laws and interpretations of these tax laws and actions by tax authorities in jurisdictions in which we operate could reduce our after-tax income and have an adverse effect on our results of operations.

Although we believe that none of these proceedings or requirements will have a material adverse effect on us, the outcome of these proceedings or effects of new legal or income tax requirements may not be as expected.

Damage to the reputation of Kimberly-Clark or to one or more of our brands could adversely affect our business.

Developing and maintaining our reputation, as well as the reputation of our brands, is a critical factor in our relationship with consumers, customers, suppliers and others. Our inability to address adverse publicity or other issues, including concerns about product safety, quality, efficacy or similar matters, or breaches of consumer, customer, supplier, employee or other confidential information, real or perceived, could negatively impact sentiment towards us and our products and brands, and our business and financial results could suffer. Our business and results could also be negatively impacted by the effects of a significant product recall, product-related litigation, allegations of product tampering or contamination, the distribution and sale of counterfeit products, or a failure or breach of our information technology systems.

If our information technology systems suffer interruptions, failures or breaches, our business operations could be disrupted and we could face financial and reputational damage.

Our information technology systems, some of which are dependent on services provided by third parties, serve an important role in the efficient and effective operation and administration of our business. These systems could be damaged or cease to function properly due to any number of causes, such as catastrophic events, power outages, security breaches, computer viruses or cyber-based attacks. While we have contingency plans in place to prevent or mitigate the impact of these events, if they were to occur and our disaster recovery plans do not effectively address the issues on a timely basis, we could suffer interruptions in our ability to manage our operations, which may adversely affect our business and financial results.

Increased cyber-security threats and computer crime also pose a potential risk to the security of our information technology systems, including those of third party service providers with whom we have contracted, as well as the confidentiality, integrity and availability of the data stored on those systems. Any breach in our information technology security systems could result in the disclosure or misuse of confidential or proprietary information, including sensitive customer, vendor, employee or investor

information maintained in the ordinary course of our business. Any such event could cause damage to our reputation, loss of valuable information or loss of revenue and could result in large expenditures to investigate or remediate, to recover data, to repair or replace networks or information systems, or to protect against similar future events.

We may divest or acquire product lines or businesses, which could impact our results.

We periodically divest product lines or businesses, including the current year spin-off of our health care business. These divestitures may adversely impact our results if we are unable to offset the dilutive impacts from the loss of revenue associated with the divested products or businesses, mitigate corporate overhead costs allocated to those businesses, or otherwise achieve the anticipated benefits or cost savings from the divestitures. Furthermore, the divestitures could adversely affect our ongoing business operations, including by enhancing our competitors' positions or reducing consumer confidence in our ongoing brands and products.

We may pursue acquisitions of product lines or businesses from third parties. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies, services and products of the acquired product lines or businesses, estimation and assumption of liabilities and contingencies, personnel turnover and the diversion of management's attention from other business concerns. We may be unable to successfully integrate and manage product lines or businesses that we may acquire in the future, or be unable to achieve anticipated benefits or cost savings from acquisitions in the timeframe we anticipate, or at all.

The inability to effectively and efficiently manage divestitures and acquisitions with the results we expect or in the timeframe we anticipate could adversely affect our business, consolidated financial condition, results of operations or liquidity.

The spin-off of our health care business could result in substantial tax liability to us and our shareholders.

Historically, the IRS provided companies seeking to perform a spin-off transaction with an advance ruling that the proposed spin-off transaction would qualify for tax-free treatment. However, the IRS no longer provides such advance rulings. Prior to completing the spin-off of our health care business, we obtained an opinion of counsel that neither we nor our U.S. shareholders will recognize taxable income, gain or loss for U.S. federal income tax purposes as a result of the spin-off. The opinion of counsel is based on certain statements and representations made by us, which, if incomplete or inaccurate in any material respect, could invalidate the opinion of counsel. In addition, this opinion is not binding on the IRS. Accordingly, the IRS or the courts may reach conclusions with respect to the spin-off that are different from the conclusions reached in the opinion of counsel.

If the spin-off and certain related transactions were determined to be taxable, we would be subject to a substantial tax liability. In addition, if the spin-off were deemed taxable, each U.S. holder of our common stock who received shares of Halyard would generally be treated as receiving a taxable distribution of property in an amount equal to the fair market value of the shares received.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

At December 31, 2014 we own or lease:

- our principal executive offices located in the Dallas, Texas metropolitan area;
- four operating segment and geographic headquarters at two U.S. and two international locations; and
- four administrative centers at one U.S. and three international locations.

The locations of our and our equity affiliates' principal production facilities by major geographic areas of the world are as follows:

<u>Geographic Area:</u>	<u>Number of Facilities</u>
United States (in 15 states).....	<u>17</u>
Europe	<u>12</u>
Asia, Latin America and other.....	<u>63</u>
Worldwide Total (in 38 countries).....	<u><u>92</u></u>

Many of these facilities produce multiple products. Consumer tissue and KCP products are produced in 56 facilities and personal care products are produced in 48 facilities. We believe that our and our equity affiliates' facilities are suitable for their purpose, adequate to support their businesses and well maintained.

ITEM 3. LEGAL PROCEEDINGS

See Item 8, Note 14 to the Consolidated Financial Statements for information on legal proceedings, which is incorporated in this Item 3 by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

The names and ages of our executive officers as of February 18, 2015, together with certain biographical information, are as follows:

Mark A. Buthman, 54, was elected Senior Vice President and Chief Financial Officer in 2003. Mr. Buthman joined Kimberly-Clark in 1982. He has held various positions of increasing responsibility in operations, finance and strategic planning. Mr. Buthman was appointed Vice President of Strategic Planning and Analysis in 1997 and Vice President of Finance in 2002. He is a director of West Pharmaceutical Services, Inc. and Pavillon, International.

Thomas J. Falk, 56, was elected Chairman of the Board and Chief Executive Officer in 2003 and President and Chief Executive Officer in 2002. Prior to that, he served as President and Chief Operating Officer since 1999. Mr. Falk previously had been elected Group President - Global Tissue, Pulp and Paper in 1998, where he was responsible for Kimberly-Clark's global tissue businesses. Earlier in his career, Mr. Falk had responsibility for Kimberly-Clark's North American Infant Care, Child Care and Wet Wipes businesses. Mr. Falk joined Kimberly-Clark in 1983 and has held other senior management positions. He has been a director of Kimberly-Clark since 1999. He also serves on the board of directors of Lockheed Martin Corporation, Catalyst Inc., the Global Consumer Goods Forum, and the University of Wisconsin Foundation, and serves as a governor of the Boys & Girls Clubs of America.

Lizanne C. Gottung, 58, was elected Senior Vice President and Chief Human Resources Officer in 2002. She is responsible for leading the design and implementation of all human capital strategies for Kimberly-Clark, including global compensation and benefits, talent management, diversity and inclusion, organizational effectiveness and corporate health services. Ms. Gottung joined Kimberly-Clark in 1981. She has held a variety of human resources, manufacturing and operational roles of increasing responsibility, including Vice President of Human Resources from 2001 to 2002. She is a director of Louisiana-Pacific Corporation.

Michael D. Hsu, 50, was elected Group President - K-C North America in May 2013. From 2012 to May 2013, his title was Group President - North America Consumer Products. He is responsible for our consumer business in North America, as well as leading the development of new business strategies for global nonwovens. Prior to joining Kimberly-Clark, Mr. Hsu served as Executive Vice President and Chief Commercial Officer of Kraft Foods, Inc., a North American grocery manufacturing and processing conglomerate, from January 2012 to July 2012, as President of Sales, Customer Marketing and Logistics from 2010

to 2012 and as President of its grocery business unit from 2008 to 2010. Prior to that, Mr. Hsu served as President and Chief Operating Officer, Foodservice at H. J. Heinz Company, a manufacturer and marketer of food products.

Thomas J. Mielke, 56, was elected Senior Vice President - General Counsel in November 2013. From 2007 to 2012, his title was Senior Vice President - Law and Government Affairs and Chief Compliance Officer, and from 2012 to 2013, his title was Senior Vice President - General Counsel and Chief Compliance Officer. His responsibilities include our legal affairs, internal audit and government relations activities. Mr. Mielke joined Kimberly-Clark in 1988. He held various positions within the legal function and was appointed Vice President and Chief Patent Counsel in 2000, and Vice President and Chief Counsel - North Atlantic Consumer Products in 2004.

Anthony J. Palmer, 55, was elected President - Global Brands and Innovation in 2012. Previously, he served as Senior Vice President and Chief Marketing Officer from 2006 to 2012. He leads the global development of the company's consumer categories through marketing, innovations, category and customer development, shopper marketing and lean cost transformation. In addition, he leads the company's global marketing, innovation, corporate research and development and corporate communications functions. Prior to joining Kimberly-Clark in 2006, he served in a number of senior marketing and general management roles at the Kellogg Company, a producer of cereal and convenience foods, from 2002 to 2006, including as managing director of Kellogg's U.K. business. He is a director of The Hershey Company.

Elane B. Stock, 50, was elected Group President - K-C International in April 2014. She is responsible for our businesses in Asia, Latin America, Europe, the Middle East and Africa. She previously served as Group President - K-C Professional from 2013 to 2014. From 2012 to 2013, her title was President - Global K-C Professional. She also served as Senior Vice President and Chief Strategy Officer from 2010 to 2012. Prior to joining Kimberly-Clark, Ms. Stock served as National Vice President of Strategy for the American Cancer Society from 2008 to 2010. From 2007 to 2008, she was a regional manager at Georgia-Pacific Corporation (Koch Industries). Ms. Stock was a partner at McKinsey & Company, Inc. in Ireland from 2005 to 2007. She is a director of Yum! Brands, Inc.

Kimberly K. Underhill, 50, was appointed President of K-C Professional in April 2014. From 2011 to 2014, she served as President, Consumer Europe. She is responsible for our global professional business, which includes commercial tissue and wipers, and skin care, safety and Do-It-Yourself products. She joined Kimberly-Clark in 1988 and has held a number of positions with increasing responsibility within research and engineering, operations and marketing.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The dividend and market price data included in Item 7, MD&A "Unaudited Quarterly Data," are incorporated in this Item 5 by reference.

Quarterly dividends have been paid continually since 1935. Dividends have been paid on or about the second business day of January, April, July and October.

Kimberly-Clark common stock is listed on the New York Stock Exchange. The ticker symbol is KMB.

As of February 11, 2015, we had 24,076 holders of record of our common stock.

For information relating to securities authorized for issuance under equity compensation plans, see Part III, Item 12 of this Form 10-K.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During 2014, we repurchased 18 million shares of our common stock at a cost of \$2.0 billion through a broker in the open market.

The following table contains information for shares repurchased during the fourth quarter of 2014. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2014)	Total Number of Shares Purchased^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
October 1 to October 31	358,000	\$ 107.14	39,407,811	10,592,189
November 1 to November 30	3,395,000	113.31	42,802,811	47,197,189 (b)
December 1 to December 31	3,867,300	115.30	46,670,111	43,329,889 (b)
Total	<u>7,620,300</u>			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on January 21, 2011. This program allows for the repurchase of 50 million shares in an amount not to exceed \$5 billion (the "2011 Program").

(b) Includes shares available under the 2011 Program, as well as shares available under a share repurchase program authorized by our Board of Directors on November 13, 2014 that allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

ITEM 6. SELECTED FINANCIAL DATA

Prior period amounts from the Consolidated Income Statements have been recast to present the results of the spun-off health care business as discontinued operations.

	Year Ended December 31				
	2014 ^(a)	2013 ^(b)	2012 ^(c)	2011 ^(d)	2010 ^(e)
Net Sales.....	\$ 19,724	\$ 19,561	\$ 19,467	\$ 19,268	\$ 18,323
Gross Profit	6,683	6,609	6,129	5,539	5,981
Operating Profit.....	2,521	2,903	2,377	2,152	2,533
Share of Net Income of Equity Companies.....	146	205	177	161	181
Income from Continuing Operations.....	1,545	2,018	1,627	1,495	1,804
Income from Discontinued Operations, Net of Income Taxes.....	50	203	201	189	139
Net Income	1,595	2,221	1,828	1,684	1,943
Net Income Attributable to Noncontrolling Interests in Continuing Operations.....	(69)	(79)	(78)	(93)	(100)
Net Income Attributable to Kimberly-Clark Corporation.....	1,526	2,142	1,750	1,591	1,843
Per Share Basis					
Net Income Attributable to Kimberly-Clark Corporation					
Basic					
Continuing operations	3.94	5.05	3.94	3.54	4.13
Discontinued operations.....	0.13	0.53	0.51	0.48	0.34
Net income	4.07	5.58	4.45	4.02	4.47
Diluted					
Continuing operations	3.91	5.01	3.91	3.52	4.11
Discontinued operations.....	0.13	0.52	0.51	0.47	0.34
Net income	4.04	5.53	4.42	3.99	4.45
Cash Dividends Per Share					
Declared	3.36	3.24	2.96	2.80	2.64
Paid.....	3.33	3.17	2.92	2.76	2.58
Total Assets.....	15,526	18,919	19,873	19,373	19,864
Long-Term Debt.....	5,630	5,386	5,070	5,426	5,120
Total Stockholders' Equity	999	5,140	5,287	5,529	6,202

- (a) Results include pre-tax charges of \$133, \$95 after tax, related to the 2014 organization restructuring, pre-tax charges of \$33, \$30 after tax, related to the European strategic changes, a non-deductible charge of \$462 related to the remeasurement of the Venezuelan balance sheet and a non-deductible charge of \$35, \$17 attributable to Kimberly-Clark Corporation, related to a regulatory dispute in the Middle East. Additionally, results were negatively impacted by pre-tax charges of \$157, \$138 after tax, for transaction and related costs associated with the spin-off of the health care business (classified in discontinued operations). See Item 8, Notes 1 through 4 of the Consolidated Financial Statements for details on the charges for the Venezuela devaluation and restructuring programs.
- (b) Results include pre-tax charges of \$81, \$66 after tax, related to the European strategic changes. Additionally, results were negatively impacted by a \$36 pre-tax charge, \$26 after tax, related to the devaluation of the Venezuelan bolivar. See Item 8, Notes 1 and 4 of the Consolidated Financial Statements for details.
- (c) Results include pre-tax charges of \$299, \$242 after tax, related to the European strategic changes. Additionally, results were negatively impacted by \$135 in pre-tax charges, \$86 after tax, for the pulp and tissue restructuring actions. See Item 8, Notes 4 and 5 of the Consolidated Financial Statements for details.
- (d) Results include a non-deductible business tax charge related to a law change in Colombia of \$35, as well as the effect of pulp and tissue restructuring pre-tax charges of \$415, \$289 after tax. See Item 8, Note 5 of the Consolidated Financial Statements for details on the restructuring program.
- (e) Results include the impact of a pre-tax charge of \$98, \$96 after tax, related to the adoption of highly inflationary accounting in Venezuela.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

This MD&A is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of Business
- Overview of 2014 Results
- Results of Operations and Related Information
- Unaudited Quarterly Data
- Liquidity and Capital Resources
- Critical Accounting Policies and Use of Estimates
- Legal Matters
- Business Outlook
- Information Concerning Forward-Looking Statements

Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted. We completed the spin-off of our health care business on October 31, 2014 (see further discussion below). As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented, and prior period Consolidated Income Statements and related disclosures have been recast accordingly. The health care business' balance sheet, other comprehensive income and cash flows are included within our Consolidated Balance Sheet, Consolidated Statement of Stockholders' Equity, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement through October 31, 2014. Segment results have also been recast to present net sales and operating profit by segment on a continuing operations basis.

Overview of Business

We are a global company focused on leading the world in essentials for a better life, with manufacturing facilities in 35 countries and products sold in more than 175 countries. Our products are sold under well-known brands such as Kleenex, Scott, Huggies, Pull-Ups, Kotex and Depend. We have three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional ("KCP"). These global business segments are described in greater detail in Item 8, Note 18 to the Consolidated Financial Statements.

In operating our global business, we seek to:

- manage our portfolio to balance growth, margin and cash flow,
- invest in our brands, innovation and growth initiatives,
- deliver sustainable cost reductions, and
- provide disciplined capital management to improve return on invested capital and return cash to shareholders.

Key strategies for our segments include:

- We plan to grow our strong positions in personal care by leveraging our brands and providing innovations.
- For consumer tissue, we seek to bring differentiated, value-added innovations to grow and strengthen our brands while focusing on net realized revenue, improving mix and reducing costs.
- We plan to continue to shift our mix to faster-growing, higher-margin wiping and safety segments within KCP.

Beginning in 2015, we will describe our business outside North America in two groups – Developing and Emerging Markets ("D&E") and Developed Markets, instead of K-C International ("KCI") and Europe. D&E markets will comprise Eastern Europe, the Middle East and Africa, Latin America and Asia-Pacific, excluding Australia and South Korea. Developed Markets will consist

of Western and Central Europe, Australia and South Korea. Previously, KCI consisted of our businesses in Asia, Latin America, the Middle East, Eastern Europe and Africa.

Highlights for 2014 include the following:

- We executed our growth strategies in KCI, with a focus on markets in China, Eastern Europe and Latin America. Net sales in KCI grew mid-single digits in 2014, despite the negative 6 percent impact from unfavorable foreign currency exchange rates. KCI net sales as a percentage of total company net sales was similar to the prior year at 42 percent.
- In North America, we generated solid sales growth and launched innovations on several brands in 2014, including Viva towels, GoodNites youth pants, Huggies baby wipes and our Poise and Depend adult care brands. In KCI, we continue to innovate across our diaper portfolio. We continue to grow our feminine care brands and launch innovations in this category. We also experienced strong growth in net selling prices and volumes for adult care, baby wipes and KCP products in KCI.
- To help fund our investments in innovations and growth initiatives and to improve our profit margins, we are generating cost savings through several initiatives, including leveraging our global procurement organization and deploying lean principles. Full-year cost savings from our ongoing program in 2014 were \$320.
- In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The restructuring is expected to be completed by the end of 2016, with expected workforce reductions in the range of 1,100 to 1,300, primarily impacting salaried employees. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.
- In 2014, we completed our strategic changes related to our Western and Central European consumer and professional businesses to focus our resources and investments on stronger market positions and growth opportunities. We exited the diaper category in that region, with the exception of the Italian market, and divested or exited some lower-margin businesses, mostly in consumer tissue, in certain markets.
- We continued to focus on generating cash flow and allocating capital to shareholders. In 2014, cash provided by operations was \$2.8 billion, and share repurchases of Kimberly-Clark common stock were \$2.0 billion. In addition, we raised our dividend in 2014 by 4 percent, the 42nd consecutive annual increase in our dividend. Altogether, share repurchases and dividends in 2014 amounted to \$3.3 billion.
- On October 31, 2014 (the "Distribution Date"), we completed the spin-off of our health care business, creating a stand-alone, publicly traded health care company, Halyard Health, Inc. ("Halyard"), with approximately \$1.7 billion in annual net sales. On the Distribution Date, each of our shareholders of record as of the close of business on October 23, 2014 (the "Record Date") received one share of Halyard common stock for every 8 shares of our common stock held as of the Record Date. The distribution was structured to be tax free to our U.S. shareholders for U.S. federal income tax purposes. Halyard's common stock trades on the New York Stock Exchange under the symbol "HYH." After the distribution, we do not beneficially own any shares of Halyard common stock.

We are subject to risks and uncertainties, which can affect our business operations and financial results. See Item 1A, "Risk Factors" in this Form 10-K for additional information.

Overview of 2014 Results

- Net sales increased 1 percent compared to the prior year. Increases in organic sales volumes and net selling prices were partially offset by unfavorable foreign currency exchange rates and lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions.
- Operating profit and income from continuing operations decreased 13 percent and 23 percent, respectively, compared to 2013.
- A charge related to the remeasurement of the Venezuelan balance sheet decreased operating profit and income from continuing operations by \$462.

- Income from discontinued operations, net of income taxes, includes charges of \$138 related to the spin-off of our health care business.
- Diluted earnings per share in total and from continuing operations decreased 27 percent and 22 percent, respectively, compared to 2013. The decreases were primarily due to the charges mentioned above, along with lower equity income.

Results of Operations and Related Information

This section presents a discussion and analysis of net sales, operating profit and other information relevant to an understanding of 2014 results of operations. This discussion and analysis compares 2014 results to 2013, and 2013 results to 2012.

Results By Business Segment

	Year Ended December 31				
	2014	2013	Change 2014 vs. 2013	2012	Change 2013 vs. 2012
NET SALES					
Personal Care	\$ 9,635	\$ 9,536	+1.0%	\$ 9,576	-0.4%
Consumer Tissue	6,645	6,637	+0.1%	6,527	+1.7%
K-C Professional	3,388	3,323	+2.0%	3,283	+1.2%
Corporate & Other	56	65	N.M.	81	N.M.
TOTAL NET SALES	\$ 19,724	\$ 19,561	+0.8%	\$ 19,467	+0.5%
OPERATING PROFIT					
Personal Care	\$ 1,803	\$ 1,698	+6.2%	\$ 1,660	+2.3%
Consumer Tissue	1,062	988	+7.5%	887	+11.4%
K-C Professional	604	605	-0.2%	542	+11.6%
Corporate & Other ^(a)	(495)	(381)	N.M.	(717)	N.M.
Other (income) and expense, net ^(b)	453	7	N.M.	(5)	N.M.
TOTAL OPERATING PROFIT	\$ 2,521	\$ 2,903	-13.2%	\$ 2,377	+22.1%

N.M. - Not Meaningful

Results By Geography

	Year Ended December 31				
	2014	2013	Change 2014 vs. 2013	2012	Change 2013 vs. 2012
NET SALES					
North America.....	\$ 9,400	\$ 9,430	-0.3%	\$ 9,425	+0.1%
Europe	2,717	2,839	-4.3%	3,092	-8.2%
Asia, Latin America and other	7,961	7,639	+4.2%	7,347	+4.0%
Intergeographic sales.....	(354)	(347)	+2.0%	(397)	-12.6%
TOTAL NET SALES.....	\$ 19,724	\$ 19,561	+0.8%	\$ 19,467	+0.5%
OPERATING PROFIT					
North America.....	\$ 2,003	\$ 1,984	+1.0%	\$ 1,896	+4.6%
Europe	282	237	+19.0%	225	+5.3%
Asia, Latin America and other	1,184	1,070	+10.7%	968	+10.5%
Corporate & Other ^(a)	(495)	(381)	N.M.	(717)	N.M.
Other (income) and expense, net ^(b)	453	7	N.M.	(5)	N.M.
TOTAL OPERATING PROFIT.....	\$ 2,521	\$ 2,903	-13.2%	\$ 2,377	+22.1%

- (a) Charges related to the 2014 organization restructuring of \$133 and a charge of \$41 related to the remeasurement of the Venezuelan balance sheet in 2014 are included in Corporate & Other. In addition, charges for European strategic changes of \$33, \$76 and \$299 in 2014, 2013 and 2012, respectively, and pulp and tissue restructuring of \$134 in 2012 are included in Corporate & Other. See additional information later in this MD&A.
- (b) Other (income) and expense, net for 2014 includes a charge of \$421 related to the remeasurement of the Venezuelan balance sheet and a \$35 charge related to a regulatory dispute in the Middle East. The results for 2013 include a balance sheet remeasurement charge of \$36 due to the February 2013 devaluation of the Venezuelan bolivar, partially offset by gains on the sales of certain non-core assets. The results for 2012 include currency transaction gains and the impact of the favorable resolution of a legal matter, partially offset by asset impairment charges.

Percentage Change

NET SALES	Total	Change Due To				
		Organic Volume	Restructuring Impact ^(a)	Net Price	Mix/ Other ^(b)	Currency
2014 versus 2013						
Consolidated.....	0.8	2	(1)	2	—	(2)
Personal Care	1.0	3	(1)	3	—	(4)
Consumer Tissue.....	0.1	1	(1)	1	—	(1)
K-C Professional	2.0	3	—	1	—	(2)
2013 versus 2012						
Consolidated.....	0.5	3	(2)	1	—	(2)
Personal Care	(0.4)	4	(3)	—	1	(2)
Consumer Tissue.....	1.7	2	(1)	2	—	(1)
K-C Professional	1.2	1	(1)	1	1	(1)

- (a) Lower sales related to the European strategic changes and pulp and tissue restructuring actions.
- (b) Mix/Other includes rounding.

OPERATING PROFIT

	Change Due To						
	Total	Volume	Net Price	Input Costs ^(a)	Cost Savings	Currency Translation	Other ^(b)
2014 versus 2013							
Consolidated	(13.2)	5	13	(8)	11	(3)	(31)
Personal Care	6.2	5	15	(9)	12	(3)	(14)
Consumer Tissue.....	7.5	1	10	(5)	10	—	(9)
K-C Professional.....	(0.2)	5	3	(8)	5	(3)	(2)
2013 versus 2012							
Consolidated	22.1	4	9	(9)	13	(3)	8
Personal Care	2.3	4	2	(6)	12	(2)	(8)
Consumer Tissue.....	11.4	2	14	(12)	5	(1)	3
K-C Professional.....	11.6	1	8	(3)	10	(3)	(1)

(a) Includes inflation/deflation in raw materials, energy and distribution costs.

(b) Other includes the impact of changes in marketing, research and general expenses and manufacturing costs not separately listed in the table. In addition, Other includes the impact of charges recorded in Corporate & Other and other (income) and expense, net.

Commentary - 2014 Compared to 2013

Consolidated

Net sales of \$19.7 billion increased 1 percent compared to the prior year. Organic sales volumes and net selling prices each increased 2 percent. Foreign currency exchange rates were unfavorable by 2 percent, and lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions reduced net sales by 1 percent.

Operating profit was \$2,521 in 2014 and \$2,903 in 2013. Operating profit comparisons benefited from organic sales volume growth and higher net selling prices, as well as FORCE cost savings of \$320 and \$30 of savings from pulp and tissue restructuring actions. Input costs were \$240 higher overall versus 2013. Results in 2014 include charges related to the 2014 organization restructuring, remeasurement of the Venezuelan balance sheet and European strategic changes of \$133, \$462 and \$33, respectively. Results in 2013 include charges related to the devaluation of the Venezuelan bolivar and European strategic changes of \$36 and \$81, respectively. In addition, foreign currency translation effects reduced operating profit in 2014 by \$75, and currency transaction effects also negatively impacted the operating profit comparison.

We remeasured our local currency-denominated balance sheet in Venezuela as of December 31, 2014 at the year end floating SICAD II exchange rate of 50 bolivars per U.S. dollar, resulting in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014. Prior to December 31, 2014, we measured results in Venezuela at the official exchange rate of 6.3 bolivars per U.S. dollar. See additional information later in this MD&A and Item 8, Note 1 to the Consolidated Financial Statements.

The effective tax rate was 38.0 percent in 2014 compared to 31.4 percent in 2013. The increase was primarily due to the non-deductible charge in 2014 related to the remeasurement of the Venezuelan balance sheet.

Kimberly-Clark's share of net income of equity companies was \$146 in 2014 and \$205 in 2013. At Kimberly-Clark de Mexico, S.A.B. de C.V. ("KCM"), results were negatively impacted by input cost increases and a weaker Mexican peso, partially offset by increased organic sales volumes and cost savings.

Income from discontinued operations, net of income taxes, was \$50 in 2014 and \$203 in 2013. The decrease was primarily due to after-tax charges of \$138 (\$157 pre-tax) related to the spin-off of our health care business.

Diluted earnings per share were \$4.04 in 2014 and \$5.53 in 2013. Diluted earnings per share from continuing operations were \$3.91 in 2014 and \$5.01 in 2013. The decreases were primarily due to lower earnings, partially offset by the lower share count. Diluted earnings per share from discontinued operations were \$0.13 in 2014 and \$0.52 in 2013.

Personal Care Segment

Net sales of \$9.6 billion increased 1 percent compared to 2013. Organic sales volumes and net selling prices each increased 3 percent. Currency rates were unfavorable by 4 percent, and lower sales in conjunction with European strategic changes reduced net sales by 1 percent. Operating profit of \$1,803 increased 6 percent. The comparison benefited from higher net selling prices,

organic sales volume growth and cost savings, partially offset by unfavorable effects from changes in currency rates and input cost inflation.

Net sales in North America were essentially even with the prior year. Slightly higher sales volumes and net selling prices were offset by unfavorable currency rates. Huggies baby wipes volumes rose double-digits, including benefits from market share gains and product innovation. Adult care volumes increased high-single digits, including innovation on Depend and Poise brands. Huggies diaper volumes decreased mid-single digits and were impacted by market share declines and competitive promotional activity. Child care volumes decreased mid-single digits, driven by lower Pull-Ups training pants volumes, partially offset by the launch of new GoodNites youth pants. Feminine care volumes were down slightly.

Net sales in KCI increased 4 percent. Organic sales volumes increased 6 percent, and net selling prices were higher by 5 percent, partially offset by unfavorable currency rates of 7 percent. The volume increase included gains in China, Eastern Europe, South Africa, South Korea, Vietnam and most of Latin America. The higher net selling prices were driven by increases in Latin America and Eastern Europe in response to weaker currency rates and cost inflation.

Net sales in Europe decreased 19 percent. Lower sales in conjunction with European strategic changes reduced net sales by 20 percent and net selling prices decreased net sales by 1 percent. Favorable currency rates increased net sales by 2 percent.

Consumer Tissue Segment

Net sales of \$6.6 billion were essentially even with the prior year. Organic sales volumes and net selling prices each increased net sales by 1 percent. Unfavorable currency rates decreased net sales by 1 percent, and lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions reduced net sales by a combined 1 percent. Operating profit of \$1,062 increased 7 percent. The comparison benefited from higher net selling prices and cost savings, partially offset by input cost inflation and higher manufacturing-related costs in 2014.

Net sales in North America increased 1 percent. Sales volumes increased 2 percent, driven by growth in Cottonelle and Scott bathroom tissue and the launch of Viva Vantage paper towels. Unfavorable currency effects and changes in product mix reduced net sales by a combined 1 percent.

Net sales in KCI increased 1 percent. Net selling prices increased net sales by 4 percent, and improved product mix and growth in organic sales volumes increased net sales by a combined 1 percent. Unfavorable currency rates decreased net sales by 4 percent. The improvement in net selling prices was driven by increases in Latin America.

Net sales in Europe decreased 4 percent, driven by lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions which reduced net sales by a combined 6 percent. Favorable currency rates increased net sales by 3 percent.

KCP Segment

Net sales of \$3.4 billion increased 2 percent compared to 2013. Organic sales volumes increased 3 percent, and net selling prices improved by 1 percent. The impact of currency rates on net sales was unfavorable by 2 percent. Operating profit of \$604 was essentially even with the prior year. The comparison benefited from organic sales volume growth, higher net selling prices and cost savings, offset by input cost inflation and unfavorable currency effects.

Net sales in North America decreased 2 percent. Net selling prices were lower by 2 percent, and unfavorable currency effects and changes in product mix decreased net sales by a combined 1 percent. Organic sales volumes increased 1 percent, driven by gains in safety products, wipers and other categories, partially offset by declines in washroom products.

Net sales in KCI increased 8 percent, despite unfavorable currency rates of 5 percent. Organic sales volumes rose 7 percent, net selling prices improved net sales by 5 percent and product mix improved 1 percent. Organic sales volumes rose in each major geography.

Net sales in Europe increased 3 percent. Organic sales volumes increased 3 percent, driven by growth in washroom products. Favorable currency rates and improved product mix each increased net sales by 1 percent, while lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions and the impact of lower net selling prices each reduced net sales by 1 percent.

Commentary - 2013 Compared to 2012

Consolidated

Net sales of \$19.6 billion in 2013 were up slightly from the prior year with increased organic sales volumes of 3 percent and higher net selling prices of 1 percent. Changes in foreign currency rates, and lost sales in conjunction with European strategic changes and pulp and tissue restructuring actions, each reduced net sales by 2 percent.

Operating profit of \$2,903 in 2013 increased 22 percent from \$2,377 in 2012. The increase in operating profit included benefits from organic volume growth and higher net selling prices, as well as FORCE (Focused On Reducing Costs Everywhere) cost savings of \$305. Comparisons were positively impacted by lower restructuring costs, as 2012 included \$299 and \$135 of charges for the European strategic changes and pulp and tissue restructuring actions, respectively, and 2013 included \$81 of charges for the European strategic changes. Operating profit in 2013 was negatively impacted by inflation in input costs of \$220 versus 2012 and unfavorable foreign currency translation effects of \$65 as a result of the weakening of several currencies, including the Australian dollar and Brazilian real, relative to the U.S. dollar. Currency transaction effects also negatively impacted the operating profit comparison.

The effective tax rate was 31.4 percent in 2013 compared to 31.3 percent in 2012.

Kimberly-Clark's share of net income of equity companies was \$205 in 2013 and \$177 in 2012. At KCM, results benefited from net sales growth, increased operating profit margin and a stronger Mexican peso versus the U.S. dollar.

Income from discontinued operations, net of income taxes, was \$203 in 2013 and \$201 in 2012.

Diluted earnings per share were \$5.53 in 2013 and \$4.42 in 2012. Diluted earnings per share from continuing operations were \$5.01 in 2013 and \$3.91 in 2012. The increases were primarily due to higher operating profit, along with increased equity income and a lower share count.

Personal Care Segment

Net sales of \$9.5 billion were essentially even with the prior year with increased organic sales volumes of 4 percent and improved product mix of 1 percent. Lower sales in conjunction with European strategic changes reduced net sales by 3 percent and currency rates were unfavorable by 2 percent. Operating profit of \$1,698 increased 2 percent due to cost savings and organic sales volume increases, partially offset by inflation in input costs, manufacturing cost increases, higher marketing, research and general expenses and unfavorable currency effects.

Net sales in North America decreased 1 percent due to lower net selling prices and the impact of unfavorable product mix, which reduced net sales by a combined 1 percent. Sales volumes increased 1 percent and were partially offset by unfavorable currency effects. Adult care volumes increased mid-single digits, including benefits from product innovation on the Depend and Poise brands. Huggies diaper and baby wipe volumes each increased low-single digits. Child care volumes decreased low-single digits and were impacted by category softness, competitive activity and lower shipments for Huggies Little Swimmers swim pants. Feminine care volumes were also down low-single digits.

In KCI, net sales increased 4 percent with sales volumes up 7 percent and higher net selling prices and improved product mix of 1 percent each. Currency rates were unfavorable by more than 4 percent. Volumes increased significantly in China, Eastern Europe, Vietnam and throughout most of Latin America, including Brazil, but declined in South Korea and Venezuela. For diapers, the total increase in sales volumes, net selling prices and product mix was more than 35 percent in China and approximately 20 percent in Eastern Europe and Brazil.

Net sales in Europe decreased 31 percent, including a 40 percent negative impact from lost sales in conjunction with European strategic changes. Organic sales volumes rose 8 percent, including growth in Huggies baby wipes and child care products, and currency rates were favorable by 1 percent.

Consumer Tissue Segment

Net sales of \$6.6 billion increased 2 percent, as higher organic sales volumes and net selling prices each increased 2 percent. These increases were partially offset by the impact of lower sales in conjunction with the European strategic changes and pulp and tissue restructuring actions and unfavorable foreign currency exchange rates, which each decreased net sales by 1 percent. Operating profit of \$988 increased 11 percent due to higher net sales, cost savings, the positive impact from higher production volumes, and lower marketing, research and general expenses, partially offset by input cost inflation, other manufacturing cost increases and unfavorable currency effects.

Net sales in North America increased 3 percent compared to 2012, including a 2 percent increase in net selling prices and a 1 percent improvement in product mix. The increase in net selling prices was driven by sheet count reductions accompanying product innovation in 2013 on Kleenex facial tissue and Cottonelle and Scott Extra Soft bathroom tissue. Sales volumes were up slightly compared to 2012, as gains in bath tissue and paper towels were mostly offset by lower volumes in facial tissue.

Net sales increased 5 percent in KCI, with higher sales volumes of 5 percent and increased net selling prices of 4 percent. Unfavorable foreign currency exchange rates decreased net sales by 4 percent. The growth in volume and price was driven by increases in Latin America.

In Europe, net sales decreased 5 percent, including the impact from lower sales in conjunction with the European strategic changes and pulp and tissue restructuring actions of 7 percent and decreased net selling prices of 1 percent. These decreases were partially offset by increased organic sales volumes of 2 percent and favorable currency effects of 1 percent.

KCP Segment

Net sales of \$3.3 billion increased 1 percent compared to 2012 with organic sales volumes, net selling prices and improved product mix each increasing net sales by 1 percent. These increases were partially offset by total lower sales in conjunction with the European strategic changes and pulp and tissue restructuring actions of 1 percent and unfavorable foreign currency exchange rates of 1 percent. Operating profit of \$605 increased 12 percent due to sales growth and cost savings, partially offset by input cost inflation, increased marketing, research and general expenses and unfavorable currency effects.

Net sales in North America were up slightly compared to 2012. Higher volumes in washroom and wiper products were mostly offset by the impact from the exit of certain lower-margin safety product offerings.

Net sales increased 4 percent in KCI, despite a 5 percent decrease from unfavorable changes in currency rates. Sales volumes increased 4 percent, driven by growth in Latin America, and net selling prices also rose 4 percent. Improved product mix increased net sales by 1 percent.

In Europe, net sales decreased 1 percent. Lower sales in conjunction with the European strategic changes and pulp and tissue restructuring actions reduced sales volumes by 2 percent and organic sales volumes decreased 1 percent. These decreases were partially offset by the impact of favorable currency rates and improved product mix of 1 percent each.

2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Workforce reductions are expected to be in the range of 1,100 to 1,300 and primarily impact salaried employees. Cumulative pre-tax savings from the restructuring are expected to be \$120 to \$140 by the end of 2017, and were \$5 in 2014. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

During 2014, \$133 of pre-tax charges were recognized for the organization restructuring, including \$40 recorded in cost of products sold and \$93 recorded in marketing, research and general expenses, primarily for workforce reductions. A related benefit of \$38 was recorded in provision for income taxes. On a geographic basis, \$47 of the charges were recorded in North America, \$28 in Europe and \$58 in our other international operations in Asia, Latin America, the Middle East, Eastern Europe and Africa.

European Strategic Changes

In 2012, we approved strategic changes related to our Western and Central European consumer and professional businesses to focus our resources and investments on stronger market positions and growth opportunities. We exited the diaper category in that region, with the exception of the Italian market, and divested or exited some lower-margin businesses, mostly in consumer tissue, in certain markets. The changes primarily affect our consumer businesses, with a modest impact on KCP. The impacted businesses generated annual net sales of approximately \$0.5 billion and negligible operating profit. As a result of the restructuring activities, compared to 2012, annual net sales in 2014 and 2013 were decreased by \$500 and \$350, respectively.

Restructuring actions related to the strategic changes involved the sale or closure of five of our European manufacturing facilities and streamlining our administrative organization. The restructuring actions commenced in 2012 and were completed by December 31, 2014. The restructuring resulted in cumulative pre-tax charges of \$413 (\$338 after tax) over that period.

For information on the charges by year, financial statement classification and segment, see Item 8, Notes 4 and 18 to the Consolidated Financial Statements.

Pulp and Tissue Restructuring Actions

In 2011 and 2012, we executed pulp and tissue restructuring actions in order to exit our remaining integrated pulp manufacturing operations and improve the underlying profitability and return on invested capital of our consumer tissue and KCP businesses. These actions involved the streamlining, sale or closure of seven of our manufacturing facilities around the world. In conjunction with these actions, we exited certain non-strategic products, primarily non-branded offerings, and transferred some production to lower-cost facilities in order to improve overall profitability and returns. The actions were substantially complete at December 31,

2012. The restructuring resulted in cumulative pre-tax charges of \$550 (\$375 after tax) over that period. See Item 8, Notes 5 and 18 to the Consolidated Financial Statements for more information.

Unaudited Quarterly Data

	2014				2013			
	Fourth	Third	Second	First	Fourth	Third	Second	First
Net sales	\$ 4,828	\$ 5,056	\$ 4,953	\$ 4,887	\$ 4,895	\$ 4,865	\$ 4,873	\$ 4,928
Gross profit	1,553	1,765	1,700	1,665	1,653	1,639	1,641	1,676
Operating profit.....	158	877	775	711	745	718	719	721
Income (loss) from continuing operations	(48)	581	522	490	505	506	496	511
Income (loss) from discontinued operations, net of income taxes	(15)	1	8	56	53	59	51	40
Net income (loss)	(63)	582	530	546	558	565	547	551
Net income (loss) attributable to Kimberly-Clark Corporation....	(83)	562	509	538	539	546	526	531
Earnings per share - Diluted								
Continuing operations.....	(0.18)	1.49	1.32	1.26	1.26	1.26	1.22	1.26
Discontinued operations	(0.04)	—	0.02	0.15	0.14	0.15	0.13	0.10
Net income (loss)	(0.22)	1.50	1.35	1.41	1.40	1.42	1.36	1.36
Cash dividends declared per share	0.84	0.84	0.84	0.84	0.81	0.81	0.81	0.81
Market price per share								
High	118.83	114.45	113.93	111.71	111.68	100.81	106.54	97.99
Low	103.88	103.50	108.02	102.81	93.12	91.44	93.76	83.92
Close	115.54	107.57	111.22	110.25	104.46	94.22	97.14	97.98

Historical market prices do not reflect any adjustment for the impact of the spin-off of our health care business.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$2.8 billion in 2014 compared to \$3.0 billion in 2013. The decrease was driven by higher tax payments and transaction costs for the health care spin-off, partially offset by lower payments for restructuring items.

Obligations

The following table presents our total contractual obligations for which cash flows are fixed or determinable.

	Total	2015	2016	2017	2018	2019	2020+
Long-term debt.....	\$ 6,179	\$ 549	\$ 607	\$ 963	\$ 905	\$ 311	\$ 2,844
Interest payments on long-term debt.....	2,732	271	251	225	176	130	1,679
Redemption of preferred securities	26	—	—	—	—	26	—
Returns on redeemable preferred securities	9	2	2	2	2	1	—
Operating leases	587	151	117	94	70	56	99
Unconditional purchase obligations.....	1,100	297	187	165	141	147	163
Open purchase orders.....	1,273	1,198	74	1	—	—	—
Total contractual obligations	\$11,906	\$ 2,468	\$ 1,238	\$ 1,450	\$ 1,294	\$ 671	\$ 4,785

- Projected interest payments for variable-rate debt were calculated based on the outstanding principal amounts and prevailing market rates as of December 31, 2014.
- The unconditional purchase obligations are for the purchase of raw materials, primarily superabsorbent materials, pulp, and utilities. Although we are primarily liable for payments on the above operating leases and unconditional purchase

obligations, based on historic operating performance and forecasted future cash flows, we believe exposure to losses, if any, under these arrangements is not material.

- The open purchase orders displayed in the table represent amounts for goods and services we have negotiated for delivery.

The table does not include amounts where payments are discretionary or the timing is uncertain. The following payments are not included in the table:

- We will fund our defined benefit pension plans to meet or exceed statutory requirements and currently expect to contribute up to \$100 to these plans in 2015.
- Other postretirement benefit payments are estimated using actuarial assumptions, including expected future service, to project the future obligations. Based upon those projections, we anticipate making annual payments for these obligations of \$52 in 2015 to more than \$62 by 2024.
- Accrued income tax liabilities for uncertain tax positions, deferred taxes and noncontrolling interests.
- Potential estimated redemption price of \$46 for the redeemable preferred securities related to our subsidiary in Central America as the timing of such redemption is unknown.

Investing

Our capital spending was \$1.0 billion in both 2014 and 2013. We expect capital spending to be \$950 to \$1,050 in 2015.

Financing

On October 17, 2014, we issued debt of \$640 aggregate principal amount that was transferred to Halyard as part of the spin-off.

On May 22, 2014, we issued \$300 aggregate principal amount of floating rate notes due May 19, 2016 and \$300 aggregate principal amount of 1.9% notes due May 22, 2019. Proceeds from the offering were used for general corporate purposes and repurchases of common stock.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$777 as of December 31, 2014 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the fourth quarter of 2014 was \$579, and for the twelve months ended December 31, 2014 was \$572. These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as dividends and income taxes.

In December 2014, we repaid \$500 of redeemable preferred securities. See Item 8, Note 9 to the Consolidated Financial Statements for additional information regarding the securities.

At December 31, 2014 and 2013, total debt and redeemable securities was \$7.0 billion and \$6.3 billion, respectively.

In June 2014, we entered into a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, replaced a similar facility for \$1.5 billion, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During 2014, we repurchased 18.0 million shares of our common stock at a cost of \$2.0 billion through a broker in the open market, including the impact of approximately \$600 from the spin-off of our health care business. In 2015, we plan to repurchase \$0.8 billion to \$1.0 billion of shares through open market purchases, subject to market conditions.

We account for our operations in Venezuela using highly inflationary accounting. We have historically measured results in Venezuela at the rate in which we transact our business, which in 2012 was 5.4 bolivars per U.S. dollar, and 6.3 bolivars per U.S. dollar through much of 2013 and 2014. Given the level of uncertainty and lack of liquidity in Venezuela, in part due to recent declines in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year end floating SICAD II exchange rate of 50 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014, with \$41 recorded in cost of products sold and \$421 recorded in other

(income) and expense, net. See additional information in Note 1 to the Consolidated Financial Statements. At December 31, 2014, K-C Venezuela had a bolivar-denominated net monetary asset position (primarily cash) of \$59 and our net investment in K-C Venezuela was \$152, both valued at 50 bolivars per U.S. dollar. Net sales of K-C Venezuela represented approximately 3 percent of consolidated net sales for the year ended December 31, 2014 and approximately 2 percent of consolidated net sales for the years ended December 31, 2013 and 2012.

In January 2015, we measured results in Venezuela at the floating SICAD II exchange rate. In mid-February 2015, the government of Venezuela announced changes to their three-tiered currency exchange system. We are evaluating the implications of these changes to assess the impact on our results and reporting for our operations in that country.

Management believes that our ability to generate cash from operations and our capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends, pension plan contributions and other needs for the foreseeable future. Further, we do not expect restrictions or taxes on repatriation of cash held outside of the United States to have a material effect on our overall liquidity, financial condition or results of operations for the foreseeable future.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting period. The critical accounting policies we used in the preparation of the Consolidated Financial Statements are those that are important both to the presentation of our financial condition and results of operations and require significant judgments by management with regard to estimates used. The critical judgments by management relate to accruals for sales incentives and trade promotion allowances, pension and other postretirement benefits, deferred income taxes and potential income tax assessments. These critical accounting policies have been reviewed with the Audit Committee of the Board of Directors.

Sales Incentives and Trade Promotion Allowances

Trade promotion programs include introductory marketing funds such as slotting fees, cooperative marketing programs, temporary price reductions, end-of-aisle or in-store product displays and other activities conducted by our customers to promote our products. Rebate accruals are based on estimates of the quantity of products expected to be sold to specific customers. Our related accounting policies are discussed in Item 8, Note 1 to the Consolidated Financial Statements. Factors affecting the accruals for promotions include:

- Estimates of the number of consumer coupons that will be redeemed
- Estimates of the quantity of customer sales, timing of promotional activities and forecasted costs for activities within the promotional programs

Generally, the estimates for consumer coupon costs are based on historical patterns of coupon redemption, influenced by judgments about current market conditions such as competitive activity in specific product categories.

Employee Postretirement Benefits

Pension Plans

We have defined benefit pension plans in North America and the United Kingdom (the "Principal Plans") and/or defined contribution retirement plans covering substantially all regular employees. Certain other subsidiaries have defined benefit pension plans or, in certain countries, termination pay plans covering substantially all regular employees. Our related accounting policies and account balances are discussed in Item 8, Note 11 to the Consolidated Financial Statements.

Changes in certain assumptions could significantly affect pension expense and the benefit obligations, particularly the estimated long-term rate of return on plan assets and the discount rates used to calculate the obligations:

- Long-term rate of return on plan assets. The expected long-term rate of return is evaluated on an annual basis. In setting these assumptions, we consider a number of factors including projected future returns by asset class relative to the target asset allocation. Actual asset allocations are regularly reviewed and they are periodically rebalanced to the targeted allocations when considered appropriate. Pension expense is determined using the fair value of assets rather than a calculated value that averages gains and losses ("Calculated Value") over a period of years. Investment gains or losses represent the difference between the expected return calculated using the fair value of assets and the actual return based

on the fair value of assets. The variance between actual and expected gains and losses on pension assets is recognized in pension expense more rapidly than it would be if a Calculated Value was used for plan assets.

As of December 31, 2014, the Principal Plans had cumulative unrecognized investment and actuarial losses of approximately \$2.9 billion. These unrecognized net losses may increase future pension expense if not offset by (i) actual investment returns that exceed the assumed investment returns, (ii) other factors, including reduced pension liabilities arising from higher discount rates used to calculate pension obligations, or (iii) other actuarial gains, including whether such accumulated actuarial losses at each measurement date exceed the "corridor" as required. If the expected long-term rates of return on assets for the Principal Plans were lowered by 0.25 percent, the impact on annual pension expense would not be material in 2015.

- Discount rate. The discount (or settlement) rate used to determine the present value of our future U.S. pension obligation at December 31, 2014 was based on a portfolio of high quality corporate debt securities with cash flows that largely match the expected benefit payments of the plan. For the U.K. and Canadian plans, the discount rate was determined based on yield curves constructed from a portfolio of high quality corporate debt securities. Each year's expected future benefit payments were discounted to their present value at the appropriate yield curve rate to determine the pension obligations. If the discount rate assumptions for these same plans were reduced by 0.25 percent, the increase in annual pension expense would not be material in 2015, and the December 31, 2014 pension liability would increase by about \$209.
- Other assumptions. There are a number of other assumptions involved in the calculation of pension expense and benefit obligations, primarily related to participant demographics and benefit elections. As of December 31, 2014, we updated our assumptions for revised mortality projections that reflect longevity improvements of plan participants, resulting in an increase to future pension expense and to our consolidated benefit obligation.

Pension expense for defined benefit pension plans is estimated to approximate \$100 in 2015. Pension expense beyond 2015 will depend on future investment performance, our contributions to the pension trusts, changes in discount rates and various other factors related to the covered employees in the plans.

Other Postretirement Benefit Plans

Substantially all U.S. retirees and employees have access to our unfunded healthcare and life insurance benefit plans. Our related accounting policies and account balances are discussed in Item 8, Note 11 to the Consolidated Financial Statements. Changes in significant assumptions could affect the consolidated expense and benefit obligations, particularly the discount rates used to calculate the obligations and the healthcare cost trend rate:

- Discount rate. The determination of the discount rates used to calculate the benefit obligations of the plans is discussed in the pension benefit section above, and the methodology for each country is the same as the methodology used to determine the discount rate for that country's pension obligation. If the discount rate assumptions for these plans were reduced by 0.25 percent, there would be no impact to 2015 other postretirement benefit expense and the increase in the December 31, 2014 benefit liability would not be material. The discount rates displayed for the two types of obligations for our consolidated operations may appear different due to the unique benefit payments of the plans.
- Healthcare cost trend rate. The healthcare cost trend rate is based on a combination of inputs including our recent claims history and insights from external advisers regarding recent developments in the healthcare marketplace, as well as projections of future trends in the marketplace. See Item 8, Note 11 to the Consolidated Financial Statements for disclosure of the effect of a one percentage point change in the healthcare cost trend rate.

Deferred Income Taxes and Potential Assessments

As a global organization we are subject to income tax requirements in various jurisdictions in the U.S. and internationally. Income tax related accounting policies, account balances and matters affecting income taxes are discussed in Item 8, Note 16 to the Consolidated Financial Statements. Changes in certain assumptions related to income taxes could significantly affect consolidated results, particularly with regard to valuation allowances on deferred tax assets, unremitted earnings of subsidiaries outside the U.S. and uncertain tax positions:

- Deferred tax assets and related valuation allowances. We have recorded deferred tax assets related to, among other matters, income tax loss carryforwards, income tax credit carryforwards and capital loss carryforwards and have established valuation allowances against these deferred tax assets. These carryforwards are primarily in non-U.S. taxing jurisdictions

and in certain states in the U.S. Foreign tax credits earned in the U.S. in current and prior years, which cannot be used currently, also give rise to net deferred tax assets. In determining the valuation allowances to establish against these deferred tax assets, many factors are considered, including the specific taxing jurisdiction, the carryforward period, income tax strategies and forecasted earnings for the entities in each jurisdiction. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

- Unremitted earnings. As of December 31, 2014, U.S. income taxes and foreign withholding taxes have not been provided on approximately \$8.6 billion of unremitted earnings of subsidiaries operating outside the U.S. These earnings are considered by management to be invested indefinitely. However, they would be subject to income tax if they were remitted as dividends, were lent to one of our U.S. entities or if we were to sell our stock in the subsidiaries. It is not practicable to determine the amount of unrecognized deferred U.S. income tax liability on these unremitted earnings. We periodically determine whether our non-U.S. subsidiaries will invest their undistributed earnings indefinitely and reassess this determination, as appropriate.
- Uncertain tax positions. We record our global tax provision based on the respective tax rules and regulations for the jurisdictions in which we operate. Where we believe that a tax position is supportable for income tax purposes, the item is included in our income tax returns. Where treatment of a position is uncertain, a liability is recorded based upon the expected most likely outcome taking into consideration the technical merits of the position based on specific tax regulations and facts of each matter. These liabilities may be affected by changing interpretations of laws, rulings by tax authorities or the expiration of the statute of limitations. We currently believe that the ultimate resolution of matters subject to administrative appeals, litigation or other uncertainty, individually or in the aggregate, will not have a material effect on our business, financial condition, results of operations or liquidity.

Legal Matters

See Item 8, Note 14 to the Consolidated Financial Statements for information on legal matters.

New Accounting Standards

See Item 8, Note 1 to the Consolidated Financial Statements for a description of new accounting standards and their anticipated effects on our Consolidated Financial Statements.

Business Outlook

In 2015, we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. In 2015, we expect GAAP earnings per share in a range of \$5.46 to \$5.72, based on the assumptions described below:

- Growth in volume, net selling prices and product mix is expected to be in the combined 3 to 5 percent target range, with a focus on Personal Care and KCP in developing and emerging markets.
- We expect net sales to be negatively impacted by unfavorable foreign currency exchange rates of 8 to 9 percent, including an approximate 3 percent impact from exchange rate changes in Venezuela. We also expect unfavorable foreign currency translation effects to negatively impact operating profit growth by 9 to 10 percent, including an approximate 4 percent decrease from exchange rate changes in Venezuela. Currency transaction effects are also anticipated to negatively impact operating profit.
- We anticipate commodity cost deflation of \$0 to \$150.
- We plan to achieve cost savings of at least \$300 from our FORCE program, and \$60 to \$80 from the 2014 organization restructuring.
- We anticipate that advertising spending will increase somewhat as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- We expect the effective tax rate to be between 31.5 and 33.5 percent.
- Our share of net income from equity companies is expected to be down somewhat due to lower earnings at KCM, driven by a weaker Mexican peso.

- We anticipate capital spending to be in a \$950 to \$1,050 range and share repurchases to total \$0.8 to \$1.0 billion, subject to market conditions.
- We expect to contribute up to \$100 to our defined benefit pension plans and to increase our quarterly dividend mid-single digits effective April 2015, subject to approval by the Board of Directors.
- Charges related to the 2014 organization restructuring are expected to be \$30 to \$50 after tax.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 organization restructuring, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, including the impact in Venezuela, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our results will be as estimated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, as well as general economic and political conditions globally and in the markets in which we do business, could affect the realization of these estimates.

The factors described under Item 1A, "Risk Factors" in this Form 10-K, or in our other SEC filings, among others, could cause our future results to differ from those expressed in any forward-looking statements made by us or on our behalf. Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a multinational enterprise, we are exposed to risks such as changes in foreign currency exchange rates, interest rates and commodity prices. A variety of practices are employed to manage these risks, including operating and financing activities and, where deemed appropriate, the use of derivative instruments. Derivative instruments are used only for risk management purposes and not for speculation. All foreign currency derivative instruments are entered into with major financial institutions. Our credit exposure under these arrangements is limited to agreements with a positive fair value at the reporting date. Credit risk with respect to the counterparties is actively monitored but is not considered significant since these transactions are executed with a diversified group of financial institutions.

Presented below is a description of our risks (foreign currency risk and interest rate risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period. Also included is a description of our commodity price risk.

Foreign Currency Risk

Foreign currency risk is managed by the systematic use of foreign currency forward and swap contracts for a portion of our exposure. The use of these instruments allows the management of transactional exposures to exchange rate fluctuations because the gains or losses incurred on the derivative instruments will offset, in whole or in part, losses or gains on the underlying foreign currency exposure.

Foreign currency contracts and transactional exposures are sensitive to changes in foreign currency exchange rates. An annual test is performed to quantify the effects that possible changes in foreign currency exchange rates would have on annual operating profit based on our foreign currency contracts and transactional exposures at the current year-end. The balance sheet effect is calculated by multiplying each affiliate's net monetary asset or liability position by a 10 percent change in the foreign currency exchange rate versus the U.S. dollar.

As of December 31, 2014, a 10 percent unfavorable change in the exchange rate of the U.S. dollar against the prevailing market rates of foreign currencies involving balance sheet transactional exposures would have resulted in a net pre-tax loss of approximately \$35, excluding the effect of an unfavorable change in the Venezuelan bolivar discussed below. These hypothetical losses on transactional exposures are based on the difference between the December 31, 2014 rates and the assumed rates. In the view of management, the above hypothetical losses resulting from these assumed changes in foreign currency exchange rates are not material to our consolidated financial position, results of operations or cash flows.

Our operations in Venezuela are reported using highly inflationary accounting and their functional currency is the U.S. dollar. Changes in the value of a Venezuelan bolivar versus the U.S. dollar applied to our bolivar-denominated net monetary asset position are recorded in income at the time of the change. At December 31, 2014, a 10 percent unfavorable change in the exchange rate would have resulted in a net pre-tax loss of approximately \$5. There are no viable options for hedging this exposure.

The translation of the balance sheets of non-U.S. operations from local currencies into U.S. dollars is also sensitive to changes in foreign currency exchange rates. Consequently, an annual test is performed to determine if changes in currency exchange rates would have a significant effect on the translation of the balance sheets of non-U.S. operations into U.S. dollars. These translation gains or losses are recorded as unrealized translation adjustments ("UTA") within stockholders' equity. The hypothetical change in UTA is calculated by multiplying the net assets of these non-U.S. operations by a 10 percent change in the currency exchange rates. As of December 31, 2014, a 10 percent unfavorable change in the exchange rate of the U.S. dollar against the prevailing market rates of our foreign currency translation exposures would have reduced stockholders' equity by approximately \$800. These hypothetical adjustments in UTA are based on the difference between the December 31, 2014 exchange rates and the assumed rates. In the view of management, the above UTA adjustments resulting from these assumed changes in foreign currency exchange rates are not material to our consolidated financial position because they would not affect our cash flow.

Interest Rate Risk

Interest rate risk is managed through the maintenance of a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. The objective is to maintain a cost-effective mix that management deems appropriate. At December 31, 2014, the debt portfolio was composed of approximately 27 percent variable-rate debt and 73 percent fixed-rate debt.

Two separate tests are performed to determine whether changes in interest rates would have a significant effect on our financial position or future results of operations. Both tests are based on consolidated debt levels at the time of the test. The first test estimates the effect of interest rate changes on fixed-rate debt. Interest rate changes would result in increases or decreases in the market value of fixed-rate debt due to differences between the current market interest rates and the rates governing these instruments. With respect to fixed-rate debt outstanding at December 31, 2014, a 10 percent decrease in interest rates would have increased the fair value of fixed-rate debt by about \$176, which would not have a significant impact on our financial statements as we do not record debt at fair value. The second test estimates the potential effect on future pre-tax income that would result from increased interest rates applied to our current level of variable-rate debt. With respect to variable-rate debt, a 10 percent increase in interest rates would not have a material effect on the future results of operations or cash flows.

Commodity Price Risk

We are subject to commodity price risk, the most significant of which relates to the price of pulp. Selling prices of tissue products are influenced, in part, by the market price for pulp, which is determined by industry supply and demand. As previously discussed under Item 1A, "Risk Factors," increases in pulp prices could adversely affect earnings if selling prices are not adjusted or if such adjustments significantly trail the increases in pulp prices. Derivative instruments have not been used to manage these risks.

Our energy, manufacturing and transportation costs are affected by various market factors including the availability of supplies of particular forms of energy, energy prices and local and national regulatory decisions. As previously discussed under Item 1A, "Risk Factors," there can be no assurance we will be fully protected against substantial changes in the price or availability of energy sources. In addition, we are subject to price risk for utilities and manufacturing inputs, which are used in our manufacturing operations. Derivative instruments are used in accordance with our risk management policy to hedge a limited portion of the price risk.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

**KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT**

(Millions of dollars, except per share amounts)	Year Ended December 31		
	2014	2013	2012
Net Sales	\$ 19,724	\$ 19,561	\$ 19,467
Cost of products sold.....	13,041	12,952	13,338
Gross Profit	6,683	6,609	6,129
Marketing, research and general expenses.....	3,709	3,699	3,757
Other (income) and expense, net.....	453	7	(5)
Operating Profit	2,521	2,903	2,377
Interest income.....	18	20	18
Interest expense.....	(284)	(282)	(285)
Income From Continuing Operations Before Income Taxes and Equity Interests	2,255	2,641	2,110
Provision for income taxes.....	(856)	(828)	(660)
Income From Continuing Operations Before Equity Interests	1,399	1,813	1,450
Share of net income of equity companies	146	205	177
Income From Continuing Operations	1,545	2,018	1,627
Income from discontinued operations, net of income taxes.....	50	203	201
Net Income	1,595	2,221	1,828
Net income attributable to noncontrolling interests in continuing operations	(69)	(79)	(78)
Net Income Attributable to Kimberly-Clark Corporation	\$ 1,526	\$ 2,142	\$ 1,750
Per Share Basis			
Net Income Attributable to Kimberly-Clark Corporation			
Basic			
Continuing operations	\$ 3.94	\$ 5.05	\$ 3.94
Discontinued operations.....	0.13	0.53	0.51
Net income	\$ 4.07	\$ 5.58	\$ 4.45
Diluted			
Continuing operations	\$ 3.91	\$ 5.01	\$ 3.91
Discontinued operations.....	0.13	0.52	0.51
Net income	\$ 4.04	\$ 5.53	\$ 4.42
Cash Dividends Declared	\$ 3.36	\$ 3.24	\$ 2.96

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Millions of dollars)	Year Ended December 31		
	2014	2013	2012
Net Income	\$ 1,595	\$ 2,221	\$ 1,828
Other Comprehensive Income (Loss), Net of Tax			
Unrealized currency translation adjustments	(835)	(494)	215
Employee postretirement benefits.....	(275)	302	(377)
Other	20	17	(16)
Total Other Comprehensive Income (Loss), Net of Tax	(1,090)	(175)	(178)
Comprehensive Income	505	2,046	1,650
Comprehensive income attributable to noncontrolling interests	(57)	(87)	(93)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 448	\$ 1,959	\$ 1,557

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Millions of dollars)	December 31	
	2014	2013
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 789	\$ 1,054
Accounts receivable, net	2,223	2,545
Inventories.....	1,892	2,233
Other current assets.....	655	718
Total Current Assets.....	5,559	6,550
Property, Plant and Equipment, Net.....	7,359	7,948
Investments in Equity Companies.....	257	382
Goodwill.....	1,628	3,181
Other Intangible Assets, Net.....	109	243
Other Assets.....	614	615
TOTAL ASSETS.....	\$ 15,526	\$ 18,919
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 1,326	\$ 375
Redeemable preferred securities of subsidiary	—	506
Trade accounts payable.....	2,616	2,598
Accrued expenses.....	1,974	2,060
Dividends payable.....	310	309
Total Current Liabilities.....	6,226	5,848
Long-Term Debt.....	5,630	5,386
Noncurrent Employee Benefits.....	1,693	1,312
Deferred Income Taxes.....	587	817
Other Liabilities.....	319	344
Redeemable Preferred and Common Securities of Subsidiaries.....	72	72
Stockholders' Equity		
Kimberly-Clark Corporation		
Preferred stock—no par value—authorized 20.0 million shares, none issued	—	—
Common stock—\$1.25 par value—authorized 1.2 billion shares; issued 428.6 million shares at December 31, 2014 and 2013	536	536
Additional paid-in capital	632	594
Common stock held in treasury, at cost—63.3 million and 47.8 million shares at December 31, 2014 and 2013	(5,597)	(3,746)
Retained earnings.....	8,470	9,714
Accumulated other comprehensive income (loss)	(3,312)	(2,242)
Total Kimberly-Clark Corporation Stockholders' Equity.....	729	4,856
Noncontrolling Interests.....	270	284
Total Stockholders' Equity.....	999	5,140
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$ 15,526	\$ 18,919

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Millions of dollars, shares in thousands)	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests
	Shares	Amount		Shares	Amount			
Balance at December 31, 2011.....	428,597	\$ 536	\$ 440	32,937	\$ (2,105)	\$ 8,244	\$ (1,866)	\$ 280
Net income in stockholders' equity	—	—	—	—	—	1,750	—	47
Other comprehensive income, net of tax								
Unrealized translation.....	—	—	—	—	—	—	195	20
Employee postretirement benefits ..	—	—	—	—	—	—	(372)	(5)
Other.....	—	—	—	—	—	—	(16)	—
Stock-based awards exercised or vested ..	—	—	(78)	(10,492)	643	—	—	—
Income tax benefits on stock-based compensation.....	—	—	43	—	—	—	—	—
Shares repurchased.....	—	—	—	16,877	(1,333)	—	—	—
Recognition of stock-based compensation.....	—	—	67	—	—	—	—	—
Dividends declared.....	—	—	—	—	—	(1,163)	—	(38)
Other.....	—	—	9	—	(1)	(8)	—	(2)
Balance at December 31, 2012.....	428,597	536	481	39,322	(2,796)	8,823	(2,059)	302
Net income in stockholders' equity	—	—	—	—	—	2,142	—	48
Other comprehensive income, net of tax								
Unrealized translation.....	—	—	—	—	—	—	(499)	5
Employee postretirement benefits ..	—	—	—	—	—	—	298	4
Other.....	—	—	—	—	—	—	18	(1)
Stock-based awards exercised or vested ..	—	—	(33)	(4,108)	264	—	—	—
Income tax benefits on stock-based compensation.....	—	—	46	—	—	—	—	—
Shares repurchased.....	—	—	—	12,584	(1,214)	—	—	—
Recognition of stock-based compensation.....	—	—	92	—	—	—	—	—
Dividends declared.....	—	—	—	—	—	(1,244)	—	(39)
Other.....	—	—	8	—	—	(7)	—	(35)
Balance at December 31, 2013.....	428,597	536	594	47,798	(3,746)	9,714	(2,242)	284
Net income in stockholders' equity	—	—	—	—	—	1,526	—	39
Other comprehensive income, net of tax								
Unrealized translation.....	—	—	—	—	—	—	(819)	(15)
Employee postretirement benefits ..	—	—	—	—	—	—	(278)	3
Other.....	—	—	—	—	—	—	19	1
Stock-based awards exercised or vested ..	—	—	(54)	(2,783)	180	—	—	—
Income tax benefits on stock-based compensation.....	—	—	32	—	—	—	—	—
Shares repurchased.....	—	—	—	18,246	(2,031)	—	—	—
Recognition of stock-based compensation.....	—	—	52	—	—	—	—	—
Dividends declared.....	—	—	—	—	—	(1,256)	—	(43)
Spin-off of health care business	—	—	—	—	—	(1,505)	9	—
Other.....	—	—	8	—	—	(9)	(1)	1
Balance at December 31, 2014.....	428,597	\$ 536	\$ 632	63,261	\$ (5,597)	\$ 8,470	\$ (3,312)	\$ 270

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT

(Millions of dollars)	Year Ended December 31		
	2014	2013	2012
Operating Activities			
Net income.....	\$ 1,595	\$ 2,221	\$ 1,828
Depreciation and amortization	862	863	857
Asset impairments	42	45	171
Stock-based compensation	52	92	67
Deferred income taxes.....	63	151	224
Net (gains) losses on asset dispositions.....	21	11	35
Equity companies' earnings (in excess of) less than dividends paid	28	(36)	(27)
(Increase) decrease in operating working capital	(176)	(158)	119
Postretirement benefits	(102)	(158)	7
Charge for Venezuelan balance sheet remeasurement.....	462	36	—
Other	(2)	(27)	7
Cash Provided by Operations	2,845	3,040	3,288
Investing Activities			
Capital spending	(1,039)	(953)	(1,093)
Acquisitions of businesses.....	—	(32)	(5)
Proceeds from dispositions of property.....	38	129	9
Proceeds from sales of investments.....	127	26	23
Investments in time deposits	(151)	(93)	(212)
Maturities of time deposits	239	94	95
Other	16	(15)	(1)
Cash Used for Investing	(770)	(844)	(1,184)
Financing Activities			
Cash dividends paid.....	(1,256)	(1,223)	(1,151)
Change in short-term borrowings.....	721	(287)	271
Debt proceeds	1,257	890	315
Debt repayments.....	(123)	(544)	(492)
Redemption of redeemable preferred securities of subsidiary	(500)	—	—
Cash paid on redeemable preferred securities of subsidiaries.....	(34)	(27)	(28)
Proceeds from exercise of stock options	127	232	565
Acquisitions of common stock for the treasury.....	(1,939)	(1,216)	(1,284)
Cash transferred to Halyard Health, Inc. related to spin-off	(120)	—	—
Other	(26)	(10)	2
Cash Used for Financing	(1,893)	(2,185)	(1,802)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(447)	(63)	40
Increase (Decrease) in Cash and Cash Equivalents.....	(265)	(52)	342
Cash and Cash Equivalents - Beginning of Year.....	1,054	1,106	764
Cash and Cash Equivalents - End of Year.....	\$ 789	\$ 1,054	\$ 1,106

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Accounting Policies

Basis of Presentation

The Consolidated Financial Statements present the accounts of Kimberly-Clark Corporation and all subsidiaries in which it has a controlling financial interest as if they were a single economic entity in conformity with accounting principles generally accepted in the United States of America ("GAAP"). All intercompany transactions and accounts are eliminated in consolidation. The terms "Corporation," "Kimberly-Clark," "we," "our," and "us" refer to Kimberly-Clark Corporation and all subsidiaries in which it has a controlling financial interest. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted. Kimberly-Clark's prior period Consolidated Income Statements and related disclosures have been recast to present the results of the spun-off health care business (see further discussion below) as discontinued operations. Segment results have also been recast to present net sales and operating profit by segment on a continuing operations basis.

On October 31, 2014, we completed the spin-off of our health care business, creating a stand-alone, publicly traded health care company, Halyard Health, Inc. ("Halyard"), by distributing 100 percent of the outstanding shares of Halyard to holders of our common stock. See Note 2 for more information. The spun-off health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented. The health care business' balance sheet, other comprehensive income and cash flows are included within our Consolidated Balance Sheet, Consolidated Statement of Stockholders' Equity, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement through October 31, 2014.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting periods. Actual results could differ from these estimates, and changes in these estimates are recorded when known. Estimates are used in accounting for, among other things, sales incentives and trade promotion allowances, employee postretirement benefits, and deferred income taxes and potential assessments.

Cash Equivalents

Cash equivalents are short-term investments with an original maturity date of three months or less.

Inventories and Distribution Costs

Most U.S. inventories are valued at the lower of cost, using the Last-In, First-Out (LIFO) method, or market. The balance of the U.S. inventories and inventories of consolidated operations outside the U.S. are valued at the lower of cost, using either the First-In, First-Out (FIFO) or weighted-average cost methods, or market. Distribution costs are classified as cost of products sold.

Property and Depreciation

Property, plant and equipment are stated at cost and are depreciated on the straight-line method. Buildings are depreciated over their estimated useful lives, primarily 40 years. Machinery and equipment are depreciated over their estimated useful lives, primarily ranging from 16 to 20 years. Purchases of computer software, including external costs and certain internal costs (including payroll and payroll-related costs of employees) directly associated with developing significant computer software applications for internal use, are capitalized. Computer software costs are amortized on the straight-line method over the estimated useful life of the software, which generally does not exceed 5 years.

Estimated useful lives are periodically reviewed and, when warranted, changes are made to them. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss would be indicated when estimated undiscounted future cash flows from the use and eventual disposition of an asset group, which are identifiable and largely independent of the cash flows of other asset groups, are less than the carrying amount of the asset group. Measurement of an impairment loss would be based on the excess of the carrying amount of the asset group over its fair value. Fair value is measured using discounted cash flows or independent appraisals, as appropriate. When property is sold or retired, the cost of the property and the related accumulated depreciation are removed from the Consolidated Balance Sheet and any gain or loss on the transaction is included in income.

Goodwill and Other Intangible Assets

Goodwill represents costs in excess of fair values assigned to the underlying net assets of acquired businesses. Goodwill is not amortized, but rather is tested for impairment annually and whenever events and circumstances indicate that impairment may have occurred. Impairment testing compares the reporting unit carrying amount of goodwill with its fair value. Fair value is estimated based on discounted cash flows. If the reporting unit carrying amount of goodwill exceeds its fair value, an impairment charge would be recorded. For 2014, we have completed the required annual testing of goodwill for impairment for all reporting units using the first day of the third quarter as the measurement date, and have determined that goodwill is not impaired.

Intangible assets with finite lives are amortized over their estimated useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Estimated useful lives range from 2 to 20 years for trademarks, 5 to 15 years for patents and developed technologies, and 5 to 15 years for other intangible assets. An impairment loss would be indicated when estimated undiscounted future cash flows from the use of the asset are less than its carrying amount. An impairment loss would be measured as the difference between the fair value (based on discounted future cash flows) and the carrying amount of the asset.

Investments in Equity Companies

Investments in companies which we do not control but over which we have the ability to exercise significant influence and that, in general, are at least 20 percent-owned by us, are stated at cost plus equity in undistributed net income. These investments are evaluated for impairment when warranted. An impairment loss would be recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other than temporary. In judging "other than temporary," we would consider the length of time and extent to which the fair value of the equity company investment has been less than the carrying amount, the near-term and longer-term operating and financial prospects of the equity company, and our longer-term intent of retaining the investment in the equity company.

Revenue Recognition

Sales revenue is recognized at the time of product shipment or delivery, depending on when title passes, to unaffiliated customers, and when all of the following have occurred: a firm sales agreement is in place, pricing is fixed or determinable, and collection is reasonably assured. Sales are reported net of returns, consumer and trade promotions, rebates and freight allowed. Taxes imposed by governmental authorities on our revenue-producing activities with customers, such as sales taxes and value-added taxes, are excluded from net sales.

Sales Incentives and Trade Promotion Allowances

The cost of promotion activities provided to customers is classified as a reduction in sales revenue. In addition, the estimated redemption value of consumer coupons is recorded at the time the coupons are issued and classified as a reduction in sales revenue. Estimates of trade promotion liabilities for promotional program costs incurred, but unpaid, are generally based on estimates of the quantity of customer sales, timing of promotional activities and forecasted costs for activities within the promotional programs.

Advertising Expense

Advertising costs are expensed in the year the related advertisement or campaign is first presented by the media. For interim reporting purposes, advertising expenses are charged to operations as a percentage of sales based on estimated sales and related advertising expense for the full year.

Research Expense

Research and development costs are charged to expense as incurred.

Foreign Currency Translation

The income statements of foreign operations, other than those in highly inflationary economies, are translated into U.S. dollars at rates of exchange in effect each month. The balance sheets of these operations are translated at period-end exchange rates, and the differences from historical exchange rates are reflected in stockholders' equity as unrealized translation adjustments.

The income statements and balance sheets of operations in highly inflationary economies are translated into U.S. dollars using both current and historical rates of exchange. We account for our operations in Venezuela using highly inflationary accounting. On February 13, 2013, the Venezuelan government announced a devaluation of the Central Bank of Venezuela ("Central Bank") regulated currency exchange system rate to 6.3 bolivars per U.S. dollar and the elimination of the SITME rate. As a result of the

devaluation, we recorded a \$26 after-tax charge (\$36 pre-tax) related to the remeasurement of the local currency-denominated balance sheet to the new exchange rate in the quarter ended March 31, 2013. Prior to this devaluation, we used the Central Bank SITME rate of 5.4 bolivars per U.S. dollar to measure K-C Venezuela's bolivar-denominated transactions into U.S. dollars. The \$36 pre-tax charge is reflected in the Consolidated Income Statement in other (income) and expense, net for the year ended December 31, 2013.

During March 2013, the Venezuelan government announced a complementary currency exchange system, SICAD. Participation in SICAD is controlled by the Venezuelan government. SICAD is intended to function as an auction system, allowing entities in specific sectors to bid for U.S. dollars to be used for specified import transactions. In February 2014, the president of Venezuela announced that another floating rate exchange system (referred to as SICAD II) would be initiated. Initial exchanges under SICAD II began on March 24, 2014.

We have historically measured results in Venezuela at the rate in which we transact our business. We have qualified for access to the official exchange rate because we manufacture and sell price-controlled products. Since March 2013, exchange transactions have taken place through letters of credit which resulted in an effective exchange rate of 6.3 bolivars per U.S. dollar and through approved transactions using the regulated currency exchange system, which were also at a 6.3 exchange rate. To date, we have not been invited to participate in SICAD, and we did not seek exchange at SICAD II because we qualify for the more favorable official 6.3 rate and have chosen to pursue exchange at that rate.

Through December 31, 2014, we continued to manufacture and sell products in Venezuela as well as import raw materials and finished goods under approved foreign exchange transactions. However, recent government approvals for imports under letters of credit have not been at a level sufficient to sustain all of our manufacturing capabilities in Venezuela. During December 2014, the volume of exchange transactions approved at the 6.3 exchange rate decreased significantly, and we experienced some level of production curtailment during the fourth quarter of 2014. We continued to measure results at the 6.3 rate through December 2014, however, we are uncertain whether approved exchange transactions at the 6.3 exchange rate will recover to previous levels. Given the level of uncertainty and lack of liquidity in Venezuela, in part due to recent declines in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year end floating SICAD II exchange rate of 50 bolivars per U.S. dollar as we believe this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014, with \$41 recorded in cost of products sold and \$421 recorded in other (income) and expense, net.

At December 31, 2014, K-C Venezuela had a bolivar-denominated net monetary asset position (primarily cash) of \$59 and our net investment in K-C Venezuela was \$152, both valued at 50 bolivars per U.S. dollar. Net sales of K-C Venezuela represented approximately 3 percent of consolidated net sales for the year ended December 31, 2014 and approximately 2 percent of consolidated net sales for the years ended December 31, 2013 and 2012.

While we continue to seek approval for additional imports at the official rate, unless we are able to obtain further approvals for imports through approved letters of credit or through the official government exchange system, we may be forced to curtail some or all of our local manufacturing in the future until such approvals to import additional raw materials are forthcoming. In January 2015, we measured results in Venezuela at the floating SICAD II exchange rate. In mid-February 2015, the government of Venezuela announced changes to their three-tiered currency exchange system. We are evaluating the implications of these changes to assess the impact on our results and reporting for our operations in that country.

Derivative Instruments and Hedging

Our policies allow the use of derivatives for risk management purposes and prohibit their use for speculation. Our policies also prohibit the use of any leveraged derivative instrument. Consistent with our policies, foreign currency derivative instruments, interest rate swaps and locks, and the majority of commodity hedging contracts are entered into with major financial institutions. At inception we formally designate certain derivatives as cash flow, fair value or net investment hedges and establish how the effectiveness of these hedges will be assessed and measured. This process links the derivatives to the transactions or financial balances they are hedging. Changes in the fair value of derivatives not designated as hedging instruments are recorded in earnings as they occur. All derivative instruments are recorded as assets or liabilities on the balance sheet at fair value. Changes in the fair value of derivatives are either recorded in the income statement or other comprehensive income, as appropriate. The gain or loss on derivatives designated as fair value hedges and the offsetting loss or gain on the hedged item attributable to the hedged risk are included in income in the period that changes in fair value occur. The effective portion of the gain or loss on derivatives designated as cash flow hedges is included in other comprehensive income in the period that changes in fair value occur, and is reclassified

to income in the same period that the hedged item affects income. The gain or loss on derivatives designated as hedges of investments in foreign subsidiaries is recognized in other comprehensive income to offset the change in value of the net investments being hedged. Any ineffective portion of cash flow hedges and net investment hedges is immediately recognized in income. Certain foreign-currency derivative instruments not designated as hedging instruments have been entered into to manage a portion of our foreign currency transactional exposures. The gain or loss on these derivatives is included in income in the period that changes in their fair values occur. See Note 15 for disclosures about derivative instruments and hedging activities.

New Accounting Standards

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The standard is effective for public entities for annual and interim periods beginning after December 15, 2016. Early adoption is not permitted. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

Note 2. Spin-Off of Health Care Business and Related Costs

On October 31, 2014, we completed the spin-off of our health care business, and each of our shareholders of record as of the close of business on October 23, 2014 (the "Record Date") received one share of Halyard common stock for every 8 shares of our common stock held as of the Record Date. The distribution was structured to be tax free to our U.S. shareholders for U.S. federal income tax purposes. After the distribution, we do not beneficially own any shares of Halyard common stock.

Summary results of operations for the spun-off health care business included in net income from discontinued operations, net of income taxes, were as follows:

	<u>Year Ended December 31</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net sales	\$ 1,320	\$ 1,591	\$ 1,596
Income before income taxes.....	130	304	310
Provision for income taxes	(80)	(101)	(109)
Net income	50	203	201

The results of the health care discontinued operations exclude certain corporate costs which were allocated to the health care segment historically and we expect to continue to incur these costs after the spin-off. These include costs related to supply chain, finance, legal, information technology, human resources, compliance, shared services, insurance, employee benefits and incentives, and stock-based compensation. On a pre-tax basis, through the date of the spin-off, these costs were \$70 for the ten months ended October 31, 2014, and \$85 in each of the years ended December 31, 2013 and 2012.

To evaluate, plan and execute the spin-off, we incurred \$157 of pre-tax charges (\$138 after tax) in transaction and related costs, including the exit of one of Halyard's health care glove manufacturing facilities in Thailand and outsourcing of the related production. These charges and the related tax impact are recorded in Income from discontinued operations, net of income taxes.

In connection with the spin-off, we transferred the following assets and liabilities to Halyard:

Assets

Cash.....	\$	120
Accounts receivable, net		37
Inventories.....		289
Property, plant and equipment, net.....		271
Goodwill.....		1,429
Other intangible assets		114
Other assets		66
Total Assets.....	\$	<u>2,326</u>

Liabilities

Accrued expenses.....	\$	127
Debt.....		636
Deferred income taxes		60
Other liabilities.....		7
Total Liabilities.....	\$	<u>830</u>

Net Assets Transferred in the Spin-Off..... \$ 1,496

In order to implement the spin-off, we entered into certain agreements with Halyard to effect our legal and structural separation; govern the relationship between us; and allocate various assets, liabilities and obligations between us, including, among other things, employee benefits, intellectual property and tax-related assets and liabilities. We also entered into a transition services agreement with Halyard, whereby we will provide certain administrative and other services for a limited time, a tax matters agreement, an employee matters agreement, intellectual property agreements, manufacturing and supply agreements, distribution agreements and non-competition agreements.

Note 3. 2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Workforce reductions are expected to be in the range of 1,100 to 1,300 and primarily impact salaried employees. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Charges in the fourth quarter of 2014 were \$133, recorded in the following income statement line items:

	2014
Cost of products sold	\$ 40
Marketing, research and general expenses.....	93
Provision for income taxes.....	(38)
Net charges.....	<u>\$ 95</u>

Cash payments in the fourth quarter of 2014 related to the restructuring were not material. On a geographic basis, \$47 of the charges were recorded in North America, \$28 in Europe, and \$58 in our international operations in Asia, Latin America, the Middle East, Eastern Europe and Africa.

Note 4. European Strategic Changes

In 2012, we approved strategic changes related to our Western and Central European consumer and professional businesses to focus our resources and investments on stronger market positions and growth opportunities. We exited the diaper category in that region, with the exception of the Italian market, and divested or exited some lower-margin businesses, mostly in consumer tissue, in certain markets. The changes primarily affected our consumer businesses, with a modest impact on K-C Professional ("KCP"). The restructuring actions commenced in 2012 and were completed by December 31, 2014.

Restructuring actions related to the strategic changes involved the sale or closure of five of our European manufacturing facilities and streamlining our administrative organization. The following charges were incurred in connection with the European strategic changes:

	Year Ended December 31		
	2014	2013	2012
Asset impairments and other asset-related charges	\$ 2	\$ 53	\$ 165
Charges for workforce reductions	(5)	10	77
Benefit from pension curtailment	—	(31)	—
Other exit costs	14	22	8
Cost of products sold	11	54	250
Charges for workforce reductions and other exit costs included in marketing, research and general expenses and other (income) and expense, net	22	27	49
Provision for income taxes	(3)	(15)	(57)
Net charges	\$ 30	\$ 66	\$ 242

The measurement of the charges for asset impairments was based on the excess of the carrying value of the impacted asset groups over their fair values. These fair values were measured using discounted cash flows expected over the limited time the assets would remain in use, and as a result, the assets were essentially written off. The use of the discounted cash flows represents a level 3 measure under the fair value hierarchy.

Cash payments of \$41, \$156 and \$4 were made during 2014, 2013 and 2012, respectively, related to the restructuring. See Note 18 for charges by segment.

Note 5. Pulp and Tissue Restructuring Actions

In 2011 and 2012, we executed pulp and tissue restructuring actions in order to exit our remaining integrated pulp manufacturing operations and improve the underlying profitability and return on invested capital of our consumer tissue and KCP businesses. These actions involved the streamlining, sale or closure of seven of our manufacturing facilities around the world. In conjunction with these actions, we exited certain non-strategic products, primarily non-branded offerings, and transferred some production to lower-cost facilities in order to improve overall profitability and returns. The actions were substantially complete at December 31, 2012. The restructuring resulted in cumulative pre-tax charges of \$550 (\$375 after tax). During 2012, charges of \$135 were recorded primarily in cost of products sold for the restructuring actions, and a related benefit of \$49 was recorded in provision for income taxes. See Note 18 for charges by segment.

Note 6. Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1—Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2—Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3—Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During 2014 and 2013, there were no significant transfers among level 1, 2 or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$58 and \$55 at December 31, 2014 and 2013, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value of the COLI policies is considered a level 2 measurement and is derived from investments in a mix of money market, fixed income and equity funds managed by unrelated fund managers. At December 31, 2014 and 2013, derivative assets were \$54 and \$62, respectively, and derivative liabilities were \$116 and \$49, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 15.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		December 31, 2014	December 31, 2014	December 31, 2013	December 31, 2013
Assets					
Cash and cash equivalents ^(a)	1	\$ 789	\$ 789	\$ 1,054	\$ 1,054
Time deposits ^(b)	1	130	130	222	222
Liabilities and redeemable securities of subsidiaries					
Short-term debt ^(c)	2	777	777	63	63
Long-term debt ^(d)	2	6,179	6,963	5,698	6,721
Redeemable securities of subsidiaries ^(e)	3	72	72	578	598

- (a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.
- (b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Time deposits are recorded at cost, which approximates fair value.
- (c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.
- (d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.
- (e) The redeemable securities of subsidiaries are not traded in active markets. For certain instruments, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. Additionally, the fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions.

Note 7. Acquisitions and Intangible Assets

The changes in the carrying amount of goodwill by business segment are as follows:

	Personal Care	Consumer Tissue	K-C Professional	Health Care Business	Total
Balance at December 31, 2012.....	\$ 764	\$ 695	\$ 442	\$ 1,436	\$ 3,337
Acquisitions.....	6	—	—	3	9
Currency and other.....	(86)	(54)	(18)	(7)	(165)
Balance at December 31, 2013.....	684	641	424	1,432	3,181
Currency and other.....	(59)	(47)	(15)	(3)	(124)
Spin-off of health care business.....	—	—	—	(1,429)	(1,429)
Balance at December 31, 2014.....	<u>\$ 625</u>	<u>\$ 594</u>	<u>\$ 409</u>	<u>\$ —</u>	<u>\$ 1,628</u>

Intangible assets subject to amortization consist of the following at December 31:

	2014		2013	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Trademarks.....	\$ 117	\$ 79	\$ 252	\$ 163
Patents and developed technologies.....	49	9	201	85
Other.....	64	33	93	62
Total.....	<u>\$ 230</u>	<u>\$ 121</u>	<u>\$ 546</u>	<u>\$ 310</u>

Note 8. Debt

Long-term debt is composed of the following:

	Weighted- Average Interest Rate	Maturities	December 31	
			2014	2013
Notes and debentures.....	4.7%	2015 - 2043	\$ 5,656	\$ 5,163
Dealer remarketable securities.....	4.3%	2015 - 2016	200	200
Industrial development revenue bonds.....	0.2%	2015 - 2034	261	261
Bank loans and other financings in various currencies.....	5.8%	2015 - 2025	62	74
Total long-term debt.....			<u>6,179</u>	<u>5,698</u>
Less current portion.....			<u>549</u>	<u>312</u>
Long-term portion.....			<u>\$ 5,630</u>	<u>\$ 5,386</u>

Scheduled maturities of long-term debt for the next five years are \$549 in 2015, \$607 in 2016, \$963 in 2017, \$905 in 2018 and \$311 in 2019.

On October 17, 2014, we issued debt of \$640 aggregate principal amount that was transferred to Halyard as part of the spin-off.

On May 22, 2014, we issued \$300 aggregate principal amount of floating rate notes due May 19, 2016 and \$300 aggregate principal amount of 1.9% notes due May 22, 2019. Proceeds from the offering were used for general corporate purposes and repurchases of common stock.

In 2013, we issued \$250 aggregate principal amount of floating rate notes due May 15, 2016, \$350 aggregate principal amount of 2.4% notes due June 1, 2023, and \$250 aggregate principal amount of 3.7% notes due June 1, 2043. Proceeds from the offering

were used to repay our \$500 aggregate principal amount of 5.0% notes due August 15, 2013, to fund investment in our business and for general corporate purposes.

In 2012, we issued \$300 aggregate principal amount of 2.4% notes due March 1, 2022. Proceeds from the offering were used for general corporate purposes and repayment of debt.

In 2006, we issued \$200 of dealer remarketable securities that have a final maturity in 2016. The remarketing provisions of these debt instruments require that each year the securities either be remarketed by the dealer or repaid. In both 2014 and 2013, the dealer exercised its option to remarket the securities for another year, and remarketed the securities to third parties.

In June 2014, we entered into a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, replaced a similar facility for \$1.5 billion, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

Note 9. Redeemable Securities of Subsidiaries

In February 2001, we, together with a non-affiliated third party entity, (the "Third Party"), formed a Luxembourg-based financing subsidiary. Prior to December 2014, the Third Party had an investment in certain redeemable preferred securities of the subsidiary. Kimberly-Clark holds investments in certain preferred securities and all of the common securities of the subsidiary. Approximately 98 percent of the total cash contributed to the subsidiary was loaned to Kimberly-Clark. We are the primary beneficiary of the subsidiary and, accordingly, consolidated the subsidiary in our Consolidated Financial Statements.

In December 2013, the subsidiary elected to redeem the preferred securities held by the Third Party in December 2014, and as a result, the \$500 redemption value of the subsidiary's preferred securities held by the Third Party was included in current liabilities as of December 31, 2013 in our Consolidated Balance Sheet. These preferred securities were redeemed in December 2014, and accordingly, the subsidiary became wholly-owned by Kimberly-Clark.

The preferred and common securities of the subsidiary held by Kimberly-Clark and the intercompany loans have been eliminated in our Consolidated Financial Statements. The return on the preferred securities previously held by the Third Party was \$26, \$27 and \$27 in 2014, 2013 and 2012, respectively, which is included in net income attributable to noncontrolling interests in our Consolidated Income Statement.

In addition, our subsidiary in Central America has outstanding redeemable securities that are held by a noncontrolling interest, which were exchanged from common to preferred securities in December 2014, and another noncontrolling interest holds certain redeemable preferred securities issued by one of our subsidiaries in North America.

Note 10. Stock-Based Compensation

We have a stock-based Equity Participation Plan and an Outside Directors' Compensation Plan (the "Plans"), under which we can grant stock options, restricted shares and restricted share units to employees and outside directors. As of December 31, 2014, the number of shares of common stock available for grants under the Plans aggregated 22 million shares.

Stock options are granted at an exercise price equal to the fair market value of our common stock on the date of grant, and they have a term of 10 years. Stock options are subject to graded vesting whereby options vest 30 percent at the end of each of the first two 12-month periods following the grant and 40 percent at the end of the third 12-month period.

Restricted shares, time-vested restricted share units and performance-based restricted share units granted to employees are valued at the closing market price of our common stock on the grant date and vest generally at the end of three years. The number of performance-based share units that ultimately vest ranges from zero to 200 percent of the number granted, based on performance tied to return on invested capital ("ROIC") and net sales during the three-year performance period. ROIC and net sales targets are set at the beginning of the performance period. Restricted share units granted to outside directors are valued at the closing market price of our common stock on the grant date and vest when they are granted. The restricted period begins on the date of grant and expires on the date the outside director retires from or otherwise terminates service on our Board.

At the time stock options are exercised or restricted shares and restricted share units become payable, common stock is issued from our accumulated treasury shares. Dividend equivalents are credited on restricted share units on the same date and at the same

rate as dividends are paid on Kimberly-Clark's common stock. These dividend equivalents, net of estimated forfeitures, are charged to retained earnings.

In connection with the spin-off of our health care business, under the provisions of our existing Plans, employee stock options, time-vested restricted share units and performance-based restricted share units were adjusted as follows:

- The number of stock options was increased and the exercise price was decreased to maintain the fair value of outstanding options immediately before and after the spin-off.
- The time-vested restricted share units and performance-based restricted share units were credited with a reinvested dividend equivalent equal to the value of the spin-off stock dividend to maintain the value of these awards immediately before and after the spin-off.

As a result, we did not record any incremental compensation expenses related to the conversion of these awards. These awards continue to vest over the original vesting period.

Stock-based compensation costs of \$52, \$92 and \$67 and related deferred income tax benefits of \$19, \$35 and \$20 were recognized for 2014, 2013 and 2012, respectively.

The fair value of stock option awards was determined using a Black-Scholes-Merton option-pricing model utilizing a range of assumptions related to dividend yield, volatility, risk-free interest rate, and employee exercise behavior. Dividend yield is based on historical experience and expected future dividend actions. Expected volatility is based on a blend of historical volatility and implied volatility from traded options on Kimberly-Clark's common stock. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. We estimate forfeitures based on historical data.

The weighted-average fair value of options granted was estimated at \$7.89, \$7.15 and \$3.25, in 2014, 2013 and 2012, respectively, per option on the date of grant based on the following assumptions:

	Year Ended December 31		
	2014	2013	2012
Dividend yield.....	3.50%	3.70%	4.50%
Volatility.....	13.41%	15.40%	12.86%
Risk-free interest rate.....	1.73%	0.87%	1.08%
Expected life—years.....	5.0	5.1	5.8

Total remaining unrecognized compensation costs and amortization period are as follows:

	December 31, 2014	Weighted-Average Service Years
Nonvested stock options.....	\$ 8	1.0
Restricted shares and time-vested restricted share units.....	5	0.5
Nonvested performance-based restricted share units.....	44	1.2

Excess tax benefits, resulting from tax deductions in excess of the compensation cost recognized, aggregating \$37, \$50 and \$50 were classified as other cash inflows under Financing Activities in the Consolidated Cash Flow Statement for the years ended December 31, 2014, 2013 and 2012, respectively.

A summary of stock-based compensation is presented below:

<u>Stock Options</u>	Shares (in thousands)	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2014	7,223	\$ 75.77		
Granted	1,798	112.26		
Exercised	(1,860)	68.02		
Forfeited or expired	(506)	97.57		
Conversion for spin-off of health care business	306	82.26		
Outstanding at December 31, 2014	6,961	82.32	6.51	\$ 231
Exercisable at December 31, 2014	3,846	68.26	4.76	\$ 182

The total intrinsic value of options exercised during the years ended December 31, 2014, 2013 and 2012 was \$79, \$138 and \$161, respectively.

<u>Other Stock-Based Awards</u>	Time-Vested Restricted Share Units		Performance-Based Restricted Share Units	
	Shares (in thousands)	Weighted- Average Grant-Date Fair Value	Shares (in thousands)	Weighted- Average Grant-Date Fair Value
Nonvested at January 1, 2014	257	\$ 81.38	2,083	\$ 79.98
Granted	73	100.95	842	111.77
Vested	(70)	81.97	(894)	65.02
Forfeited	(38)	84.01	(301)	94.73
Dividend equivalent for spin-off of health care business	22	78.04	79	95.80
Nonvested at December 31, 2014	244	86.34	1,809	96.35

The total fair value of restricted share units that were distributed to participants during 2014, 2013 and 2012 was \$102, \$45 and \$101, respectively.

Note 11. Employee Postretirement Benefits

Substantially all regular employees in North America and the United Kingdom are covered by defined benefit pension plans (the "Principal Plans") and/or defined contribution retirement plans. Certain other subsidiaries have defined benefit pension plans or, in certain countries, termination pay plans covering substantially all regular employees. The funding policy for our qualified defined benefit pension plans is to contribute assets at least equal in amount to regulatory minimum requirements. Nonqualified U.S. plans providing pension benefits in excess of limitations imposed by the U.S. income tax code are not funded.

Substantially all U.S. retirees and employees have access to our unfunded healthcare and life insurance benefit plans. The annual increase in the consolidated weighted-average healthcare cost trend rate is expected to be 6.3 percent in 2015 and to decline to 5.1 percent in 2023 and thereafter. Assumed healthcare cost trend rates affect the amounts reported for postretirement healthcare benefit plans. A one-percentage-point change in assumed healthcare trend rates would not have a significant effect on our financial results.

Summarized financial information about postretirement plans, excluding defined contribution retirement plans, is presented below:

	Pension Benefits		Other Benefits	
	Year Ended December 31			
	2014	2013	2014	2013
Change in Benefit Obligation				
Benefit obligation at beginning of year	\$ 6,164	\$ 6,590	\$ 761	\$ 824
Service cost	46	53	13	17
Interest cost	279	257	35	32
Actuarial loss (gain)	986	(422)	39	(60)
Currency and other	(207)	47	(4)	—
Benefit payments from plans	(356)	(343)	—	—
Direct benefit payments	(10)	(13)	(56)	(52)
Curtailments and settlements	(42)	(5)	—	—
Benefit obligation at end of year	<u>6,860</u>	<u>6,164</u>	<u>788</u>	<u>761</u>
Change in Plan Assets				
Fair value of plan assets at beginning of year	5,567	5,375	—	—
Actual return on plan assets	694	268	—	—
Employer contributions	185	220	—	—
Currency and other	(142)	47	—	—
Benefit payments	(356)	(343)	—	—
Settlements	(34)	—	—	—
Fair value of plan assets at end of year	<u>5,914</u>	<u>5,567</u>	<u>—</u>	<u>—</u>
Funded Status	<u>\$ (946)</u>	<u>\$ (597)</u>	<u>\$ (788)</u>	<u>\$ (761)</u>
Amounts Recognized in the Balance Sheet				
Noncurrent asset—prepaid benefit cost	\$ 6	\$ 9	\$ —	\$ —
Current liability—accrued benefit cost	(13)	(12)	(51)	(56)
Noncurrent liability—accrued benefit cost	(939)	(594)	(737)	(705)
Net amount recognized	<u>\$ (946)</u>	<u>\$ (597)</u>	<u>\$ (788)</u>	<u>\$ (761)</u>

Information for the Principal Plans and All Other Pension Plans

	Principal Plans		All Other Pension Plans		Total	
	Year Ended December 31					
	2014	2013	2014	2013	2014	2013
Projected benefit obligation (“PBO”)	\$ 6,312	\$ 5,640	\$ 548	\$ 524	\$ 6,860	\$ 6,164
Accumulated benefit obligation (“ABO”)	6,221	5,555	475	439	6,696	5,994
Fair value of plan assets	5,559	5,205	355	362	5,914	5,567

The PBO and fair value of plan assets for the Principal Plans include \$4,432 and \$3,757, respectively, related to the U.S. qualified and nonqualified pension plans as of December 31, 2014. The PBO and fair value of plan assets for the Principal Plans include \$3,866 and \$3,565, respectively, related to the U.S. qualified and nonqualified pension plans as of December 31, 2013.

Information for Pension Plans with an ABO in Excess of Plan Assets

	December 31	
	2014	2013
PBO	\$ 4,983	\$ 5,722
ABO	4,908	5,622
Fair value of plan assets	4,111	5,163

Components of Net Periodic Benefit Cost

	Pension Benefits			Other Benefits		
	Year Ended December 31					
	2014	2013	2012	2014	2013	2012
Service cost.....	\$ 46	\$ 53	\$ 45	\$ 13	\$ 17	\$ 15
Interest cost.....	279	257	279	35	32	36
Expected return on plan assets ^(a)	(332)	(331)	(329)	—	—	—
Recognized net actuarial loss	100	120	111	—	3	1
Curtailements and settlements.....	20	(31)	20	—	—	—
Other	(3)	1	(4)	(1)	(2)	(1)
Net periodic benefit cost.....	\$ 110	\$ 69	\$ 122	\$ 47	\$ 50	\$ 51

^(a) The expected return on plan assets is determined by multiplying the fair value of plan assets at the remeasurement date, typically the prior year-end adjusted for estimated current year cash benefit payments and contributions, by the expected long-term rate of return.

Weighted-Average Assumptions Used to Determine Net Cost for Years Ended December 31

	Pension Benefits				Other Benefits		
	Projected 2015	2014	2013	2012	2014	2013	2012
Discount rate	3.83 %	4.66%	4.04%	4.87%	4.97%	3.97%	4.70%
Expected long-term return on plan assets.....	5.21 %	5.98%	6.26%	6.49%	—	—	—
Rate of compensation increase.....	2.63 %	2.67%	2.73%	2.91%	—	—	—

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31

	Pension Benefits		Other Benefits	
	2014	2013	2014	2013
Discount rate	3.83%	4.66%	4.28%	4.97%
Rate of compensation increase.....	2.63%	2.67%	—	—

Investment Strategies for the Principal Plans

Strategic asset allocation decisions are made considering several risk factors, including plan participants' retirement benefit security, the estimated payments of the associated liabilities, the plan funded status, and Kimberly-Clark's financial condition. The resulting strategic asset allocation is a diversified blend of equity and fixed income investments. Equity investments are typically diversified across geographies and market capitalization. Fixed income investments are diversified across multiple sectors including government issues and corporate debt instruments with a portfolio duration that is consistent with the estimated payment of the associated liability. Actual asset allocation is regularly reviewed and periodically rebalanced to the strategic allocation when considered appropriate. Our 2015 target plan asset allocation for the Principal Plans is 75 percent fixed income securities and 25 percent equity securities.

The expected long-term rate of return is evaluated on an annual basis. In setting this assumption, we consider a number of factors including projected future returns by asset class relative to the current asset allocation. The weighted-average expected long-term rate of return on pension fund assets used to calculate pension expense for the Principal Plans was 6.16 percent in 2014 compared with 6.43 percent in 2013 and will be 5.35 percent in 2015.

Set forth below are the pension plan assets of the Principal Plans measured at fair value, by level in the fair-value hierarchy:

	Fair Value Measurements at December 31, 2014			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Held directly	\$ 28	\$ 28	\$ —	\$ —
Held through mutual and pooled funds	175	9	166	—
Fixed Income				
Held directly				
U.S. government and municipals	252	71	181	—
U.S. corporate debt.....	2,167	—	2,167	—
U.S. securitized fixed income	6	—	6	—
Held through mutual and pooled funds				
U.S. corporate debt.....	149	—	149	—
International bonds.....	1,438	—	1,438	—
Multi-sector	1	1	—	—
Equity				
Held directly				
U.S. equity.....	18	18	—	—
Held through mutual and pooled funds				
U.S. equity.....	4	4	—	—
Non-U.S. equity	106	1	105	—
Global equity.....	1,186	—	1,186	—
Other	29	29	—	—
Total Plan Assets	\$ 5,559	\$ 161	\$ 5,398	\$ —

For the U.S. pension plan, equity option strategies are used when appropriate to reduce the volatility of returns on equity investments. As of December 31, 2014, the U.S. pension plan had equity options in place with a total notional value of approximately \$950, and the fair value of the aggregate options was an asset position of \$29. In addition, Treasury futures contracts are used when appropriate to manage duration targets, and equity futures contracts are used to manage the plan's investment allocation. As of December 31, 2014, the U.S. plan had Treasury futures contracts in place with a total notional value of approximately \$510 and an insignificant fair value. There were no equity futures contracts in place at December 31, 2014. The U.S. plan had Treasury and equity futures contracts with a total notional value of approximately \$320 at December 31, 2013 with an insignificant fair value.

Fair Value Measurements at December 31, 2013

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Held directly	\$ 33	\$ 33	\$ —	\$ —
Held through mutual and pooled funds	173	34	139	—
Fixed Income				
Held directly				
U.S. government and municipals	211	71	140	—
U.S. corporate debt	1,654	—	1,654	—
U.S. securitized fixed income	8	—	8	—
Held through mutual and pooled funds				
U.S. corporate debt	186	—	186	—
International bonds.....	1,089	—	1,089	—
Multi-sector.....	2	2	—	—
Equity				
Held directly				
U.S. equity	1	1	—	—
Held through mutual and pooled funds				
U.S. equity	4	4	—	—
Non-U.S. equity	123	1	122	—
Global equity.....	1,691	—	1,691	—
Other	30	—	—	30
Total Plan Assets	<u>\$ 5,205</u>	<u>\$ 146</u>	<u>\$ 5,029</u>	<u>\$ 30</u>

During 2014 and 2013, the plan assets did not include a significant amount of Kimberly-Clark common stock.

Inputs and valuation techniques used to measure the fair value of plan assets vary according to the type of security being valued. Substantially all of the equity securities held directly by the plans are actively traded and fair values are determined based on quoted market prices. Fair values of U.S. Treasury securities are determined based on trading activity in the marketplace.

Fair values of U.S. corporate debt, U.S. securitized fixed income and international bonds are typically determined by reference to the values of similar securities traded in the marketplace and current interest rate levels. Multiple pricing services are typically employed to assist in determining these valuations.

Fair values of equity securities and fixed income securities held through units of pooled funds are based on net asset value of the units of the pooled fund determined by the fund manager. Pooled funds are similar in nature to retail mutual funds, but are typically more efficient for institutional investors. The fair value of pooled funds is determined by the value of the underlying assets held by the fund and the units outstanding. The value of the pooled fund is not directly observable, but is based on observable inputs.

Equity securities held directly by the pension trusts and those held through units in pooled funds are monitored as to issuer and industry. Except for U.S. Treasuries, concentrations of fixed income securities are similarly monitored for concentrations by issuer and industry. As of December 31, 2014, there were no significant concentrations of equity or debt securities in any single issuer or industry.

The fair value of other plan assets was determined based on an evaluation of various factors. No other level 3 transfers (in or out) were made in 2014 and 2013.

We expect to contribute up to \$100 to our defined benefit pension plans in 2015. Over the next ten years, we expect that the following gross benefit payments will occur:

	<u>Pension Benefits</u>	<u>Other Benefits</u>
2015.....	\$ 430	\$ 52
2016.....	432	53
2017.....	438	55
2018.....	440	57
2019.....	439	58
2020-2024	2,181	309

Defined Contribution Pension Plans

Our 401(k) profit sharing plan and supplemental plan provide for a matching contribution of a U.S. employee's contributions and accruals, subject to predetermined limits, as well as a discretionary profit sharing contribution, in which contributions will be based on our profit performance. We also have defined contribution pension plans for certain employees outside the U.S.

Costs charged to expense for our defined contribution pension plans were as follows:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
U.S.	\$ 87	\$ 90	\$ 82
Outside the U.S.....	34	27	26
Total.....	<u>\$ 121</u>	<u>\$ 117</u>	<u>\$ 108</u>

Note 12. Accumulated Other Comprehensive Income

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	<u>Unrealized Translation</u>	<u>Defined Benefit Pension Plans</u>	<u>Other Postretirement Benefit Plans</u>	<u>Cash Flow Hedges and Other</u>
Balance as of December 31, 2012.....	\$ (26)	\$ (1,928)	\$ (53)	\$ (52)
Other comprehensive income (loss) before reclassifications ...	(499)	218	36	24
(Income) loss reclassified from AOCI.....	—	42 ^(a)	2 ^(a)	(6)
Net current period other comprehensive income (loss)	(499)	260	38	18
Balance as of December 31, 2013.....	(525)	(1,668)	(15)	(34)
Other comprehensive income (loss) before reclassifications ...	(819)	(313)	(23)	29
(Income) loss reclassified from AOCI.....	—	57 ^(a)	1 ^(a)	(11)
Net current period other comprehensive income (loss)	(819)	(256)	(22)	18
Spin-off of health care business	9	—	—	—
Balance as of December 31, 2014.....	<u>\$ (1,335)</u>	<u>\$ (1,924)</u>	<u>\$ (37)</u>	<u>\$ (16)</u>

(a) Included in computation of net periodic pension and postretirement benefits costs (see Note 11)

Included in the defined benefit pension plans and other postretirement benefit plans balances as of December 31, 2014 is \$2,016 and \$54 of unrecognized net actuarial loss and unrecognized net prior service credit, respectively, of which \$116 and \$10 pre-tax, respectively, are expected to be recognized as a component of net periodic benefit cost in 2015.

The changes in the components of AOCI attributable to Kimberly-Clark, including the tax effect, are as follows:

	Year Ended December 31		
	2014	2013	2012
Unrealized translation	\$ (826)	\$ (495)	\$ 204
Tax effect	7	(4)	(9)
	<u>(819)</u>	<u>(499)</u>	<u>195</u>
Defined benefit pension plans			
Unrecognized net actuarial loss and transition amount			
Funded status recognition	(624)	356	(588)
Amortization included in net periodic benefit cost	100	120	90
Currency and other	69	(8)	(20)
	<u>(455)</u>	<u>468</u>	<u>(518)</u>
Unrecognized prior service cost/credit			
Funded status recognition	42	—	—
Amortization included in net periodic benefit cost	(7)	(31)	—
Currency and other	(3)	(1)	3
	<u>32</u>	<u>(32)</u>	<u>3</u>
Tax effect	167	(176)	165
	<u>(256)</u>	<u>260</u>	<u>(350)</u>
Other postretirement benefit plans			
Unrecognized net actuarial loss and transition amount	(36)	65	(32)
Unrecognized prior service cost/credit	—	(3)	(2)
Tax effect	14	(24)	12
	<u>(22)</u>	<u>38</u>	<u>(22)</u>
Cash flow hedges and other			
Recognition of effective portion of hedges	18	37	(20)
Amortization included in net income	(5)	(10)	—
Currency and other	2	4	(1)
	<u>15</u>	<u>31</u>	<u>(21)</u>
Tax effect	3	(13)	5
	<u>18</u>	<u>18</u>	<u>(16)</u>
Spin-off of health care business	9	—	—
Change in AOCI	<u>\$ (1,070)</u>	<u>\$ (183)</u>	<u>\$ (193)</u>

Amounts are reclassified from AOCI into cost of products sold, marketing, research and general expenses, interest expense or other (income) and expense, net, as applicable, in the Consolidated Income Statement.

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in AOCI. For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation adjustments are recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation adjustment would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation. The change in unrealized translation in 2014 is primarily due to the strengthening of the U.S. dollar versus the Australian dollar, Colombian peso, Russian ruble, euro, Brazilian real and British pound sterling, as well as most other foreign currencies. Also included in unrealized translation amounts are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

Note 13. Leases and Commitments

We have entered into operating leases for certain warehouse facilities, automobiles and equipment. The future minimum obligations under operating leases having a noncancelable term in excess of one year are as follows:

	<u>Year Ending December 31</u>
2015	\$ 151
2016	117
2017	94
2018	70
2019	56
Thereafter	99
Future minimum obligations	<u>\$ 587</u>

Consolidated rental expense under operating leases was \$303, \$316 and \$303 in 2014, 2013 and 2012, respectively.

We have entered into long-term contracts for the purchase of superabsorbent materials, pulp and certain utilities. Commitments under these contracts based on current prices are \$297 in 2015, \$187 in 2016, \$165 in 2017, \$141 in 2018 and \$147 in 2019. Total commitments beyond the year 2019 are \$163.

Although we are primarily liable for payments on the above-mentioned leases and purchase commitments, our exposure to losses, if any, under these arrangements is not material.

Note 14. Legal Matters

We are subject to various legal proceedings, claims and governmental inquiries, inspections, audits or investigations pertaining to issues such as contract disputes, product liability, tax matters, patents and trademarks, advertising, pricing, business practices, governmental regulations, employment and other matters. Although the results of litigation and claims cannot be predicted with certainty, we believe that the ultimate disposition of these matters, to the extent not previously provided for, will not have a material adverse effect, individually or in the aggregate, on our business, financial condition, results of operations or liquidity.

We are subject to federal, state and local environmental protection laws and regulations with respect to our business operations and are operating in compliance with, or taking action aimed at ensuring compliance with, these laws and regulations. We have been named a potentially responsible party under the provisions of the U.S. federal Comprehensive Environmental Response, Compensation and Liability Act, or analogous state statutes, at a number of sites where hazardous substances are present. None of our compliance obligations with environmental protection laws and regulations, individually or in the aggregate, is expected to have a material adverse effect on our business, financial condition, results of operations or liquidity.

Note 15. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable- and fixed-rate debt and are

designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar, generally is not hedged.

Set forth below is a summary of the total designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	2014	2013	2014	2013
Foreign currency exchange contracts	\$ 54	\$ 34	\$ 102	\$ 49
Interest rate contracts	—	22	4	—
Commodity price contracts	—	6	10	—
Total	<u>\$ 54</u>	<u>\$ 62</u>	<u>\$ 116</u>	<u>\$ 49</u>

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At December 31, 2014, the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$250. Fair value hedges resulted in no significant ineffectiveness in each of the three years ended December 31, 2014. For each of the three years ended December 31, 2014, gains or losses recognized in interest expense for interest rates swaps were not significant. For each of the three years ended December 31, 2014, no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of December 31, 2014, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in 2015 and future periods. As of December 31, 2014, the aggregate notional values of outstanding foreign exchange and interest rate derivative contracts designated as cash flow hedges were \$820 and \$200, respectively. Cash flow hedges resulted in no significant ineffectiveness in each of the three years ended December 31, 2014. For each of the three years ended December 31, 2014, no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecast transaction no longer being probable of occurring. At December 31, 2014, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at December 31, 2014 is December 2017.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. Losses of \$192 and \$74 and gains of \$69 were recorded in the years ending December 31, 2014, 2013 and 2012, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At December 31, 2014, the notional amount of these undesignated derivative instruments was \$2.6 billion.

Note 16. Income Taxes

An analysis of the provision for income taxes follows:

	Year Ended December 31		
	2014	2013	2012
Current income taxes			
United States	\$ 350	\$ 292	\$ 112
State	48	99	15
Other countries	387	286	289
Total	<u>785</u>	<u>677</u>	<u>416</u>
Deferred income taxes			
United States	67	85	218
State	(16)	14	36
Other countries	20	52	(10)
Total	<u>71</u>	<u>151</u>	<u>244</u>
Total provision for income taxes	<u>\$ 856</u>	<u>\$ 828</u>	<u>\$ 660</u>

Income from continuing operations before income taxes is earned in the following tax jurisdictions:

	Year Ended December 31		
	2014	2013	2012
United States	\$ 1,571	\$ 1,557	\$ 1,223
Other countries	684	1,084	887
Total income before income taxes	<u>\$ 2,255</u>	<u>\$ 2,641</u>	<u>\$ 2,110</u>

Deferred income tax assets and liabilities are composed of the following:

	December 31	
	2014	2013
Deferred tax assets		
Pension and other postretirement benefits	\$ 883	\$ 728
Tax credits and loss carryforwards	538	604
Property, plant and equipment, net	77	104
Other	590	516
	<u>2,088</u>	<u>1,952</u>
Valuation allowance	(215)	(197)
Total deferred assets	<u>1,873</u>	<u>1,755</u>
Deferred tax liabilities		
Pension and other postretirement benefits	260	259
Property, plant and equipment, net	1,162	1,244
Investments in subsidiaries	223	205
Other	339	396
Total deferred tax liabilities	<u>1,984</u>	<u>2,104</u>
Net deferred tax assets (liabilities)	<u>\$ (111)</u>	<u>\$ (349)</u>

Valuation allowances at the end of 2014 primarily relate to tax credits and income tax loss carryforwards of \$1.0 billion. If these items are not utilized against taxable income, \$445 of the loss carryforwards will expire from 2015 through 2034. The remaining \$557 have no expiration date.

Realization of income tax loss carryforwards is dependent on generating sufficient taxable income prior to expiration of these carryforwards. Although realization is not assured, we believe it is more likely than not that all of the deferred tax assets, net of applicable valuation allowances, will be realized. The amount of the deferred tax assets considered realizable could be reduced or increased due to changes in the tax environment or if estimates of future taxable income change during the carryforward period.

Presented below is a reconciliation of the income tax provision computed at the U.S. federal statutory tax rate to the actual effective tax rate:

	Year Ended December 31		
	2014	2013	2012
U.S. statutory rate applied to income before income taxes.....	35.0%	35.0%	35.0%
Rate of state income taxes, net of federal tax benefit	0.7	2.7	1.6
Statutory rates other than U.S. statutory rate	(3.0)	(3.0)	(2.8)
Venezuela balance sheet remeasurement and inflationary impacts.....	4.9	(0.8)	(0.4)
Other - net ^(a)	0.4	(2.5)	(2.1)
Effective income tax rate	38.0%	31.4%	31.3%

(a) Other - net is composed of numerous items, none of which is greater than 1.75 percent of income before income taxes.

At December 31, 2014, U.S. income taxes and foreign withholding taxes have not been provided on \$8.6 billion of unremitted earnings of subsidiaries operating outside the U.S. These earnings, which are considered to be invested indefinitely, would become subject to income tax if they were remitted as dividends, were lent to one of our U.S. entities, or if we were to sell our stock in the subsidiaries. Determination of the amount of unrecognized deferred U.S. income tax liability on these unremitted earnings is not practicable because of the complexities associated with this hypothetical calculation. We do not expect restrictions or taxes on repatriation of cash held outside of the United States to have a material effect on our overall liquidity, financial condition or results of operations in the foreseeable future.

Presented below is a reconciliation of the beginning and ending amounts of unrecognized income tax benefits:

	2014	2013	2012
Balance at January 1	\$ 473	\$ 435	\$ 558
Gross increases for tax positions of prior years	36	73	30
Gross decreases for tax positions of prior years	(91)	(31)	(104)
Gross increases for tax positions of the current year	87	37	52
Settlements	(77)	(35)	(100)
Other.....	(12)	(6)	(1)
Balance at December 31	\$ 416	\$ 473	\$ 435

Of the amounts recorded as unrecognized tax benefits at December 31, 2014, \$266 would reduce our effective tax rate if recognized.

We recognize accrued interest and penalties related to unrecognized tax benefits in income tax expense. During the years ended December 31, 2014, 2013 and 2012, the net cost in interest and penalties was not significant. Total accrued penalties and net accrued interest was \$28 and \$42 at December 31, 2014 and 2013, respectively.

It is reasonably possible that a number of uncertainties could be resolved within the next 12 months, the most significant of which involves tax credits. It is reasonably possible the aggregate resolution of the uncertainties could be up to \$130, while none of the uncertainties is individually significant. Resolution of these matters is not expected to have a material effect on our financial condition, results of operations or liquidity.

As of December 31, 2014, the following tax years remain subject to examination for the major jurisdictions where we conduct business:

<u>Jurisdiction</u>	<u>Years</u>
United States	2012 to 2014
United Kingdom	2012 to 2014
Brazil	2009 to 2014
Korea	2014
China	2003 to 2014

Our U.S. federal income tax returns have been audited through 2011. We have various federal income tax return positions in administrative appeals or litigation for 1999 to 2011.

State income tax returns are generally subject to examination for a period of 3 to 5 years after filing of the respective return. The state effect of any changes to filed federal positions remains subject to examination by various states for a period of up to two years after formal notification to the states. We have various state income tax return positions in the process of examination, administrative appeals or litigation.

Note 17. Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing basic and diluted EPS. The average number of common shares outstanding is reconciled to those used in the basic and diluted EPS computations as follows:

<u>(Millions of shares)</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Basic	374.5	384.0	393.0
Dilutive effect of stock options and restricted share unit awards.....	2.9	3.3	3.1
Diluted	377.4	387.3	396.1

Options outstanding that were not included in the computation of diluted EPS mainly because their exercise price was greater than the average market price of the common shares are summarized below:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Average number of share equivalents (millions)	1.1	1.1	1.1
Weighted-average exercise price.....	\$ 107.54	\$ 103.29	\$ 78.54
Options outstanding at year-end (millions).....	1.7	1.8	1.7

The weighted-average exercise price for 2014 has been converted to reflect the impact on outstanding stock options as a result of the spin-off of our health care business. The number of common shares outstanding as of December 31, 2014, 2013 and 2012 was 365.3 million, 380.8 million and 389.3 million, respectively.

Note 18. Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and KCP. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments, including the charges related to the 2014 organization restructuring, the European strategic changes and the pulp and tissue restructuring actions described in Notes 3, 4 and 5, respectively.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer parents a trusted partner in caring for their families and deliver confidence, protection and discretion to adults through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* helps transform workplaces for employees and patrons, making them healthier, safer and more productive, through a range of solutions and supporting products such as apparel, wipers, soaps, sanitizers, tissue and towels. Key brands in this segment include Kleenex, Scott, WypAll, Kimtech and Jackson Safety.

Net sales to Wal-Mart Stores, Inc. were approximately 13 percent in 2014, 2013 and 2012.

Information concerning consolidated operations by business segment is presented in the following tables:

Consolidated Operations by Business Segment

	Year Ended December 31		
	2014	2013	2012
NET SALES^(a)			
Personal Care.....	\$ 9,635	\$ 9,536	\$ 9,576
Consumer Tissue.....	6,645	6,637	6,527
K-C Professional.....	3,388	3,323	3,283
Corporate & Other.....	56	65	81
TOTAL NET SALES.....	\$ 19,724	\$ 19,561	\$ 19,467
OPERATING PROFIT^(b)			
Personal Care.....	\$ 1,803	\$ 1,698	\$ 1,660
Consumer Tissue.....	1,062	988	887
K-C Professional.....	604	605	542
Corporate & Other ^(c)	(495)	(381)	(717)
Other (income) and expense, net ^(c)	453	7	(5)
TOTAL OPERATING PROFIT.....	\$ 2,521	\$ 2,903	\$ 2,377

(a) Net sales in the United States to third parties totaled \$8,573, \$8,557 and \$8,514 in 2014, 2013 and 2012, respectively.

(b) Segment operating profit excludes other (income) and expense, net and income and expenses not associated with the business segments.

(c) Corporate & Other and other (income) and expense, net include the following charges:

Year Ended December 31

	2014		2013		2012	
	European Strategic Changes	European Strategic Changes	European Strategic Changes	European Strategic Changes	Pulp and Tissue Restructuring Actions	Total
Personal Care.....	\$ 20	\$ 36	\$ 213	\$ —	\$ —	\$ 213
Consumer Tissue.....	12	27	66	125	—	191
K-C Professional.....	1	13	20	9	—	29
Other (income) and expense, net.....	—	5	—	1	—	1
Total.....	\$ 33	\$ 81	\$ 299	\$ 135	\$ —	\$ 434

Corporate & Other also includes charges related to the 2014 organization restructuring of \$133 and a charge of \$41 related to the remeasurement of the Venezuelan balance sheet in 2014. In addition, other (income) and expense, net for 2014 includes a charge of \$35 related to a regulatory dispute in the Middle East, and for 2014 and 2013 includes charges of \$421 and \$36 related to the remeasurement of the Venezuelan balance sheet, respectively.

	Personal Care	Consumer Tissue	K-C Professional	Corporate & Other	Ongoing Operations	Health Care Business (Spun-off)	Consolidated Total
Depreciation and Amortization							
2014.....	\$ 359	\$ 299	\$ 132	\$ 3	\$ 793	\$ 69	\$ 862
2013.....	332	318	138	4	792	71	863
2012.....	315	331	141	11	798	59	857
Assets							
2014.....	6,373	5,229	2,339	1,585	15,526	—	15,526
2013.....	6,623	5,483	2,431	2,012	16,549	2,370	18,919
2012.....	7,014	5,531	2,739	2,058	17,342	2,531	19,873
Capital Spending							
2014.....	501	314	143	6	964	75	1,039
2013.....	461	328	118	2	909	44	953
2012.....	551	352	116	32	1,051	42	1,093

Sales of Principal Products

(Billions of dollars)	2014	2013	2012
Consumer tissue products.....	\$ 6.6	\$ 6.6	\$ 6.5
Baby and child care products.....	7.0	7.0	7.1
Away-from-home professional products.....	3.4	3.3	3.3
All other.....	2.7	2.7	2.6
Consolidated.....	\$ 19.7	\$ 19.6	\$ 19.5

Note 19. Supplemental Data

Supplemental Income Statement Data

	Year Ended December 31		
	2014	2013	2012
Advertising expense.....	\$ 767	\$ 769	\$ 804
Research expense.....	368	333	335

Equity Companies' Data

	Net Sales	Gross Profit	Operating Profit	Net Income	Corporation's Share of Net Income
2014	\$ 2,452	\$ 781	\$ 485	\$ 304	\$ 146
2013	2,638	950	642	426	205
2012	2,514	864	567	368	177
	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Stockholders' Equity
2014	\$ 1,016	\$ 1,040	\$ 690	\$ 963	\$ 403
2013	1,197	1,124	847	845	629
2012	1,054	1,068	712	837	573

Equity companies are principally engaged in operations in the personal care and consumer tissue businesses. At December 31, 2014, our ownership interest in Kimberly-Clark de Mexico, S.A.B. de C.V. and subsidiaries was 47.9%. Kimberly-Clark de Mexico, S.A.B. de C.V. is partially owned by the public, and its stock is publicly traded in Mexico. At December 31, 2014, our investment in this equity company was \$194, and the estimated fair value of the investment was \$3.4 billion based on the market price of publicly traded shares. Our other equity ownership interests are not significant to our consolidated balance sheet or financial results.

At December 31, 2014, unremitted net income of equity companies included in consolidated retained earnings was \$1.0 billion.

Supplemental Balance Sheet Data

See Note 2 for the impact of the spin-off of our health care business on the Consolidated Balance Sheet.

	December 31	
	2014	2013
Summary of Accounts Receivable, Net		
From customers	\$ 2,079	\$ 2,345
Other	210	271
Less allowance for doubtful accounts and sales discounts	(66)	(71)
Total	\$ 2,223	\$ 2,545

	December 31					
	2014			2013		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Summary of Inventories by Major Class						
At the lower of cost, determined on the FIFO or weighted-average cost methods, or market						
Raw materials	\$ 104	\$ 322	\$ 426	\$ 143	\$ 319	\$ 462
Work in process	120	95	215	189	97	286
Finished goods	511	672	1,183	648	753	1,401
Supplies and other	—	288	288	—	326	326
	735	1,377	2,112	980	1,495	2,475
Excess of FIFO or weighted-average cost over LIFO cost	(220)	—	(220)	(242)	—	(242)
Total	\$ 515	\$ 1,377	\$ 1,892	\$ 738	\$ 1,495	\$ 2,233

	December 31	
	2014	2013
Summary of Property, Plant and Equipment, Net		
Land	\$ 177	\$ 196
Buildings	2,574	2,776
Machinery and equipment	13,437	14,193
Construction in progress	591	515
	<u>16,779</u>	<u>17,680</u>
Less accumulated depreciation	(9,420)	(9,732)
Total	<u>\$ 7,359</u>	<u>\$ 7,948</u>

Property, plant and equipment, net in the United States as of December 31, 2014 and 2013 was \$3,685 and \$3,917, respectively.

	December 31	
	2014	2013
Summary of Accrued Expenses		
Accrued advertising and promotion	\$ 326	\$ 355
Accrued salaries and wages	415	471
Accrued rebates	258	358
Accrued taxes - income and other	330	336
Derivatives	113	44
Other	532	496
Total	<u>\$ 1,974</u>	<u>\$ 2,060</u>

Supplemental Cash Flow Statement Data

	Year Ended December 31		
	2014	2013	2012
Summary of Cash Flow Effects of Decrease (Increase) in Operating Working Capital			
Accounts receivable	\$ 267	\$ 4	\$ (38)
Inventories	12	100	9
Trade accounts payable	(30)	128	45
Accrued expenses	(120)	(177)	133
Accrued income taxes	(159)	(90)	13
Derivatives	103	5	(86)
Currency and other	(249)	(128)	43
Total	<u>\$ (176)</u>	<u>\$ (158)</u>	<u>\$ 119</u>

	Year Ended December 31		
	2014	2013	2012
Other Cash Flow Data			
Interest paid	\$ 300	\$ 307	\$ 299
Income taxes paid	926	776	451

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Kimberly-Clark Corporation:

We have audited the accompanying consolidated balance sheets of Kimberly-Clark Corporation and subsidiaries (the "Corporation") as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2014. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Kimberly-Clark Corporation and subsidiaries as of December 31, 2014 and 2013, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Corporation's internal control over financial reporting as of December 31, 2014, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 18, 2015 expressed an unqualified opinion on the Corporation's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP

Dallas, Texas

February 18, 2015

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of December 31, 2014, an evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of December 31, 2014.

Internal Control Over Financial Reporting

Management's Report on the Financial Statements

Our management is responsible for all aspects of the business, including the preparation of the Consolidated Financial Statements in this annual report. The Consolidated Financial Statements have been prepared using generally accepted accounting principles considered appropriate in the circumstances to present fairly our consolidated financial position, results of operations and cash flows on a consistent basis. Management also has prepared the other information in this annual report and is responsible for its accuracy and consistency with the Consolidated Financial Statements.

Some financial statement amounts are based on estimates and judgments, and measures have been taken to provide reasonable assurance of the integrity and reliability of the financial information contained in this annual report. These measures include an effective control-oriented environment in which the internal audit function plays an important role and an Audit Committee of the Board of Directors that oversees the financial reporting process. The Consolidated Financial Statements have been audited by the independent registered public accounting firm, Deloitte & Touche LLP. During its audits, Deloitte & Touche LLP was given unrestricted access to all financial records, including minutes of all meetings of stockholders and our Board of Directors and all committees of our Board. Management believes that all representations made to the independent registered public accountants during their audits were valid and appropriate.

Audit Committee Oversight and Our Code of Conduct

The Audit Committee of our Board of Directors, which is composed solely of independent directors, assists our Board in fulfilling its responsibility for oversight of the quality and integrity of our accounting, auditing and financial reporting practices; the audits of our Consolidated Financial Statements; and internal control over financial reporting. The Audit Committee reviews with the auditors any relationships that may affect their objectivity and independence. The Audit Committee also reviews with management, the internal auditors and the independent registered public accounting firm the quality and adequacy of our internal control over financial reporting, including compliance matters related to our code of conduct, and the results of internal and external audits. The Audit Committee has reviewed and recommended that the audited Consolidated Financial Statements included in this report be included in the Form 10-K for filing with the Securities and Exchange Commission.

Our code of conduct, among other things, contains policies for conducting business affairs in a lawful and ethical manner everywhere we do business, for avoiding potential conflicts of interest and for preserving confidentiality of information and business ideas. Internal controls have been implemented to provide reasonable assurance that the code of conduct is followed.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and our Board of Directors regarding preparation of reliable published financial statements and safeguarding of our assets. This system is supported with written policies and procedures, contains self-monitoring mechanisms and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

We have assessed the effectiveness of our internal control over financial reporting as of December 31, 2014. In making this assessment, we used the criteria described in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management believes that, as of December 31, 2014, our internal control over financial reporting is effective.

Deloitte & Touche LLP has issued its attestation report on the effectiveness of our internal control over financial reporting. That attestation report appears below.

/s/ Thomas J. Falk

Thomas J. Falk

Chairman of the Board and
Chief Executive Officer

/s/ Mark A. Buthman

Mark A. Buthman

Senior Vice President and
Chief Financial Officer

February 18, 2015

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation described above in "Management's Report on Internal Control Over Financial Reporting" that occurred during our fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Kimberly-Clark Corporation:

We have audited the internal control over financial reporting of Kimberly-Clark Corporation and subsidiaries (the "Corporation") as of December 31, 2014, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on the Corporation's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis.

Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on the criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule of the Corporation as of and for the year ended December 31, 2014 and our report dated February 18, 2015 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ DELOITTE & TOUCHE LLP

Deloitte & Touche LLP

Dallas, Texas

February 18, 2015

ITEM 9B. OTHER INFORMATION

None.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following sections of our 2015 Proxy Statement for the Annual Meeting of Stockholders (the "2015 Proxy Statement") are incorporated in this Item 10 by reference:

- "The Nominees" under "Proposal 1. Election of Directors," which identifies our directors and nominees for our Board of Directors.
- "Other Information—Section 16(a) Beneficial Ownership Reporting Compliance."
- "Corporate Governance—Other Corporate Governance Policies and Practices—Code of Conduct," which describes our Code of Conduct.
- "Other Information—Stockholder Nominations for Board of Directors," which describes the procedures by which stockholders may nominate candidates for election to our Board of Directors.
- "Corporate Governance—Board Committees—Audit Committee," which identifies members of the Audit Committee of our Board of Directors and an audit committee financial expert.

Information regarding our executive officers is reported under the caption "Executive Officers of the Registrant" in Part I of this Report.

ITEM 11. EXECUTIVE COMPENSATION

The information in the sections of the 2015 Proxy Statement captioned "Compensation Discussion and Analysis," "Compensation Tables," "Director Compensation" and "Corporate Governance—Compensation Committee Interlocks and Insider Participation" is incorporated in this Item 11 by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information in the section of the 2015 Proxy Statement captioned "Other Information—Security Ownership Information" is incorporated in this Item 12 by reference.

Equity Compensation Plan Information

The following table gives information about our common stock that may be issued upon the exercise of options, warrants and rights under all of our equity compensation plans as of December 31, 2014.

	Number of securities to be issued upon exercise of outstanding options, warrants, and rights (in millions) (a)	Weighted average exercise price of outstanding options, warrants, and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (in millions) (c)
Equity compensation plans approved by stockholders ⁽¹⁾	9.4 ⁽²⁾	\$82.32	22

⁽¹⁾ Includes (a) the stockholder-approved 2011 Equity Participation Plan (the "2011 Plan"), which effective April 21, 2011 amended and restated the stockholder-approved 2001 Equity Participation Plan and (b) the stockholder-approved 2011 Outside Directors' Compensation Plan (the "2011 Outside Directors' Plan"), which effective April 21, 2011 amended and restated the Outside Directors' Compensation Plan.

⁽²⁾ Includes 2.4 million restricted share units granted under the 2011 Plan (including shares that may be issued pursuant to outstanding performance-based restricted share units, assuming the target award is met; actual shares issued may vary, depending on actual performance). Upon vesting, a share of Kimberly-Clark common stock is issued for each restricted share unit. Column (b) does not take these awards into account because they do not have an exercise price. Also includes 0.3 million restricted share units granted under the 2011 Outside Directors' Plan. Upon retirement from or any other termination of service from the Board, a share of Kimberly-Clark common stock is issued for each restricted share unit. Column (b) does not take these awards into account because they do not have an exercise price.

2011 Outside Directors' Compensation Plan

In 2011, our Board of Directors and our stockholders approved the 2011 Outside Directors' Compensation Plan, which amended and restated our Outside Directors' Compensation Plan. A maximum of 1 million shares of our common stock is available for grant under this plan. The Board may grant awards in the form of stock options, stock appreciation rights, restricted stock, restricted share units or any combination of cash, stock options, stock appreciation rights, restricted stock or restricted share units under this plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information in the sections of the 2015 Proxy Statement captioned "Other Information—Transactions with Related Persons" and "Corporate Governance—Director Independence" is incorporated in this Item 13 by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information in the sections of the 2015 Proxy Statement captioned "Principal Accounting Firm Fees" and "Audit Committee Approval of Audit and Non-Audit Services" under "Proposal 2. Ratification of Auditors" is incorporated in this Item 14 by reference.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES
(a) Documents filed as part of this report.

1. Financial statements.

The financial statements are set forth under Item 8 of this report on Form 10-K.

2. Financial statement schedules.

The following information is filed as part of this Form 10-K and should be read in conjunction with the financial statements contained in Item 8:

- Report of Independent Registered Public Accounting Firm

Schedule for Kimberly-Clark Corporation and Subsidiaries:

- Schedule II Valuation and Qualifying Accounts

All other schedules have been omitted because they were not applicable or because the required information has been included in the financial statements or notes thereto.

3. Exhibits

Exhibit No. (2)a.	Distribution Agreement, dated October 31, 2014, between Halyard Health, Inc. and the Corporation, incorporated by reference to Exhibit 2.1 of the Corporation's Current Report on Form 8-K dated October 31, 2014.
Exhibit No. (3)a.	Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.
Exhibit No. (3)b.	By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.
Exhibit No. (4).	Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.
Exhibit No. (10)a.	Management Achievement Award Program, as amended and restated November 13, 2008, incorporated by reference to Exhibit No. (10)a of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*
Exhibit No. (10)b.	Executive Severance Plan, as amended and restated as of December 31, 2014, incorporated by reference to Exhibit No. (10)b of the Corporation's Current Report on Form 8-K dated September 17, 2014.*
Exhibit No. (10)c.	Seventh Amended and Restated Deferred Compensation Plan for Directors, effective January 1, 2008, incorporated by reference to Exhibit No. (10)c of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008.*
Exhibit No. (10)d.	Executive Officer Achievement Award Program as amended November 12, 2008, incorporated by reference to Exhibit No. (10)d of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*
Exhibit No. (10)f.	Deferred Compensation Plan, as amended and restated, dated December 31, 2005, incorporated by reference to Exhibit No. (10)f of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2005.*

- Exhibit No. (10)g. Outside Directors' Stock Compensation Plan, as amended, incorporated by reference to Exhibit No. (10)g of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2002.*
- Exhibit No. (10)h. Supplemental Benefit Plan to the Kimberly-Clark Corporation Pension Plan, as amended and restated effective April 17, 2009, incorporated by reference to Exhibit No. (10)h of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009.*
- Exhibit No. (10)i. Second Supplemental Benefit Plan to the Kimberly-Clark Corporation Pension Plan, as amended and restated, effective April 17, 2009, incorporated by reference to Exhibit No. (10)i of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009.*
- Exhibit No. (10)j. Kimberly-Clark Corporation Supplemental Retirement 401(k) and Profit Sharing Plan, as amended and restated, effective January 1, 2010, incorporated by reference to Exhibit No. (10)j of the Corporation's Current Report on Form 8-K dated December 21, 2009.*
- Exhibit No. (10)l. 2011 Outside Directors' Compensation Plan, as amended and restated, effective April 21, 2011, incorporated by reference to Exhibit No. 10.l of the Corporation's Current Report on Form 8-K dated April 26, 2011.*
- Exhibit No. (10)m. 2011 Equity Participation Plan, as amended and restated, effective April 21, 2011, incorporated by reference to Exhibit No. 10.2 of the Corporation's Current Report on Form 8-K dated April 26, 2011.*
- Exhibit No. (10)n. Form of Award Agreements under 2011 Equity Participation Plan, incorporated by reference to Exhibit No. (10)n of the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.*
- Exhibit No. (10)o. Summary of Outside Directors' Compensation pursuant to the 2011 Outside Directors' Compensation Plan, effective January 1, 2015, filed herewith.
- Exhibit No. (10)p. Severance Pay Plan, amended and restated, effective June 25, 2013, incorporated by reference to Exhibit No. (10)p of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014.*
- Exhibit No. (10)t. Summary of Financial Counseling Program for Kimberly-Clark Corporation Executives, dated November 12, 2008, incorporated by reference to Exhibit No. (10)t of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*
- Exhibit No. (10)u. Letter Agreement between the Corporation and Michael Hsu, incorporated by reference to Exhibit No. (10)u of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2012.
- Exhibit No. (10)v. Tax Matters Agreement, dated October 31, 2014, between Halyard Health, Inc. and the Corporation, incorporated by reference to Exhibit No. 10.1 of the Corporation's Current Report on Form 8-K dated October 31, 2014.
- Exhibit No. (12). Computation of ratio of earnings to fixed charges for the five years ended December 31, 2014, filed herewith.
- Exhibit No. (21). Subsidiaries of the Corporation, filed herewith.

- Exhibit No. (23). Consent of Independent Registered Public Accounting Firm, filed herewith.
- Exhibit No. (24). Powers of Attorney, filed herewith.
- Exhibit No. (31)a. Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.
- Exhibit No. (31)b. Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
- Exhibit No. (32)a. Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
- Exhibit No. (32)b. Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
- Exhibit No. (101).INS XBRL Instance Document
- Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document
- Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document
- Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document
- Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document
- Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

* A management contract or compensatory plan or arrangement required to be identified pursuant to Item 15(a)(3) of this Annual Report on Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KIMBERLY-CLARK CORPORATION

February 18, 2015

By: /s/ Mark A. Buthman

Mark A. Buthman
Senior Vice President and
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Thomas J. Falk	Chairman of the Board and Chief Executive Officer and Director (principal executive officer)	February 18, 2015
<u>Thomas J. Falk</u>		
/s/ Mark A. Buthman	Senior Vice President and Chief Financial Officer (principal financial officer)	February 18, 2015
<u>Mark A. Buthman</u>		
/s/ Michael T. Azbell	Vice President and Controller (principal accounting officer)	February 18, 2015
<u>Michael T. Azbell</u>		

Directors

John R. Alm	James M. Jenness
John F. Bergstrom	Nancy J. Karch
Abelardo E. Bru	Ian C. Read
Robert W. Decherd	Linda Johnson Rice
Fabian T. Garcia	Marc J. Shapiro
Mae C. Jemison	

By: /s/ Thomas J. Mielke

Thomas J. Mielke
Attorney-in-Fact

February 18, 2015

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES

SCHEDULE II

**VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012
(Millions of dollars)**

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions</u>	<u>Balance at End of Period</u>
		<u>Charged to Costs and Expenses</u>	<u>Charged to Other Accounts^(a)</u>	<u>Write-Offs and Reclassifications</u>	
December 31, 2014					
Allowances deducted from assets to which they apply					
Allowance for doubtful accounts.....	\$ 51	\$ 13	\$ (7)	\$ 7 ^(b)	\$ 50
Allowances for sales discounts.....	20	265	(1)	268 ^(c)	16
December 31, 2013					
Allowances deducted from assets to which they apply					
Allowance for doubtful accounts.....	\$ 60	\$ —	\$ (4)	\$ 5 ^(b)	\$ 51
Allowances for sales discounts.....	20	275	(1)	274 ^(c)	20
December 31, 2012					
Allowances deducted from assets to which they apply					
Allowance for doubtful accounts.....	\$ 57	\$ 9	\$ —	\$ 6 ^(b)	\$ 60
Allowances for sales discounts.....	21	280	—	281 ^(c)	20

^(a) Includes bad debt recoveries and the effects of changes in foreign currency exchange rates.

^(b) Primarily uncollectible receivables written off.

^(c) Sales discounts allowed.

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions^(a)</u>	<u>Balance at End of Period</u>
		<u>Charged to Costs and Expenses</u>	<u>Charged to Other Accounts</u>		
December 31, 2014					
Deferred taxes					
Valuation allowance.....	\$ 197	\$ 30	\$ —	\$ 12	\$ 215
December 31, 2013					
Deferred taxes					
Valuation allowance.....	\$ 215	\$ (11)	\$ —	\$ 7	\$ 197
December 31, 2012					
Deferred taxes					
Valuation allowance.....	\$ 229	\$ (18)	\$ —	\$ (4)	\$ 215

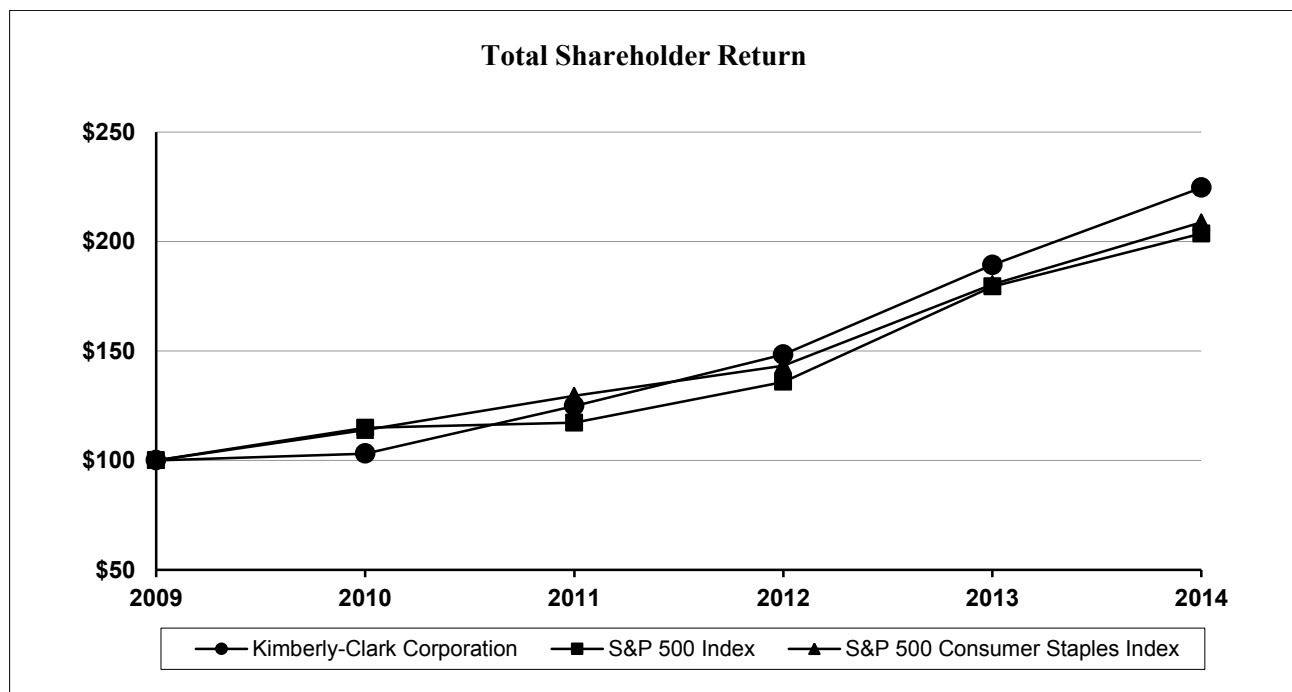
^(a) Represents the net currency effects of translating valuation allowances at current rates of exchange.

Additional Information

The following additional information is not part of our Form 10-K and is provided for the convenience and information of our stockholders.

Performance Graph

The graph below shows a comparison of the five year cumulative total return among Kimberly-Clark Corporation, the S&P 500 Index and the S&P 500 Consumer Staples Index. The stock price performance shown on this graph may not be indicative of future price performance.



Indexed Returns

<u>Company Name / Index</u>	<u>Year Ended December 31</u>					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Kimberly-Clark Corporation	\$100	\$103	\$125	\$148	\$189	\$225
S&P 500 Index	100	115	117	136	179	204
S&P 500 Consumer Staples Index.....	100	114	129	143	180	209

Investor Relations

Securities analysts, portfolio managers and representatives of institutional investors seeking information about Kimberly-Clark should contact Paul Alexander, Vice President – Investor Relations, at (972) 281-1440. Individual stockholders should direct inquiries to Stockholder Services at (972) 281-1522. Investors may also obtain information about Kimberly-Clark and copies of documents released by Kimberly-Clark by calling (800) 639-1352.

Additional Information—(Continued)

Electronic Delivery of Proxy Materials and Annual Report

Stockholders who receive printed copies of our annual reports and proxy statements may elect to receive future annual reports and proxy statements in electronic format rather than in printed form. In electing to do so, you will help save on production and mailing costs and support Kimberly-Clark's commitment to sustainability. To sign up for electronic delivery service, stockholders of record may go to our transfer agent's website at www.computershare.com/investor at any time and follow the instructions. If your shares are not registered in your name, contact your bank or broker for information on electronic delivery service.

SEC Form 10-K and Other Information/Kimberly-Clark's Website

Stockholders and others will find Kimberly-Clark's financial information, news releases and other information on our website at www.kimberly-clark.com. This website also contains our Securities and Exchange Commission filings, including Forms 10-K, 10-Q and 8-K. Stockholders may contact Stockholder Services, P.O. Box 612606, Dallas, Texas 75261-2606 or call (972) 281-1522 to obtain a paper copy of these reports without charge.

Dividends and Direct Stock Purchase and Dividend Reinvestment Plan

Quarterly dividends have been paid continually since 1935. Dividends have been paid on or about the second business day of January, April, July and October. The Direct Stock Purchase and Dividend Reinvestment Plan of Computershare Investor Services is available generally to investors, including Kimberly-Clark employees and stockholders. This Plan makes it possible for investors to have their dividends automatically reinvested in common stock and to make additional cash investments.

Transfer Agent, Registrar and Dividend Disbursing Agent

Computershare Investor Services is the Transfer Agent, Registrar and Dividend Disbursing Agent for our common stock and is responsible for maintaining stockholder account records. Inquiries regarding dividend payments, lost certificates, IRS Form 1099, changes in address, name or ownership, or information regarding Computershare's Direct Stock Purchase and Dividend Reinvestment Plan, should be addressed to:

Computershare Investor Services
P.O. Box 30170
College Station, TX 77842
Telephone: (800) 730-4001 or (781) 575-3170
Internet: www.computershare.com

Board of Directors

John R. Alm

Audit Committee Chairman
Executive Committee

*Retired President and Chief
Executive Officer
Coca-Cola Enterprises Inc.*

John F. Bergstrom

Audit Committee

*Chairman and Chief Executive
Officer
Bergstrom Corporation*

Abelardo E. Bru

Management Development and
Compensation Committee
Chairman
Executive Committee

*Retired Vice Chairman
PepsiCo, Inc.*

Robert W. Decherd

Audit Committee

*Vice Chairman
A.H. Belo Corporation*

Thomas J. Falk

Chairman of the Board
Executive Committee

*Chairman of the Board and
Chief Executive Officer
Kimberly-Clark Corporation*

Fabian T. Garcia

Management Development and
Compensation Committee
Nominating and Corporate
Governance Committee

*Chief Operating Officer, Global
Innovation and Growth, Europe &
Hill's Pet Nutrition
Colgate-Palmolive Company*

Mae C. Jemison, M.D.

Management Development and
Compensation Committee
Nominating and Corporate
Governance Committee

*President
The Jemison Group*

James M. Jenness

Lead Director
Executive Committee Chairman

*Retired Chairman of the Board and
Chief Executive Officer
Kellogg Company*

Nancy J. Karch

Audit Committee

*Retired Director
McKinsey & Co.*

Ian C. Read

Nominating and Corporate
Governance Committee
Chairman
Executive Committee

*Chairman of the Board and Chief
Executive Officer
Pfizer, Inc.*

Linda Johnson Rice

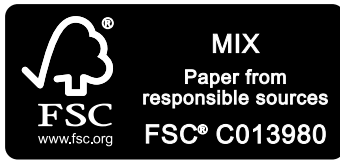
Audit Committee

*Chairman
Johnson Publishing Company, Inc.*

Marc J. Shapiro

Management Development and
Compensation Committee
Nominating and Corporate
Governance Committee

*Retired Vice Chairman
JPMorgan Chase & Co.*



Kimberly-Clark Corporation

World Headquarters
P.O. Box 619100
Dallas, Texas 75261-9100

Toll-free investor information:
800.639.1352

www.kimberly-clark.com

EXHIBIT II DEFINITIVE PROXY STATEMENT OF THE ISSUER ON SCHEDULE 14A, FILED
WITH THE SEC ON 9 MARCH 2015

KIMBERLY CLARK CORP

FORM DEF 14A (Proxy Statement (definitive))

Filed 03/09/15 for the Period Ending 04/30/15

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

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:

- | | |
|--|---|
| <input type="checkbox"/> Preliminary Proxy Statement | <input type="checkbox"/> Confidential, for Use of the Commission Only
(as permitted by Rule 14a-6(e)(2)) |
| <input type="checkbox"/> Definitive Proxy Statement | |
| <input type="checkbox"/> Definitive Additional Materials | |
| <input type="checkbox"/> Soliciting Material under Rule 14a-12 | |

Kimberly-Clark Corporation

(Name of Registrant as Specified in Its Charter)

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:

- (2) Aggregate number of securities to which transaction applies:

- (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):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

- 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:

- (2) Form, Schedule or Registration Statement No.:

(3) Filing Party: _____

(4) Date Filed: _____



Proxy Statement
For 2015

Annual Meeting of Stockholders

Kimberly-Clark Corporation



March 9, 2015

Thomas J. Falk
Chairman of the Board and
Chief Executive Officer

FELLOW STOCKHOLDERS:

It is my pleasure to invite you to the Annual Meeting of Stockholders of Kimberly-Clark Corporation. The meeting will be held on Thursday, April 30, 2015, at 9:00 a.m. at our World Headquarters, which is located at 351 Phelps Drive, Irving, Texas.

At the Annual Meeting, stockholders will be asked to elect eleven directors for a one-year term, ratify the selection of Kimberly-Clark's independent auditors, approve the compensation for our named executive officers, and vote on a stockholder proposal. These matters are fully described in the accompanying Notice of Annual Meeting and proxy statement.

Your vote is important. Regardless of whether you plan to attend the meeting, I urge you to vote your shares as soon as possible. You may vote using the proxy form by completing, signing, and dating it, then returning it by mail. Also, most of our stockholders can submit their vote by telephone or through the Internet. If telephone or Internet voting is available to you, instructions will be included on your proxy form. Additional information about voting your shares is included in the proxy statement.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas J. Falk', written in a cursive style.



Notice of Annual Meeting of Stockholders

TO BE HELD

April 30, 2015

AT OUR WORLD HEADQUARTERS

**351 Phelps Drive
Irving, Texas**

The Annual Meeting of Stockholders of Kimberly-Clark Corporation will be held at our World Headquarters, which is located at 351 Phelps Drive, Irving, Texas, on Thursday, April 30, 2015, at 9:00 a.m. for the following purposes:

1. To elect as directors the eleven nominees named in the accompanying proxy statement;
2. To ratify the selection of Deloitte & Touche LLP as our independent auditors for 2015;
3. To approve the compensation for our named executive officers;
4. To vote on a stockholder proposal that may be presented at the meeting; and
5. To take action upon any other business that may properly come before the meeting or any adjournments of the meeting.

Stockholders of record at the close of business on March 2, 2015 are entitled to notice of and to vote at the meeting or any adjournments.

It is important that your shares be represented at the meeting. I urge you to vote promptly by using the Internet or telephone or by signing, dating and returning your proxy form.

The accompanying proxy statement also is being used to solicit voting instructions for shares of Kimberly-Clark common stock that are held by the trustees of our employee benefit and stock purchase plans for the benefit of the participants in the plans. It is important that participants in the plans indicate their preferences by using the Internet or telephone or by signing, dating and returning the voting instruction card, which is enclosed with the proxy statement, in the business reply envelope provided.

To attend in person, please register by following the instructions on page 9.

March 9, 2015

By Order of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Jeffrey P. Melucci'.

Jeffrey P. Melucci
Vice President—
Deputy General Counsel
and Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on April 30, 2015

The Proxy Statement and proxy card, as well as our Annual Report on Form 10-K for the year ended December 31, 2014, are available at <http://www.kimberly-clark.com/investors.aspx>.



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Proxy Summary

This section contains only selected information. Stockholders should review the entire Proxy Statement before casting their votes.

Matters for Stockholder Voting

Proposal	Description	Board voting recommendation
1 Election of Directors	Election of 11 directors to serve for a one-year term	FOR all nominees
2 Ratification of auditors for the coming year	Approval of the Audit Committee's selection of Deloitte & Touche LLP as Kimberly-Clark's independent auditor for 2015	FOR
3 Say-on-pay	Advisory approval of our named executive officers' compensation	FOR
4 Stockholder proposal on written consent	Proposal to permit stockholders to act by written consent	AGAINST

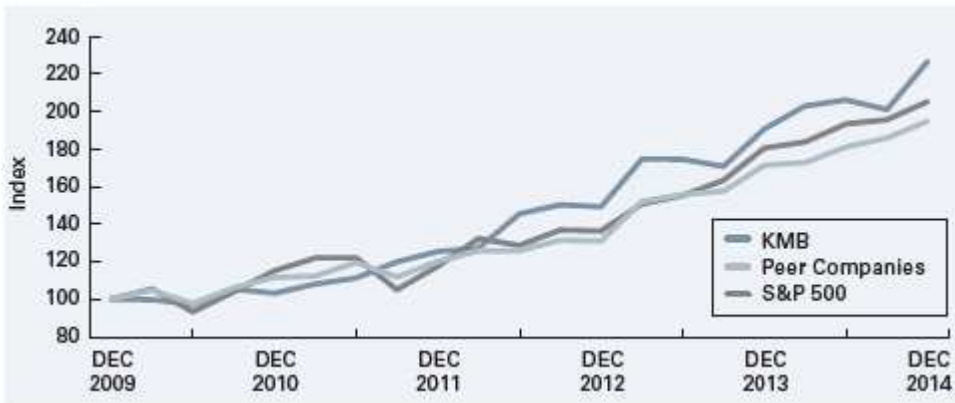
2014 Performance and Compensation Highlights

The Management Development and Compensation Committee of our Board concluded that Kimberly-Clark's management delivered financial performance in 2014 that was above-target from an overall perspective, as reflected in the financial metrics of our annual incentive program. Note that the Committee adjusted the results below for our Halyard Health spin-off as described beginning on page 48.

Performance Measures	2014 Results	2014 Target
Adjusted Net sales	\$21.31 billion	\$21.45 billion
Adjusted EPS	\$6.09	\$6.10
Adjusted OPROS improvement	+80 bps	+50 bps

For details on how these measures are adjusted, see "Compensation Discussion and Analysis — Executive Compensation for 2014, 2014 Performance Goals, Performance Assessments and Payouts."

Based on this performance, the Committee approved annual cash incentives for 2014 slightly above the target amount, including an annual incentive payout for our Chief Executive Officer of 105 percent.



The chart at left shows the Total Shareholder Return for Kimberly-Clark, our Executive Compensation Peer Group (taken as a whole) and the S&P 500 for the previous five years. We believe this indicates that the execution of our global business plan and the oversight by our management and Board have been effective for the growth of Kimberly-Clark as well as for returning value to our stockholders.



Our Board Nominees

Listed below are Kimberly-Clark's Board nominees. We believe they collectively possess the necessary experience attributes to effectively guide our company and reflect the diversity of our global consumers.

Name Main Occupation	Committee Roles*	Independent	Experience Highlights
Thomas J. Falk Chairman of the Board and CEO Kimberly-Clark Corporation	EC		<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements; background in accounting ▶ Leadership experience as a CEO ▶ Industry knowledge ▶ International experience ▶ Marketing, compensation, governance, and public company board experience
John F. Bergstrom Chairman and CEO Bergstrom Corporation	AC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Audit Committee Financial Expert ▶ Leadership experience as a CEO ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation, governance and public company board experience
Abelardo E. Bru Retired Vice Chairman Pepsico, Inc.	MDCC (Chair) EC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements ▶ Leadership experience as a CEO ▶ Industry knowledge ▶ International experience ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation, governance and public company board experience
Robert W. Decherd Vice Chairman A.H. Belo Corporation	AC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Audit Committee Financial Expert ▶ Leadership experience as a CEO ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation, governance and public company board experience
Fabian T. Garcia COO Global Innovation and Growth, Europe & Hill's Pet Nutrition, Colgate-Palmolive Corporation	MDCC NCGC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements ▶ Leadership experience as a COO ▶ Industry knowledge ▶ International experience ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation and governance experience
Mae C. Jemison, M.D. President The Jemison Group	MDCC NCGC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements ▶ Leadership experience with start-ups and non-profits ▶ International experience ▶ Provides diversity of background/viewpoint ▶ Compensation, governance and public company board experience

* AC *Audit Committee*

* EC *Executive Committee*

* MDCC *Management Development and Compensation Committee*

* NCGC *Nominating and Corporate Governance Committee*

Our Board Nominees (*continued*)

Name Main Occupation	Committee Roles*	Independent	Experience Highlights
James M. Jenness Retired Chairman of the Board and CEO Kellogg Company	EC (Chair)	<input type="checkbox"/> Independent Lead Director	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements ▶ Leadership experience as a CEO ▶ Industry knowledge ▶ International experience ▶ Marketing, compensation, governance and public company board experience
Nancy J. Karch Retired Director McKinsey & Co.	AC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements; background in finance ▶ Leadership experience as a Senior Executive ▶ Industry knowledge ▶ Provides diversity of background/viewpoint ▶ Compensation, governance and public company board experience
Ian C. Read Chairman of the Board and CEO Pfizer, Inc.	NCGC (Chair) EC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Qualifies as Audit Committee Financial Expert ▶ Leadership experience as a CEO ▶ International experience ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation, governance and public company board experience
Linda Johnson Rice Chairman Johnson Publishing Company, Inc.	AC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements; ▶ Leadership experience as a CEO ▶ International experience ▶ Provides diversity of background/viewpoint ▶ Marketing, compensation, governance and public company board experience
Marc J. Shapiro Retired Vice Chairman, JPMorgan Chase & Co.	MDCC NCGC	<input type="checkbox"/>	<ul style="list-style-type: none"> ▶ Meets NYSE financial literacy requirements; background in banking/finance ▶ Leadership experience as a CEO ▶ Provides diversity of background/viewpoint ▶ Compensation, governance and public company board experience

* AC *Audit Committee*

* EC *Executive Committee*

* MDCC *Management Development and Compensation Committee*

* NCGC *Nominating and Corporate Governance Committee*

John R. Alm has announced that he does not intend to stand for re-election to the Board of Directors when his term expires at this year's Annual Meeting. Mr. Alm currently serves as Chair of the Audit Committee and as a member of the Executive Committee.



Information About Our Annual Meeting

On behalf of the Board of Directors of Kimberly-Clark Corporation, we are soliciting your proxy for use at the 2015 Annual Meeting of Stockholders, to be held on April 30, 2015, at 9:00 a.m. at our World Headquarters in Irving, Texas.

How We Provide Proxy Materials

We began providing our proxy statement and form of proxy to stockholders on March 12, 2015.

As Security and Exchange Commission (“SEC”) rules permit, we are making our proxy statement and our annual report available to many of our stockholders via the Internet rather than by mail. This reduces printing and delivery costs and supports our sustainability efforts. You may have received in the mail a “Notice of Electronic Availability” explaining how to access this proxy statement and our annual report on the Internet and how to vote online. If you received this Notice but would like to receive a paper copy of the proxy materials, you should follow the instructions contained in the notice for requesting these materials.

Who May Vote

If you were a stockholder of record at the close of business on the record date of March 2, 2015, you are eligible to vote at the meeting. Each share that you own entitles you to one vote.

As of the record date, 365,200,459 shares of our common stock were outstanding.

How To Vote

You may vote in person by attending the meeting, by using the Internet or telephone, or (if you received printed proxy materials) by completing and returning a proxy form by mail. If telephone or Internet voting is available to you, see the instructions on the notice of electronic availability or the proxy form and have the notice or proxy form available when you access the Internet website or place your telephone call. To vote your proxy by mail, mark your vote on the proxy form, then follow the instructions on the card.

Please note that if you received a notice of electronic availability as described above, you cannot vote your shares by filling out and returning the notice. Instead, you should follow the instructions contained in the notice on how to vote by using the Internet or telephone.



The named proxies will vote your shares according to your directions. The voting results will be certified by independent Inspectors of Election.

If you sign and return your proxy form, or if you vote using the Internet or by telephone, but you do not specify how you want to vote your shares, the named proxies will vote your shares as follows:

- ▶ FOR the election of directors named in this proxy statement
- ▶ FOR ratification of the selection of our independent auditors
- ▶ FOR approval of the compensation of our named executive officers
- ▶ AGAINST the stockholder proposal requesting stockholders be permitted to act by written consent

How To Revoke or Change Your Vote

There are several ways to revoke or change your vote:

- ▶ Mail a revised proxy form to the Corporate Secretary of Kimberly-Clark (the form must be received before the meeting starts). Use the following address: 351 Phelps Drive, Irving, TX 75038
- ▶ Use the Internet voting website
- ▶ Use the telephone voting procedures
- ▶ Attend the meeting and vote in person

Votes Required

There must be a quorum to conduct business at the Annual Meeting, which is established by having a majority of the shares of our common stock present in person or represented by proxy.

Election of Directors. A director nominee will be elected if he or she receives a majority of the votes cast at the meeting in person or by proxy. If any nominee does not receive a majority of the votes cast, then that nominee will be subject to the Board’s existing policy regarding resignations by directors who do not receive a majority of “for” votes.

Other Proposals or Matters. Approval requires the affirmative vote of a majority of shares that are present at the Annual Meeting in person or by proxy and are entitled to vote on the proposal or matter.

How Abstentions will be Counted

Election of Directors. Abstentions will have no impact on the outcome of the vote. They will not be counted for the purpose of determining the number of votes cast or as votes “for” or “against” a nominee.

Other Proposals. Abstentions will be counted:

- ▶ as present in determining whether we have a quorum
- ▶ in determining the total number of shares entitled to vote on a proposal
- ▶ as votes against a proposal



Effect of Not Instructing Your Broker

Routine Matters. If your shares are held through a broker and you do not instruct the broker on how to vote your shares, your broker may choose to leave your shares unvoted or to vote your shares on routine matters. “Proposal 2. Ratification of Auditors” is the only routine matter on the agenda at this year’s Annual Meeting.

Non-Routine Matters. Without instructions, your broker cannot vote your shares on non-routine matters, resulting in what are known as “broker non-votes.” Broker non-votes will not be considered present or entitled to vote on non-routine matters and will also not be counted for the purpose of determining the number of votes cast on these proposals.

Direct Stock Purchase and Dividend Reinvestment Plan

If you participate in our Direct Stock Purchase and Dividend Reinvestment Plan, you will receive a proxy form that represents the number of full shares in your plan account plus any other shares registered in your name. There are no special instructions for voting shares held in the plan; simply use the normal voting methods described in this proxy statement.

Employee Benefit Plans

We are also sending or otherwise making this proxy statement and voting materials available to participants who hold Kimberly-Clark stock through any of our employee benefit and stock purchase plans. The trustee of each plan will vote whole shares of stock attributable to each participant’s interest in the plans in accordance with the participant’s directions. If a participant gives no directions, the plan committee will direct the voting of his or her shares.

Attending the Annual Meeting

If you are eligible to vote, you or a duly appointed representative may attend the Annual Meeting in person. If you do plan to attend, we ask that you inform us electronically, by telephone, or by checking the appropriate box on your proxy form. This will assist us with meeting preparations and help to expedite your admittance.

If your shares are not registered in your own name and you would like to attend the meeting, please ask the broker, trust, bank or other nominee that holds your shares to provide you with written proof of your share ownership as of the record date. This will enable you to gain admission to the meeting.

If you need directions to the meeting, please contact Stockholder Services by telephone at (972) 281-1522 or by e-mail at stockholders@kcc.com.

Costs of Solicitation

Kimberly-Clark will bear all costs of this proxy solicitation, including the cost of preparing, printing and delivering materials, the cost of the proxy solicitation and the expenses of brokers, fiduciaries and other nominees who forward proxy materials to stockholders. In addition to mail and electronic means, our employees may solicit proxies by telephone or otherwise. We have retained D. F. King & Co., Inc. to aid in the solicitation at a cost of approximately \$19,000 plus reimbursement of out-of-pocket expenses.



Corporate Governance

Our governance structure and processes are based on a number of important governance documents including our Code of Conduct, Certificate of Incorporation, Corporate By-Laws, Corporate Governance Policies and our Board Committee Charters. These documents, which are available in the investors section of our website at www.kimberly-clark.com, guide the Board and our management in the execution of their responsibilities.

Kimberly-Clark believes that there is a direct connection between good corporate governance and long-term, sustained business success, and we believe it is important to uphold sound governance practices. As such, the Board reviews its governance practices and documents on an ongoing basis, considering changing regulatory requirements, governance trends, and issues raised by our stockholders. After careful evaluation, we may periodically make governance changes in view of these matters to maintain current governance practices and promote shareholder value.

We believe we are in compliance with all corporate governance requirements of the NYSE, the SEC, the Sarbanes-Oxley Act of 2002 and the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 that have become effective as of the filing of this proxy statement.

Board Leadership Structure

The Board has established a leadership structure that allocates responsibilities between our Chairman of the Board and Chief Executive Officer (CEO) and our Lead Director. The Board believes that this allocation provides for dynamic Board leadership while maintaining strong independence and oversight.

Consistent with this leadership structure, at least once a quarter our Lead Director, who is an independent director, chairs executive sessions of our non-management directors. Members of the company's senior management team do not attend these sessions.

Chairman and Chief Executive Officer Positions

The Board's current view is that a combined Chairman and CEO position, coupled with a predominantly independent board and a proactive, independent Lead Director, promotes candid discourse and responsible corporate governance. Mr. Falk serves as Chairman of the Board and CEO. The Board believes Mr. Falk's thirty years of operational and management experience at Kimberly-Clark has demonstrated the leadership and vision necessary to lead the Board and Kimberly-Clark. Accordingly, Mr. Falk continues to serve in this combined role at the pleasure of the Board without an employment contract.



Lead Director

Mr. Jenness served as independent Lead Director in 2014. Our Corporate Governance Policies outline the significant role and responsibilities of the Lead Director, which include:

- ▶ Chairing the Executive Committee
- ▶ Chairing executive sessions at which non-management directors meet outside management's presence, and providing feedback from such sessions to the Chief Executive Officer
- ▶ Coordinating the activities of the Independent Directors
- ▶ Providing input on agendas and schedules for Board meetings
- ▶ Leading (with the Chairman of the Nominating and Corporate Governance Committee) the annual Board evaluation
- ▶ Leading (with the Chairman of the Management Development and Compensation Committee) the Board's review and discussion of the Chief Executive Officer's performance
- ▶ Providing feedback to individual directors following their periodic evaluations
- ▶ Speaking on behalf of the Board and chairing Board meetings when the Chairman of the Board is unable to do so
- ▶ Acting as a direct conduit to the Board for stockholders, employees and others according to the Board's policies

Director Independence

Since 1996, our By-Laws have provided that a majority of our directors be independent ("Independent Directors"). We believe our independent board helps ensure good corporate governance and strong internal controls.

Our Corporate Governance Policies, as adopted by the Board, provide independence standards consistent with the rules and regulations of the SEC and the listing standards of the New York Stock Exchange ("NYSE"). Our independence standards can be found in Section 17 of our Corporate Governance Policies.

The Board has determined that all directors and nominees, except for Thomas J. Falk, are Independent Directors and meet the independence standards in our Corporate Governance Policies. In making these determinations, the Board considered the following:

- ▶ We made charitable contributions of \$132,000 in each of 2012 and 2013, and \$175,000 in 2014, and paid approximately \$85,000 in 2013 for venue rental to the Fox Cities Performing Arts Center in Appleton, Wisconsin, where Mr. Bergstrom is a director. We have significant operations and a significant number of employees in the Fox Cities area of Wisconsin.
- ▶ Companies majority-owned by Mr. Bergstrom paid us approximately \$50,000 in 2012, \$55,000 in 2013 and \$57,000 in 2014 to lease excess hangar space at an airport near Appleton, Wisconsin and approximately \$185,000 in 2012, \$195,000 in 2013 and \$199,800 in 2014 for pilot services pursuant to a pilot sharing contract. In addition, these companies paid us approximately \$194,000 in 2012, \$196,000 in 2013 and \$196,600 in 2014 for scheduling and aircraft services for their airplane.
- ▶ We paid approximately \$1,000 in 2012, \$111,000 in 2013, and \$78,600 in 2014 for automobiles and related services to car dealerships in the Neenah, Wisconsin area that are majority-owned by Mr. Bergstrom.
- ▶ We made charitable contributions of \$1,000 in 2012 and \$50,000 in 2013 to the Education is Freedom Foundation, where Mr. Bru is a director.



- ▶ We purchased advertising totaling \$42,500 in 2014 for advertising services from entities owned directly or indirectly by A.H. Belo Corporation, where Mr. Dechard serves as Vice Chairman of the Board.
- ▶ We paid approximately \$65,000 in 2012 for cooperative product advertising and customer development and approximately \$51,000 in 2013 and \$15,547 in 2014 for the purchase of products for cooperative marketing to Colgate-Palmolive Company, where Mr. Garcia is Chief Operating Officer, Global Innovation and Growth, Europe & Hill's Pet Nutrition.
- ▶ Colgate-Palmolive Company paid us approximately \$78,000 in 2013 for products.
- ▶ Pfizer, Inc., for which Mr. Read serves as Chairman and Chief Executive Officer, paid us approximately \$22,000 in 2012, \$89,000 in 2013, and \$42,300 in 2014 for products.
- ▶ We made charitable contributions of \$27,000 in 2012, and \$25,000 in 2013 to the United Negro College Fund, where Ms. Johnson Rice is a director.
- ▶ We purchased advertising totaling \$211,000 in 2012, \$90,000 in 2013, and \$20,000 in 2014 from entities owned directly or indirectly by Johnson Publishing Company, Inc., where Ms. Johnson Rice is Chairman. These amounts constituted less than five percent of the gross revenues of Johnson Publishing Company, Inc., for 2012, 2013, and 2014, respectively.
- ▶ We paid approximately \$550,000 in 2012, \$645,000 in 2013, and \$664,600 in 2014 to JPMorgan Chase & Co. ("JPMC") for investment banking services. Mr. Shapiro serves as a consultant to JPMC and as non-executive Chairman of its Texas operations. We do not believe his relationship with JPMC gives him a direct or indirect material interest in our transactions with JPMC.

The NYSE listing standards and our own Corporate Governance Policies establish certain levels at which transactions are considered to have the potential to affect a director's independence. The transactions listed above all fall below these levels.

Board Meetings

The Board of Directors met six times in 2014. All of the directors attended in excess of 75 percent of the total number of meetings of the Board and the committees on which they served.

All of our directors are encouraged to attend our annual meeting of stockholders. All of our directors except Ian C. Read and Marc J. Shapiro attended the 2014 Annual Meeting.

Board Committees

The standing committees of the Board include the Audit Committee, Management Development and Compensation Committee, Nominating and Corporate Governance Committee, and Executive Committee. In compliance with applicable NYSE corporate governance listing standards, the Board has adopted charters for all Committees except the Executive Committee.

Our Committee charters are available in the Investors section of our website at www.kimberly-clark.com.

As set forth in our Corporate Governance Policies, the Audit, Management Development and Compensation, and Nominating and Corporate Governance Committees all have the authority to retain independent advisors and consultants, with all costs paid by Kimberly-Clark.



Audit Committee

Chairman: John R. Alm

Other members: John F. Bergstrom, Robert W. Decherd, Nancy J. Karch and Linda Johnson Rice

The Board has determined that Messrs. Alm, Bergstrom and Decherd are “audit committee financial experts” under SEC rules and regulations and that Mr. Read, who is not currently serving on the Audit Committee, also qualifies as an audit committee financial expert. In addition, all Audit Committee members satisfy the NYSE’s financial literacy requirements and qualify as Independent Directors under the rules of the SEC and the NYSE, as well as under our Corporate Governance Policies. See “Corporate Governance - Director Independence” for additional information on Independent Directors.

No member of the Audit Committee serves on the audit committees of more than three public companies. Under our Audit Committee Charter and NYSE corporate governance listing standards, if a member were to serve on more than three such committees, the Board would then determine whether this situation impairs the member’s ability to serve effectively on our Audit Committee, and we would post information about this determination on the investors section of our website at www.kimberly-clark.com.

During 2014 the Committee met ten times.

The Committee’s principal functions, as specified in its charter, include:

- ▶ **Overseeing:**
 - the quality and integrity of our financial statements
 - our compliance programs
 - our hedging strategies and policies
 - the independence, qualification and performance of our independent auditors
 - the performance of our internal auditors
- ▶ Selecting and engaging our independent auditors, subject to stockholder ratification
- ▶ Pre-approving all audit and non-audit services that our independent auditors provide
- ▶ Reviewing the scope of audits and audit findings, including any comments or recommendations of our independent auditors
- ▶ Establishing policies for our internal audit programs
- ▶ Overseeing the company’s risk management program and receiving periodic reports from management on risk assessments, the risk management process, and issues related to the risks of managing our business

For additional information about the Audit Committee’s oversight activities in 2014, see “Proposal 2. Ratification of Auditors - Audit Committee Report.”



Management Development and Compensation Committee

Chairman: Abelardo E. Bru

Other members: Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro

Each member of this Committee is an Independent Director under the rules of the SEC and the NYSE, as well as under our Corporate Governance Policies. The Committee met six times in 2014.

The Committee's principal functions, as specified in its charter, include:

- ▶ Establishing and administering the policies governing annual compensation and long-term compensation, including stock option awards, restricted stock awards and restricted share unit awards, such that the policies are designed to align compensation with our overall business strategy and performance
- ▶ Setting, after an evaluation of his overall performance, the compensation level of the Chief Executive Officer
- ▶ Determining, in consultation with the Chief Executive Officer, compensation levels and performance targets for the senior executive team
- ▶ Overseeing:
 - leadership development for senior management and future senior management candidates
 - a periodic review of our long-term and emergency succession planning for the Chief Executive Officer and other key officer positions, in conjunction with our Board
 - key organizational effectiveness and engagement policies
- ▶ Reviewing diversity and inclusion programs and related metrics
- ▶ Annually reviewing our compensation policies and practices for the purpose of mitigating risks arising from these policies and practices that could reasonably have a material adverse effect

Roles of the Committee and the CEO in Compensation Decisions

Each year, the Committee reviews and sets the compensation of the officers that are elected by the Board (our "elected officers"), including our Chief Executive Officer and our other executive officers. The Committee's charter does not permit the Committee to delegate to anyone the authority to establish any compensation policies or programs for elected officers, including our executive officers. With respect to officers that have been appointed to their position (our "non-elected officers"), our Chief Executive Officer has the authority to establish compensation programs and to approve equity grants. However, only the Committee may make grants to elected officers, including our executive officers.

Our Chief Executive Officer makes a recommendation to the Committee each year on the appropriate target annual compensation for each of the other executive officers. The Committee makes the final determination of the target annual compensation for each executive officer, including our Chief Executive Officer. While our Chief Executive Officer and Chief Human Resources Officer typically attend Committee meetings, none of the other executive officers is present during the portion of the Committee's meetings when compensation for executive officers is set. In addition, our Chief Executive Officer is not present during the portion of the Committee's meetings when his compensation is set.

For additional information on the Committee's processes and procedures for determining executive compensation, and for a detailed discussion of our compensation policies, see "Compensation Discussion and Analysis."





Use of Compensation Consultants

The Committee's charter authorizes it to retain advisors, including compensation consultants, to assist it in its work. The Committee believes that compensation consultants can provide important market information and perspectives that can help it determine compensation programs that best meet the objectives of our compensation policies. In selecting a consultant, the Committee evaluates the independence of the firm as a whole and of the individual advisors who will be working with the Committee.

Independent Committee Consultant. In 2014, the Committee retained Semler Brossy Consulting Group as its independent executive compensation consultant. According to the Committee's written policy, the independent Committee consultant provides services solely to the Committee and not to Kimberly-Clark. Semler Brossy has no other business relationship with Kimberly-Clark and receives no payments from us other than fees for services to the Committee. Semler Brossy reports directly to the Committee, and the Committee may replace it or hire additional consultants at any time. A representative of Semler Brossy attends Committee meetings and communicates with the Chairman of the Committee between meetings from time to time.

The scope of Semler Brossy's engagement in 2014 included:

- ▶ Conducting a review of the competitive market data (including base salary, annual incentive targets and long-term incentive targets) for our executive officers, including our Chief Executive Officer
- ▶ Reviewing and commenting, as requested by the Committee, on recommendations by management and Mercer Human Resource Consulting ("Mercer") concerning executive compensation programs, including program changes and redesign, special awards, change-of-control provisions, our executive compensation peer group, any executive contract provisions, promotions, retirement and related items
- ▶ Reviewing and commenting on the Committee's report for the proxy statement
- ▶ Attending Committee meetings
- ▶ Periodically consulting with the Chairman of the Committee

During 2014, at the request of the Committee, a representative of Semler Brossy attended all Committee meetings.

Kimberly-Clark Consultant. To assist management and the Committee in assessing our compensation programs and determining appropriate, competitive compensation for our executive officers, Kimberly-Clark annually engages an outside compensation consultant. In 2014, it retained Mercer for this purpose. Mercer has provided consulting services to Kimberly-Clark on a wide variety of human resources and compensation matters, both at the officer and non-officer levels. During 2014, Mercer provided advice and counsel on various matters relating to executive and director remuneration, including the following services:

- ▶ Assessing our executive compensation peer group and recommending changes as necessary
- ▶ Assessing compensation levels within our peer group for executive officer positions and other selected positions
- ▶ Reviewing historic and projected performance for peer group companies under the metrics we use in our annual and long-term incentive plans
- ▶ Assisting in incentive plan design and modifications, as requested
- ▶ Providing market research on various issues as requested by management
- ▶ Preparing for and participating in Committee meetings, as requested



- ▶ Reviewing the Compensation Discussion and Analysis section of the Proxy Statement and other disclosures, as requested
- ▶ Consulting with management on compensation matters

Committee Assessment of Consultant Conflicts of Interest. The Committee has reviewed whether the work provided by Semler Brossy and Mercer represents any conflict of interest. Factors considered by the Committee include: (1) other services provided to Kimberly-Clark by the consultant; (2) what percentage of the consultant's total revenue is made up of fees from Kimberly-Clark; (3) policies or procedures of the consultant that are designed to prevent a conflict of interest; (4) any business or personal relationships between individual consultants involved in the engagement and Committee members; (5) any shares of Kimberly-Clark stock owned by individual consultants involved in the engagement; and (6) any business or personal relationships between our executive officers and the consulting firm or the individual consultants involved in the engagement. Based on its review, the Committee does not believe that any of the compensation consultants that performed services in 2014 has a conflict of interest with respect to the work performed for Kimberly-Clark or the Committee.

Committee Report

The Committee has reviewed the "Compensation Discussion and Analysis" section of this proxy statement and has recommended that it be included in this proxy statement. The Committee's report is located at "Compensation Discussion and Analysis — Management Development and Compensation Committee Report."

Nominating and Corporate Governance Committee

Chairman: Ian C. Read

Other Members: Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro

Each member of this Committee is an Independent Director under the rules of the NYSE, as well as under our Corporate Governance Policies. The Committee met five times in 2014.

The Committee's principal functions, as specified in its charter, include the following:

- ▶ Overseeing the process for Board nominations
- ▶ Overseeing corporate governance matters, including developing and recommending to the Board changes to our Corporate Governance Policies
- ▶ Advising the Board on:
 - Board organization, membership, function, performance and compensation
 - committee structure and membership
 - policies and positions regarding significant stockholder relations issues
- ▶ Reviewing director independence standards and making recommendations to the Board with respect to the determination of director independence
- ▶ Monitoring and recommending improvements to the Board's practices and procedures
- ▶ Reviewing stockholder proposals and considering how to respond to them
- ▶ Overseeing matters relating to Kimberly-Clark's corporate social responsibility and sustainability activities and providing input to management on these programs and their effectiveness





The Committee, in accordance with its charter and our Certificate of Incorporation, has established criteria and processes for director nominations, including those proposed by stockholders. Those criteria and processes are described in “Proposal 1. Election of Directors - Process and Criteria for Nominating Directors” and “Other Information - Stockholder Nominations for Board of Directors.”

Executive Committee

Chairman: James M. Jenness (Lead Independent Director)

Other Members: John R. Alm, Abelardo E. Bru, Thomas J. Falk and Ian C. Read

The Committee met two times in 2014.

The Committee's principal function is to exercise, when necessary between board meetings, the Board's powers to direct our business and affairs.

Compensation Committee Interlocks and Insider Participation

None of the members of the Management Development and Compensation Committee is a current or former officer or employee of Kimberly-Clark. No interlocking relationship exists between the members of our Board of Directors or the Management Development and Compensation Committee and the board of directors or compensation committee of any other company.

Communicating with Directors

The Board has established a process by which stockholders and other interested parties may communicate with the Board, including the Lead Director. That process can be found in the Investors section of our website at www.kimberly-clark.com.

Other Corporate Governance Policies and Practices

Corporate Governance Policies. The Board of Directors first adopted Corporate Governance Policies in 1994, and has amended them from time to time as rules and regulations change and governance practices develop. These policies guide Kimberly-Clark and the Board on matters of corporate governance, including: director responsibilities, Board committees and their charters, director independence, director compensation, performance assessments of the Board and individual directors, director orientation and education, director access to management, Board access to outside financial, business and legal advisors, and management development and succession planning. To see these policies, go to the Investors section of our website at www.kimberly-clark.com.

Code of Conduct. Kimberly-Clark has a Code of Conduct that applies to all of our directors, executive officers and employees, including our Chief Executive Officer, Chief Financial Officer and Vice President and Controller. It is available in the Investors section of our website at www.kimberly-clark.com. Any amendments to or waivers of our Code of Conduct applicable to our Chief Executive Officer, Chief Financial Officer or Vice President and Controller will also be posted at that location.

Board and Management Roles in Risk Oversight. The Board is responsible for providing risk oversight with respect to our operations. In connection with this oversight, the Board particularly focuses on our strategic and operational risks, as well as related risk mitigation. In addition, the Board reviews and oversees management's response to key risks facing Kimberly-Clark.



The Board's committees review particular risk areas to assist the Board in its overall risk oversight of Kimberly-Clark:

- ▶ The Audit Committee oversees our risk management program, with a particular focus on our internal controls, compliance programs, financial statement integrity and fraud risks, and related risk mitigation. In connection with this oversight, the Audit Committee receives regular reports from management on risk assessments, the risk management process, and issues related to the risks of managing our business. The Audit Committee also receives an annual enterprise risk management update, which describes our key financial, strategic, operational and compliance risks.
- ▶ The Management Development and Compensation Committee reviews the risk profile of our compensation policies and practices. This process includes a review of an assessment of our compensation programs, as described in "Compensation Discussion and Analysis — Analysis of Compensation-Related Risks."
- ▶ The Nominating and Corporate Governance Committee monitors risks relating to governance matters and recommends appropriate actions in response to those risks. In addition, it provides oversight of our Corporate Social Responsibility programs and sustainability activities and receives regular updates on the effectiveness of these programs.

Complementing the Board's overall risk oversight, our senior executive team identifies and monitors key enterprise-wide and business unit risks, providing the basis for the Board's risk review and oversight process. We have a Global Risk Oversight Committee, consisting of management members from core business units and from our finance, treasury, global risk management, compliance and legal functions. This committee identifies significant risks for review and updates our policies for risk management in areas such as hedging, foreign currency and country risks, product liability, property and casualty risks, and supplier and customer risks. The Board believes the allocation of risk management responsibilities described above supplements the Board's leadership structure by allocating risk areas to an appropriate committee for oversight, allows for an orderly escalation of issues as necessary, and helps the Board satisfy its risk oversight responsibilities.

Whistleblower Procedures. The Audit Committee has established procedures for receiving, recording and addressing any complaints we receive regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission, by our employees or others, of any concerns about our accounting or auditing practices. We also maintain a toll-free Code of Conduct telephone line and a website, each allowing our employees and others to voice their concerns anonymously.

Chief Compliance Officer. Stephen Naughton is our Vice President and Chief Compliance Officer and oversees our compliance programs. His duties include: regularly updating the Audit Committee on the effectiveness of our compliance programs, providing periodic reports to the Board, and working closely with our various compliance functions to promote coordination and sharing of best practices across these functions. Mr. Naughton is also a member of our Global Risk Oversight Committee.

Management Succession Planning. In conjunction with the Board, the Management Development and Compensation Committee is responsible for periodically reviewing the long-term management development plans and succession plans for the Chief Executive Officer and other key officers, as well as the emergency succession plan for the Chief Executive Officer and other key officers if any of these officers unexpectedly becomes unable to perform his or her duties.

Disclosure Committee. We have established a Disclosure Committee to assist in fulfilling our obligations to maintain disclosure controls and procedures and to coordinate and oversee the process of preparing our periodic securities filings with the SEC. This committee is composed of members of management and is chaired by our Vice President and Controller.



No Executive Loans. We do not extend loans to our executive officers or directors and therefore do not have any such loans outstanding.

Board Policy on Stockholder Rights Plans. We do not have a “poison pill” or stockholder rights plan. If we were to adopt a stockholder rights plan, the Board would seek prior stockholder approval of the plan unless, due to timing constraints or other reasons, a majority of Independent Directors of the Board determines that it would be in the best interests of stockholders to adopt a plan before obtaining stockholder approval. If a stockholder rights plan is adopted without prior stockholder approval, the plan must either be ratified by stockholders or must expire, without being renewed or replaced, within one year. The Nominating and Corporate Governance Committee reviews this policy statement periodically and reports to the Board on any recommendations it may have concerning the policy.

Simple Majority Voting Provisions. Our Certificate of Incorporation does not include supermajority voting provisions.

Special Stockholder Meetings. Our Certificate of Incorporation allows the holders of 25 percent or more of our issued and outstanding shares of capital stock to request that a special meeting of stockholders be called, subject to procedures and other requirements set forth in our By-Laws.

Charitable Contributions. The Nominating and Corporate Governance Committee has adopted guidelines for the review and approval of charitable contributions by Kimberly-Clark (or any foundation under the common control of Kimberly-Clark) to organizations or entities with which a Director or an executive officer may be affiliated. We will disclose in the Investors section of our website at www.kimberly-clark.com any contributions made by us to a tax-exempt organization under the following circumstances:

- ▶ An Independent Director serves as an executive officer of the tax-exempt organization; and
- ▶ If within the preceding three years, contributions in any single year from Kimberly-Clark to the organization exceeded the greater of \$1 million or 2 percent of the tax-exempt organization’s consolidated gross revenues.



Proposal 1. Election of Directors

As of the date of this proxy statement, the Board of Directors consists of twelve members. Each director's term will expire at this year's Annual Meeting. All the nominees standing for election at the Annual Meeting are being nominated to serve until the 2016 Annual Meeting of Stockholders and until their successors have been duly elected and qualified. All nominees have advised us that they will serve if elected; however, should any nominee become unable to serve, proxies may be voted for another person designated by the Board.

John R. Alm has announced that he does not intend to stand for re-election to the Board of Directors when his current term expires at the Annual Meeting. Mr. Alm will continue to serve as a director until the Annual Meeting. We would like to thank Mr. Alm for his eight years of service and many contributions to the Board, Kimberly-Clark and our stockholders. The size of the Board will be reduced from twelve members to eleven, effective upon Mr. Alm's retirement from the Board.

Given the independent status of the nominees, if all nominees are elected at the Annual Meeting, ten of the eleven directors on our Board will be Independent Directors.

Process for Director Elections

Our Certificate of Incorporation provides that all of our directors must be elected annually. Our By-Laws provide that, in uncontested elections, directors must be elected by a majority of votes cast rather than by a plurality. If any incumbent director does not receive a majority of votes, he or she is required to tender his or her resignation for consideration by the Board.

Process and Criteria for Nominating Directors

The Board of Directors is responsible for approving candidates for Board membership. The Board has delegated the screening and recruitment process to the Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board and Chief Executive Officer and the Lead Director. The Committee therefore recommends to the Board any new appointments and nominees for election as directors at our annual meeting of stockholders. It also recommends nominees to fill any vacancies. As provided in our Certificate of Incorporation, the Board of Directors has the authority to determine the size of the Board and to fill any vacancies that occur between annual meetings of stockholders.

The Committee may receive recommendations for Board candidates from various sources, including our directors, management and stockholders. In addition, the Nominating and Corporate Governance Committee periodically retains a search firm to assist it in identifying and recruiting director candidates meeting the criteria specified by the Committee. The Committee also has a process for considering nominations submitted by stockholders. For details on this process, see "Other Information - Stockholder Nominations for Board of Directors."

The Committee believes that the criteria for director nominees should foster effective corporate governance, support our strategies and businesses, take diversity into account and ensure that our directors, as a group, have an overall mix of the attributes needed for an effective Board. The criteria should also support the successful recruitment of qualified candidates.



Qualified candidates for director are those who, in the judgment of the Committee, possess all of the personal attributes and a sufficient mix of the experience attributes listed below to ensure effective service on the Board.

PERSONAL ATTRIBUTES

<p>Leadership</p> <ul style="list-style-type: none"> ▶ Lead in personal and professional lives. 	<p>Collaborative</p> <ul style="list-style-type: none"> ▶ Actively participate in Board and committee matters. 	<p>Ability to communicate</p> <ul style="list-style-type: none"> ▶ Possess good interpersonal skills.
<p>Ethical Character</p> <ul style="list-style-type: none"> ▶ Possess high standards for ethical behavior. 	<p>Independence</p> <ul style="list-style-type: none"> ▶ Independent of management and Kimberly-Clark (for non-management directors only). 	<p>Effectiveness</p> <ul style="list-style-type: none"> ▶ Bring a proactive and solution-oriented approach.

EXPERIENCE ATTRIBUTES

ATTRIBUTE	FACTORS THAT MAY BE CONSIDERED
<p>Financial acumen Has good knowledge of business finance and financial statements</p>	<ul style="list-style-type: none"> ▶ Satisfies the financial literacy requirements of the NYSE ▶ Qualifies as an audit committee financial expert under the rules and regulations of the SEC ▶ Has an accounting, finance or banking background
<p>General business experience Possesses experience that will aid in judgments concerning business issues</p>	<ul style="list-style-type: none"> ▶ Has leadership experience as a chief or senior executive officer ▶ Has experience setting compensation
<p>Industry knowledge Possesses knowledge about our industries</p>	<ul style="list-style-type: none"> ▶ Has marketing expertise, with digital marketing and e-commerce experience ▶ Has governance/public company board experience
<p>Diversity of background and viewpoint Brings to the Board an appropriate level of diversity</p>	<ul style="list-style-type: none"> ▶ Brings a diverse viewpoint that is representative of our customer, consumer, employee and stockholder base ▶ Provides a different perspective (stemming, for example, from an academic background or experience from outside the consumer packaged goods industry)
<p>Special business experience Possesses global management experience and experience with branded consumer packaged goods</p>	<ul style="list-style-type: none"> ▶ Has international experience ▶ Has branded consumer packaged goods experience



Committee Review of Attributes of Current Directors

The Nominating and Corporate Governance Committee has reviewed the background of each of our current directors and their service on the Board in light of the personal and experience attributes described above. The Committee has determined that each director possesses all of the personal attributes as well as a sufficient mix of the experience attributes.

For details about each nominee's specific experience attributes, see "The Nominees" below.

Diversity of Directors

As noted above, the Nominating and Corporate Governance Committee believes that diversity of backgrounds and viewpoints is a key attribute for directors. As a result, the Committee seeks to have a diverse Board that is representative of our customer, consumer, employee and stockholder base. While the Committee carefully considers this diversity when considering nominees for director, the Committee has not established a formal policy regarding diversity in identifying director nominees. Our Board currently includes individuals of differing ages, races and genders.

The Nominees



John F. Bergstrom

Chairman and Chief Executive Officer, Bergstrom Corporation

Mr. Bergstrom has served as Chairman and Chief Executive Officer of Bergstrom Corporation, Neenah, Wisconsin, for more than the past five years. Bergstrom Corporation owns and operates automobile sales and leasing businesses and a credit life insurance company based in Wisconsin.

Public company boards served on since 2010: Advance Auto Parts, Inc., Associated Banc-Corp (since December 2010), Wisconsin Energy Corporation and Wisconsin Electric Power Company.

Experience attributes: Mr. Bergstrom has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.

Director since 1987
Age 68



Director since 2005
Age 66

Abelardo E. Bru

Retired Vice Chairman, PepsiCo, Inc.

Mr. Bru retired as Vice Chairman of PepsiCo, a food and beverage company, in 2005. He joined PepsiCo in 1976. Mr. Bru served from 1999 to 2003 as President and Chief Executive Officer and in 2003 to 2004 as Chief Executive Officer and Chairman of Frito-Lay Inc., a division of PepsiCo. Prior to leading Frito-Lay, Mr. Bru led PepsiCo's largest international business, Sabritas Mexico, as President and General Manager from 1992 to 1999. Mr. Bru is a member of the board of directors of the Education is Freedom Foundation.

Public company boards served on since 2010: DirecTV (since May 2013), Kraft Foods Group, Inc. (since October 2012).

Experience attributes: Mr. Bru satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, provides diversity of background and viewpoint, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.



Director since 1996
Age 64

Robert W. Dechard

Vice Chairman, A. H. Belo Corporation

Mr. Dechard has served as Vice Chairman of the Board of A. H. Belo Corporation, a newspaper publishing and Internet company, since September 2013. Prior to that, he served as Chairman of the Board, President and Chief Executive Officer of A. H. Belo Corporation since it was spun off from Belo Corp. in February 2008. Prior to February 2008, Mr. Dechard was Chief Executive Officer of Belo Corp., a broadcasting and newspaper publishing company, for 21 years. Mr. Dechard has served as a member of the Advisory Council for the Harvard University Center for Ethics and the Board of Visitors of the Columbia Graduate School of Journalism. He continues to be actively involved in a variety of civic initiatives in Dallas, Texas.

Public company boards served on since 2010: A. H. Belo Corporation and Belo Corp. (through December 2013).

Experience attributes: Mr. Dechard has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.



Thomas J. Falk

Chairman of the Board and Chief Executive Officer

Mr. Falk was elected Chairman of the Board and Chief Executive Officer in 2003 and President and Chief Executive Officer in 2002. Prior to that, he served as President and Chief Operating Officer since 1999. Mr. Falk previously had been elected Group President — Global Tissue, Pulp and Paper in 1998, where he was responsible for Kimberly-Clark's global tissue businesses. Earlier in his career, Mr. Falk had responsibility for Kimberly-Clark's North American Infant Care, Child Care and Wet Wipes businesses. Mr. Falk joined Kimberly-Clark in 1983 and has held other senior management positions. He has been a director of Kimberly-Clark since 1999. He also serves on the board of directors of Catalyst Inc., the University of Wisconsin Foundation, and the Consumer Goods Forum, and serves as a governor of the Boys & Girls Clubs of America.

Public company boards served on since 2010: Lockheed Martin Corporation (since June 2010).

Experience attributes: Mr. Falk satisfies the financial literacy requirements of the NYSE and has a background in accounting, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

Director since 1999
Age 56



Fabian T. Garcia

Chief Operating Officer, Global Innovation and Growth, Europe & Hill's Pet Nutrition, Colgate-Palmolive Company

Mr. Garcia has served as Chief Operating Officer, Global Innovation and Growth, Europe and Hill's Pet Nutrition (added responsibility in 2012), of Colgate-Palmolive Company, a household, health care and personal products company, since 2010. From 2007 to 2010, he served as Executive Vice President and President, Colgate – Latin America and Global Sustainability. He joined Colgate-Palmolive in 2003 as President, Colgate Greater Asia Pacific.

Experience attributes: Mr. Garcia satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief operating officer, provides diversity of background and viewpoint, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation and governance experience.

Director since 2011
Age 55



Mae C. Jemison, M.D.

President, The Jemison Group

Dr. Jemison is founder and President of The Jemison Group, Inc., a technology consulting company, and is also the Principal for the 100 Year Starship Project, a new initiative started by DARPA that focuses on human space travel to another star within the next 100 years. She was President and founder of BioSentient Corporation, a medical devices company from 2000 to 2012. Dr. Jemison founded the Dorothy Jemison Foundation for Excellence and developed The Earth We Share international science camp. Dr. Jemison served as a professor of Environmental Studies at Dartmouth College from 1995 to 2002. From 1987 to 1993, she served as a National Aeronautics and Space Administration (NASA) astronaut. Dr. Jemison is a member of the National Academy of Sciences' Institute of Medicine and the Greater Houston Partnership. She chaired the State of Texas Product Development and Small Business Incubator Board, and was a member of the National Advisory Council for Biomedical Imaging and Bioengineering.

Public company boards served on since 2010: Scholastic Corporation and Valspar Corporation.

Experience attributes: Dr. Jemison satisfies the financial literacy requirements of the NYSE, has international experience and leadership experience of entrepreneurial start-up enterprises and non-profit organizations, provides diversity of background and viewpoint, and has compensation, governance and public company board experience.

Director since 2002
Age 58



James M. Jenness

Retired Chairman of the Board and CEO, Kellogg Company

Mr. Jenness has served as a Director of Kellogg Company, a producer of cereal and convenience foods, since 2000. From 2005 to 2014 he was Chairman of the Board of Kellogg and he served as Chief Executive Officer of Kellogg from 2004 through 2006. Mr. Jenness was Chief Executive Officer of Integrated Merchandising Systems LLC, a market leader in outsource management for retail promotion and branded merchandising, from 1997 to 2004. He served in various positions of increasing responsibility at Leo Burnett Company, Kellogg's major advertising agency partner, from 1974 to 1997, including as Vice Chairman, Chief Operating Officer and Director. He is a senior director of Ann & Robert H. Lurie Children's Hospital of Chicago (formerly Children's Memorial Hospital) and a director of Mercy Home for Boys and Girls. He also serves on the DePaul University College of Commerce Advisory Council, is a member of DePaul's Board of Trustees and is a co-trustee of the W. K. Kellogg Foundation Trust.

Public company boards served on since 2010: Kellogg Company.

Experience attributes: Mr. Jenness satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

Director since 2007
Age 68



Nancy J. Karch

Retired Director, McKinsey & Co.

Ms. Karch served as a Director (senior partner) of McKinsey & Co., an independent consulting firm, from 1988 until her retirement in 2000. She had served in various executive capacities at McKinsey since 1974. Ms. Karch is Director Emeritus of McKinsey's Stamford, Connecticut office, and serves on the boards of Northern Westchester Hospital and North Shore - LIJ Health System, both of which are not-for-profit entities.

Public company boards served on since 2010: CEB (The Corporate Executive Board Company) (through January 2015), Genworth Financial, Inc., Kate Spade & Company and Mastercard Incorporated.

Experience attributes: Ms. Karch satisfies the financial literacy requirements of the NYSE and has a background in finance, has leadership experience as a senior executive officer, provides diversity of background and viewpoint, has knowledge about our industries, has experience with branded consumer packaged goods, and has compensation, governance and public company board experience.

Director since 2010
Age 67



Ian C. Read

Chairman of the Board and Chief Executive Officer, Pfizer, Inc.

Mr. Read was elected Chairman of the Board and Chief Executive Officer in December 2011 and President and Chief Executive Officer in December 2010, of Pfizer, Inc., a drug manufacturer. Mr. Read joined Pfizer in 1978 in its financial organization. He worked in Latin America through 1995, holding positions of increasing responsibility, and was appointed President of the Pfizer International Pharmaceuticals Group, Latin America/Canada in 1996. In 2000, Mr. Read was named Executive Vice President of Europe/Canada and was named a corporate Vice President in 2001. In 2006, he was named Senior Vice President of Pfizer, as well as Group President of its Worldwide Biopharmaceutical Businesses.

Public company boards served on since 2010: Pfizer, Inc. (since December 2010).

Experience attributes: Mr. Read has been determined by our Board to qualify as an "audit committee financial expert" under the SEC's rules and regulations and has a background in finance, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, has international experience, and has marketing, compensation, governance and public company board experience.

Director since 2007
Age 61



Linda Johnson Rice

Chairman, Johnson Publishing Company, Inc.

Ms. Johnson Rice has served as Chairman of Johnson Publishing Company, Inc., a multi-media company, since 2010. She served as Chief Executive Officer from 2004 to 2010, and also served as President and Chief Operating Officer from 1987 to 2005. She joined Johnson Publishing Company in 1980, and became Vice President in 1985.

Public company boards served on since 2010: Omnicom Group, Inc.

Experience attributes: Ms. Johnson Rice satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, has international experience, and has marketing, compensation, governance and public company board experience.

Director since 1995
Age 57



Marc J. Shapiro

Retired Vice Chairman, JPMorgan Chase & Co.

Mr. Shapiro retired in 2003 as Vice Chairman of JPMorgan Chase & Co., a financial services company. Before becoming Vice Chairman of JPMorgan Chase & Co. in 1997, Mr. Shapiro was Chairman and Chief Executive Officer of Chase Bank of Texas, a wholly-owned subsidiary of JPMorgan Chase & Co., from 1989 until 1997. He now serves as a consultant to JPMorgan Chase & Co. and as non-executive Chairman of its Texas operations. Mr. Shapiro serves on the boards of the Baylor College of Medicine, the Baylor St. Luke's Medical Center Hospital, the Menninger Clinic, the M.D. Anderson Cancer Center, and the Baker Institute at Rice University.

Public company boards served on since 2010: Burlington Northern Santa Fe Corporation (through February 2010), The Mexico Fund and Weingarten Realty Investors.

Experience attributes: Mr. Shapiro satisfies the financial literacy requirements of the NYSE and has a banking and finance background, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has compensation, governance and public company board experience.

Director since 2001
Age 67

The Board of Directors unanimously recommends a vote **FOR** the election of each of the eleven nominees for director.



Director Compensation

Directors who are not officers or employees of Kimberly-Clark or any of our subsidiaries, affiliates or equity companies are “Outside Directors” for compensation purposes and are compensated for their services under our 2011 Outside Directors’ Compensation Plan. All Independent Directors currently on our Board are Outside Directors and are compensated under this Plan.

Our objectives for Outside Director Compensation are:

- ▶ to remain competitive with the median compensation paid to outside directors of comparable companies
- ▶ to keep pace with changes in practices in director compensation
- ▶ to attract qualified candidates for Board service
- ▶ to reinforce our practice of encouraging stock ownership by our directors

In 2012, the Nominating and Corporate Governance Committee assessed our Outside Director compensation against the median non-management director compensation for our peers. Based on this review, the Committee recommended an increase in Outside Director compensation for 2013 and 2014, and the Board agreed with the Committee’s recommendation. Prior to this adjustment, Outside Director compensation had not increased since 2009.

The table below shows how we structured Outside Director compensation in 2014:

Board Members	Cash retainer: \$90,000 annually, paid in four quarterly payments at the beginning of each quarter.
	Restricted share units: Annual grant with a value of \$155,000, awarded and valued on the first business day of the year
Committee Chairs	Additional annual grant of restricted share units with a value of \$20,000, awarded and valued on the first business day of the year
Lead Director	Additional grant of restricted share units with a value of \$30,000, awarded and valued on the first business day of the year

New Outside Directors receive the full quarterly amount of the annual retainer for the quarter in which they join the Board. Their annual grant of restricted share units is pro-rated based on the date when they joined.

We also reimburse Outside Directors for expenses incurred in attending Board or committee meetings.

Restricted share units are not shares of our common stock. Rather, restricted share units represent the right to receive a pre-determined number of shares of our common stock within 90 days following a “restricted period” that begins on the date of grant and expires on the date the Outside Director retires from or otherwise terminates service on the Board. In this way, they align the director’s interests with the interests of our stockholders. Outside Directors may not dispose of the units or use them in a pledge or similar transaction. Outside Directors also receive additional restricted share units equivalent in value to the dividends that would have been paid to them if the restricted share units granted to them were shares of our common stock.


**2014 Outside
Director
Compensation**

The following table shows the compensation paid to each Outside Director for his or her service in 2014.

Name	Fees Earned or Paid in Cash(\$)	Stock Awards(\$) ⁽¹⁾⁽²⁾⁽³⁾	All Other Compensation(\$) ⁽⁴⁾	Total(\$) ⁽⁵⁾
John R. Alm	90,000	175,000	10,000	275,000
John F. Bergstrom	90,000	155,000	10,000	255,000
Abelardo E. Bru	90,000	175,000	7,500	272,500
Robert W. Decherd	90,000	155,000	10,000	255,000
Fabian T. Garcia	90,000	155,000	—	245,000
Mae C. Jemison, M.D.	90,000	155,000	—	245,000
James M. Jenness	90,000	185,000	—	275,000
Nancy J. Karch	90,000	155,000	10,000	255,000
Ian C. Read	90,000	175,000	720	265,720
Linda Johnson Rice	90,000	155,000	—	245,000
Marc J. Shapiro	90,000	155,000	—	245,000

⁽¹⁾ Amounts shown reflect the grant date fair value of those grants, determined in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 — Stock Compensation ("ASC Topic 718") for restricted share unit awards granted pursuant to our 2013 Outside Directors' Compensation Plan. See Note 10 to our audited consolidated financial statements included in our Annual Report on Form 10-K for 2014 for the assumptions used in valuing these restricted share units.

⁽²⁾ Restricted share unit awards were granted on January 2, 2014. The number of restricted share units granted is set forth below:

Name	Restricted Share Units Grants in 2014(#)
John R. Alm	1,685
John F. Bergstrom	1,493
Abelardo E. Bru	1,685
Robert W. Decherd	1,493
Fabian T. Garcia	1,493
Mae C. Jemison, M.D.	1,493
James M. Jenness	1,782
Nancy J. Karch	1,493
Ian C. Read	1,685
Linda Johnson Rice	1,493
Marc J. Shapiro	1,493



Proposal 1. Election of Directors 2014 Outside Director Compensation

(3) As of December 31, 2014, Outside Directors had the following stock awards outstanding:

Name	Restricted Stock(#)	Restricted Share Units(#)
John R. Alm	—	23,090
John F. Bergstrom	3,000	30,116
Abelardo E. Bru	—	23,986
Robert W. Dechard	3,000	33,228
Fabian T. Garcia	—	6,547
Mae C. Jemison, M.D.	—	30,116
James M. Jenness	—	21,673
Nancy J. Karch	—	9,994
Ian C. Read	—	18,471
Linda Johnson Rice	3,000	31,828
Marc J. Shapiro	—	34,129

In connection with the Halyard Health spin-off on October 31, 2014, the Outside Directors' restricted share units (and the dividend equivalents credited to these restricted units equal to cash dividends on our Common Stock as described in footnote 5 below) were credited with reinvested dividend equivalents equal to the value of the Halyard Health stock dividend distributed on our common stock (approximately \$4.69 per share) to maintain the value of the awards before and after the spin-off.

(4) Reflects charitable matching gifts paid in 2014 under the Kimberly-Clark Foundation's Matching Gifts Program to a charity designated by the director. This program is available to all our employees and directors. Under this program, the Kimberly-Clark Foundation matches employees' and directors' financial contributions to qualified educational and charitable organizations in the United States on a dollar-for-dollar basis, up to \$10,000 per person per calendar year. Amounts paid in 2014 in connection with matching gifts for John F. Bergstrom, Abelardo E. Bru and Nancy J. Karch reflect donations made in 2013.

(5) During 2014, Outside Directors received credit for cash dividends on restricted stock held by them. These dividends are credited to interest bearing accounts maintained by us on behalf of those Outside Directors with restricted stock. Earnings on those accounts are not included in the Outside Director Compensation Table because the earnings were not above market or preferential. Also in 2014, Outside Directors received additional restricted share units with a value equal to the cash dividends paid during the year on our common stock on the restricted share units held by them. Because we factor the value of the right to receive dividends into the grant date fair value of the restricted stock and restricted share units awards, the dividends and dividend equivalents received by Outside Directors are not included in the Outside Director Compensation table. The dividends and other amounts credited on restricted stock and additional restricted share units credited in 2014 were as follows:

Name	Dividends Credited on Restricted Stock(\$)	Number of Restricted Share Units Credited in 2014(#)	Grant Date Fair Value of Restricted Share Units Credited(\$)
John R. Alm	—	656.79	70,980
John F. Bergstrom	9,990	862.08	93,147
Abelardo E. Bru	—	682.78	73,787
Robert W. Dechard	9,990	952.35	102,897
Fabian T. Garcia	—	178.42	19,312
Mae C. Jemison, M.D.	—	862.08	93,147
James M. Jenness	—	614.95	66,466
Nancy J. Karch	—	278.41	30,110
Ian C. Read	—	522.81	56,511
Linda Johnson Rice	9,990	911.74	98,511
Marc J. Shapiro	—	978.48	105,719

Other than the cash retainer, grants of restricted share units and the other compensation previously described, no Outside Director received any compensation or perquisites from Kimberly-Clark for services as a director in 2014.



A director who is not an Outside Director does not receive any compensation for services as a member of the Board or any committee, but is reimbursed for expenses incurred as a result of the services.

In 2014, the Nominating and Corporate Governance Committee, with the assistance of Mercer, revisited the Corporation's Outside Director compensation to assess whether it still met our objectives for Outside Director compensation as described above. In its assessment, the Committee compared aggregate Outside Director cash and equity compensation to the median compensation of the outside directors of our peer group, as well as the structure of our compensation programs of our peer group. For information regarding our peer group, see "Compensation Discussion and Analysis" below. Based on this review, the Committee determined that the aggregate compensation for our Outside Directors would be below the median of our peer group in 2015. The Committee then recommended to the Board, and the Board approved, changes to our Outside Directors aggregate compensation to more closely align with the median aggregate compensation of our peer group.

Accordingly, beginning in 2015:

- ▶ The annual cash retainer is increased from \$90,000 to \$100,000, and
- ▶ The value of the annual grant of restricted share units is increased from \$155,000 to \$165,000.

There was no change to the amount of the additional annual grant of restricted share units paid to committee chairs or to the Lead Director.



Proposal 2. Ratification of Auditors

The Audit Committee of the Board of Directors is directly responsible for the appointment, compensation, retention and oversight of our independent auditors. The Audit Committee is also responsible for overseeing the negotiation of the audit fees associated with retaining our independent auditors. To assure continuing auditor independence, the Audit Committee periodically considers whether a different audit firm should perform our independent audit work. Also, in connection with the mandated rotation of the independent auditor's lead engagement partner, the Audit Committee and its chairman are directly involved in the selection of the new lead engagement partner.

For 2015, the Audit Committee has selected Deloitte & Touche LLP (along with its member firms and affiliates, "Deloitte") as the independent registered public accounting firm to audit our financial statements. In engaging Deloitte for 2015, the Audit Committee utilized a review and selection process that included the following:

- ▶ a review of management's assessment of the services Deloitte provided in 2014 and a comparison of this assessment to prior years' reviews
- ▶ discussions, in executive session, with the Chief Financial Officer and the Vice President and Controller regarding their viewpoints on the selection of the 2015 independent auditors and on Deloitte's performance
- ▶ discussions, in executive session, with representatives of Deloitte about their possible engagement
- ▶ Audit Committee discussions, in executive session, about the selection of the 2015 independent auditors
- ▶ a review and approval of Deloitte's proposed estimated fees for 2015
- ▶ a review and assessment of Deloitte's independence
- ▶ the Audit Committee's consideration of the fact that Deloitte has served as our independent auditors since 1928, and its conclusion that this service does not impact Deloitte's independence

The Audit Committee and the Board believe that the continued retention of Deloitte to serve as our independent auditor is in the best interests of Kimberly-Clark and its stockholders, and they recommend that stockholders ratify this selection. If the stockholders do not ratify the selection of Deloitte, the Audit Committee will consider the selection of other independent auditors.

Representatives of Deloitte are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

The Board of Directors unanimously recommends a vote **FOR** ratification of Deloitte's selection as Kimberly-Clark's auditor for 2015.



Proposal 2. Ratification of Auditors Audit Committee Approval of Audit and Non-Audit Services

Principal Accounting Firm Fees

Our aggregate fees to Deloitte (excluding value added taxes) with respect to the fiscal years ended December 31, 2014 and 2013, were as follows:

	2014(\$)	2013(\$)
Audit Fees ⁽¹⁾	13,701,800	10,398,000
Audit-Related Fees ⁽²⁾	4,730,000	721,000
Tax Fees ⁽³⁾	2,926,500	3,425,000
All Other Fees	—	—

⁽¹⁾ These amounts represent fees billed or expected to be billed for professional services rendered by Deloitte for the audit of Kimberly-Clark's annual financial statements for the fiscal years ended December 31, 2014 and December 31, 2013, reviews of the financial statements included in Kimberly-Clark's Forms 10-Q, and other services that are normally provided by the independent registered public accounting firm in connection with statutory or regulatory filings or engagements for each of those fiscal years, including: fees for consolidated financial audits, statutory audits, comfort letters, attest services, consents, assistance with and review of SEC filings and other related matters. These amounts also include fees for an audit of internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002. Fees in 2014 include \$1,074,000 for audits related to the recasted financial statements to reflect discontinued operations as required due to the spin-off of our health care business.

⁽²⁾ These amounts represent aggregate fees billed or expected to be billed by Deloitte for assurance and related services reasonably related to the performance of the audit or review of our financial statements for the fiscal years ended December 31, 2014 and 2013, that are not included in the audit fees listed above. These services include engagements related to employee benefit plans, due diligence assistance and other matters. Fees in 2014 include \$3,875,000 for audits of the combined financial statements of the health care business as required for the Form 10 registration statement and other audit-related services associated with the spin-off of our health care business.

⁽³⁾ These amounts represent Deloitte's aggregate fees for tax compliance, tax advice and tax planning for 2014 and 2013. For 2014, approximately \$446,000 was for tax compliance/preparation fees.

Audit Committee Approval of Audit and Non-Audit Services

Using the following procedures, the Audit Committee pre-approves all audit and non-audit services provided by Deloitte to Kimberly-Clark:

- ▶ At the first face-to-face Audit Committee meeting each year, our Chief Financial Officer presents a proposal, including fees, to engage Deloitte for audit services;
- ▶ Before the first face-to-face Audit Committee meeting of the year, our Vice President and Controller prepares a detailed memorandum regarding non-audit services to be provided by Deloitte during the year. This memorandum includes the services to be provided, the estimated cost of these services, reasons why it is appropriate to have Deloitte provide these services, and reasons why the requested service is not inconsistent with applicable auditor independence rules; and
- ▶ Before each subsequent meeting of the Audit Committee, our Vice President and Controller prepares an additional memorandum that includes updated information regarding the approved services and highlights any new audit and non-audit services to be provided by Deloitte. All new non-audit services to be provided are described in individual requests for services.

The Audit Committee reviews the requests presented in these proposals and memoranda and approves all services it finds acceptable.

To ensure prompt handling of unexpected matters, the Audit Committee has delegated to the Chairman of the Audit Committee the authority to amend or modify the list of audit and non-audit services and fees between meetings, as long as the additional or amended services do not affect Deloitte's independence under applicable rules. Any actions taken under this authority are reported to the Audit Committee at its next face-to-face Committee meeting.

All Deloitte services and fees in 2014 and 2013 were pre-approved by the Audit Committee or the Audit Committee Chairman.



Audit Committee Report

In accordance with its charter adopted by the Board, the Audit Committee assists the Board in overseeing the quality and integrity of Kimberly-Clark's accounting, auditing and financial reporting practices.

In discharging its oversight responsibility for the audit process, the Audit Committee obtained from the independent registered public accounting firm (the "auditors") a formal written statement describing all relationships between the auditors and Kimberly-Clark that might bear on the auditors' independence, as required by Public Company Accounting Oversight Board ("PCAOB") Rule 3526, *Communication with Audit Committees Concerning Independence*, discussed with the auditors any relationships that may impact their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also discussed with management, the internal auditors, and the auditors, the quality and adequacy of Kimberly-Clark's internal controls and the internal audit function's organization, responsibilities, budget and staffing. The Audit Committee reviewed with both the auditors and the internal auditors their audit plans, audit scope and identification of audit risks.

The Audit Committee discussed and reviewed with the auditors all communications required by the PCAOB's auditing standards, including those required by PCAOB AS 16, "Communication with Audit Committees." Also, with and without management present, it discussed and reviewed the results of the auditors' examination of our financial statements and our internal control over financial reporting. The Committee also discussed the results of internal audit examinations.

Management is responsible for preparing Kimberly-Clark's financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") and for establishing and maintaining Kimberly-Clark's internal control over financial reporting. The auditors have the responsibility for performing an independent audit of Kimberly-Clark's financial statements and internal control over financial reporting, and expressing opinions on the conformity of Kimberly-Clark's financial statements with GAAP and the effectiveness of internal control over financial reporting. The Audit Committee discussed and reviewed Kimberly-Clark's audited financial statements as of and for the fiscal year ending December 31, 2014, with management and the auditors. The Audit Committee also reviewed management's assessment of the effectiveness of internal controls as of December 31, 2014, and discussed the auditors' examination of the effectiveness of Kimberly-Clark's internal control over financial reporting.

Based on the above-mentioned review and discussions with management and the auditors, the Audit Committee recommended to the Board that Kimberly-Clark's audited financial statements be included in Kimberly-Clark's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, for filing with the SEC. The Audit Committee also has selected and recommended to stockholders for ratification the reappointment of Deloitte as the independent registered public accounting firm for 2015.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

John R. Alm, Chairman
John F. Bergstrom
Robert W. Dechard
Nancy J. Karch
Linda Johnson Rice



Proposal 3. Advisory Vote to Approve Named Executive Officer Compensation

In the Compensation Discussion and Analysis that follows, we describe in detail our executive compensation program, including its objectives, policies and components. As discussed in that section, our executive compensation program seeks to align the compensation of our executives with the objectives of our Global Business Plan. To this end, the Management Development and Compensation Committee (the “Committee”) has adopted executive compensation policies that are designed to achieve the following objectives:

- ▶ *Pay-for-Performance.* Support a performance-oriented environment that rewards achievement of our financial and non-financial goals.
- ▶ *Focus on Long-Term Success.* Reward executives for long-term strategic management and stockholder value enhancement.
- ▶ *Stockholder Alignment.* Align the financial interest of our executives with those of our stockholders.
- ▶ *Quality of Talent.* Attract and retain executives whose abilities are considered essential to our long-term success.

For a more detailed discussion of how our executive compensation program reflects these objectives and policies, including information about the fiscal year 2014 compensation of our named executive officers, see “Compensation Discussion and Analysis,” below.

We are asking our stockholders to support our executive compensation as described in this proxy statement. This proposal, commonly known as a “say-on-pay” proposal, gives our stockholders the opportunity to express their views on our executive compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our executives and the objectives, policies and practices described in this proxy statement. Accordingly, we will ask our stockholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the compensation paid to the Corporation’s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved by the Corporation’s stockholders on an advisory basis.

The say-on-pay vote is advisory and is therefore not binding on Kimberly-Clark, the Committee or our Board. Nonetheless, the Committee and our Board value the opinions of our stockholders. Therefore, to the extent there is any significant vote against the executive compensation as disclosed in this proxy statement, the Committee and our Board will consider our stockholders’ concerns and will evaluate whether any actions are necessary to address those concerns.



Proposal 3. Advisory Vote to Approve Named Executive Officer Compensation

At our 2011 Annual Meeting, stockholders voted to adopt the recommendation of our Board to vote on the say-on-pay proposal every year at our annual meeting. As a result, we will continue to submit our say-on-pay proposal to our stockholders at each annual meeting, until stockholders next vote on the frequency for the proposal in 2017.

The Board of Directors unanimously recommends a vote **FOR** the approval of named executive officer compensation, as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules.



Compensation Discussion and Analysis

This Compensation Discussion and Analysis is intended to provide investors with an understanding of our compensation policies and decisions regarding 2014 compensation for our named executive officers.

For 2014, our named executive officers are:

Named Executive Officer	Title
Thomas J. Falk	Chairman of the Board and Chief Executive Officer
Mark A. Buthman	Senior Vice President and Chief Financial Officer*
Michael D. Hsu	Group President – K-C North America
Anthony J. Palmer	President – Global Brands and Innovation
Elane B. Stock	Group President – K-C International**

* On February 18, 2015, Mr. Buthman announced his intention to retire at the end of 2015. On April 27, 2015, Maria Henry will join Kimberly-Clark and succeed Mr. Buthman as Senior Vice President and Chief Financial Officer. On that date, Mr. Buthman will assume the title of Executive Vice President to serve during a management transition period until he begins retirement.

** Ms. Stock served as our Group President – K-C Professional until April 1, 2014. She was appointed Group President – K-C International on that date.

In addition, we provide compensation information regarding Robert E. Abernathy, our former President, Global Health Care, who left Kimberly-Clark effective October 31, 2014 to accept a position with Halyard Health, Inc., our former subsidiary that we spun-off on that date. References in the following discussion to our “named executive officers” do not include Mr. Abernathy unless we specify otherwise. We discuss Mr. Abernathy’s compensation separately under “Executive Compensation for 2014 - Compensation of Former President, Global Health Care” below.

2014 Compensation Highlights

As measured under our annual incentive program, we delivered the results below in adjusted net sales, adjusted earnings per share (EPS) and adjusted operating profit return on sales (OPROS). Note that these amounts differ from our reported results and reflect adjustments by the Committee to neutralize the impact of the Halyard Health spin-off on these performance metrics. See pages 48-49 for details on the adjustments.

Performance Measure*	2014 Results	2014 Target
Adjusted Net Sales	\$21.31 billion	\$21.45 billion
Adjusted EPS	\$6.09	\$6.10
Adjusted OPROS Improvement	+80 bps	+50 bps

* See “2014 Performance Goals, Performance Assessments and Payouts” for additional information on how we use these measures to promote our pay-for-performance culture.



Based on our 2014 performance, the Management Development and Compensation Committee of our Board (the “Committee”) concluded that:

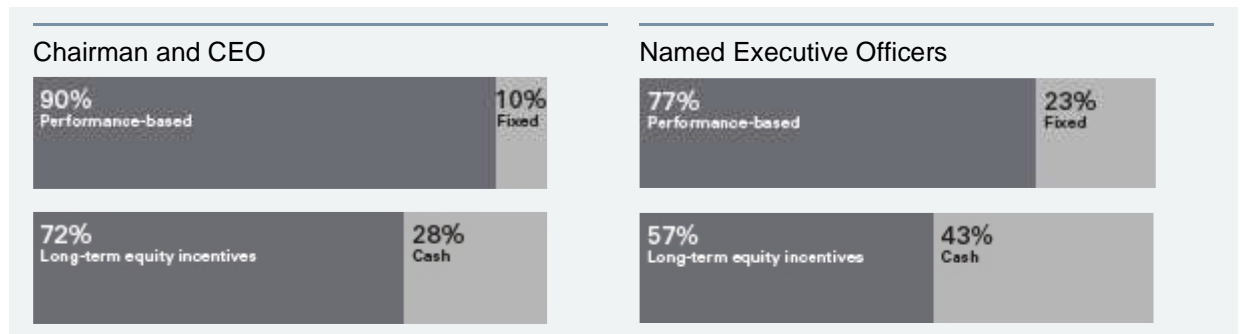
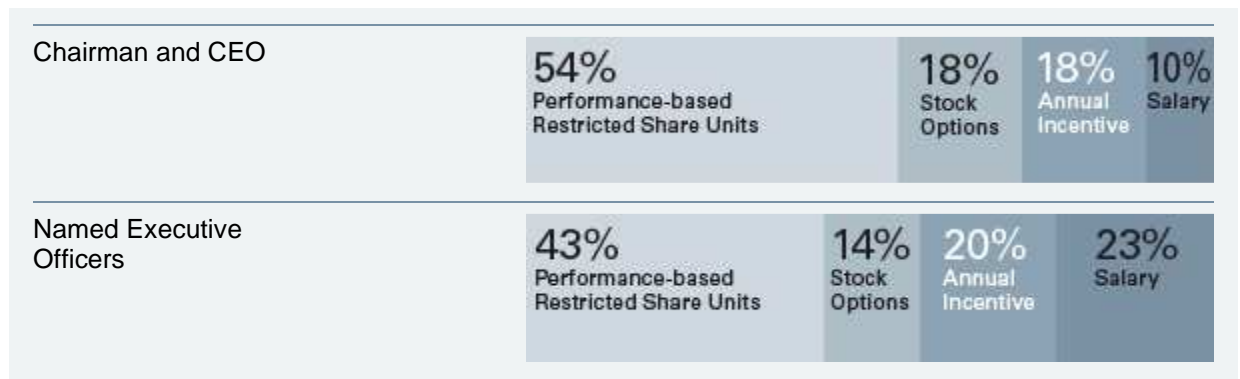
- ▶ management delivered a strong overall financial performance in 2014 with significantly above target adjusted OPROS growth, as well as solid organic net sales growth, and
- ▶ management continues to make good progress executing strategies for our long-term success, including:
 - ▶ focusing on targeted growth initiatives and product innovations,
 - ▶ supporting our growth opportunities with advertising and research spending,
 - ▶ generating cost savings to help fund brand investments and improve margins, and
 - ▶ focusing on cash generation and allocating capital in shareholder-friendly ways.

Based on this performance, the Committee approved annual cash incentives for 2014 at slightly above the target amount, including an annual incentive payout for the Chief Executive Officer of 105 percent of his target payment amount.

Performance-Based Compensation

Pay-for-performance is a key objective of our compensation programs. Consistent with that objective, performance-based compensation constituted a significant portion of our named executive officers’ direct annual compensation targets for 2014. Also, to further align the financial interests of our executives with those of our stockholders, a majority of our executives’ target direct annual compensation for 2014 was equity-based.

COMPOSITION OF TARGET DIRECT COMPENSATION







Committee Consideration of 2014 Stockholder Advisory Vote

At our 2014 Annual Meeting, our executive compensation program received the support of approximately 95 percent of shares represented at the meeting. The Committee has considered the results of this vote and views this outcome as evidence of stockholder support of its executive compensation decisions and policies. Accordingly, the Committee has not made any substantial changes to its executive compensation policies for 2015. The Committee will continue to review the annual stockholder votes on our executive compensation program and determine whether to make any changes in light of the results.

CEO Target Direct Compensation and Realizable Direct Compensation

The following chart compares the Chief Executive Officer's target direct annual compensation and realizable direct compensation over the last three years. Realizable direct compensation reflects the actual compensation received for base salary and annual cash incentive plus the intrinsic value of the long-term equity incentives granted in that year, determined as follows:

- ▶ For stock options, intrinsic value is the amount by which our 2014 year-end stock price (\$115.54) exceeds the exercise price, multiplied by the number of options granted, and
- ▶ For performance-based restricted share units, intrinsic value is the number of units that were paid out based on actual performance (for the grant made in 2012) or are expected to be paid out based on projected performance (for the grants made in 2013 and 2014), multiplied by our 2014 year-end stock price.

(The stock option exercise prices and numbers of stock options throughout this Proxy Statement have been adjusted for our Halyard Health spin-off on October 31, 2014. Also, all outstanding performance-based restricted stock units received a dividend equivalent for the Halyard Health spinoff, as described on page 72 (footnote 4).)

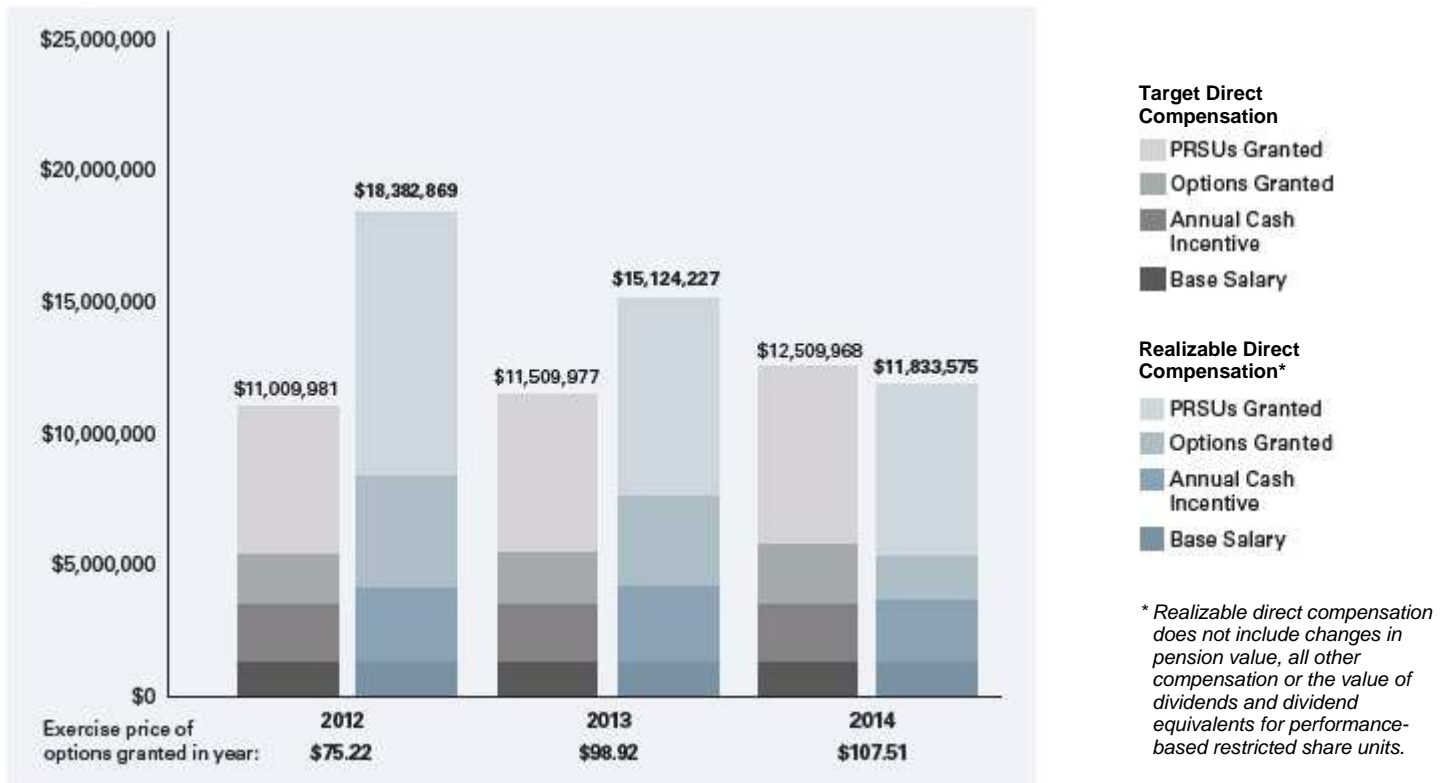
Key factors causing realizable direct compensation to differ from target direct annual compensation over these three years are:

- ▶ Improved performance that resulted in annual cash incentives to be paid out at 129 percent of target (2012), 132 percent of target (2013) and 105 percent of target (2014),
- ▶ A rising stock price over the last three years that significantly impacted the intrinsic value of stock options and the dollar value of performance-based restricted share units granted in each year. Our stock prices on the dates stock options were granted to our Chief Executive Officer were \$75.22 (2012), \$98.92 (2013) and \$107.51 (2014) (as adjusted for our Halyard Health spin-off).

The Committee believes that this chart demonstrates that our Chief Executive Officer's realizable direct compensation varies from his target direct annual compensation based on our performance and stock price consistent with our pay-for-performance philosophy.



CEO TARGET DIRECT COMPENSATION AND REALIZABLE DIRECT COMPENSATION



Executive Compensation Objectives and Policies

The Committee is responsible for establishing and administering our policies governing the compensation of our elected officers, including our named executive officers. The Committee reviews its compensation philosophy annually, including determining whether this philosophy supports our business objectives and is consistent with the Committee’s charter.

The Committee has adopted executive compensation policies that are designed to achieve the following objectives:

Objective	Description	Related Policies
Pay for Performance	Support a performance-oriented environment that rewards achievement of our financial and non-financial goals.	The majority of our named executive officers’ pay varies with the levels at which annual and long-term performance goals are achieved. The Committee chooses performance goals that align with our strategies for sustained growth and profitability.
Focus on Long-Term Success	Reward executives for long-term strategic management and stockholder value enhancement.	The largest single component of our named executive officers’ annual target compensation is in the form of performance-based restricted share units. The number of shares actually received on payout of these units depends on our performance over a three-year period.



Objective	Description	Related Policies
Stockholder Alignment	Align the financial interest of our executives with those of our stockholders.	Equity-based awards make up the largest part of our named executive officers' annual target compensation. Our named executive officers also receive stock options, which vest over time and have value only if our stock value rises after the option grants are made. We also have other policies that link our executives' interests with those of our stockholders, including target stock ownership guidelines.
Quality of Talent	Attract and retain highly skilled executives whose abilities are considered essential to our long-term success as a global company operating our personal care, consumer tissue and K-C professional brands and businesses.	The Committee reviews peer group data to ensure our executive compensation program remains competitive so we can continue to attract and retain this talent.

These compensation objectives and policies seek to align the compensation of our elected officers, including our named executive officers, with the objectives of our Global Business Plan. Our Global Business Plan, established by our senior management and the Board, is designed to make Kimberly-Clark a stronger and more competitive company and to increase our total return to stockholders by:

- ▶ managing our business portfolio to balance growth, margin and cash flow
- ▶ investing in brands, innovation and growth initiatives
- ▶ delivering sustainable cost reduction
- ▶ providing disciplined capital management to improve return on invested capital and return cash to shareholders



Compensation Discussion and Analysis Components of Our Executive Compensation Program

Components of Our Executive Compensation Program

The table below gives an overview of the compensation components used in our program and matches each with one or more of the objectives described above.

Component	Objectives	Purpose	Target Competitive Position
Base salary	Quality of talent	Provide annual cash income based on: <ul style="list-style-type: none"> ▶ level of responsibility, experience and performance ▶ comparison to market pay information 	<ul style="list-style-type: none"> ▶ Compared to median of peer group ▶ Actual base salary will vary based on the individual's level of responsibility, experience in the position and performance
	Pay-for-performance		
Annual cash incentive	Pay-for-performance	Motivate and reward achievement of the following annual performance goals: <ul style="list-style-type: none"> ▶ corporate key financial goals ▶ other corporate financial and strategic performance goals ▶ performance of the business unit or staff function of the individual 	<ul style="list-style-type: none"> ▶ Target compared to median of peer group ▶ Actual payout will vary based on actual corporate and business unit or staff function performance
Long-term equity incentive	Stockholder alignment	Provide an incentive to deliver stockholder value and to achieve our long-term objectives, through awards of: <ul style="list-style-type: none"> ▶ performance-based restricted share units ▶ stock options 	<ul style="list-style-type: none"> ▶ Target compared to median of peer group ▶ Actual payout of performance-based restricted share units will vary based on actual corporate performance
	Focus on long-term success		
	Pay-for-performance	Time-vested restricted share units may be granted from time to time for recruiting, retention or other purposes	<ul style="list-style-type: none"> ▶ Actual payout will also vary based on actual stock price performance
	Quality of talent		
Retirement benefits	Quality of talent	Provide competitive retirement plan benefits through 401(k) plan and other defined contribution plans	<ul style="list-style-type: none"> ▶ Benefits comparable to those of peer group
Perquisites	Quality of talent	Provide minimal market-based additional benefits	<ul style="list-style-type: none"> ▶ Subject to review and approval by the Committee
Post-termination compensation (severance and change of control)	Quality of talent	Encourage attraction and retention of executives critical to our long-term success and competitiveness: <ul style="list-style-type: none"> ▶ Severance Pay Plan, which provides eligible employees, including executives, with payments and benefits in the event of certain involuntary terminations ▶ Executive Severance Plan, which provides eligible 	<ul style="list-style-type: none"> ▶ Subject to review and approval by the Committee

employees, including executives,
payments in the event of a
qualified separation of service
following a change of control



Setting Annual Compensation

This section describes how the Committee thinks about annual compensation and the processes that it followed in setting 2014 target annual compensation for our named executive officers.

Focus on Direct Annual Compensation

In setting 2014 compensation for our executive officers, including our Chief Executive Officer, the Committee focused on direct annual compensation, which consists of annual cash compensation (base salary and annual cash incentive) and long-term equity incentive compensation (performance-based restricted share units and stock options). The Committee considered annual cash and long-term equity incentive compensation both separately and as a package to help ensure that our executive compensation objectives are met.

Executive Compensation Peer Group

To ensure that our executive compensation programs are reasonable and competitive in the marketplace, the Committee compares our programs to those at other companies. In setting compensation in February 2014 for our named executive officers, the Committee used a peer group consisting of the following consumer goods and health care companies:

2014 Executive Compensation Peer Group

- | | | |
|-----------------------------|-----------------------|--------------------------------|
| ▶ Avon Products, Inc. | ▶ General Mills, Inc. | ▶ Mondelez International |
| ▶ Campbell Soup Company | ▶ The Hershey Company | ▶ Newell Rubbermaid Inc. |
| ▶ The Clorox Company | ▶ Johnson & Johnson | ▶ Novartis AG |
| ▶ The Coca-Cola Company | ▶ Kellogg Company | ▶ PepsiCo, Inc. |
| ▶ Colgate-Palmolive Company | ▶ Kraft Foods Group | ▶ Pfizer Inc. |
| ▶ ConAgra Foods, Inc. | ▶ Merck & Co., Inc. | ▶ The Procter & Gamble Company |

The Committee generally seeks to select companies with whom Kimberly-Clark competes for talent. We believe that we generally compete for talent with consumer goods companies with annual revenues ranging from approximately one-half to two times our annual revenues. However, the Committee concluded that it was appropriate also to include certain companies outside of this annual revenue range because we directly compete with them for talent.

In developing the peer group, the Committee does not consider individual company compensation practices, and no company has been included or excluded because it is known to pay above-average or below-average compensation. The Committee (working with compensation consultants retained separately by the Committee and the company), reviews the peer group annually to ensure that it continues to serve as an appropriate comparison for our compensation program.



For purposes of setting executive compensation for 2015, the Committee removed health care companies Merck & Co., Inc., Novartis AG and Pfizer Inc. due to the 2014 spin-off of our health care business, and added consumer goods company Nike, Inc., and three companies focused on business-to-business commerce, 3M Company, E.I. du Pont de Nemours and Company (DuPont) and Honeywell International Inc., to reflect our significant business-to-business product sales.

Process for Setting Direct Annual Compensation Targets

In setting the direct annual compensation of our executive officers, the Committee evaluates both market data provided by the compensation consultants and information on the performance of each executive officer for prior years. To remain competitive in the marketplace for executive talent, the target levels for the executive officers' compensation components, including our Chief Executive Officer, are compared to the median of the peer group.

To reinforce a pay-for-performance culture, targets for individual executive officers may be set above or below this median depending on the individual's performance in prior years and experience in the position, as well as any applicable retention concerns. The Committee believes that comparing target levels to the median, setting targets as described above, and providing incentive compensation opportunities that will enable executives to earn above-target compensation if they deliver above-target performance on their performance goals, are consistent with the objectives of our compensation policies. In particular, the Committee believes that this approach enables us to attract and retain skilled and talented executives to guide and lead our businesses and supports a pay-for-performance culture.

When setting annual compensation for our executive officers, the Committee considers each compensation component (base salary, annual cash incentive and long-term equity incentive), but its decision regarding a particular component does not necessarily impact its decision about other components.

In setting compensation for executive officers that join us from other companies, the Committee evaluates both market data for the position to be filled and the candidate's compensation history. The Committee recognizes that in order to successfully recruit a candidate to leave his or her current position and to join Kimberly-Clark, the candidate's compensation package may have to exceed his or her current compensation, resulting in a package above the median of our peer group.

CEO Direct Annual Compensation

The Committee determines Mr. Falk's direct annual compensation in the same manner as the direct annual compensation of the other named executive officers. Mr. Falk's direct annual target compensation is at or near the median of direct annual compensation of chief executive officers of companies included in the peer group.

The difference between Mr. Falk's compensation and that of the other named executive officers reflects the significant difference in their relative responsibilities. Mr. Falk's responsibilities for management and oversight of a global enterprise are significantly greater than those of the other executive officers. As a result, the market pay level for Mr. Falk is appropriately higher than the market pay for our other executive officer positions.



Direct Annual Compensation Targets for 2014

Consistent with its focus on direct annual compensation, the Committee approved 2014 direct annual compensation targets for each of our named executive officers. The Committee believes that these target amounts, which formed the basis for the Committee's compensation decisions for 2014, were appropriate and consistent with our executive compensation objectives:

Name	2014 Direct Annual Compensation Target(\$)
Thomas J. Falk	12,510,000
Mark A. Buthman	3,720,000
Michael D. Hsu	3,472,500
Anthony J. Palmer	2,587,500
Elane B. Stock	3,472,500

These 2014 direct annual compensation target amounts differ from the amounts set forth in the Summary Compensation Table in the following ways:

- ▶ Base salaries are adjusted on April 1 of each year, while the Summary Compensation Table includes salaries for the calendar year. See "Executive Compensation for 2014 – Base Salary."
- ▶ Annual cash incentive compensation is included at the target level, while the Summary Compensation Table reflects the actual amount earned for 2014.
- ▶ As described below under "Long-Term Equity Incentive Compensation – 2014 Stock Option Awards," for compensation purposes the Committee values stock options differently than the way they are required to be reflected in the Summary Compensation Table.
- ▶ In setting direct annual compensation targets, the Committee does not include increases in pension or deferred compensation earnings or other compensation, while those amounts are required to be included in the Summary Compensation Table.

To help achieve the objectives discussed above, our executive compensation program for 2014 consists of fixed and performance-based components, as well as short-term and long-term components.

Base Salary

To attract and retain high caliber executives, we pay our executives an annual fixed salary that the Committee considers competitive in the marketplace.

Salary ranges and individual salaries for executive officers are reviewed annually, and salary adjustments generally are effective on April 1 of each year. In determining individual salaries, the Committee considers the salary levels for similar positions at our peer group companies, as well as the executive's performance and experience in his or her position. This performance evaluation is based on how the executive performs during the year against results-based objectives established at the beginning of the year. In general, an experienced executive who is performing at a satisfactory level will receive a base salary at or around the median of our peer group companies. However, executives may be paid above or below the median depending on their experience and performance. From time to time, if warranted, executives and other employees may receive additional salary increases because of promotions, changes in duties and responsibilities, retention concerns or market conditions.



For purposes of setting 2014 base salaries, each executive's leadership performance was measured against the following set of behaviors viewed as characteristic of executives who are adept at leading the strategic, operational and organizational aspects of our global business:

<p>Building Trust</p> <ul style="list-style-type: none"> ▶ Sharing the vision ▶ Optimizing diversity ▶ Modeling openness and change <p>Making Decisions</p> <ul style="list-style-type: none"> ▶ Establishing strategic direction ▶ Empowering/delegating 	<p>Winning Consistently</p> <ul style="list-style-type: none"> ▶ Driving execution and accountability <p>Thinking Customer</p> <ul style="list-style-type: none"> ▶ Customer focus ▶ Creating innovative growth 	<p>Continuously Improving</p> <ul style="list-style-type: none"> ▶ Cultivating networks ▶ Leading change and improvement <p>Building Talent</p> <ul style="list-style-type: none"> ▶ Continuously learning ▶ Building organizational talent
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The Committee approved the following base salaries for our named executive officers, effective April 1, 2014:

Name	2014 Base Salary(\$)
Thomas J. Falk	1,300,000
Mark A. Buthman	800,000
Michael D. Hsu	775,000
Anthony J. Palmer	625,000
Elane B. Stock	775,000

Annual Cash Incentive Program

Consistent with our pay-for-performance compensation objective, our executive compensation program includes an annual cash incentive program to motivate and reward executives in achieving annual performance objectives.

2014 Targets

The target payment amount for annual cash incentives is a percentage of the executive's base salary. The Committee determines this target payment amount as described above under "Setting Annual Compensation – Process for Setting Direct Annual Compensation Targets." The range of possible payouts is expressed as a percentage of the target payment amount. The Committee sets this range based on competitive factors.


**TARGET PAYMENT AMOUNTS AND RANGE OF POSSIBLE PAYOUTS
FOR 2014 ANNUAL CASH INCENTIVE PROGRAM**

	Target Payment Amount	Potential Payout
Chief Executive Officer	170% of base salary	0% - 200% of target payment amount
Group President – K-C International	85% of base salary*	0% - 200% of target payment amount
Other Named Executive Officers	90% of base salary	0% - 200% of target payment amount

* Upon her promotion to Group President – K-C International on April 1, 2014, Ms. Stock's target payment amount was increased from 70% to 90% of base salary and her 2014 payout amount was prorated between the two target amounts such that the annualized target payout amount was 85% of base salary.

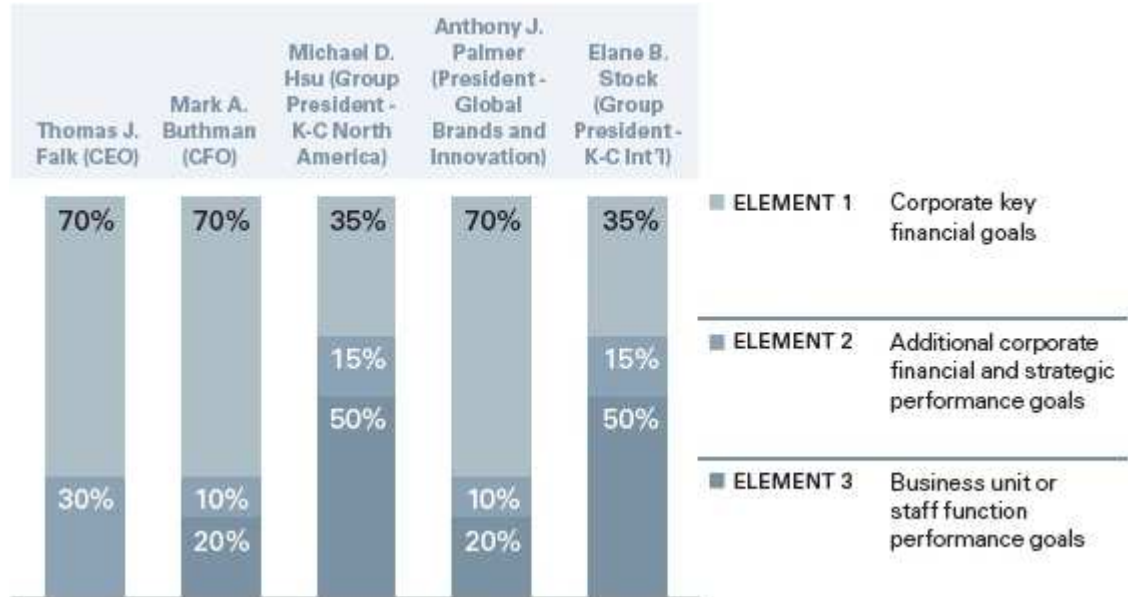
2014 Performance Goals, Performance Assessments and Payouts

Payment amounts under the annual cash incentive program are dependent on performance measured against corporate goals and business unit or staff function goals established by the Committee at the beginning of each year. These performance goals, which are communicated to our executives at the beginning of each year, are derived from our financial and strategic goals.

As shown in the table below, the Committee established goals for three different performance elements for 2014. It then weighted the three elements for each executive (note that the business unit or staff function performance goals did not apply to our CEO because his responsibilities are company-wide). As it does each year, the Committee chose weightings that are intended to strike an appropriate balance between aligning each executive's individual objectives with our overall corporate objectives and holding the executive accountable for performance in the executive's particular area of responsibility.



ANNUAL CASH INCENTIVE PROGRAM 2014 PERFORMANCE GOALS AND WEIGHTS



Below we describe the three elements of performance, explain how performance was assessed for each element, and show the payouts that were determined in each case.

ELEMENT 1: CORPORATE KEY FINANCIAL GOALS

For 2014, the Committee chose the following as corporate key financial goals for the annual cash incentive program:

2014 Goal	Explanation	Reason for Use as a Performance Measure
Adjusted Net Sales	Net sales for 2014 ⁽¹⁾	A key indicator of our overall growth
Adjusted EPS	Consists of diluted net income per share that is then adjusted to eliminate the effect of items or events that the Committee determines in its discretion should be excluded for compensation purposes ⁽¹⁾⁽²⁾	A key indicator of our overall performance
Adjusted OPROS	After adjusted net sales and adjusted EPS are determined as described above, a multiplier based on adjusted OPROS is applied to the calculation result to determine the final payout percentage ⁽¹⁾⁽³⁾	A measure of margin efficiency and a helpful method of tracking our cost structure performance

⁽¹⁾ For purposes of the annual incentive program, the Committee added the amounts below to the calculation of net sales, earnings per share and OPROS to neutralize the impact of the Halyard Health spin-off on October 31, 2014 on these full-year performance metrics.

Adjusted Net Sales	\$1.59 billion
Adjusted EPS	\$0.08
Adjusted OPROS	40 bps



The adjustments represent the estimated net sales, earnings per share and OPROS that our health care business would have contributed in November and December had the spin-off not occurred. Each adjustment represents, (a) for January through October, the actual results for our health care business (which are reported as discontinued operations in our 2014 Annual Report on Form 10-K) and (b) for November and December, the difference between our actual results and pro-forma results determined by multiplying our actual year-to-date performance for January through October, expressed as a percentage of target, by the target performance level attributable to November and December.

⁽²⁾ In addition to the adjustments for lost business due to the Halyard Health spin-off, in 2014 the following adjustments were made to diluted net income per share to determine adjusted EPS:

Diluted Net Income Per Share	\$4.04
Adjustment for:	
Add — Charges related to exchange rate change in Venezuela	\$1.22
Add — Charges related to costs of Halyard Health spin-off	\$0.37
Add — Charges related to 2014 organization restructuring	\$0.25
Add — Charges related to regulatory dispute in Middle East	\$0.05
Add — Charges related to European strategic changes	\$0.08
Adjusted EPS	<u>\$6.01</u>

As described above in footnote 1, an additional \$0.08 was added to the 2014 EPS for the Halyard Health spin-off, resulting in 2014 EPS of \$6.09.

See page 46 of our 2014 proxy statement for a discussion of adjustments to 2013 EPS and page 37 of our 2013 proxy statement for a discussion of adjustments to 2012 EPS.

⁽³⁾ For purposes of determining annual cash incentive amounts, we calculate adjusted OPROS using our reported financial results, adjusted for the same items described above in determining adjusted EPS

Because Element 1 represents key company-wide goals, it produces the same payout percentage for each named executive officer. To determine this percentage, the Committee follows the following process.

First, it determines an initial payout percentage based on how Kimberly-Clark performed against the adjusted net sales and adjusted EPS goals established in February of each year. For 2014, the Committee set these goals and the corresponding initial payout percentages at the following levels:

Measure (each weighted 50%)	Range of Performance Levels		
	Threshold	Target	Maximum
Adjusted Net Sales (billions)	\$19.95	\$21.45	\$22.95
Adjusted EPS	\$5.65	\$6.10	\$6.55
Initial Payout Percentage	0%	100%	200%

Second, it applies a multiplier to this initial payout percentage. The multiplier is based on how Kimberly-Clark performed against the adjusted OPROS goals also established in February. Depending on the level of basis point improvement, the multiplier may either decrease or increase the initial payout percentage (but the amount of the final payout percentage cannot exceed a 200 percent cap).

For 2014, the Committee set the following ranges for this adjusted OPROS multiplier:

	Range of Performance Levels		
	Threshold	Target	Maximum
Adjusted OPROS (bps improvement)	0 bps	+50 bps	+100 bps
Adjusted OPROS Multiplier Applied to Initial Payout Percentage	0.8 x	1.0 x	1.2 x





Actual results. For 2014, our adjusted net sales result was \$21.31 billion and our adjusted EPS result was \$6.09. Based on these results, the initial payout percentage was determined to be 94 percent. To this percentage, we then applied an adjusted OPROS multiplier of 1.12, which was based on the actual 2014 improvement of 80 bps.

The resulting 2014 payout percentage for achieving the corporate key financial goals was 105 percent of each named executive officer's target payment amount.

■ ELEMENT 2: ADDITIONAL CORPORATE FINANCIAL AND STRATEGIC PERFORMANCE GOALS

At the beginning of 2014, the Committee also established additional corporate financial and non-financial strategic performance goals that are intended to challenge our executives to exceed our long-term objectives. At the end of the year, it determined a payout percentage based on its assessment of the degree to which these goals are achieved.

The Committee does not use a formula to assess the performance of these goals but instead takes a holistic approach and considers performance of all the goals collectively. Although it does review each goal separately, the key consideration for the Committee is how it views Kimberly-Clark's performance for the year in all of these categories, taken as a whole.

The chart below shows the 2014 goals and how the Committee assessed Kimberly-Clark's performance against each one:

Additional Corporate Financial and Strategic Performance Goals for 2014		Final Result		
		Below Goal	At Goal	Above Goal
Quality of earnings:	▶ Gross profit growth percentage exceeding the adjusted net sales growth rate.		X	
	▶ Brand building spending growth percentage exceeding the adjusted net sales growth rate.	X		
	▶ Attaining cost savings goals.		X	
	▶ Operating profit growth percentage exceeding the adjusted net sales growth rate.		X	
Brand equity and market performance:	▶ Increasing market share in certain markets.		X	
	▶ Improving brand equity attribute in key categories and markets.		X	
Innovation:	▶ Attaining adjusted net sales from innovation goals (based on a rolling three-year review) in new products and line extensions in 2014.			X
	▶ Attaining adjusted net sales from innovation goals (based on launches in 2014).	X		
Diversity and inclusion				X

Actual payout percentage. After taking into account performance on all of these goals, the Committee determined that the payout percentage for achieving these other financial and strategic goals should be 105 percent of target.



■ ELEMENT 3: BUSINESS UNIT OR STAFF FUNCTION PERFORMANCE GOALS

In addition to the performance goals established by the Committee, our CEO establishes individual business unit or staff function performance goals that are intended to challenge the executives to exceed the objectives for that unit or function. These objectives include strategic performance goals for the business units and staff functions, as well as financial goals for the business units.

Following the end of the year, the executives' performance is analyzed to determine whether performance for the goals was above target, on target or below target. Our CEO then provides the Committee with an assessment of each individual business unit's or staff function's performance against the objectives for that unit or function.

Actual payout percentages. Based on the assessed performance of the relevant business unit or staff function against its pre-established performance goals, and taking into account the CEO's recommendations, the Committee determined the following payout percentages for business unit or staff function performance for our named executive officers:

Name	2014 Business Unit/Staff Function Payout Percentage
Thomas J. Falk	N/A
Mark A. Buthman	111%
Michael D. Hsu	87%
Anthony J. Palmer	100%
Elane B. Stock	120%

Annual Cash Incentive Payouts for 2014

The following table shows the payout opportunities and the actual payouts of annual cash incentives for 2014 for each of our named executive officers. Payouts were based on the payout percentages for each element, weighted for each executive as shown on page 48.

Name	Annual Incentive Target		Annual Incentive Maximum		2014 Annual Incentive Payout	
	% of Base Salary	Amount(\$)	% of Target	Amount(\$)	% of Target	Amount(\$)
Thomas J. Falk	170%	2,210,000	200%	4,420,000	105%	2,328,677
Mark A. Buthman	90%	720,000	200%	1,440,000	107%	767,650
Michael D. Hsu	90%	697,500	200%	1,395,000	96%	671,545
Anthony J. Palmer	90%	562,500	200%	1,125,000	104%	587,070
Elane B. Stock	85%	658,750	200%	1,317,500	114%	752,650

Summary of Annual Cash Incentive Payouts: 2010 through 2014

Generally, the Committee seeks to set the minimum, target and maximum levels such that the relative difficulty of achieving the target level is consistent from year to year. From 2010 through 2014, total payout percentages (including business unit or staff function performance) for the current named executive officers ranged from 67 percent to 133 percent of each executive's target award opportunity. The Committee believes that these payouts are consistent with how Kimberly-Clark performed during these years and reflect the pay-for-performance objectives of our executive compensation.



**PAYOUTS FOR CORPORATE GOALS AND AVERAGE TOTAL
PAYOUT PERCENTAGES FOR CURRENT NAMED EXECUTIVE OFFICERS**

	2014	2013	2012	2011	2010	Average
Payout for Corporate Goals Combination of corporate key financial goals and additional corporate financial and strategic performance goals	105%	132%	129%	75%	67%	102%
Average Total Payout Percentages (including business unit or staff function performance) for current named executive officers	105%	129%	123%	81%	74%	102%

Long-Term Equity Incentive Compensation

The Committee awards long-term equity incentive grants to executive officers as part of their overall compensation package. These awards are consistent with the Committee's objectives of aligning our senior leaders' interests with the financial interests of our stockholders, focusing on our long-term success, supporting our performance-oriented environment and offering competitive compensation packages.

Information regarding long-term equity incentive awards granted to our named executive officers can be found under "Summary Compensation," "Grants of Plan-Based Awards," and "Discussion of Summary Compensation and Plan-Based Awards Tables."

2014 Grants

In determining the 2014 long-term equity incentive award amounts for our named executive officers, the Committee considered the following factors, among others: the specific responsibilities and performance of the executive, our business performance, retention needs, our stock price performance and other market factors. Because these awards are part of our annual compensation program that compares direct annual compensation to the median of our peer group comparison, grants from prior years were not considered when setting 2014 targets or granting awards.

To determine target values, it first compared each executive's direct annual compensation to the median of our peer group, and then considered individual performance and the other factors listed above, as applicable. Target grant values were approved in February 2014 and were divided into two types:

- ▶ Performance-based restricted share units (75 percent of the target grant value). For valuation purposes, each unit is assigned the same value as one share of our common stock on the date of grant.
- ▶ Stock options (25 percent of the target grant value). For valuation purposes, one option has the same value as 10 percent of the price of one share of our common stock on the date of grant of the stock option.

The Committee believes this allocation between performance-based restricted share units and stock options supports the pay-for-performance and stockholder alignment objectives of its executive compensation program.



Performance Goals and Potential Payouts for 2014 - 2016 Performance-Based Restricted Share Units

For the performance-based restricted share unit awards granted in 2014, the actual number of shares to be received by our named executive officers can range from zero to 200 percent of the target levels established by the Committee for each executive, depending on the degree to which the performance objectives for these awards are met over a three-year period.

The performance objectives for the 2014 awards are based on average annual adjusted net sales growth and the average adjusted return on invested capital (ROIC) for the period January 1, 2014 through December 31, 2016. Adjusted ROIC is a measure of the return we earn on the capital invested in our businesses. It is calculated using our reported financial results, adjusted for the same items that we use in determining adjusted EPS. The formula we use to calculate adjusted ROIC can be found under the Investors section of our website at www.kimberly-clark.com. For purposes of determining award payouts, the Committee anticipates making further adjustments to average adjusted net sales growth and average adjusted ROIC to neutralize the impact of the Halyard Health spin-off on these metrics.

2014 - 2016 PERFORMANCE-BASED RESTRICTED SHARE UNITS: POTENTIAL PAYOUTS AT VARYING PERFORMANCE LEVELS

Goals (Each weighted 50%)	Performance Levels				
Annual adjusted net sales growth	0.30%	1.55%	2.80%	4.05%	5.30%
Adjusted ROIC	17.00%	17.50%	18.00%	18.50%	19.00%
Potential Payout (as a percentage of target)	0%	50%	100%	150%	200%

Payout of 2011 - 2013 Performance-Based Restricted Share Units

In February 2014, the Committee evaluated the results of the three-year performance period for the performance-based restricted share units that were granted in 2011. The performance objectives for these 2011 awards were based on average annual adjusted net sales growth and average adjusted ROIC for the period January 1, 2011 through December 31, 2013, each weighted equally.

Goals (Each weighted 50%)	Performance Levels					
Annual adjusted net sales growth	1.00%	2.25%	3.50%	4.75%	6.00%	2.9%
Adjusted ROIC*	14.80%	15.30%	15.80%	16.30%	16.80%	16.0%
Potential Payout (as a percentage of target)	0%	50%	100%	150%	200%	Actual

**For purposes of calculating average adjusted ROIC, the impacts of a charge related to the adoption of highly inflationary accounting in Venezuela and charges related to the European and the pulp and tissue restructurings were excluded from the ROIC calculation.*



Based on this review, the Committee determined that we achieved our performance goal for adjusted ROIC but did not achieve our performance goal for adjusted net sales. As a result, the payout percentage for the share units was 97 percent of target. The following table includes information about the opportunities and payouts (including reinvested dividends) regarding these grants to our named executive officers:

Name	Share Amount		2011 - 2013 Performance-Based Restricted Share Unit Award (Paid in February 2014)		
	Target	Maximum	% of Target	Amount of Shares(#)	Value of Shares on Date Received(\$)
Thomas J. Falk	95,952	191,904	97%	93,073	10,260,368
Mark A. Buthman	24,308	48,616	97%	23,578	2,599,239
Michael D. Hsu	—	—	—	—	—
Anthony J. Palmer	10,874	21,748	97%	10,548	1,162,812
Elane B. Stock	6,716	13,432	97%	6,515	718,214

The Committee believes that these payouts further highlight the link between pay and performance established by our compensation program, which seeks to align actual compensation paid to our named executive officers with our long-term performance.

The shares underlying these performance-based restricted share unit awards were distributed to our named executive officers in February 2014 and are included in the Option Exercises and Stock Vested in 2014 table.

Vesting Levels of Outstanding Performance-Based Restricted Share Unit Awards

As of February 17, 2015, the performance-based restricted share units granted in 2014 and 2013 were on pace to vest at the following levels: 92 percent for the 2014 award and 100 percent for the 2013 award.

The Committee has determined that the 2012 award vested at 111 percent. Payouts under these awards will be reflected in 2015 compensation.

2014 Stock Option Awards

As noted above, 25 percent of the long-term equity incentive grants to executive officers in 2014 consisted of stock options. Stock option grants vest in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date. The Committee believes that stock options help further align our executives' interest with those of our stockholders and encourage executives to remain with the company through the multi-year vesting schedule.

For purposes of determining the number of options to be granted, stock options are valued on the basis that one option has the same value as 10 percent of the price of one share of our common stock on the date of grant. The value we use for this purpose differs from, and in April 2014 was higher than, the value of approximately 7.1 percent that we use for financial statement purposes (resulting in fewer options being granted than if the financial statement value had been used). The Committee believes that this value is an appropriate way to determine the number of options to be granted because it provides more consistent application and is not subject to the volatility inherent in the valuation method (Black-Scholes-Merton) used for financial statement purposes. Information regarding stock options granted to our named executive officers can be found under "Summary Compensation," "Grants of Plan-Based Awards," and "Discussion of Summary Compensation and Plan-Based Awards Tables."



Compensation of Former President, Global Health Care

Mr. Abernathy left Kimberly-Clark effective October 31, 2014 to accept a position with Halyard Health in connection with our spin-off. Prior to his departure, Mr. Abernathy received a base salary of \$780,000. He received a prorated payout for 2014 under our annual cash incentive program based upon (1) a target payment amount of 85 percent of base salary and (2) a payout percentage of 103 percent for performance on key corporate financial goals, other financial and strategic goals and business unit and staff function goals. In June 2014, Mr. Abernathy received a grant of 43,848 stock options (as adjusted for the Halyard Health spin-off) and 12,598 performance-based restricted share units; however, the performance-based restricted share units were forfeited upon his departure. Because Mr. Abernathy is over age 55, under the terms of our 2011 Equity Participation Plan (the "2011 Plan"), his unvested stock options vested on the date of his departure and will be exercisable until the earlier of five years or the remaining term of the options, and his unvested performance-based restricted share units (other than those granted in 2014, which were forfeited) will be payable in full based on attainment of the performance goal at the end of the restricted period.

Benefits and Other Compensation

Retirement Benefits

Our named executive officers receive contributions from us under the Kimberly-Clark Corporation 401(k) and Profit Sharing Plan (the "401(k) Profit Sharing Plan") and the Kimberly-Clark Supplemental Retirement 401(k) and Profit Sharing Plan (the "Supplemental 401(k) Plan") and participate in our frozen defined benefit pension plans. These plans are consistent with those maintained by our peer group companies and are therefore necessary to remain competitive with them for recruiting and retaining executive talent. The Committee believes that these retirement benefits are important parts of our compensation program. For more information, see "Nonqualified Deferred Compensation – Overview of 401(k) Profit Sharing Plan and Supplemental 401(k) Plan" and "Pension Benefits."

Other Compensation

A review conducted in 2012 indicated that perquisites provided to our executive officers are below the median of those provided by our peer group. In addition, the Committee has adopted a policy providing that executive officers will no longer receive tax reimbursement and a related gross-up for perquisites (including personal use of corporate aircraft), except for certain relocation benefits.

Perquisites include personal financial planning services under our Executive Financial Counseling Program, an executive health screening program where executives may receive comprehensive physical examinations from an independent health care provider, and permitted personal use of corporate aircraft consistent with our policy. The personal financial planning program is designed to provide executives with access to knowledgeable financial advisors that understand our compensation and benefit plans and can assist our executives in efficiently and effectively managing their financial and tax planning issues. Our Chief Executive Officer does not receive personal financial planning services pursuant to this program. The executive health screening program provides executives with additional services that help maintain their overall health.

The Committee has adopted a policy that limits the personal use of corporate aircraft by the Chief Executive Officer to an aggregate annual incremental cost to Kimberly-Clark of \$100,000, and generally prohibits the personal use of corporate aircraft by other executive officers unless there is no incremental cost to Kimberly-Clark for the use. Under an executive security program for our Chief Executive Officer, approved by the Board of Directors, our Chief Executive Officer is expected to use our corporate aircraft for all business and personal travel, consistent with our policy, and security services are provided for him at all times, including at his office, other company locations and his residences. Periodically, an independent security consultant conducts a security assessment, and the Board reviews the program, to ensure that security measures provided by us are appropriate.



The Board considers these security arrangements to be appropriate and reasonable in light of the security risks identified in the independent security assessment. In addition, if a corporate aircraft is already scheduled for business purposes and can accommodate additional passengers, executive officers and their guests may, under certain circumstances, join flights for personal travel. The incremental cost to us of providing security services at Mr. Falk's residences and personal travel for Mr. Falk and his guests on our corporate aircraft is included in "All Other Compensation" in the Summary Compensation Table.

Post-Termination Benefits

We maintain two severance plans that cover our executive officers: the Severance Pay Plan and the Executive Severance Plan. An executive officer may not receive severance payments under more than one severance plan. Benefits under these plans are payable only if the executive's employment terminates under the conditions specified in the applicable plan. We believe that our severance plans are consistent with those maintained by our peer group companies and that they are therefore important for attracting and retaining executives who are critical to our long-term success and competitiveness. For more information about these severance plans and their terms, see "Potential Payments on Termination or Change of Control – Severance Benefits."

Severance Pay Plan

Our Severance Pay Plan provides severance benefits to most of our U.S. hourly and salaried employees, including our named executive officers, who are involuntarily terminated under the circumstances described in the plan. The objective of this plan is to facilitate the employee's transition to his or her next position, and it is not intended to serve as a reward for the employee's past service.

Executive Severance Plan

Our Executive Severance Plan provides severance benefits to eligible employees, including our named executive officers, in the event of a qualified termination of employment (as defined in the plan) in connection with a change of control. For an eligible employee to receive a payment under this plan, two things must occur: there must be a change of control of Kimberly-Clark, and the employee must have been involuntarily terminated without cause or have resigned for good reason (as defined in the plan) within two years of the change of control (often referred to as a "double trigger"). Each of our named executive officers has entered into an agreement under the plan that expires on December 31, 2017.

Executive Compensation for 2015

2015 Base Salary

In February 2015, the Committee approved the following base salaries for our named executive officers, effective April 1, 2015:

Name	2015 Base Salary(\$)
Thomas J. Falk	1,300,000
Mark A. Buthman	800,000
Michael D. Hsu	815,000
Anthony J. Palmer	640,000
Elane B. Stock	815,000



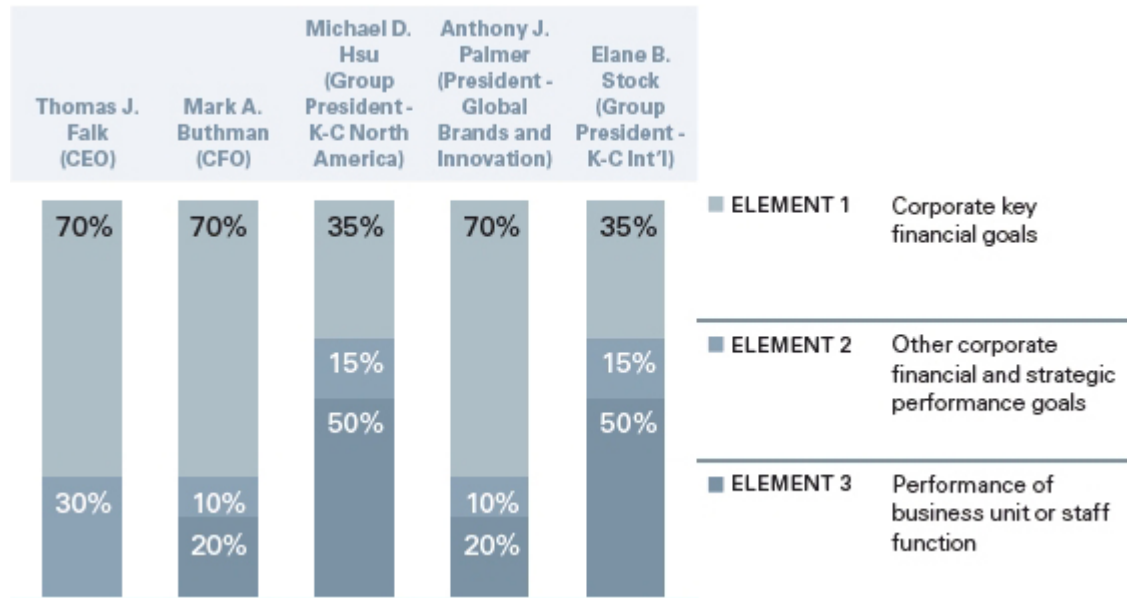
2015 Annual Cash Incentive Targets

In February 2015, the Committee also established objectives for 2015 annual cash incentives, which will be payable in 2016. The target payment amounts and range of possible payouts for 2015 were as follows:

	Target Payment Amount	Possible Payout
Thomas J. Falk	170% of base salary	0% - 200% of target payment amount
Mark A. Buthman	90% of base salary	0% - 200% of target payment amount
Michael D. Hsu	90% of base salary	0% - 200% of target payment amount
Anthony J. Palmer	90% of base salary	0% - 200% of target payment amount
Elane B. Stock	90% of base salary	0% - 200% of target payment amount

As discussed in “2014 Performance Goals, Performance Assessments and Payouts” above, the Committee sets the appropriate split among the different elements of performance that make up our performance goals. The following are the 2015 performance goals and relative weights for our named executive officers:

ANNUAL CASH INCENTIVE PROGRAM 2015 PERFORMANCE GOALS AND WEIGHTS



The corporate key financial goals for 2015 are designed to encourage a continued focus on executing our long-term Global Business Plan objectives and include achieving net sales, adjusted EPS and adjusted OPROS goals.



The Committee also established other corporate financial and non-financial goals for 2015. These goals, intended to further align compensation with achieving our Global Business Plan, include:

- ▶ Focusing on gross profit growth, advertising spending growth, cost savings and operating profit growth
- ▶ Focusing on market share improvement in key markets
- ▶ Driving innovation
- ▶ Diversity and inclusion

In addition, goals have been established for each named executive officer, other than our Chief Executive Officer, relating to his or her business unit or specific staff function.

2015 Long-Term Equity Compensation Incentive Awards

In February 2015, the Committee approved long-term incentive compensation awards for the named executive officers consisting of awards of performance-based restricted share units with a value equal to 75 percent of the target grant value for long-term equity incentive compensation, with the balance of the value to be granted in stock options. The performance objectives for the performance-based restricted share unit awards granted in 2015 are based on average annual net sales growth and average adjusted ROIC improvement for the period January 1, 2015 through December 31, 2017. The actual number of shares to be received by our named executive officers will range from zero to 200 percent of the target levels established by the Committee for each executive, depending on the degree to which the performance objectives are met.

PERFORMANCE-BASED RESTRICTED SHARE UNITS GRANTED IN 2015

Name	Target Amount of Shares(#)	Maximum Amount of Shares(#)
Thomas J. Falk	60,663	121,326
Mark A. Buthman	16,177	32,354
Michael D. Hsu	16,177	32,354
Anthony J. Palmer	9,437	18,874
Elane B. Stock	16,177	32,354

In February 2015, the Committee also approved the dollar amount of stock options to be granted to our named executive officers in April 2015, along with our annual stock option grants to other employees. The number of options they will receive will be based on the fair market value of our stock on the date of grant.

Name	Value of Stock Options to be Granted(\$)
Thomas J. Falk	2,250,000
Mark A. Buthman	600,000
Michael D. Hsu	600,000
Anthony J. Palmer	350,000
Elane B. Stock	600,000



Additional Information about Our Compensation Practices

As a matter of sound governance, we follow certain practices with respect to our compensation program. We regularly review and evaluate our compensation practices in light of regulatory developments, market standards and other considerations.

Use of Independent Compensation Consultant

As previously discussed, the Committee engaged Semler Brossy Consulting Group as its independent consultant to assist it in determining the appropriate executive officer compensation in 2014 under our compensation policies described above. Consistent with the Committee's policy in which its independent consultant may provide services only to the Committee, Semler Brossy had no other business relationship with Kimberly-Clark and received no payments from us other than fees and expenses for services to the Committee. See "Corporate Governance - Management Development and Compensation Committee" for information about the use of compensation consultants.

Adjustment of Financial Measures for Annual and Long-Term Equity Incentives

Financial measures for the annual and long-term equity incentive programs are developed based on expectations about our planned activities and reasonable assumptions about the performance of our key business drivers for the applicable period. From time to time, however, discrete items or events may arise that were not contemplated by these plans or assumptions. These could include accounting and tax law changes, tax credits from items not within the ordinary course of our business operations, charges relating to currency exchange rate changes, restructuring and write-off charges, significant acquisitions or dispositions, and significant gains or losses from litigation settlements.

Under the Committee's exception guidelines regarding our annual and long-term equity incentive program measures, the Committee has adjusted in the past, and may adjust in the future, the calculation of financial measures for these incentive programs to eliminate the effect of the types of items or events described above. In making these adjustments, the Committee's policy is to seek to neutralize the impact of the unexpected or unplanned items or events, whether positive or negative, in order to provide consistent and equitable incentive payments that the Committee believes are reflective of our performance. In considering whether to make a particular adjustment under its guidelines, the Committee will review whether the item or event was one for which management was responsible and accountable, treatment of similar items in prior periods, the extent of the item's or event's impact on the financial measure, and the item's or event's characteristics relative to normal and customary business practices. Generally, the Committee will apply an adjustment to all compensation that is subject to that financial measure.

Pricing and Timing of Stock Option Grants and Timing of Performance-Based Equity Grants

Our policies and the 2011 Plan require stock options to be granted at no less than the closing price of our common stock on the date of grant. Stock option grants to our elected officers, including our executive officers, are generally made annually at a meeting of the Committee that is scheduled at least one year in advance, and the grants are effective on the date of this meeting. However, if the meeting occurs during the period beginning on the first day of the final month of a calendar quarter and ending on the date of our earnings release, the stock option grants will not be effective until the first business day following the earnings release. Our executives are not permitted to choose the grant date for their individual stock option grants.

The Chairman of the Board and Chief Executive Officer has been delegated the authority to approve equity grants, including stock options, to employees who are not elected officers of Kimberly-Clark. These grants include scheduled annual grants, which are subject to an annual limit set by the



Committee, and recruiting and special employee recognition and retention grants, which may not exceed 200,000 shares in any calendar year. The Chairman of the Board and Chief Executive Officer is not permitted to make any grants to any of our elected officers, including our executive officers.

Annual stock option grants to non-elected officers are effective on the same date as the annual stock option grants to our elected officers. Recruiting, special recognition and retention stock-based awards are made on a pre-determined date following our quarterly earnings release. In April 2014, our Chief Executive Officer authorized an aggregate of 1.68 million options, performance-based restricted share units and time-vested restricted share units to employees who are not elected officers (which number reflects an adjustment to the number of options for the Halyard Health spin-off). In 2014, our Chief Executive Officer also authorized an aggregate of 44,161 shares (as adjusted for the spin-off with respect to the number of options) underlying recruiting and retention grants, consisting of options, performance-based restricted share units and time-vested restricted share units.

Since 2009, the Committee has awarded performance-based restricted share units to executive officers at its February meeting, and it intends to continue this practice. We believe this practice is consistent with award practices at other large public companies. Our executives are not permitted to choose the grant date for their individual restricted stock or restricted share unit awards.

Policy on Incentive Compensation Clawback

As described in detail above, a significant percentage of our executive officer compensation is incentive-based. The determination of the extent to which the incentive objectives are achieved is based in part on the Committee's discretion and in part on our published financial results. The Committee has the right to reassess its determination of the performance awards if the financial statements on which it relied are restated. The Committee has the right to direct Kimberly-Clark to seek to recover from any executive officer any amounts determined to have been inappropriately received by the individual executive officer. In addition, under the 2011 Plan, the Committee may require awards with performance goals under the 2011 Plan to be subject to any policy we may adopt relating to the recovery of that award to the extent it is determined that performance goals relating to the awards were not actually achieved. Further, the Sarbanes-Oxley Act of 2002 mandates that the chief executive officer and the chief financial officer reimburse us for any bonus or other incentive-based or equity-based compensation paid to them in a year following the issuance of financial statements that are later required to be restated as a result of misconduct. The Committee intends to review and revise the incentive compensation clawback policy once the SEC issues final regulations on clawbacks under the Dodd-Frank legislation enacted in 2010.

Stock Ownership Guidelines

We strongly believe that the financial interests of our executives should be aligned with those of our stockholders. Accordingly, the Committee has established stock ownership guidelines for our elected officers, including our named executive officers.

TARGET STOCK OWNERSHIP AMOUNTS

Position	Ownership Level
Chief Executive Officer	Six times annual base salary
Other named executive officers	Three times annual base salary



Failure to attain these targeted stock ownership levels within five years from date of hire for, or appointment to, an eligible position can result in the reduction of part or all of the executive's annual cash incentive (with a corresponding grant of time-vested restricted share units or restricted stock in that amount), or a reduction in future long-term equity incentive awards, either of which may continue until the ownership guideline is achieved. In determining whether our stock ownership guidelines have been met, any restricted stock and time-vested restricted share units held are counted as owned, but performance-based restricted share units are excluded until they vest. Executive officer stock ownership levels were reviewed in 2014 for compliance with these guidelines. Based on our stock price as of the compliance date for this review, the stock ownership levels specified by the guidelines have been met or exceeded by each of our named executive officers.

Other Policies Relating to Transactions in Kimberly-Clark Securities

We require all executive officers to pre-clear transactions involving our common stock (and other securities related to our common stock) with our Legal Department.

Although we do not have a formal policy prohibiting transactions that hedge an executive officer's economic risk of owning shares of our common stock, an executive officer must obtain clearance from our Legal Department prior to engaging in any hedging transaction to ensure compliance with applicable laws. Any shares an employee owns subject to a market put or call option are excluded for purposes of determining compliance with our stock ownership guidelines. None of our named executive officers engaged in any hedging transactions in 2014.

Committee Exercise of Discretion to Reduce Annual Cash Incentive Payment

In establishing performance goals and target levels under the annual cash incentive program, the Committee is exercising its discretion to limit the amount of the incentive payments, consistent with our pay-for-performance objective. In the absence of this exercise of discretion, each of the executive officers would be entitled to an award equal to 0.3 percent of our earnings before unusual items; however, the Committee has exercised its discretion to limit the amount of the incentive payments each year of the program, and this potential maximum award has never been paid to any of the executive officers.

Corporate Tax Deduction for Executive Compensation

The United States income tax laws generally limit the deductibility of compensation paid to the chief executive officer and each of the three highest-paid executive officers (not including the chief financial officer) to \$1,000,000 per annum. However, an exception exists for performance-based compensation that meets certain regulatory requirements. Several classes of our executive compensation, including option awards and portions of our long-term equity grants to executive officers, are designed to meet the requirements for deductibility. Other classes of our executive compensation, including portions of the long-term equity grants described above, may be subject to the \$1,000,000 deductibility limit.

Although deductibility of compensation is preferred, tax deductibility is not a primary objective of our compensation programs. In the Committee's view, meeting the compensation objectives set forth above is more important than the benefit of being able to deduct the compensation for tax purposes.



Management Development and Compensation Committee Report

In accordance with its written charter adopted by the Board, the Management Development and Compensation Committee has oversight of compensation policies designed to align elected officers' compensation with our overall business strategy, values and management initiatives. In discharging its oversight responsibility, the Committee has retained an independent compensation consultant to advise the Committee regarding market and general compensation trends.

The Committee has reviewed and discussed the Compensation Discussion and Analysis with our management, which has the responsibility for preparing the Compensation Discussion and Analysis. Based upon this review and discussion, the Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2014.

**MANAGEMENT DEVELOPMENT AND COMPENSATION
COMMITTEE OF THE BOARD OF DIRECTORS**

Abelardo E. Bru, Chairman
Fabian T. Garcia
Mae C. Jemison, M.D.
Marc J. Shapiro



**Analysis of
Compensation-
Related Risks**

The Committee, with the assistance of its independent consultant and Kimberly-Clark's compensation consultant, has reviewed an assessment of our compensation programs for our employees, including our executive officers, to analyze the risks arising from our compensation systems.

Based on this assessment, the Committee believes that the design of our compensation programs, including our executive compensation program, does not encourage our executives or employees to take excessive risks and that the risks arising from these programs are not reasonably likely to have a material adverse effect on Kimberly-Clark.

Several factors contributed to the Committee's conclusion, including:

- ▶ The Committee believes Kimberly-Clark maintains a values-driven, ethics-based culture supported by a strong tone at the top.
- ▶ The performance targets for annual cash incentive programs are selected to ensure that they are reasonably attainable in a manner consistent with our Global Business Plan without encouraging executives or employees to take inappropriate risks.
- ▶ An analysis by Kimberly-Clark's consultant indicated that our compensation programs are consistent with those of our peer group. In addition, the analysis noted that target levels for direct annual compensation are compared to the median of our peer group.
- ▶ The Committee believes the allocation among the components of direct annual compensation provides an appropriate balance between annual and long-term incentives and between fixed and performance-based compensation.
- ▶ Annual cash incentives and long-term performance-based restricted share unit awards under our executive compensation program are capped at 200 percent of the target award, and all other material non-executive cash incentive programs are capped at reasonable levels, which the Committee believes protects against disproportionately large incentives.
- ▶ The Committee believes the performance measures and the multi-year vesting features of the long-term equity incentive compensation component encourage participants to seek sustainable growth and value creation.
- ▶ The Committee believes inclusion of share-based compensation through the long-term equity incentive compensation component encourages appropriate decision-making that is aligned with the long-term interests of stockholders.
- ▶ Our stock ownership guidelines further align the interests of management and stockholders.



Compensation Tables

Summary Compensation

The following table contains information concerning compensation awarded to, earned by, or paid to our named executive officers in the last three years. Additional information regarding the items reflected in each column appears below the table and on page 69.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary(\$)	Stock Awards(\$)	Option Awards(\$)	Non-Equity Incentive Plan Compensation(\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(\$) ⁽¹⁾	All Other Compensation(\$)	Total(\$)
Thomas J. Falk Chairman of the Board and Chief Executive Officer	2014	1,300,000	6,749,976	1,601,556	2,328,677	3,057,191	357,781	15,395,181
	2013	1,300,000	5,999,979	1,384,455	2,908,360	—	321,210	11,914,004
	2012	1,300,000	5,624,993	620,701	2,844,270	3,104,678	220,215	13,714,857
Mark A. Buthman Senior Vice President and Chief Financial Officer	2014	796,250	1,649,960	391,494	767,650	618,724	127,439	4,351,517
	2013	781,250	1,350,046	311,504	873,097	—	116,719	3,432,616
	2012	765,000	1,349,990	148,970	813,845	631,565	101,426	3,810,796
Michael D. Hsu ⁽²⁾ Group President – K-C North America	2014	746,250	1,500,044	355,899	671,545	—	113,808	3,387,546
	2013	657,500	1,237,481	285,542	692,031	—	66,395	2,938,949
Anthony J. Palmer President – Global Brands and Innovation	2014	622,500	1,049,965	249,128	587,070	—	99,397	2,608,060
	2013	611,250	899,969	207,665	693,167	—	97,798	2,509,849
	2012	580,000	1,387,503	70,346	635,950	—	77,849	2,751,648
Elane B. Stock ⁽²⁾ Group President – K-C International	2014	718,750	1,500,044	355,899	752,650	—	89,434	3,416,777
Robert E. Abernathy ⁽³⁾ Former President, Global Health Care	2014	650,000	1,424,960	291,025	571,016	767,609	150,339	3,854,949
	2013	780,000	1,424,997	328,807	850,533	—	120,106	3,504,443
	2012	777,501	1,425,001	157,245	777,029	1,177,038	94,016	4,407,830

⁽¹⁾ For 2013, the aggregate value of pension benefits for Messrs. Falk, Buthman and Abernathy decreased by \$1,735,962, \$378,044 and \$519,759, respectively. Because these amounts decreased, they have been excluded from the table above under the SEC's regulations. Messrs. Hsu and Palmer and Ms. Stock are not participants in our pension plans.



(2) Mr. Hsu became one of our three other most highly compensated executive officers in 2013; therefore, his 2012 compensation is not included in this table. Ms. Stock became one of our three other most highly compensated executive officers in 2014; therefore, her 2012 and 2013 compensation is not included in this table.

(3) Mr. Abernathy resigned as President, Global Health Care effective October 31, 2014 to accept a position with Halyard Health in connection with our spin-off of that company.

Salary. The amounts in this column represent base salary earned during the year.

Stock Awards and Option Awards. The amounts in these columns reflect the dollar value of restricted share unit awards and stock options, respectively, granted under our stockholder approved 2011 Equity Participation Plan (the “2011 Plan”).

The restricted share unit awards either vest over time or are based on the achievement of performance-based standards.

The amounts for each year represent the grant date fair value of the awards, computed in accordance with ASC Topic 718. See Notes 10, 9 and 9 to our audited consolidated financial statements included in our Annual Reports on Form 10-K for 2014, 2013 and 2012, respectively, for the assumptions we used in valuing and expensing these restricted share units and stock option awards in accordance with ASC Topic 718.

For awards that are subject to performance conditions, the value is based on the probable outcome of the conditions at grant date. This value, as well as the value of the awards at the grant date assuming the highest level of performance conditions will be achieved and using the grant date stock price, is set forth below:

Name	Year	Stock Awards at Grant Date Value(\$)	Stock Awards at Highest Level of Performance Conditions(\$)
Thomas J. Falk	2014	6,749,976	13,499,952
	2013	5,999,979	11,999,958
	2012	5,624,993	11,249,986
Mark A. Buthman	2014	1,649,960	3,299,920
	2013	1,350,046	2,700,092
	2012	1,349,990	2,699,980
Michael D. Hsu	2014	1,500,044	3,000,088
	2013	1,237,481	2,474,962
Anthony J. Palmer	2014	1,049,965	2,099,930
	2013	899,969	1,799,938
	2012	1,387,503	2,775,006
Elane B. Stock	2014	1,500,044	3,000,088
Robert E. Abernathy	2014	1,424,960	2,849,920
	2013	1,424,997	2,849,994
	2012	1,425,001	2,850,002

Non-Equity Incentive Plan Compensation. The amounts in this column are the annual cash incentive payments described in “Compensation Discussion and Analysis.” These amounts were earned during the years indicated and were paid to our named executive officers in February of the following year.



Change In Pension Value and Nonqualified Deferred Compensation Earnings. The amounts in this column reflect the aggregate change during the year in actuarial present value of accumulated benefits under all defined benefit and actuarial plans (including supplemental pension plans). With respect to the supplemental pension plans, amounts have been calculated to reflect an approximate 30-year Treasury bond rate to determine the amount of the earlier retirement age lump sum benefit in a manner consistent with our financial statements. We describe the assumptions we used in determining the amounts and provide additional information about these plans in “Pension Benefits.”

Messrs. Falk and Abernathy have compensation from before 2005 that they elected to defer pursuant to a Deferred Compensation Plan then in effect. Beginning in 2010, each of our named executive officers participates in the Supplemental 401(k) Plan, a non-qualified defined contribution plan, and prior to 2010, Messrs. Buthman and Palmer participated in its predecessor plan, the supplemental Retirement Contribution Program. Earnings on each of these plans are not included in the Summary Compensation Table because the earnings were not above-market or preferential. See “Nonqualified Deferred Compensation” for a discussion of these plans and each named executive officer’s earnings under these plans in 2014.

All Other Compensation. All other compensation consists of the following:

Name	Year	Perquisites (\$) ⁽¹⁾	Defined Contribution Plan Amounts(\$) ⁽²⁾	Tax Gross-Ups(\$) ⁽³⁾	Total (\$) ⁽⁴⁾
Thomas J. Falk	2014	63,196	294,585	—	357,781
	2013	22,823	298,387	—	321,210
	2012	7,020	213,195	—	220,215
Mark A. Buthman	2014	10,585	116,854	—	127,439
	2013	1,872	114,847	—	116,719
	2012	7,050	94,376	—	101,426
Michael D. Hsu	2014	13,128	100,680	—	113,808
	2013	10,522	55,873	—	66,395
Anthony J. Palmer	2014	7,300	92,097	—	99,397
	2013	8,000	89,798	—	97,798
	2012	7,300	70,549	—	77,849
Elane B. Stock	2014	8,000	81,434	—	89,434
Robert E. Abernathy	2014	34,242	102,437	13,660	150,339
	2013	8,000	112,106	—	120,106
	2012	10,492	83,524	—	94,016



- (1) Perquisites. For a description of the perquisites we provide executive officers, and the reasons why, see “Compensation Discussion and Analysis – Benefits and Other Compensation – Other Compensation.” Perquisites for our named executive officers in 2014 included the following:

Name	Executive Financial Counseling Program(\$) ^(a)	Personal Use of Corporate Aircraft(\$)	Security Services(\$)	Executive Health Screening Program(\$)	Relocation Expenses(\$) ^(b)	Total(\$)
Thomas J. Falk	—	56,336	4,175	2,685	—	63,196
Mark A. Buthman	8,000	—	—	2,585	—	10,585
Michael D. Hsu	8,000	1,001	—	4,127	—	13,128
Anthony J. Palmer	7,300	—	—	—	—	7,300
Elane B. Stock	8,000	—	—	—	—	8,000
Robert E. Abernathy	4,930	—	—	—	29,312	34,242

(a) Our Chief Executive Officer does not receive personal financial counseling under this program.

(b) Amounts shown as Mr. Abernathy’s relocation expenses are related to his change in duties in 2014 from Executive Vice President to President, Global Health Care in preparation for the Halyard Health spin-off. At Kimberly-Clark’s request, Mr. Abernathy relocated from the Neenah, Wisconsin area to the Atlanta, Georgia area. Mr. Abernathy participated in our relocation program, a broad-based program in which all salaried employees are eligible to participate, on the same conditions as other participants.

- (2) Defined Contribution Plan Amounts. Matching contributions were made under the 401(k) Profit Sharing Plan and accrued under the Supplemental 401(k) Plan in 2014, 2013 and 2012 for all named executive officers. A profit-sharing contribution was also made under the 401(k) Profit Sharing Plan and the Supplemental 401(k) Plan in February 2015, 2014 and 2013 with respect to our performance in 2014, 2013 and 2012, respectively, for the named executive officers as follows:

Name	Performance Year	Profit Sharing Contribution(\$)
Thomas J. Falk	2014	126,251
	2013	132,617
	2012	94,753
Mark A. Buthman	2014	50,080
	2013	51,043
	2012	41,945
Michael D. Hsu	2014	43,148
	2013	24,832
Anthony J. Palmer	2014	39,470
	2013	39,910
	2012	31,355
Elane B. Stock	2014	34,900
Robert E. Abernathy	2014	45,016
	2013	49,825
	2012	37,122

See “Nonqualified Deferred Compensation” for a discussion of these plans. The profit sharing contribution varies depending on our performance for the applicable year, contributing to fluctuations from year to year in the amounts in the All Other Compensation column.

- (3) Tax Gross Ups. The amount shown for Mr. Abernathy reflects tax reimbursement for moving and related expenses incurred for a relocation in connection with his change in duties.
- (4) Certain Dividends. Our named executive officers also received cash dividend equivalents in 2012 on certain of the restricted share units held by them at the same rate and on the same dates as dividends are paid to our stockholders. Because we factored the value of the right to receive dividend equivalents into the grant date fair value of the restricted share unit awards, the cash dividend equivalents received by our named executive officers were not included in the Summary Compensation Table. Dividend equivalents are no longer paid on unvested performance-based and time-vested restricted share units granted to our named executive officers beginning February 2009; instead, dividend equivalents on these units are accumulated and will be paid in additional shares after the restricted share units vest, based on the actual number of shares





that vest. See "Outstanding Equity Awards" for information on these reinvested dividend equivalents. In connection with the Halyard Health spin-off on October 31, 2014, performance-based restricted share units and time-vested restricted share units (and the dividend equivalents credited to these restricted share units equal to cash dividends on our Common Stock as described above) were credited with reinvested dividend equivalents equal to the value of the Halyard Health stock dividend distributed on our common stock to maintain the value of the awards before and after the spin-off.

Grants of Plan-Based Awards

The following table sets forth plan-based awards granted to our named executive officers during 2014 on a grant-by-grant basis. The numbers of shares subject to option awards and option exercise prices in this table and throughout this Proxy Statement reflect adjustments for the Halyard Health spin-off on October 31, 2014.

GRANTS OF PLAN-BASED AWARDS IN 2014

Name	Grant Type	Grant Date ⁽³⁾	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾			All Other Option Awards: Number of Securities Underlying Options ⁽⁴⁾	Exercise or Base Price of Option Awards ⁽⁵⁾	Grant Date Fair Value of Stock and Option Awards ⁽⁶⁾
			Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)			
Thomas J. Falk	Annual cash incentive award		—	2,210,000	4,420,000						
	Performance-based RSU	2/25/2014				—	61,369	122,738			6,749,976
	Time-vested stock option	4/30/2014							209,291	107.51	1,601,556
Mark A. Buthman	Annual cash incentive award		—	720,000	1,440,000						
	Performance-based RSU	2/25/2014				—	15,001	30,002			1,649,960
	Time-vested stock option	4/30/2014							51,160	107.51	391,494
Michael D. Hsu	Annual cash incentive award		—	697,500	1,395,000						
	Performance-based RSU	2/25/2014				—	13,638	27,276			1,500,044
	Time-vested stock option	4/30/2014							46,508	107.51	355,899
Anthony J. Palmer	Annual cash incentive award		—	562,500	1,125,000						
	Performance-based RSU	2/25/2014				—	9,546	19,092			1,049,965
	Time-vested stock option	4/30/2014							32,556	107.51	249,128
Elane B. Stock	Annual cash incentive award		—	658,750	1,317,500						
	Performance-based RSU	2/25/2014				—	13,638	27,276			1,500,044
	Time-vested stock option	4/30/2014							46,508	107.51	355,899

Robert E. Abernathy	Annual cash incentive award		—	552,500	1,105,000				
	Performance-based RSU	6/19/2014				—	12,598	25,196	1,424,960
	Time-vested stock option	6/19/2014						43,848	108.33 291,025



- (1) Represents the potential annual performance-based incentive cash payments each named executive officer could earn in 2014. These awards were granted under our Executive Officer Achievement Award Program, which is our annual cash incentive program for executive officers, which was approved by stockholders in 2002. Actual amounts earned in 2014 were based on the 2014 objectives established by the Management Development and Compensation Committee at its February 24, 2014 meeting. See "Compensation Discussion and Analysis – Executive Compensation for 2014 – Annual Cash Incentive Program." At the time of the grant, the incentive payment could range from the threshold amount to the maximum amount depending on the extent to which the 2014 objectives were met. The actual amounts paid in 2015 based on the 2014 objectives are set forth in the Summary Compensation Table under the column entitled "Non-Equity Incentive Plan Compensation."
- (2) Performance-based restricted share units granted under the 2011 Plan to our named executive officers on February 25, 2014, except for the grant to Mr. Abernathy, which occurred on June 19, 2014. The number of performance-based restricted share units granted in 2014 that will ultimately vest on the third anniversary of the grant date could range from the threshold number to the maximum number depending on the extent to which the average annual net sales growth and average adjusted ROIC performance objectives for those awards are met. See "Compensation Discussion and Analysis – Long-Term Equity Incentive Compensation – 2014 Grants." Mr. Abernathy forfeited his 2014 performance-based restricted share units upon his departure in October 2014.
- (3) The grant date for each award is the same date that the Committee took action to grant the awards.
- (4) Time-vested stock options granted under the 2011 Plan to our named executive officers on April 30, 2014, except for the grant to Mr. Abernathy, which occurred on June 19, 2014.
- (5) Grant date fair value is determined in accordance with ASC Topic 718 and, for performance-based restricted share units, is the value at grant date based on the probable outcome of the performance condition and is consistent with the estimate of aggregate compensation cost to be recognized over the service period determined as of the grant date, excluding the effect of estimated forfeitures. See Notes 10, 9 and 9 to our audited consolidated financial statements included in our Annual Reports on Form 10-K for 2014, 2013 and 2012, respectively, for the assumptions used in valuing and expensing these restricted share units and stock option awards in accordance with ASC Topic 718.

Discussion of Summary Compensation and Plan-Based Awards Tables

Our executive compensation policies and practices, pursuant to which the compensation set forth in the Summary Compensation Table and the Grants of Plan-Based Awards in 2014 table was paid or awarded, are described under "Compensation Discussion and Analysis."

Other than the executive severance plans described below, none of our named executive officers has an employment agreement with us. See "Potential Payments on Termination or Change of Control."

Executive officers may receive long-term equity incentive awards of stock options, restricted stock or restricted share units, or a combination of stock options, restricted stock and restricted share units under the 2011 Plan, which was approved by stockholders in 2011. The 2011 Plan provides the Committee with discretion to require performance-based standards to be met before awards vest. In 2014, the Committee did not award time-vested restricted share units to our named executive officers. The Committee awarded time-vested restricted share units to Mr. Palmer in 2012 and Ms. Stock in 2012 and 2013 for retention purposes, and to Mr. Hsu in 2012 in connection with his hire, which vest on the third anniversary of the date of grant. In 2014, each named executive officer received grants of stock options and performance-based restricted share units under the 2011 Plan.

For grants of stock options, the 2011 Plan provides that the option price per share shall be no less than the closing price per share of our common stock at the grant date. The term of any option is no more than ten years from the grant date. Options granted in 2014 become exercisable in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date; however, all of the options become exercisable for three years upon death or total and permanent disability, and for the earlier of five years or the remaining term of the options, upon retirement of the officer. In addition, options generally become exercisable upon a termination of employment following a change of control, and certain options granted to our named executive officers are subject to our Executive Severance Plan. See "Potential Payments on Termination or Change of Control." The officers may transfer the options to family members or certain entities in which family members have interests. Because Mr. Abernathy is over age 55, his unvested stock options granted in 2014 vested on the date of his departure and will be exercisable for five years.



Performance-based restricted share unit awards granted in 2014 vest three years following the grant date in a range from zero to 200 percent of the target levels based on our average annual net sales growth and average adjusted ROIC performance during the three years. As of February 17, 2015, the performance-based restricted share units granted in 2014 and 2013 were on pace to vest at the following levels: 92 percent for the 2014 award and 100 percent for the 2013 award. The Committee has determined that the 2012 award vested at 111 percent.

Dividend equivalents on unvested performance-based restricted share units equal to cash dividends on our common stock are accumulated and will be paid in additional shares after the performance-based restricted share units vest, based on the actual number of shares that vest. Dividend equivalents on the time-vested restricted share units granted to Messrs. Hsu and Palmer in 2012, and to Ms. Stock in 2012 and 2013, will be accumulated and paid in additional shares when the time-vested restricted share units vest.

Outstanding Equity Awards

The following table sets forth information concerning outstanding equity awards for our named executive officers as of December 31, 2014. Option awards were granted for ten-year terms, ending on the option expiration date set forth in the table. (Note that Mr. Abernathy's options will expire on the fifth anniversary of his departure.) Stock awards were granted as indicated in the footnotes to the table. The numbers of shares subject to option awards and option exercise prices in this table and throughout this Proxy Statement reflect adjustments for the Halyard Health spin-off on October 31, 2014.

OUTSTANDING EQUITY AWARDS AS OF DECEMBER 31, 2014 ⁽¹⁾

Name	Grant Date	Option Awards ⁽²⁾				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) ⁽³⁾	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) ⁽⁴⁾⁽⁵⁾	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽⁶⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) ⁽⁴⁾⁽⁷⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽⁶⁾
Thomas J. Falk	4/30/2014	—	209,291	107.51	4/30/2024				
	2/25/2014							65,487	7,566,368
	5/1/2013	60,652	141,523	98.92	5/1/2023				
	2/20/2013							144,219	16,663,063
	5/2/2012	59,824	79,766	75.22	5/2/2022				
	2/27/2012							178,919	20,672,301
	4/26/2011	96,664	—	62.07	4/26/2021				
Mark A. Buthman	4/30/2014	—	51,160	107.51	4/30/2024				
	2/25/2014							16,008	1,849,564
	5/1/2013	13,646	31,843	98.92	5/1/2023				
	2/20/2013							32,450	3,749,273
	5/2/2012	14,357	19,145	75.22	5/2/2022				
	2/27/2012							42,940	4,961,288
	4/26/2011	24,489	—	62.07	4/26/2021				



Name	Grant Date	Option Awards ⁽²⁾				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) ⁽³⁾	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) ⁽⁴⁾⁽⁵⁾	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽⁶⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) ⁽⁴⁾⁽⁷⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽⁶⁾
Michael D. Hsu	4/30/2014	—	46,508	107.51	4/30/2024				
	2/25/2014							14,553	1,681,454
	5/1/2013	12,508	29,190	98.92	5/1/2023				
	2/20/2013							29,745	3,436,737
	11/15/2012					6,632	766,261		
Anthony J. Palmer	4/30/2014	—	32,556	107.51	4/30/2024				
	2/25/2014							10,187	1,177,006
	5/1/2013	9,097	21,228	98.92	5/1/2023				
	2/20/2013							21,632	2,499,361
	5/2/2012	13,559	9,041	75.22	5/2/2022				
	5/2/2012					10,804	1,248,294		
	2/27/2012							20,278	2,342,920
Elane B. Stock	4/30/2014	—	46,508	107.51	4/30/2024				
	2/25/2014							14,553	1,681,454
	5/1/2013	7,581	17,691	98.92	5/1/2023				
	2/20/2013					3,004	347,082		
	2/20/2013							18,027	2,082,840
	5/2/2012	4,786	6,382	75.22	5/2/2022				
	5/2/2012					4,322	499,364		
	2/27/2012							14,313	1,653,724
Robert E. Abernathy	4/26/2011	6,767	—	62.07	4/26/2021				
	6/19/2014	43,848	—	108.33	10/31/2019				
	5/1/2013	48,016	—	98.92	10/31/2019				
	2/20/2013							34,252	3,957,476
	5/2/2012	50,518	—	75.22	10/31/2019				
	2/27/2012							45,326	5,236,966
	4/26/2011	40,599	—	62.07	10/31/2019				
4/28/2010	27,378	—	58.44	10/31/2019					

⁽¹⁾ The amounts shown reflect outstanding equity awards granted under the 2011 Plan and its predecessor, the stockholder-approved 2001 Equity Participation Plan the ("2001 Plan") (the "Equity Plans"). Under the Equity Plans, an executive officer may receive awards of stock options, restricted stock or restricted share units, or a combination of stock options, restricted stock and restricted share units. Awards listed above granted on or after April 26, 2011 were granted under the 2011 Plan; all other awards were granted under the 2001 Plan.

⁽²⁾ Stock options granted under the Equity Plans become exercisable in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date; however, all of the options become exercisable for three years upon death or total and permanent disability and for the earlier of five years or the remaining term of the options, upon retirement of the officer. In addition, options generally become exercisable upon a termination of employment following a

change of control, and certain options granted to our named executive officers are subject to our Executive Severance Plan. See "Potential Payments on Termination or Change of Control." The officers may transfer the options to family members or certain entities in which family members have interests.



In connection with the Halyard Health spin-off on October 31, 2014 the numbers of stock options were increased and the exercise prices were decreased to maintain the fair value of outstanding options immediately before and after the spin-off. Specifically, for each stock option held by a Kimberly-Clark employee, officer, or director, the exercise price was divided by 1.044134 (the "Adjustment Ratio") and the number of shares subject to the outstanding stock option was multiplied by the Adjustment Ratio, with fractional shares rounded down to the nearest whole share. No incremental fair value was generated as a result of the adjustments.

- (3) The Equity Plans provide that the option price per share shall be no less than the closing price per share of our common stock at grant date.
- (4) In connection with the Halyard Health spin-off on October 31, 2014, performance-based restricted share units and time-vested restricted share units (and the dividend equivalents credited to these restricted share units equal to cash dividends on our Common Stock as described in footnotes 5 and 6 below) were credited with reinvested dividend equivalents equal to the value of the Halyard Health stock dividend distributed on our common stock (approximately \$4.69 per share) to maintain the value of the awards before and after the spin-off.
- (5) The amounts shown represent awards of time-vested restricted share units. Subject to accelerated vesting as described in "Potential Payments on Termination or Change of Control," time-vested restricted share unit awards vest on the third anniversary of the grant date. Dividend equivalents on these time-vested restricted share units equal to cash dividends on our Common Stock will be accumulated and paid in additional shares when the time-vested restricted share units vest. The units listed include the following amount of dividend equivalents on time-vested restricted share units granted to our named executive officers on the dates indicated:

Name	Grant Date	Dividend Equivalents
Michael D. Hsu	11/15/2012	396
Anthony J. Palmer	5/2/2012	811
Elane B. Stock	2/20/2013	156
	5/2/2012	325

- (6) The values shown in this column are based on the closing price of our common stock on December 31, 2014 of \$115.54 per share.
- (7) The amounts shown represent awards of performance-based restricted share units granted to our named executive officers in February 2012, 2013 and 2014. Subject to accelerated vesting as described in "Potential Payments on Termination or Change of Control," performance-based restricted share unit awards granted in 2012, 2013 and 2014 vest on February 27, 2015, February 20, 2016, and February 25, 2017, respectively, in a range from zero to 200 percent of the target levels indicated based on the achievement of specific performance goals. Based on the current vesting pace of these awards, the amounts shown represent the maximum level for the 2012 and 2013 grants and the target level for the 2014 grant. See "Discussion of Summary Compensation and Plan-Based Awards Tables." The units listed include the following amounts of dividend equivalents on performance-based restricted share units granted to our named executive officers equal to cash dividends on our Common Stock, based on the maximum level for the 2012 and 2013 grants and the target level for the 2014 grant.

Name	Year	Dividend Equivalents
Thomas J. Falk	2014	1,427
	2013	7,488
	2012	14,991
Mark A. Buthman	2014	349
	2013	1,685
	2012	3,598
Michael D. Hsu	2014	317
	2013	1,544
Anthony J. Palmer	2014	222
	2013	1,123
	2012	1,699
Elane B. Stock	2014	317
	2013	936
	2012	1,199
Robert E. Abernathy	2013	1,779
	2012	3,798

Note that the 2014 grant to Mr. Abernathy was forfeited upon his departure from Kimberly-Clark, along with all dividend equivalents relating to the grant.



Option Exercises and Stock Vested

The following table sets forth information concerning stock options exercised and stock awards vested during 2014 for our named executive officers.

OPTION EXERCISES AND STOCK VESTED IN 2014

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise(#)	Value Realized on Exercise(\$) ⁽¹⁾	Number of Shares Acquired on Vesting(#)	Value Realized on Vesting(\$) ⁽²⁾
Thomas J. Falk	—	—	93,073	10,260,368
Mark A. Buthman	13,751	405,104	23,578	2,599,239
Michael D. Hsu	—	—	—	—
Anthony J. Palmer	41,032	1,693,417	10,548	1,162,812
Elane B. Stock	14,303	551,431	6,515	718,214
Robert E. Abernathy	—	—	22,338	2,462,541

⁽¹⁾ The dollar amount reflects the total pre-tax value realized by our named executive officers (number of shares exercised times the difference between the fair market value on the exercise date and the exercise price). It is not the grant date fair value disclosed in other locations in this proxy statement. Value from these option exercises was only realized to the extent our stock price increased relative to the stock price at grant (the exercise price).

⁽²⁾ The dollar amount reflects the total pre-tax value received by our named executive officers upon the vesting of time-vested restricted share units or performance-based restricted share units (number of shares vested times the closing price of our common stock on the vesting date), including cash paid in lieu of fractional shares. It is not the grant date fair value disclosed in other locations in this proxy statement.

Pension Benefits

The following table sets forth information as of December 31, 2014 concerning potential payments to our named executive officers under our pension plan and supplemental pension plans. Information about these plans follows the table.

2014 PENSION BENEFITS

Name ⁽¹⁾	Plan Name	Number of Years Credited Service(#) ⁽³⁾	Present Value of Accumulated Benefit(\$)	Payments During Last Fiscal Year(\$) ⁽⁴⁾
Thomas J. Falk ⁽²⁾	Pension Plan	26.5	1,111,537	—
	Supplemental Pension Plans	26.5	18,336,832	—
Mark A. Buthman	Pension Plan	15.2	583,462	—
	Supplemental Pension Plans	15.2	2,969,998	—
Robert E. Abernathy ⁽²⁾	Pension Plan	28.0	1,359,611	13,394
	Supplemental Pension Plans	28.0	3,582,277	3,176,268

⁽¹⁾ Because Messrs. Hsu and Palmer and Ms. Stock joined Kimberly-Clark after January 1, 1997, they are not eligible to participate in our defined benefit pension plans.

⁽²⁾ Mr. Falk is currently eligible for early retirement under the plans and would be eligible to receive the early retirement benefit described in the table below. At the time of Mr. Abernathy's departure in October 2014 relating to the Halyard Health spin-off, he was eligible for early retirement under the Pension Plan and he was eligible under the Supplemental Pension Plans to receive the portion of early retirement benefit accrued prior to 2005. Mr. Abernathy is eligible to receive the remaining early retirement benefit under the Supplemental Pension Plans upon his separation from Halyard Health.



- (3) Mr. Falk has 31.4 years of actual service and Mr. Abernathy had 32.7 years of actual service upon his departure in October 2014. Beginning in 2010, the number of years of credited service was frozen at the amounts set forth in the table, as a result of our ceasing to accrue compensation and benefit service under the plans. Mr. Buthman has 32.5 years of actual service. In 1997, he elected to participate in our defined contribution plans instead of accruing additional years of service under our defined benefit pension plans. This election reduces his benefits under our defined benefit pension plans, in accordance with the terms of those plans.
- (4) In accordance with the terms of the plans, upon his departure from Kimberly-Clark in October 2014, Mr. Abernathy (a) commenced benefits under the Pension Plan which are payable monthly at a rate of \$6,697 per month and (b) received a lump sum distribution under the Supplemental Pension Plans relating to accrued benefits prior to 2005.

Employees who joined Kimberly-Clark prior to January 1, 1997 are eligible to participate in our pension plans, which provide benefits based on years of service as of December 31, 2009 and pay (annual cash compensation), integrated with social security benefits. Our pension plans are comprised of the Kimberly-Clark Pension Plan and the Supplemental Benefit Plans. We stopped accruing compensation and benefit service for participants under our pension plans for most of our U.S. employees, including our named executive officers, for plan years after 2009. These changes do not affect benefits earned by participants prior to January 1, 2010.

The following is an overview of these plans.

	Pension Plan	Supplemental Pension Plans
Reason for Plan	Provide eligible participants with a competitive level of retirement benefits based on pay and years of service.	Provide eligible participants with benefits as are necessary to fulfill the intent of the pension plan without regard to limitations imposed by the Internal Revenue Code.
Eligible Participants	Salaried employees who joined Kimberly-Clark prior to January 1, 1997.	Salaried employees impacted by limitations imposed by the Internal Revenue Code on payments under the pension plan.
Payment Form	Normal benefit: <ul style="list-style-type: none"> ▶ Single-life annuity payable monthly Other optional forms of benefit are available, including a joint and survivor benefit.	Accrued benefits prior to 2005: <ul style="list-style-type: none"> ▶ Monthly payments or a lump sum after age 55 Accrued benefits for 2005 and after: <ul style="list-style-type: none"> ▶ Lump sum six months after termination of employment
Retirement Eligibility	Full unreduced benefit: <ul style="list-style-type: none"> ▶ Normal retirement age of 65 ▶ Age 62 with 10 years of service ▶ Age 60 with 30 years of service ▶ Disability retirement Early retirement benefit: <ul style="list-style-type: none"> ▶ Age 55 with five years of service. The amount of the benefit is reduced according to the number of years the participant retires before the age the participant is eligible for a full, unreduced benefit. The amount of the reduction is based on age and years of vesting service. 	Same



Continued from previous page

	Pension Plan	Supplemental Pension Plans
Benefits Payable	Service and earnings frozen as of December 31, 2009. Benefit depends on the participant's years of service under our plan and monthly average earnings over the last 60 months of service or, if higher, the monthly average earnings for the five calendar years in his or her last fifteen years of service for which earnings were the highest.	Same
Benefit Formula for Salaried Employees (As of December 31, 2009) (Payable in the form of a single life annuity)	Unreduced monthly benefit = 1/12 of ((1.125% x final average annual earnings (up to 2/3 of the Social Security Taxable Wage Base)) + (1.425% x final average annual earnings (in excess of 2/3 of the Social Security Taxable Wage Base up to Taxable Wage Base)) + (1.5% x final average annual earnings (over the Social Security Taxable Wage Base)))	Same
Pensionable Earnings	Annual cash compensation. Long-term equity compensation is not included.	Same
Change of control or reduction in our long-term credit rating (below investment grade)	Not applicable	Participants have the option of receiving the present value of their accrued benefits prior to 2005 in the supplemental pension plans in a lump sum, reduced by 10 percent and 5 percent for active and former employees, respectively.

The estimated actuarial present value of the retirement benefits accrued through December 31, 2014 appears in the 2014 Pension Benefits table. For purposes of determining the present value of accumulated benefits, we have used the potential earlier retirement ages as described above rather than the normal retirement age under the plans, which is 65. For a discussion of how we value these obligations and the assumptions we use in that valuation, see Note 11 to our audited consolidated financial statements included in our 2014 Annual Report on Form 10-K. The calculation of actuarial present value generally is consistent with the methodology and assumptions outlined in our audited consolidated financial statements, except that benefits are reflected as payable as of the date the executive is first entitled to full unreduced benefits (as opposed to the assumed retirement date) and without consideration of pre-retirement mortality. Present values for the qualified plan are based on RP2000 mortality projected with generational improvements and for the supplemental plans were calculated using the 2014 417(e) mortality table. With respect to the supplemental pension plans, the amount of the earlier retirement age lump sum benefit was determined using an approximate 30-year Treasury Bond rate of 2.60%, consistent with the methodology used for purposes of our consolidated financial statements; any actual lump sum benefit would be calculated using the 30-year Treasury Bond rate in effect as of the beginning of the month prior to termination. Present value amounts were determined based on the financial accounting discount rate for United States pension plans of 4.10% as of December 31, 2014.

The actuarial increase in 2014 of the projected retirement benefits can be found in the Summary Compensation Table under the heading "Change in Pension Value and Nonqualified Deferred Compensation Earnings" (all amounts reported under that heading represent actuarial increases in our

pension plans). Other than the payments to Mr. Abernathy described above, no payments were made to our named executive officers under our pension plans during 2014.



While the supplemental pension plans remain unfunded, in 1994 the Board approved the establishment of a trust and authorized us to make contributions to this trust in order to provide a source of funds to assist us in meeting our liabilities under our supplemental defined benefit plans. For additional information regarding these plans, see “Compensation Discussion and Analysis – Benefits and Other Compensation – Retirement Benefits.”

Nonqualified Deferred Compensation

The following table sets forth information concerning nonqualified defined contribution and deferred compensation plans for our named executive officers during 2014.

2014 NONQUALIFIED DEFERRED COMPENSATION

Name	Plan	Company Contributions in 2014(\$) ⁽¹⁾	Aggregate Earnings in 2014(\$) ⁽²⁾	Aggregate Withdrawals/ Distributions(\$) ⁽³⁾	Aggregate Balance at December 31, 2014(\$) ⁽⁴⁾
Thomas J. Falk	Supplemental 401(k) Plan	276,385	66,121		1,474,189
	Deferred Compensation Plan	—	101,963		2,365,711
Mark A. Buthman	Supplemental 401(k) Plan	98,654	52,356		1,015,135
	Deferred Compensation Plan	—	—		—
Michael D. Hsu	Supplemental 401(k) Plan	82,480	3,489		124,510
	Deferred Compensation Plan	—	—		—
Anthony J. Palmer	Supplemental 401(k) Plan	73,897	58,721		684,147
	Deferred Compensation Plan	—	—		—
Elane B. Stock	Supplemental 401(k) Plan	63,234	7,221		184,264
	Deferred Compensation Plan	—	—		—
Robert E. Abernathy	Supplemental 401(k) Plan	84,237	33,314	513,348	—
	Deferred Compensation Plan	—	1,339		20,982

⁽¹⁾ Contributions consist solely of amounts accrued by Kimberly-Clark under the Supplemental 401(k) Plan, including the profit-sharing contribution in February 2015 with respect to our performance in 2014. These amounts are included in the Summary Compensation Table and represent a portion of the Defined Contribution Plan Payments included in All Other Compensation.

⁽²⁾ The amounts in this column show the changes in the aggregate account balance for our named executive officers during 2014 that are not attributable to company contributions. Aggregate earnings are not included in the Summary Compensation Table because the earnings are not above-market or preferential.

⁽³⁾ Upon his departure in connection with our Halyard Health spin-off, Mr. Abernathy transferred his aggregate balance in the Supplemental 401(k) Plan to a comparable nonqualified defined contribution plan provided by Halyard Health.



⁽⁴⁾ Balance for the Supplemental 401(k) Plan includes the profit-sharing contribution made in February 2015 with respect to our performance in 2014, as well as the following contributions by Kimberly-Clark under the Supplemental 401(k) Plan in 2013 and 2012 that are reported in the Summary Compensation Table as a portion of All Other Compensation for those years:

Name	Year	Accrued Amount(\$)
Thomas J. Falk	2013	280,027
	2012	195,194
Mark A. Buthman	2013	96,487
	2012	76,376
Michael D. Hsu	2013	37,512
Anthony J. Palmer	2013	71,438
	2012	52,549
Robert E. Abernathy	2013	93,746
	2012	65,524

In addition to amounts shown in the table that reflect participation in the Supplemental 401(k) Plan, amounts shown for Messrs. Falk and Abernathy represent compensation deferred in prior years under our Deferred Compensation Plan and accumulated earnings. Effective in 2005, no further amounts may be deferred under this plan. Participants in the Deferred Compensation Plan may elect to have deferrals credited with yields equal to those earned on any of a subset of funds available in the 401(k) Profit Sharing Plan. Generally, benefits are payable under the Deferred Compensation Plan in accordance with the participant's election in a lump sum or in quarterly installments over a period between two and 20 years. If a participant ceases employment (other than as a result of a total and permanent disability or death or on or after age 55 with five or more years of service), the account balance is paid in a lump sum. In the event of a change of control or a reduction in our long-term credit rating (below investment grade), currently-employed participants have the option to elect an immediate lump-sum payment of their account balance, less a 10 percent penalty.



Overview of 401(k) Profit Sharing Plan and Supplemental 401(k) Plan.

	401(k) Profit Sharing Plan	Supplemental 401(k) Plan
Purpose	To assist employees in saving for retirement, as well as to provide a discretionary profit sharing contribution in which contributions will be based on our profit performance.	To provide benefits to the extent necessary to fulfill the intent of the 401(k) Profit Sharing Plan without regard to the limitations imposed by the Internal Revenue Code on qualified defined contribution plans.
Eligible participants	Most employees.	Salaried employees impacted by limitations imposed by the Internal Revenue Code on the 401(k) Profit Sharing Plan.
Is the plan qualified under the Internal Revenue Code?	Yes.	No.
Can employees make contributions?	Yes.	No.
Do we make contributions or match employee contributions?	We match 100% of employee contributions, to a yearly maximum of 4% of eligible compensation. In addition, we may make a discretionary profit sharing contribution of 0% to 6% of eligible compensation based on our profit performance.	We provide credit to the extent our contributions to the 401(k) Profit Sharing Plan are limited by the Internal Revenue Code.
When do account balances vest?	Account balances under these plans generally vest once the participant completes at least two years of service.	Same.
How are account balances invested?	Account balances are invested in certain designated investment options selected by the participant.	Account balances are credited with earnings and losses as if these account balances were invested in certain designated investment options selected by the participant.
When are account balances distributed?	Distributions of the participant's vested account balance are only available after termination of employment. Loans, hardship and certain other withdrawals are allowed prior to termination of employment for certain vested amounts under the 401(k) Profit Sharing Plan.	Distributions of the participant's vested account balance are payable after termination of employment.



While the Supplemental 401(k) Plan remains unfunded, in 1996 the Board amended a previously established trust and authorized us to make contributions to this trust in order to provide a source of funds to assist us in meeting our liabilities under our supplemental defined contribution plans.

Potential Payments on Termination or Change of Control

Our named executive officers are eligible to receive certain benefits in the event of termination of employment, including following a change of control. This section describes various termination scenarios as well as the payments and benefits payable under those scenarios.

Severance Benefits

We maintain two severance plans that cover our executive officers, depending on the circumstances that result in their termination. Those plans include the Executive Severance Plan, which is applicable when an executive officer is terminated following a change of control, and the Severance Pay Plan, which is applicable in the event of certain other involuntary terminations. An executive officer may not receive severance payments under more than one of the plans described below.

Executive Severance Plan. We have agreements under our Executive Severance Plan with each named executive officer. The agreements provide that, in the event of a “Qualified Termination of Employment” (as described below), the participant will receive a cash payment in an amount equal to the sum of:

- ▶ Two times the sum of annual base salary and the average annual incentive award for the three prior fiscal years,
- ▶ The value of any forfeited awards, based on the closing price of our common stock at the date of the participant’s separation from service, of restricted stock and time-vested restricted share units,
- ▶ The number of performance-based restricted share units that are forfeited multiplied by the average performance-based restricted share unit payment for the prior three years,
- ▶ The value of any forfeited benefits under the 401(k) Profit Sharing Plan and Supplemental 401(k) Plan,
- ▶ The value of the employer match and assumed 3 percent profit sharing contribution the named executive officer would have received if he had remained employed an additional two years under the 401(k) Profit Sharing Plan and Supplemental 401(k) Plan, and
- ▶ Two years of COBRA premiums for medical and dental coverage.

In addition, nonqualified stock options will vest and be exercisable within the earlier of five years from the participant’s termination or the remaining term of the option.

A “Qualified Termination of Employment” is a separation of service within two years following a change of control of Kimberly-Clark (as defined in the plan) either involuntarily without cause or by the participant with good reason. In addition, any involuntary separation of service without cause within one year before a change of control will also be determined to be a Qualified Termination of Employment if it is in connection with, or in anticipation of, a change of control.

The current agreements with our named executive officers expire on December 31, 2017, unless extended by the Committee.

These agreements reflect that the named executive officer is not entitled to a tax gross-up if the named executive officer incurs an excise tax due to the application of Section 280G of the Internal



Revenue Code. Instead, payments and benefits payable to the named executive officer will be reduced to the extent doing so would result in the executive retaining a larger after-tax amount, taking into account the income, excise and other taxes imposed on the payments and benefits.

The Board has determined the eligibility criteria for participation in the plan. Each named executive officer's agreement under the Executive Severance Plan provides that the executive will retain in confidence any confidential information known to the executive concerning Kimberly-Clark and Kimberly-Clark's business so long as such information is not publicly disclosed.

Severance Pay Plan. Our Severance Pay Plan generally provides eligible employees (including our named executive officers) severance payments and benefits in the event of certain involuntary terminations. Under the Severance Pay Plan, a named executive officer (employed for at least one year) whose employment is involuntarily terminated would receive:

- ▶ Two times the sum of annual base salary and the average annual incentive award for the three prior fiscal years,
- ▶ If the termination occurs after March 31, the pro-rated current year annual incentive award based on actual performance,
- ▶ Six months of COBRA premiums for medical coverage, and
- ▶ Six months of outplacement services and three months of participation in our employee assistance program.

If the named executive officer's employment is involuntarily terminated within the first 12 months of employment, the Severance Pay Plan provides that the named executive officer would receive three months' base salary.

Severance pay under the Severance Pay Plan will not be paid to any participant who is terminated for cause (as defined under the plan), is terminated during a period in which the participant is not actively at work for more than 25 weeks (except to the extent otherwise required by law), voluntarily quits or retires, dies or is offered a comparable position (as defined under the plan).

A named executive officer must execute a full and final release of claims against us within a specified period of time following termination to receive severance benefits under our severance pay plans. Under the Severance Pay Plan, if the release has been timely executed, severance benefits are payable as a lump sum cash payment no later than 60 days following the participant's termination date. Any current year annual incentive award that is payable under the Severance Pay Plan will be paid at the same time as it was payable under the Executive Officer Achievement Award Program, but no later than 60 days following the calendar year of the separation from service.

2011 Plan. In the event of a "Qualified Termination of Employment" (as described below) of a participant in the 2011 Plan in connection with a change of control, all of the participant's awards not subject to performance goals would become fully vested. Any awards subject to performance goals will vest at the average performance-based restricted share unit payout for awards for the three prior fiscal years. Unless otherwise governed by another applicable plan or agreement, such as the terms of the Executive Severance Plan, options in this event would be exercisable for the lesser of three months or the remaining term of the option. If any amounts payable under the 2011 Plan result in excise tax due to the application of Section 280G of the Internal Revenue Code, the 2011 Plan provides that payments and benefits payable to the named executive officer will be reduced to the extent necessary so that no excise tax will be imposed if doing so would result in the



executive retaining a larger after-tax amount, taking into account the income, excise and other taxes imposed on the payments and benefits. A “Qualified Termination of Employment” is a termination of the participant’s employment within two years following a change of control of Kimberly-Clark (as defined in the 2011 Plan), unless the termination is by reason of death or disability or unless the termination is by Kimberly-Clark for cause or by the participant without good reason.

The 2011 Plan provides that, if pending a change of control, the Committee determines that Kimberly-Clark common stock will cease to exist without an adequate replacement security that preserves the economic rights and positions of the participants in the 2011 Plan (for example, as a result of the failure of the acquiring company to assume outstanding grants), then all options and stock appreciation rights will become exercisable, in a manner deemed fair and equitable by the Committee, immediately prior to the consummation of the change of control. In addition, the restrictions on all restricted stock will lapse and all restricted share units, performance awards and other stock-based awards will vest immediately prior to the consummation of the change of control and will be settled upon the change of control in cash equal to the fair market value of the restricted share units, performance awards and other stock-based awards at the time of the change of control.

In the event of a termination of employment of a participant in the 2011 Plan, other than a Qualified Termination of Employment, death, total and permanent disability or retirement of the participant, the participant will forfeit all unvested restricted stock and restricted share units, and any vested stock options held by the participant will be exercisable for the lesser of three months or the remaining term of the option.

Retirement, Death and Disability

Retirement. In the event of retirement (separation from service on or after age 55), our named executive officers are entitled to receive:

- ▶ Benefits payable under our pension plans for eligible participants (if the participant has at least five years of vesting service) (see “Pension Benefits” for additional information),
- ▶ Their account balance, if any, under the Deferred Compensation Plan,
- ▶ Their account balance under the Supplemental 401(k) Plan (if the participant has at least two years of vesting service),
- ▶ Their account balance under the 401(k) Profit Sharing Plan, including any unvested employer contributions,
- ▶ Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of five years or the remaining term of the options,
- ▶ For units outstanding more than six months after the date of grant, performance-based restricted share units will be payable based on attainment of the performance goal at the end of the restricted period,
- ▶ Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,
- ▶ For participants with at least fifteen years of vesting service and who joined Kimberly-Clark before January 1, 2004, retiree medical credits based on number of years of vesting service (up to a maximum of \$104,500 in credits), and
- ▶ For participants with at least fifteen years of vesting service, continuing coverage under Kimberly-Clark’s group life insurance plan.



Death. In the event of death while an active employee, the following benefits are payable:

- ▶ 50 percent of the benefits under our pension plans for eligible participants, not reduced for early payment (if the participant has at least five years of vesting service) (see “Pension Benefits”), payable under the terms of the plans to the participant’s spouse or minor children,
- ▶ Their account balance, if any, under the Deferred Compensation Plan,
- ▶ Their account balance under the Supplemental 401(k) Plan,
- ▶ Their account balance under the 401(k) Profit Sharing Plan, including any unvested employer contributions,
- ▶ Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of three years or the remaining term of the options,
- ▶ Time-vested restricted share units will be vested pro rata, based on the number of full months of employment during the restricted period prior to the participant’s termination of employment, payable within 90 days following the end of the restricted period,
- ▶ For units outstanding more than six months after the date of grant, performance-based restricted share units will be vested pro rata, based on attainment of the performance goal at the end of the restricted period, payable within 70 days following the end of the restricted period,
- ▶ Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,
- ▶ For participants who were at least age 55, had at least fifteen years of vesting service and joined Kimberly-Clark before January 1, 2004, medical credits payable to their spouse or dependent based on number of years of vesting service (up to a maximum of \$104,500 in credits), and
- ▶ Payment of benefits under Kimberly-Clark’s group life insurance plan (which is available to all salaried employees in the U.S.) equal to two times the participant’s annual pay, up to \$2 million (plus any additional coverage of three, four, five or six times the participant’s annual pay, in increments of up to \$1 million each, purchased by the participant at group rates). Benefits provided by Kimberly-Clark and employee-purchased benefits cannot exceed \$6 million.

Disability. In the event of a separation of service due to a total and permanent disability, as defined in the applicable plan, our named executive officers are entitled to receive:

- ▶ Benefits payable under our pension plans for eligible participants, not reduced for early payment, if the participant has at least five years of vesting service (see “Pension Benefits” for additional information),
- ▶ Their account balance, if any, under the Deferred Compensation Plan,
- ▶ Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of three years or the remaining term of the options,
- ▶ Time-vested restricted share units will be vested pro rata, based on the number of full months of employment during the restricted period prior to the participant’s termination of employment, payable within 90 days following the end of the restricted period,
- ▶ For units outstanding more than six months after the date of grant, performance-based restricted share units will be vested pro rata, based on attainment of the performance goal at the end of the restricted period, payable within 70 days following the end of the restricted period,
- ▶ Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,





- ▶ For participants of at least age 55 with at least fifteen years of vesting service and who joined Kimberly-Clark before January 1, 2004, medical credits based on number of years of vesting service (up to a maximum of \$104,500 in credits),
- ▶ Continuing coverage under Kimberly-Clark's group life insurance plan (available to all U.S. salaried employees), with no requirement to make monthly contributions toward coverage during disability, and
- ▶ Payment of benefits under Kimberly-Clark's Long-Term Disability Plan (available to all U.S. salaried employees). Long-term disability under the plan would provide income protection of monthly base pay, ranging from a minimum monthly benefit of \$50 to a maximum monthly benefit of \$20,000. Benefits are reduced by the amount of any other Kimberly-Clark or government-provided income benefits received (but will not be lower than the minimum monthly benefit).

Potential Payments on Termination or Change of Control Table

The following table presents the approximate value of (i) the severance benefits for our named executive officers under the Executive Severance Plan had a Qualified Termination of Employment under that plan occurred on December 31, 2014; (ii) the severance benefits for our named executive officers under the Severance Pay Plan if an involuntary termination had occurred on December 31, 2014; (iii) the benefits that would have been payable on the death of our named executive officers on December 31, 2014; (iv) the benefits that would have been payable on the total and permanent disability of our named executive officers on December 31, 2014; and (v) the potential payments to Messrs. Falk and Palmer if they had retired on December 31, 2014. If applicable, amounts in the table were calculated using the closing price of our common stock on December 31, 2014 of \$115.54 per share.

The termination benefits provided to our executive officers upon their voluntary termination of employment do not discriminate in scope, terms or operation in favor of our executive officers compared to the benefits offered to all salaried employees, so those benefits are not included in the table below. Because none of our named executive officers, other than Messrs. Falk and Palmer, was eligible to retire as of December 31, 2014, potential payments assuming retirement on that date are not included for the other named executive officers.

The amounts presented in the table are in addition to amounts each named executive officer earned or accrued prior to termination, such as the officer's balances under our Deferred Compensation Plan, accrued retirement benefits (including accrued pension plan benefits), previously vested benefits under our qualified and non-qualified plans, previously vested options, restricted stock and restricted share units and accrued salary and vacation. For information about these previously earned and accrued amounts, see "Summary Compensation," "Outstanding Equity Awards," "Option Exercises and Stock Vested," "Pension Benefits," and "Nonqualified Deferred Compensation."

Because Mr. Abernathy resigned in October 2014, he is discussed separately below under "Resignation of Mr. Abernathy."



POTENTIAL PAYMENTS ON TERMINATION OR CHANGE OF CONTROL TABLE

Name	Cash Payment(\$)	Equity with Accelerated Vesting(\$)	Additional Retirement Benefits(\$)	Continued Benefits and Other Amounts(\$)	Total(\$)
Thomas J. Falk					
Qualified Termination of Employment	9,871,121 ⁽¹⁾	41,708,621 ⁽²⁾	527,971 ⁽³⁾	29,880 ⁽⁴⁾	52,137,593
Involuntary termination ⁽⁵⁾	9,871,121	—	—	13,002 ⁽⁶⁾	9,884,123
Death	4,328,677 ⁽⁷⁾	39,057,834 ⁽⁸⁾	— ⁽⁹⁾	104,500	43,491,011
Disability	2,328,677 ⁽⁷⁾	39,057,834 ⁽⁸⁾	3,473,520 ⁽¹⁰⁾	104,500 ⁽¹¹⁾	44,964,531
Retirement	2,328,677 ⁽¹⁾	52,150,975	689,435	104,500 ⁽¹²⁾	55,273,587
Mark A. Buthman					
Qualified Termination of Employment	3,856,129 ⁽¹⁾	9,851,063 ⁽²⁾	216,194 ⁽³⁾	29,880 ⁽⁴⁾	13,953,266
Involuntary termination ⁽⁵⁾	3,856,129	—	—	13,002 ⁽⁶⁾	3,869,131
Death	2,337,650 ⁽⁷⁾	9,202,722 ⁽⁸⁾	— ⁽⁹⁾	—	11,540,372
Disability	767,650 ⁽⁷⁾	9,202,722 ⁽⁸⁾	1,175,887 ⁽¹⁰⁾	— ⁽¹¹⁾	11,146,259
Michael D. Hsu					
Qualified Termination of Employment	3,032,087 ⁽¹⁾	5,536,908 ⁽²⁾	165,238 ⁽³⁾	29,880 ⁽⁴⁾	8,764,113
Involuntary termination ⁽⁵⁾	3,032,087	—	—	13,002 ⁽⁶⁾	3,045,089
Death	1,991,545 ⁽⁷⁾	6,000,725 ⁽⁸⁾	—	—	7,992,270
Disability	671,545 ⁽⁷⁾	6,000,725 ⁽⁸⁾	—	— ⁽¹¹⁾	6,672,270
Anthony J. Palmer					
Qualified Termination of Employment	2,989,711 ⁽¹⁾	6,762,685 ⁽²⁾	168,185 ⁽³⁾	29,880 ⁽⁴⁾	9,950,461
Involuntary termination ⁽⁵⁾	2,989,711	—	—	13,002 ⁽⁶⁾	3,002,713
Death	1,817,070 ⁽⁷⁾	4,922,754 ⁽⁸⁾	—	—	6,739,824
Disability	587,070 ⁽⁷⁾	4,922,754 ⁽⁸⁾	—	— ⁽¹¹⁾	5,509,824
Retirement	587,070 ⁽¹⁾	6,998,113	—	— ⁽¹²⁾	7,585,183
Elane B. Stock					
Qualified Termination of Employment	2,980,424 ⁽¹⁾	6,940,875 ⁽²⁾	155,944 ⁽³⁾	29,880 ⁽⁴⁾	10,107,123
Involuntary termination ⁽⁵⁾	2,980,424	—	—	13,002 ⁽⁶⁾	2,993,426
Death	1,852,650 ⁽⁷⁾	4,024,388 ⁽⁸⁾	—	—	5,877,038
Disability	752,650 ⁽⁷⁾	4,024,388 ⁽⁸⁾	—	— ⁽¹¹⁾	4,777,038

⁽¹⁾ Assumes the Committee would approve full payment under the Executive Officer Achievement Award Program for 2014; actual amount that would be paid is determined by the Committee in its discretion.

⁽²⁾ Assumes vesting of unvested performance-based restricted share units at the maximum level for the 2012 and 2013 grants and at the target level for the 2014 grant. See "Outstanding Equity Awards." In addition, under the terms of the 2011 Plan, if the Committee were to determine that, pending a change of control, our common stock would cease to exist without an adequate replacement security, the payment of this amount would not be contingent upon the Qualified Termination of Employment of the named executive officer. This provision also applies to grants under the 2011 Plan to employees other than our named executive officers.

⁽³⁾ Includes the value of two additional years of employer contributions under the 401(k) Profit Sharing Plan and the Supplemental 401(k) Plan, pursuant to the terms of the Executive Severance Plan.

⁽⁴⁾ Includes an amount equal to 24 months of COBRA medical and dental coverage.

⁽⁵⁾ Benefits payable under the Severance Pay Plan. For Messrs. Falk and Palmer, does not include accelerated equity vesting that occurred when they became retirement eligible at age 55. See the benefits payable for Messrs. Falk and Palmer for retirement for the amount of this accelerated equity vesting.

⁽⁶⁾ Equals six months of COBRA medical coverage and outplacement services with an estimated value of \$7,002 and \$6,000, respectively.

⁽⁷⁾ For death, includes the payment of benefits under Kimberly-Clark's group life insurance plan (which is available to all U.S. salaried employees). For death and disability, assumes the Committee would approve full payment under the Executive Officer Achievement Award Program for 2014; actual amount that would be paid is determined by the Committee in its discretion. For disability, does not include benefits payable under Kimberly-Clark's Long-Term Disability Plan (which is available to all U.S. salaried employees), the value of which would be dependent on the life span of the named executive officer and the value of any Kimberly-Clark or government-provided income benefits received.

⁽⁸⁾ Assumes pro rata vesting of unvested performance-based restricted share units at the maximum level for the 2012 and 2013 grants and at the target level for the 2014 grant. See "Outstanding Equity Awards."





- (9) For Messrs. Falk and Buthman, the estimated actuarial present value of the pension benefits payable on death is less than the present value of the aggregate accumulated benefit set forth in the Pension Benefits table; as a result, no incremental benefit as a result of their death is included in the amount.
- (10) Includes the excess, if any, of the estimated actuarial present value of the retirement benefits payable on disability for the named executive officer through December 31, 2014 (assuming the named executive officer elects to receive a continuing benefit for his surviving spouse) over the present value of the aggregate accumulated benefit set forth in the Pension Benefits table.
- (11) For Mr. Falk, includes the value of retiree medical credits assuming total and permanent disability on December 31, 2014. Our named executive officers would also be eligible for continuing coverage under Kimberly-Clark's group life insurance plan assuming total and permanent disability on December 31, 2014, which benefit does not discriminate in scope, terms or operation in favor of our named executive officers compared to the benefits offered to all U.S. salaried employees and is therefore not included in the table.
- (12) Includes the value of retiree medical credits assuming Messrs. Falk's retirement on December 31, 2014. Messrs. Falk and Palmer would also be eligible for continuing coverage under Kimberly-Clark's group life insurance plan assuming retirement on December 31, 2014, which benefit does not discriminate in scope, terms or operation in favor of our executive officers compared to the benefits offered to all U.S. salaried employees and is therefore not included in the table.

Resignation of Mr. Abernathy

Mr. Abernathy left Kimberly-Clark effective October 31, 2014 to accept a position with Halyard Health in connection with our spin-off. He received a prorated payout for 2014 under our annual cash incentive program which is shown in the Summary Compensation Table above. Because Mr. Abernathy is over age 55, under the terms of the 2011 Plan, his unvested stock options vested on the date of his departure and will be exercisable until the earlier of five years or the remaining term of the options, and his unvested performance-based restricted share units (other than those granted in 2014, which were forfeited) will be payable in full based on attainment of the performance goal at the end of the restricted period. The value of the unvested stock options and performance-based restricted share units was \$9,813,518 at the time of Mr. Abernathy's departure (assuming the 2012 and 2013 grants of performance-based restricted share units vest at the maximum level). Mr. Abernathy also commenced monthly benefits under the Pension Plan and received a lump sum distribution under the Supplemental Pension Plan relating to accrued benefits prior to 2005, which amounts are shown in the Pension Benefits Table above. Mr. Abernathy received retiree medical credits valued at \$104,500. Mr. Abernathy did not receive any additional retirement benefits or other benefits upon his resignation.



Proposal 4. Stockholder Proposal Regarding Right to Act by Written Consent

Ms. Myra K. Young, 9295 Yorkship Court, Elk Grove, CA 95758, owning 50 shares of our common stock, has given notice that she or her designee intends to present for action at the Annual Meeting the resolution set forth below. The Board of Directors opposes this stockholder proposal for the reasons set forth below the proposal.

Proxies solicited by management will be voted against the stockholder proposal below unless stockholders specify a contrary choice in their proxies.

Stockholder Proposal

In accordance with applicable rules of the SEC, we have set forth Ms. Young's proposal below:

Proposal 4 — Right to Act by Written Consent

Resolved, Shareholders request that our board of directors undertake such steps as may be necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting. This written consent is to be consistent with applicable law and consistent with giving shareholders the fullest power to act by written consent consistent with applicable law. This includes shareholder ability to initiate any topic for written consent consistent with applicable law.

A shareholder right to act by written consent and to call a special meeting are 2 complimentary ways to bring an important matter to the attention of both management and shareholders outside the annual meeting cycle.

A shareholder right to act by written consent is one method to equalize our limited provisions for shareholders to call a special shareholder meeting. For instance it takes 25% of Kimberly Clark shareholders to call a special shareholder meeting. On the other hand Delaware law allows 10% of shareholders to call a special shareholder meeting.

Shareholder right to act by written consent won majority shareholder support at 13 major companies in a single year. This included 67%-support at both Allstate and Sprint. Hundreds of major companies enable shareholders to act by written consent. Wet Seal (WTSLA) shareholders successfully used written consent to replace certain underperforming directors in 2012.

Please vote to enhance shareholder value:

Right to Act by Written Consent— Proposal 4



Proposal 4. Stockholder Proposal Regarding Right to Act by Written Consent

Response of the Corporation to Stockholder Proposal

The Board of Directors unanimously recommends a vote AGAINST this proposal.

This proposal would permit stockholders to take action by written consent rather than requiring the action to be discussed and voted on at a stockholders' meeting. The Board believes that bypassing stockholder meetings limits the ability of stockholders to ask questions and discuss the action proposed.

The Board believes our current governance practices provide for Board accountability and effective engagement with stockholders. The Board has been responsive to stockholders' concerns and seeks to understand, and where appropriate, implement industry best practices for corporate governance. Significant changes that we have made in recent years include:

- ▶ Terminating our shareholder rights plan
- ▶ Adopting a majority voting standard for the election of directors
- ▶ Declassifying the Board
- ▶ Eliminating supermajority voting provisions in the Certificate of Incorporation
- ▶ Providing stockholders with the right to call special meetings, as described in the Certificate of Incorporation and By-Laws

These actions reflect our commitment to responsible corporate governance and providing our stockholders with meaningful input in the governance of the Corporation.

Consistent with these principles, the Board believes that significant corporate matters should be discussed in stockholder meetings, which allows all stockholders to participate and permits multiple points of view to be raised prior to a vote. Because stockholder action by written consent does not require advance notice nor communication to all stockholders, it could deny some stockholders the chance to offer their views, deliberate the issues and then vote on a pending matter. Accordingly, we believe that the ability stockholders have to call special meetings under our existing By-Laws provides a better opportunity to deal with matters of importance to Kimberly-Clark. Such special meetings include notice and disclosure for all shareholders, rather than enabling action by a limited group through the use of written consents.

Kimberly-Clark strongly believes in sound governance and values its relationship with all of its stockholders. To that end, we support and seek to implement policies and practices that take into account the interests of all stockholders. In light of the availability of more effective alternatives to address stockholder concerns, the Board believes that stockholder action by written consent is not in the best interests of Kimberly-Clark or its stockholders.

The Board unanimously recommends that the stockholders vote **AGAINST** the adoption of this proposal.



Other Information

Security Ownership Information

The following table shows the number of shares of our common stock beneficially owned as of December 31, 2014, by each director and nominee, by each named executive officer, and by all directors, nominees and executive officers as a group.

Name	Number of Shares ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Percent of Class
Robert E. Abernathy	329,849 ⁽⁵⁾	*
John R. Alm	23,090	*
John F. Bergstrom	41,116	*
Abelardo E. Bru	23,986	*
Mark A. Buthman	212,077 ⁽⁵⁾	*
Robert W. Dechard	73,172 ⁽⁶⁾	*
Thomas J. Falk	1,023,045 ⁽⁵⁾⁽⁷⁾	*
Fabian T. Garcia	6,547	*
Michael D. Hsu	48,648 ⁽⁵⁾	*
Mae C. Jemison, M.D.	30,116	*
James M. Jenness	21,673	*
Nancy J. Karch	10,994	*
Anthony J. Palmer	70,798 ⁽⁵⁾	*
Ian C. Read	19,171	*
Linda Johnson Rice	35,128 ⁽⁸⁾	*
Marc J. Shapiro	54,230 ⁽⁹⁾	*
Elane B. Stock	64,352 ⁽⁵⁾	*
All directors, nominees and executive officers as a group (20 persons)	2,314,430 ⁽⁵⁾⁽¹⁰⁾	*

* Each director, nominee, named executive officer and the directors, nominees and executive officers as a group, owns less than one percent of the outstanding shares of our common stock.

(1) Except as otherwise noted, the directors, nominees and named executive officers, and the directors, nominees and executive officers as a group, have sole voting and investment power with respect to the shares listed.

(2) A portion of the shares owned by certain executive officers and directors may be held in margin accounts at brokerage firms. Under the terms of the margin account agreements, stocks and other assets held in these accounts may be pledged to secure margin obligations. As of the date of this proxy statement, none of the executive officers or directors has any outstanding margin obligations under any of these accounts.

(3) Share amounts include unvested restricted share units granted to the following named executive officers under the 2011 Plan as indicated below. Amounts representing performance-based restricted share units in the table below represent target levels for these awards. See "Compensation Tables – Outstanding Equity Awards" for additional information regarding these grants.



Name	Time-Vested Restricted Share Units(#)	Performance-Based Restricted Share Units(#)
Robert E. Abernathy	—	39,789
Mark A. Buthman	—	53,703
Thomas J. Falk	—	227,056
Michael D. Hsu	6,632	29,425
Anthony J. Palmer	10,804	31,142
Elane B. Stock	7,326	30,723

- (4) For each director who is not an officer or employee of Kimberly-Clark, share amounts include restricted share units and shares of restricted stock granted under our Outside Directors' Compensation Plan. These awards are restricted and may not be transferred or sold until the Outside Director retires from or otherwise terminates service on the Board. See footnote 3 to the 2014 Outside Director Compensation table for the number of shares of restricted stock and restricted share units that the Outside Directors had outstanding as of December 31, 2014.
- (5) Includes shares of common stock held by the trustee of the 401(k) Profit Sharing Plan for the benefit of, and that are attributable to, the accounts in the plans of, the named executive officers. Also includes the following shares which could be acquired within 60 days of December 31, 2014 by:

Name	Number of Shares That Could be Acquired Within 60 Days of December 31, 2014
Robert E. Abernathy	210,359
Mark A. Buthman	52,492
Thomas J. Falk	217,140
Michael D. Hsu	12,508
Anthony J. Palmer	22,656
Elane B. Stock	19,134
All directors, nominees and executive officers as a group (20 persons)	621,446

- (6) Voting and investment power with respect to 39,944 of the shares is shared with Mr. Decherd's spouse.
- (7) Includes 99,411 shares held by TKM, Ltd. and 465,733 shares held by TKM II, Ltd. TKM, Ltd. is a family limited partnership, which is owned by (i) an entity owned by a trust, controlled by Mr. Falk and his spouse as general partner and (ii) two family trusts previously established for the benefit of Mr. Falk's child as limited partners. TKM II, Ltd. is a family limited partnership which is owned by (i) an entity owned by a trust, controlled by Mr. Falk and his spouse as general partner, and (ii) a trust controlled by Mr. Falk and his spouse as limited partners. Mr. Falk shares voting control over the shares held by TKM, Ltd. and TKM II, Ltd.
- (8) Includes 300 shares held by a trust for the benefit of Ms. Johnson Rice's daughter and for which Ms. Johnson Rice serves as a co-trustee and shares voting and investment power.
- (9) Includes 8,000 shares held by a trust for the benefit of Mr. Shapiro's children and for which Mr. Shapiro shares voting and investment power.
- (10) Voting and investment power with respect to 632,575 of the shares is shared.

Our Corporate Governance Policies provide that, within three years of joining the Board, all Outside Directors should own an amount of our common stock or share units at least equal in value to three times the annual Board cash compensation. For the purpose of these stock ownership guidelines, a director is deemed to own beneficially-owned shares, as well as restricted stock and restricted share units (whether or not any applicable restrictions have lapsed), but not stock options (whether vested or unvested). As of December 31, 2014, the stock ownership levels specified by these guidelines had been met or exceeded by each of the Outside Directors.



The following table sets forth the information, as of December 31, 2014, regarding persons or groups known to us to be beneficial owners of more than five percent of our common stock.

Name and Address of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned	Percentage of Common Stock Outstanding
BlackRock, Inc. ⁽¹⁾ 55 East 52nd Street New York, NY 10022	24,139,614	6.5%
The Vanguard Group Inc. ⁽²⁾ 100 Vanguard Boulevard Malvern, PA 19355	20,772,094	5.6%
State Street Corporation ⁽³⁾ State Street Financial Center One Lincoln Street Boston, MA 02111	19,265,662	5.2%

⁽¹⁾ The address, number and percentage of shares of our common stock beneficially owned by BlackRock, Inc. ("BlackRock") are based on the Schedule 13G/A filed by BlackRock with the SEC on February 9, 2015. According to the filing, BlackRock had sole voting power with respect to 20,746,517 shares, sole dispositive power with respect to 24,139,614 shares, and did not have shared voting or dispositive power as to any shares.

⁽²⁾ The address, number and percentage of shares of our common stock beneficially owned by The Vanguard Group Inc. ("Vanguard") are based on the Schedule 13G/A filed by Vanguard with the SEC on February 10, 2015. According to the filing, Vanguard had sole voting power with respect to 641,324 shares, sole dispositive power with respect to 20,162,017 shares, shared dispositive power with respect to 610,077 shares and did not have shared voting power as to any shares.

⁽³⁾ The address, number and percentage of shares of our common stock beneficially owned by State Street Corporation ("State Street") are based on the Schedule 13G filed by State Street with the SEC on February 12, 2015. According to the filing, State Street had shared voting and dispositive power with respect to 19,265,662 shares and did not have sole voting or dispositive power as to any shares.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers and any person owning more than 10 percent of a class of our common stock to file reports with the SEC regarding their ownership of our stock and any changes in ownership. We maintain a compliance program to assist our directors and executive officers in making these filings. Other than the exceptions noted below, we believe that our executive officers and directors timely complied with their filing requirements for 2014. On April 30, 2014, each of the following officers was granted stock options: Michael T. Azbell (Vice President and Controller), Mark A. Buthman, Thomas J. Falk, Lizanne C. Gottung (Senior Vice President and Chief Human Resources Officer), Michael D. Hsu, Nancy S. Loewe (then Chief Strategy Officer), Thomas J. Mielke (Senior Vice President - General Counsel), Anthony J. Palmer, Elane B. Stock and Kimberly K. Underhill (President – K-C Professional). The Form 4 reports reflecting these grants were filed on May 5, 2014. Also, on May 27, 2014, Joanne B. Bauer (former President, K-C Healthcare), sold shares of our common stock owned through the 401(k) and Profit Sharing Plan. The Form 4 report reflecting these transactions was filed on June 9, 2014.

Transactions With Related Persons

Policies and Procedures for Review, Approval or Ratification of Related Person Transactions. The Board has adopted procedures for reviewing any transactions between the company and certain "related persons" that involve amounts above certain thresholds. The SEC requires that our proxy statement disclose these "related person transactions." A related person is defined under the SEC's rules and includes our directors, executive officers and five percent stockholders.



The Board's procedures provide that:

- ▶ The Nominating and Corporate Governance Committee is best suited to review, approve and ratify related person transactions involving any director, nominee for director, any five percent stockholder, or any of their immediate family members or related firms, and
- ▶ The Audit Committee is best suited to review, approve and ratify related person transactions involving executive officers (or their immediate family members or related firms), other than any executive officer that is also a Board member.
- ▶ Either Committee may, in its sole discretion, refer its consideration of related person transactions to the full Board.

Each director, director nominee and executive officer is required to promptly provide written notification of any material interest that he or she (or an immediate family member) has or will have in a transaction with Kimberly-Clark. Based on a review of the transaction, a determination will be made as to whether the transaction constitutes a related person transaction under the SEC's rules. As appropriate, the Nominating and Corporate Governance Committee or the Audit Committee will then review the terms and substance of the transaction to determine whether to ratify or approve the related person transaction.

In determining whether the transaction is consistent with Kimberly-Clark's best interest, the Nominating and Corporate Governance Committee or the Audit Committee may consider any factors deemed relevant or appropriate, including:

- ▶ Whether the transaction is on terms comparable to those that could be obtained in arm's-length dealings with an unrelated third party;
- ▶ Whether the transaction constitutes a conflict of interest under our Code of Conduct, the nature, size or degree of any conflict, and whether mitigation of the conflict is feasible;
- ▶ The impact of the transaction on a director's independence; and
- ▶ Whether steps have been taken to ensure fairness to Kimberly-Clark.

2014 Related Person Transactions. We share aircraft hangar space, pilots and related services with Bergstrom Corporation, an entity that is majority-owned by Mr. Bergstrom. During 2014, Bergstrom Corporation paid us \$453,400 for its share of the costs associated with these services. We believe this arrangement is fair and reasonable, advantageous to Kimberly-Clark, and consistent with national benchmarking. Based on an analysis of the arrangement, we also believe its terms to be comparable to those that could be obtained in arm's-length dealings with an unrelated third party.

Stockholders Sharing the Same Household

Stockholders who have the same address and last name as of the record date and have not previously requested electronic delivery of proxy materials may receive their voting materials in one of two ways. They may receive a single proxy package containing one annual report, one proxy statement and multiple proxy cards for each stockholder. Or they may receive one envelope containing a Notice of Internet Availability of Proxy Materials for each stockholder. This "householding" procedure helps us reduce printing and postage costs associated with providing our proxy materials and is consistent with our sustainability efforts.

If you reside in the same household with another stockholder with the same last name and would like us to mail proxy-related materials to you separately in the future, or are receiving multiple copies of materials and wish to receive only one set of proxy-related materials, please contact Stockholder Services by mail at P.O. Box 619100, Dallas, Texas 75261-9100, by telephone at (972) 281-1522 or by e-mail at stockholders@kcc.com.

Beneficial stockholders can request information about householding from their banks, brokers or other such holders of record.



2016 Stockholder Proposals

Proposals by stockholders for inclusion in our proxy statement and form of proxy for the Annual Meeting of Stockholders to be held in 2016 should be addressed to the Corporate Secretary, Kimberly-Clark Corporation, P.O. Box 619100, Dallas, Texas 75261-9100, and must be received at this address no later than November 13, 2015. Upon receipt of a proposal, we will determine whether or not to include the proposal in the proxy statement and form of proxy in accordance with applicable law. It is suggested that proposals be forwarded by certified mail, return receipt requested.

Stockholder Nominations for Board of Directors

The Nominating and Corporate Governance Committee considers nominees recommended by stockholders as candidates for election to the Board of Directors. Under our Certificate of Incorporation and By-Laws, a stockholder who wishes to nominate a candidate for election to the Board is required to give written notice to our Corporate Secretary. We must receive this notice at least 75 days, but not more than 100 days, before the Annual Meeting of stockholders (unless we give less than 75 days' notice of the annual meeting date, in which case the notice must be received within 10 days after the meeting date is announced). Our Certificate of Incorporation and By-Laws specify information that the notice must contain about both the nominee and the nominating stockholder, including information sufficient to allow the Nominating and Corporate Governance Committee to determine if the candidate meets the director nominee criteria described in this proxy statement. The notice must also contain information about certain stock holdings of the nominee and the nominating stockholder, including derivative holdings, dividend rights that are separated from or separable from the underlying shares, and certain performance-related fees, as well as information that would be required to be disclosed in connection with a proxy solicitation (and whether a proxy solicitation will be conducted). It must also contain information about certain related person transactions, contact and related information regarding the nominee, understandings regarding the nomination of the nominee and the nominee's consent to be nominated. We may require that the proposed nominee furnish other information as needed to determine that person's eligibility to serve as a director. A nomination that does not comply with the requirements set forth in our Certificate of Incorporation and By-Laws will not be considered for presentation at the annual meeting, but will be considered by the Nominating and Corporate Governance Committee for any vacancies arising on the Board between annual meetings in accordance with the process described in "Proposal 1. Election of Directors - Process and Criteria for Nominating Directors."

Annual Meeting Advance Notice Requirements

Our By-Laws require advance notice for any business to be brought before a meeting of stockholders. In general, for business to be properly brought before an annual meeting by a stockholder (other than in connection with the election of directors; see "Other Information — Stockholder Nominations for Board of Directors"), written notice of the stockholder proposal must be received by the Corporate Secretary of Kimberly-Clark not less than 75 days nor more than 100 days prior to the first anniversary of the preceding year's Annual Meeting. Certain other notice periods are provided if the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary date. Under our By-Laws, the stockholder's notice to the Corporate Secretary must contain certain information regarding the stockholder and affiliates, including name and address, shares held, derivative positions, dividend rights that are separate or separable from the underlying shares and certain performance-related fees. Stockholders must also provide information regarding whether the stockholder or affiliates intend to deliver a proxy statement or form of proxy regarding the proposal, as well as information regarding the proposal and information relating to the stockholder or affiliates required to be disclosed in the proxy statement. Additional information concerning the advance notice requirements and a copy of our By-Laws may be obtained from the Corporate Secretary of Kimberly-Clark at the address provided below.



Other Matters to Be Presented at the Annual Meeting

Our management does not know of any other matters to be presented at the Annual Meeting. Should any other matter requiring a vote of the stockholders arise at the meeting, the persons named in the proxy will vote the proxies in accordance with their best judgment.

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Telephone (972) 281-1200
March 9, 2015

By Order of the Board of Directors.

A handwritten signature in black ink, appearing to read 'J. Melucci'.

Jeffrey P. Melucci
Vice President—Deputy General Counsel
Corporate Secretary

Kimberly-Clark Corporation
Invitation to Stockholders
Notice of 2015 Annual Meeting
Proxy Statement





IMPORTANT ANNUAL MEETING INFORMATION

000004

ENDORSEMENT_LINE _____ SACKPACK _____



MR A SAMPLE
 DESIGNATION (IF ANY)
 ADD 1
 ADD 2
 ADD 3
 ADD 4
 ADD 5
 ADD 6



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Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on April 30, 2015.



Vote by Internet

- Go to www.envisionreports.com/kmb
- Or scan the QR code with your smartphone
- Follow the steps outlined on the secure website

Vote by telephone

- Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone
- Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.



Annual Stockholder Meeting Proxy Card

1234 5678 9012 345

▼ IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

A Election of Directors — The Board of Directors recommends a vote **FOR** the listed nominees (terms to expire at 2016 Annual Stockholder Meeting).

1. Nominees:	For	Against	Abstain	For	Against	Abstain	For	Against	Abstain			
01 - John F. Bergstrom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	02 - Abelardo E. Bru	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	03 - Robert W. Dechard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	+
04 - Thomas J. Falk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	05 - Fabian T. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	06 - Mae C. Jemison, M.D.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
07 - James M. Jenness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	08 - Nancy J. Karch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	09 - Ian C. Read	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10 - Linda Johnson Rice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 - Marc J. Shapiro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

B Proposals — The Board of Directors recommends a vote **FOR** Proposals 2 and 3.

For Against Abstain For Against Abstain



Proxy — Kimberly-Clark Corporation

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL STOCKHOLDER MEETING TO BE HELD ON APRIL 30, 2015: The Notice of the Annual Meeting, the Proxy Statement and the 2014 Annual Report, including Form 10-K, are available at <http://www.kimberly-clark.com/investors.aspx>.

▼ IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

Proxy/Voting Instructions for the Annual Stockholder Meeting — April 30, 2015



Solicited on Behalf of the Board of Directors

Thomas J. Falk, Thomas J. Mielke and Jeffrey P. Melucci, or any of them, with full power of substitution to each, hereby are appointed proxies and are authorized to vote, as specified on the reverse side of this card, all shares of common stock that the undersigned is entitled to vote at the Annual Stockholder Meeting of Kimberly-Clark Corporation, to be held at the Kimberly-Clark World Headquarters, 351 Phelps Drive, Irving, Texas on April 30, 2015 at 9:00 a.m. Central Time and at any adjournment thereof. In their discretion, the proxies are authorized to vote on such other business as may properly come before the meeting.

IF NO DIRECTION IS GIVEN, THIS PROXY WILL BE VOTED FOR PROPOSALS 1, 2 and 3 AND AGAINST PROPOSAL 4. IF YOU PREFER TO VOTE SEPARATELY ON INDIVIDUAL PROPOSALS YOU MAY DO SO BY MARKING THE APPROPRIATE BOXES, SIGN AND DATE ON THE REVERSE SIDE.

This card also constitutes voting instructions to the trustees of the Corporation's employee benefits and stock purchase plans to vote whole shares attributable to accounts the undersigned may hold under such plans. If no voting instructions are provided, the respective plan committees, which are comprised of management personnel, will direct the trustees to vote the shares. Please date, sign and return this proxy/voting instruction card promptly. If you own shares directly and plan to attend the Annual Stockholder Meeting, please so indicate in the space provided below.

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE PLEASE RETURN THIS CARD IN THE SELF-ADDRESSED ENVELOPE PROVIDED.

E Non-Voting Items

Change of Address — Please print new address below.

Meeting Attendance
Mark box to the right if you plan to attend the Annual Meeting.



EXHIBIT III QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE FIRST QUARTERLY PERIOD OF 2015 ENDED 31 MARCH 2015, FILED WITH THE SEC ON 21 APRIL 2015

KIMBERLY CLARK CORP

FORM 10-Q (Quarterly Report)

Filed 04/21/15 for the Period Ending 03/31/15

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2015

OR

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

For the transition period from _____ to _____

Commission file number 1-225

KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

39-0394230
(I.R.S. Employer
Identification No.)

P. O. Box 619100
Dallas, Texas
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 14, 2015, there were 364,099,179 shares of the Corporation's common stock outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

**KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT**

(Unaudited)

(Millions of dollars, except per share amounts)	Three Months Ended March 31	
	2015	2014
Net Sales	\$ 4,691	\$ 4,887
Cost of products sold	3,032	3,222
Gross Profit	1,659	1,665
Marketing, research and general expenses	849	896
Other (income) and expense, net	62	58
Operating Profit	748	711
Interest income	4	3
Interest expense	(72)	(71)
Income From Continuing Operations Before Income Taxes and Equity Interests	680	643
Provision for income taxes	(230)	(196)
Income From Continuing Operations Before Equity Interests	450	447
Share of net income of equity companies	36	43
Income From Continuing Operations	486	490
Income from discontinued operations, net of income taxes	—	56
Net Income	486	546
Net income attributable to noncontrolling interests in continuing operations	(18)	(8)
Net Income Attributable to Kimberly-Clark Corporation	\$ 468	\$ 538
Per Share Basis		
Net Income Attributable to Kimberly-Clark Corporation		
Basic		
Continuing operations	\$ 1.28	\$ 1.27
Discontinued operations	—	0.15
Net income	\$ 1.28	\$ 1.42
Diluted		
Continuing operations	\$ 1.27	\$ 1.26
Discontinued operations	—	0.15
Net income	\$ 1.27	\$ 1.41
Cash Dividends Declared	\$ 0.88	\$ 0.84

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended March 31	
	2015	2014
Net Income	\$ 486	\$ 546
Other Comprehensive Income (Loss), Net of Tax		
Unrealized currency translation adjustments	(468)	(7)
Employee postretirement benefits	8	14
Other	20	(4)
Total Other Comprehensive Income (Loss), Net of Tax	(440)	3
Comprehensive Income	46	549
Comprehensive income attributable to noncontrolling interests	(15)	(3)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 31	\$ 546

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(2015 Data is Unaudited)

(Millions of dollars)	March 31, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 587	\$ 789
Accounts receivable, net	2,244	2,223
Inventories	1,893	1,892
Other current assets	659	655
Total Current Assets	5,383	5,559
Property, Plant and Equipment, Net	7,160	7,359
Investments in Equity Companies	290	257
Goodwill	1,538	1,628
Other Assets	682	723
TOTAL ASSETS	\$ 15,053	\$ 15,526
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 1,612	\$ 1,326
Trade accounts payable	2,502	2,616
Accrued expenses	1,751	1,974
Dividends payable	321	310
Total Current Liabilities	6,186	6,226
Long-Term Debt	6,119	5,630
Noncurrent Employee Benefits	1,286	1,693
Deferred Income Taxes	663	587
Other Liabilities	315	319
Redeemable Preferred Securities of Subsidiaries	72	72
Stockholders' Equity		
Kimberly-Clark Corporation	193	729
Noncontrolling Interests	219	270
Total Stockholders' Equity	412	999
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 15,053	\$ 15,526

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

(Millions of dollars)	Three Months Ended March 31	
	2015	2014
Operating Activities		
Net income	\$ 486	\$ 546
Depreciation and amortization	194	218
Stock-based compensation	15	9
Deferred income taxes	171	51
Equity companies' earnings (in excess of) less than dividends paid	(35)	(43)
(Increase) decrease in operating working capital	(446)	(210)
Postretirement benefits	(414)	(156)
Charge for Venezuelan balance sheet remeasurement	45	—
Other	4	22
Cash Provided by Operations	20	437
Investing Activities		
Capital spending	(284)	(258)
Investments in time deposits	(46)	(38)
Maturities of time deposits	73	157
Other	(24)	5
Cash Used for Investing	(281)	(134)
Financing Activities		
Cash dividends paid	(310)	(309)
Change in short-term debt	291	654
Debt proceeds	497	1
Debt repayments	(4)	(101)
Proceeds from exercise of stock options	41	37
Acquisitions of common stock for the treasury	(248)	(441)
Shares purchased from noncontrolling interest	(151)	—
Other	(12)	(21)
Cash Provided by (Used for) Financing	104	(180)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(45)	(12)
Increase (Decrease) in Cash and Cash Equivalents	(202)	111
Cash and Cash Equivalents - Beginning of Year	789	1,054
Cash and Cash Equivalents - End of Period	\$ 587	\$ 1,165

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 . Accounting Policies

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

We completed the spin-off of our health care business on October 31, 2014. As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented, and prior period Consolidated Income Statements and related disclosures have been recast accordingly. Segment results present net sales and operating profit by segment on a continuing operations basis. Other comprehensive income and cash flows of the health care business are included within our Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement, respectively, for the three months ended March 31, 2014 .

For further information, refer to the Consolidated Financial Statements and footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2014 . The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Highly Inflationary Accounting for Venezuelan Operations

We account for our operations in Venezuela using highly inflationary accounting. Since February 2013, the Central Bank of Venezuela's regulated currency exchange system rate has been 6.3 bolivars per U.S. dollar. During March 2013 , the Venezuelan government announced a complementary currency exchange system, SICAD. In February 2014, the president of Venezuela announced that another floating rate exchange system (referred to as SICAD II) would be initiated. On February 10, 2015, the Venezuelan government announced the addition of a new foreign currency exchange system referred to as the Marginal Currency System, or SIMADI, along with the elimination of the SICAD II system.

We have historically measured results in Venezuela at the rate in which we transact our business. We have qualified for access to the official exchange rate because we manufacture and sell price-controlled products. Since March 2013 , exchange transactions have taken place through letters of credit which resulted in an effective exchange rate of 6.3 bolivars per U.S. dollar and through approved transactions using the regulated currency exchange system, which were also at a 6.3 exchange rate. To date, we have not been invited to participate in SICAD, and we did not seek exchange at SICAD II or SIMADI because we qualify for the more favorable official 6.3 rate and have chosen to pursue exchange at that rate.

We continue to manufacture and sell products in Venezuela as well as import raw materials and finished goods under approved foreign exchange transactions. We continued to measure results at the 6.3 rate through December 31, 2014 , however, given the level of uncertainty and lack of liquidity in Venezuela, in part due to recent declines in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year-end floating SICAD II exchange rate of 50 bolivars per U.S. dollar as we believed this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014 .

With the elimination of SICAD II in February 2015, we remeasured our local currency-denominated balance sheet during the first quarter of 2015 at the applicable floating SIMADI exchange rate (193 bolivars per U.S. dollar at March 31, 2015) as we believe this is the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015 , with \$5 recorded in cost of products sold and \$40 recorded in other (income) and expense, net. At March 31, 2015 , our net investment in K-C Venezuela was \$107 , and the bolivar-denominated net monetary asset position (primarily cash) was not significant. Net sales of K-C Venezuela represented less than 0.5 percent and 3 percent of consolidated net sales for the three months ended March 31, 2015 and 2014 , respectively.

New Accounting Standards

In May 2014, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The standard is effective for public entities for annual and interim periods beginning after December 15, 2016. The FASB has proposed delaying this standard by one year. If the proposal is approved, early adoption would be permitted as of the original effective date. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

Note 2 . 2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The plan is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Charges in the first quarter of 2015 were recorded in the following income statement line items:

	Three Months Ended March 31, 2015
Cost of products sold	\$ 8
Marketing, research and general expenses	5
Provision for income taxes	(8)
Net charges	\$ 5

Approximately two-thirds of the pre-tax charges were recorded outside North America and one-third was recorded in North America. Through March 31, 2015, cumulative pre-tax charges for the restructuring were \$146 (\$100 after tax), including cumulative pre-tax cash charges of \$116. Cash payments during the first quarter of 2015 related to the restructuring were \$31.

Note 3 . Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During the three months ended March 31, 2015 and for the full year 2014, there were no significant transfers among level 1, 2, or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$59 and \$58 at March 31, 2015 and December 31, 2014, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value of the COLI policies is considered a level 2 measurement and is derived from investments in a mix of money market, fixed income and equity funds managed by unrelated fund managers. At March 31, 2015 and December 31, 2014, derivative assets were \$89 and \$54, respectively, and derivative liabilities were \$132 and \$116, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is

considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 7 .

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount		Estimated Fair Value		
		March 31, 2015		December 31, 2014		
Assets						
Cash and cash equivalents ^(a)	1	\$ 587	\$ 587	\$ 789	\$ 789	
Time deposits ^(b)	1	102	102	130	130	
Liabilities and redeemable securities of subsidiaries						
Short-term debt ^(c)	2	1,064	1,064	777	777	
Long-term debt ^(d)	2	6,667	7,489	6,179	6,963	
Redeemable securities of subsidiaries ^(e)	3	72	72	72	72	

(a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.

(b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Time deposits are recorded at cost, which approximates fair value.

(c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.

(d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

(e) The redeemable securities of subsidiaries are not traded in active markets. For certain instruments, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. Additionally, the fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions.

Note 4 . Employee Postretirement Benefits

The table below presents net periodic benefit cost information for defined benefit plans and other postretirement benefit plans:

	Pension Benefits		Other Benefits	
	Three Months Ended March 31			
	2015	2014	2015	2014
Service cost	\$ 10	\$ 11	\$ 4	\$ 4
Interest cost	64	68	8	9
Expected return on plan assets	(75)	(82)	—	—
Recognized net actuarial loss	29	24	—	—
Settlements	9	—	—	—
Other	(5)	5	—	—
Net periodic benefit cost	\$ 32	\$ 26	\$ 12	\$ 13

For the three months ended March 31, 2015 and 2014 , we made cash contributions of \$435 and \$180 , respectively, to our pension trusts. Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in February 2015, we entered into agreements to purchase group annuity contracts that will transfer to two insurance companies the pension benefit obligations for approximately 21,000 Kimberly-Clark retirees in the United States. Assuming all closing conditions are satisfied, we expect these transactions will be completed in the second quarter of 2015. In connection with these transactions, during the first quarter of 2015 we made a \$410 contribution to our U.S. pension plan in order to maintain the plan's funded status. As a result of these changes, we expect to recognize total pension settlement charges of \$0.8 billion after tax (\$1.3 billion pre-tax) in 2015, mostly in the second quarter. In total we expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015.

Note 5 . Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. A reconciliation of the average number of common shares outstanding used in the basic and diluted EPS computations follows:

(Millions of shares)	Three Months Ended March 31	
	2015	2014
Basic	365.2	379.0
Dilutive effect of stock options	1.0	1.3
Dilutive effect of restricted share and restricted share unit awards	1.7	1.8
Diluted	367.9	382.1

There were no significant outstanding stock-based awards excluded from the computation of diluted EPS during the three month periods ended March 31, 2015 and 2014 .

The number of common shares outstanding as of March 31, 2015 and 2014 was 364.3 million and 377.2 million , respectively.

Note 6 . Stockholders' Equity

Set forth below is a reconciliation for the three months ended March 31, 2015 of the carrying amount of total stockholders' equity from the beginning of the period to the end of the period.

	Stockholders' Equity Attributable to	
	The Corporation	Noncontrolling Interests
Balance at December 31, 2014	\$ 729	\$ 270
Net Income	468	16
Other comprehensive income, net of tax		
Unrealized translation	(465)	(3)
Employee postretirement benefits	8	—
Other	20	—
Stock-based awards exercised or vested	41	—
Recognition of stock-based compensation	15	—
Income tax benefits on stock-based compensation	13	—
Shares repurchased	(210)	—
Dividends declared	(321)	(19)
Other	(105)	(45)
Balance at March 31, 2015	\$ 193	\$ 219

During the three months ended March 31, 2015 , we repurchased 1.8 million shares at a total cost of \$200 .

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in accumulated other comprehensive income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation is recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the three months ended March 31, 2015 was primarily due to the strengthening of the U.S. dollar versus most foreign currencies, including the Brazilian real, Euro, British pound sterling and Australian dollar.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2013	\$ (525)	\$ (1,668)	\$ (15)	\$ (34)
Other comprehensive income (loss) before reclassifications	(2)	(2)	—	(4)
(Income) loss reclassified from AOCI	—	16 ^(a)	—	—
Net current period other comprehensive income (loss)	(2)	14	—	(4)
Balance as of March 31, 2014	<u>\$ (527)</u>	<u>\$ (1,654)</u>	<u>\$ (15)</u>	<u>\$ (38)</u>
Balance as of December 31, 2014	\$ (1,335)	\$ (1,924)	\$ (37)	\$ (16)
Other comprehensive income (loss) before reclassifications	(465)	(8)	2	37
(Income) loss reclassified from AOCI	—	14 ^(a)	—	(17)
Net current period other comprehensive income (loss)	(465)	6	2	20
Other	(12)	—	—	—
Balance as of March 31, 2015	<u>\$ (1,812)</u>	<u>\$ (1,918)</u>	<u>\$ (35)</u>	<u>\$ 4</u>

(a) Included in computation of net periodic pension and postretirement benefits costs (see Note 4).

During the first quarter of 2015, we acquired the remaining 49.9 percent interest in our subsidiary in Israel, Hogla-Kimberly, Ltd., for \$151. As our subsidiary in Turkey was wholly-owned by our subsidiary in Israel, through this acquisition we also effectively acquired the remaining 49.9 percent interest in our subsidiary in Turkey, Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.s. The acquisition was recorded as an equity transaction that reduced noncontrolling interests, AOCI and additional paid-in capital by \$45, \$12 and \$94, respectively.

The purchase of additional ownership in an already controlled subsidiary is treated as an equity transaction with no gain or loss recognized in consolidated net income or comprehensive income. The effect of the change in ownership interest is as follows:

	Three Months Ended March 31, 2015
Net Income attributable to Kimberly-Clark Corporation	\$ 468
Decrease in Kimberly-Clark Corporation's additional paid-in capital for acquisition	(94)
Change from net income attributable to Kimberly-Clark Corporation and transfers to noncontrolling interest	<u>\$ 374</u>

Note 7. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable- and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency

borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar, generally is not hedged. However, consistent with other years, a portion of our net investment in our Mexican affiliate has been hedged. At March 31, 2015 , we had in place net investment hedges of \$138 for a portion of our investment in our Mexican affiliate.

Set forth below is a summary of the total designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Foreign currency exchange contracts	\$ 87	\$ 54	\$ 104	\$ 102
Interest rate contracts	2	—	11	4
Commodity price contracts	—	—	17	10
Total	\$ 89	\$ 54	\$ 132	\$ 116

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At March 31, 2015 , the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$250 . Fair value hedges resulted in no significant ineffectiveness in the three months ended March 31, 2015 and 2014 . For the three month periods ended March 31, 2015 and 2014 , gains or losses recognized in interest expense for interest rate swaps were not significant. For the three month periods ended March 31, 2015 and 2014 , no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of March 31, 2015 , outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2015 and future periods. As of March 31, 2015 , the aggregate notional values of outstanding foreign exchange and interest rate derivative contracts designated as cash flow hedges were \$800 and \$200 , respectively. Cash flow hedges resulted in no significant ineffectiveness for the three months ended March 31, 2015 and 2014 . For the three months ended March 31, 2015 and 2014 , no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At March 31, 2015 , \$30 of after-tax gains are expected to be reclassified from AOCI, primarily to cost of products sold, during the next twelve months, consistent with the timing of the recognition of the underlying hedged transactions. The maximum maturity of cash flow hedges in place at March 31, 2015 is December 2017 .

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. Losses of \$155 and gains of \$13 were recorded in the three month periods ended March 31, 2015 and 2014 , respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At March 31, 2015 , the notional amount of these undesignated derivative instruments was \$2.4 billion .

Note 8 . Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer parents a trusted partner in caring for their families and deliver confidence, protection and discretion to adults through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* helps transform workplaces for employees and patrons, making them healthier, safer and more productive, through a range of solutions and supporting products such as apparel, wipers, soaps, sanitizers, tissue and towels. Key brands in this segment include Kleenex, Scott, WypAll, Kimtech and Jackson Safety.

The following schedules present information concerning consolidated operations by business segment:

	Three Months Ended March 31		Change
	2015	2014	
NET SALES			
Personal Care	\$ 2,308	\$ 2,382	-3.1 %
Consumer Tissue	1,574	1,689	-6.8 %
K-C Professional	795	800	-0.6 %
Corporate & Other	14	16	N.M.
TOTAL NET SALES	\$ 4,691	\$ 4,887	-4.0 %
OPERATING PROFIT			
Personal Care	\$ 455	\$ 457	-0.4 %
Consumer Tissue	291	257	+13.2 %
K-C Professional	134	135	-0.7 %
Corporate & Other	(70)	(80)	N.M.
Other (income) and expense, net	62	58	+6.9 %
TOTAL OPERATING PROFIT	\$ 748	\$ 711	+5.2 %

N.M. - Not Meaningful

Note 9 . Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

	March 31, 2015			December 31, 2014		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
At the lower of cost, determined on the FIFO or weighted-average cost methods, or market						
Raw materials	\$ 103	\$ 319	\$ 422	\$ 104	\$ 322	\$ 426
Work-in-process	127	90	217	120	95	215
Finished goods	531	652	1,183	511	672	1,183
Supplies and other	—	282	282	—	288	288
	<u>761</u>	<u>1,343</u>	<u>2,104</u>	<u>735</u>	<u>1,377</u>	<u>2,112</u>
Excess of FIFO or weighted-average cost over LIFO cost	(211)	—	(211)	(220)	—	(220)
Total	<u>\$ 550</u>	<u>\$ 1,343</u>	<u>\$ 1,893</u>	<u>\$ 515</u>	<u>\$ 1,377</u>	<u>\$ 1,892</u>

The following schedule presents a summary of property, plant and equipment, net:

	March 31, 2015	December 31, 2014
Land	\$ 175	\$ 177
Buildings	2,554	2,574
Machinery and equipment	13,274	13,437
Construction in progress	510	591
	<u>16,513</u>	<u>16,779</u>
Less accumulated depreciation	(9,353)	(9,420)
Total	<u>\$ 7,160</u>	<u>\$ 7,359</u>

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

Introduction

This management's discussion and analysis of financial condition and results of operations is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of First Quarter 2015 Results
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Legal Matters
- Business Outlook

Overview of First Quarter 2015 Results

- Net sales decreased 4 percent compared to the year-ago period, impacted by changes in foreign currency exchange rates that reduced net sales 9 percent. Sales volumes increased 3 percent and net selling prices were higher by 1 percent, including increases of 7 percent and 4 percent, respectively, in developing and emerging markets.
- Operating profit increased 5 percent .
- Diluted earnings per share were \$1.27 versus diluted earnings per share from continuing operations of \$1.26 in the prior year.

Results of Operations and Related Information

This section presents a discussion and analysis of our first quarter 2015 net sales, operating profit and other information relevant to an understanding of the results of operations.

We completed the spin-off of our health care business on October 31, 2014. As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented, and prior period Consolidated Income Statements and related disclosures have been recast accordingly. Segment results present net sales and operating profit by segment on a continuing operations basis.

Results By Business Segment

	Three Months Ended March 31		Change
	2015	2014	
NET SALES			
Personal Care	\$ 2,308	\$ 2,382	-3.1 %
Consumer Tissue	1,574	1,689	-6.8 %
K-C Professional	795	800	-0.6 %
Corporate & Other	14	16	N.M.
TOTAL NET SALES	\$ 4,691	\$ 4,887	-4.0 %
OPERATING PROFIT			
Personal Care	\$ 455	\$ 457	-0.4 %
Consumer Tissue	291	257	+13.2 %
K-C Professional	134	135	-0.7 %
Corporate & Other	(70)	(80)	N.M.
Other (income) and expense, net	62	58	+6.9 %
TOTAL OPERATING PROFIT	\$ 748	\$ 711	+5.2 %

N.M. - Not Meaningful

Results By Geography

	Three Months Ended March 31	
	2015	2014
NET SALES		
North America	\$ 2,360	\$ 2,339
Outside North America	2,418	2,633
Intergeographic sales	(87)	(85)
TOTAL NET SALES	\$ 4,691	\$ 4,887
OPERATING PROFIT		
North America	\$ 528	\$ 490
Outside North America	352	359
Corporate & Other	(70)	(80)
Other (income) and expense, net	62	58
TOTAL OPERATING PROFIT	\$ 748	\$ 711

Percentage Change 2015 Versus 2014

NET SALES	Total	Changes Due To			
		Volume	Net Price	Mix/Other ^(a)	Currency
Consolidated	(4.0)	3	1	1	(9)
Personal Care	(3.1)	4	2	1	(10)
Consumer Tissue	(6.8)	2	(1)	—	(8)
K-C Professional	(0.6)	3	—	3	(7)

(a) Mix/Other includes rounding.

OPERATING PROFIT	Total	Changes Due To					
		Volume	Net Price	Input Costs ^(a)	Cost Savings	Currency Translation	Other ^(b)
Consolidated	5.2	8	4	2	13	(11)	(11)
Personal Care	(0.4)	7	9	—	11	(9)	(18)
Consumer Tissue	13.2	6	(5)	2	14	(8)	4
K-C Professional	(0.7)	7	—	3	2	(12)	(1)

(a) Includes inflation/deflation in raw materials, energy and distribution costs.

(b) Other includes the impact of changes in marketing, research and general expenses and manufacturing costs not separately listed in the table. In addition, Other includes the impact of charges recorded in Corporate & Other and other (income) and expense, net.

Commentary - First Quarter of 2015 Compared to First Quarter of 2014

Consolidated

Net sales of \$4.7 billion in the first quarter of 2015 were down 4 percent compared to the year-ago period. Changes in foreign currency exchange rates reduced net sales 9 percent as a result of the weakening of most currencies relative to the U.S. dollar. Sales volumes increased 3 percent and net selling prices and product mix/other were each favorable by 1 percent.

First quarter operating profit was \$748 in 2015 and \$711 in 2014. Results in 2015 include a \$45 charge for a balance sheet remeasurement in Venezuela, \$13 of 2014 Organization Restructuring costs and \$9 of charges for pension settlements. Results in 2014 include a \$39 charge related to a regulatory dispute in the Middle East and \$10 of restructuring costs for European strategic changes.

The year-over-year operating profit comparison benefited from sales volume growth, higher net selling prices and improved product mix, \$90 in cost savings from the company's FORCE (Focused On Reducing Costs Everywhere) program and \$10 of

savings from the 2014 Organization Restructuring. Input costs decreased \$10 overall, as slightly lower costs for energy and raw materials other than fiber were mostly offset by slightly higher fiber costs. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$75 and transaction effects also negatively impacted comparisons. The currency impacts were most significant in Latin America and Eastern Europe.

Other (income) and expense, net was expense of \$62 in 2015 and \$58 in 2014. Results in 2015 include \$40 for the balance sheet remeasurement charge in Venezuela, and in 2014 include a \$39 charge related to a regulatory dispute in the Middle East. Results in both periods include foreign currency transaction losses.

The first quarter effective tax rate was 33.8 percent in 2015 and 30.5 percent in 2014. The increase was primarily due to the change in currency rates used to measure results for our operations in Venezuela.

Personal Care Segment

First quarter net sales of \$2.3 billion decreased 3 percent. Currency rates were unfavorable by 10 percent, while volumes increased 4 percent and net selling prices improved 2 percent. First quarter operating profit of \$455 was essentially even with the year-ago period. The comparison benefited from sales volume growth, higher net selling prices and cost savings, offset by unfavorable effects from changes in currency rates and higher marketing, research and general expenses.

Net sales in North America decreased 2 percent. Net selling prices and currency were each unfavorable by 1 percent, while volumes were even with the prior year. Adult care volumes increased high-single digits, with growth on both the Poise and Depend brands. Huggies baby wipes volumes rose high-single digits, including benefits from innovation and market share gains. Child care volumes were off mid-single digits due to lower Pull-Ups training pants volumes. Huggies diaper volumes fell mid-single digits and were impacted by lower market shares and competitive promotion activity.

Net sales in developing and emerging markets decreased 4 percent, including a 20 point negative impact from changes in currency rates. Volumes increased 10 percent and net selling prices improved 6 percent, driven by increases in Latin America and Eastern Europe in response to weaker currency rates. The volume growth included gains in Brazil, China, Colombia, Eastern Europe and South Africa.

Net sales in developed markets outside North America (Australia, South Korea and Western/Central Europe) decreased 5 percent. Currency rates were unfavorable by 8 percent. Volumes improved 3 percent and product mix was up 2 percent, while net selling prices were off 2 percent. The volume growth was primarily due to increases in South Korea.

Consumer Tissue Segment

First quarter net sales of \$1.6 billion decreased 7 percent. Currency rates were unfavorable by 8 percent and net selling prices were down 1 percent, while volumes were up 2 percent. First quarter operating profit of \$291 increased 13 percent. The comparison benefited from cost savings, lower manufacturing-related costs and reduced marketing, research and general expenses, partially offset by unfavorable currencies.

Net sales in North America increased 2 percent. Volumes increased 5 percent, while net selling prices were off 2 percent and product mix was unfavorable by 1 percent. Volumes were up mid-single digits in bathroom tissue, including benefits from increased promotion shipments on Cottonelle, and up high-single digits in paper towels.

Net sales in developing and emerging markets decreased 19 percent, including a 21 point negative impact from currency rates. Volumes, net selling prices and product mix were each up approximately 1 percent.

Net sales in developed markets outside North America decreased 12 percent, including a 9 point negative impact from currency rates. Volumes decreased 3 percent, while product mix improved 1 percent. The volume decline was mostly due to results in Western/Central Europe.

K-C Professional ("KCP") Segment

First quarter net sales of \$0.8 billion decreased 1 percent. Changes in currency rates reduced sales 7 percent. Volumes rose 3 percent and product mix/other was favorable by 3 percent, mostly due to sales of nonwovens to Halyard Health, Inc. in conjunction with a near-term supply agreement. First quarter operating profit of \$134 decreased 1 percent. The comparison was negatively impacted by unfavorable currency effects, mostly offset by benefits from sales volume growth, improved product mix and cost savings.

Net sales in North America increased 3 percent. Volumes increased 4 percent, while currency was unfavorable by 1 percent. Volumes were up high-single digits in wipers, mid-single digits in safety products and low-single digits in washroom products compared to soft performance in the year-ago period.

Net sales in developing and emerging markets decreased 9 percent, including a 17 point drag from currency rates. Volumes rose 6 percent and the combined impact of higher net selling prices and improved product mix benefited net sales by 2 percent. The volume growth was driven by increases in Latin America and Asia.

Net sales in developed markets outside North America were down 12 percent, primarily due to negative impacts from currency rates.

2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve underlying profitability and increase flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Cumulative pre-tax savings from the restructuring are expected to be \$120 to \$140 by the end of 2017, and were \$15 through March 31, 2015 . The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Charges of \$5 after tax (\$13 pre-tax) were recognized in the first quarter of 2015 for the restructuring. Approximately two-thirds of the pre-tax charges were recorded outside North America and one-third was recorded in North America.

Defined Benefit Pension Plan Changes

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in February 2015, we entered into agreements to purchase group annuity contracts that will transfer to two insurance companies the pension benefit obligations for approximately 21,000 Kimberly-Clark retirees in the United States. Assuming all closing conditions are satisfied, we expect these transactions will be completed in the second quarter of 2015. In connection with these transactions, during the first quarter of 2015 we made a \$410 contribution to our U.S. pension plan in order to maintain the plan's funded status. As a result of these changes, we expect to recognize total pension settlement charges of \$0.8 billion after tax (\$1.3 billion pre-tax) in 2015, mostly in the second quarter. In total we expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$20 for the first three months of 2015 , compared to \$437 in the prior year. The decrease was driven by higher pension contributions, increased operating working capital and the impact of the spin-off of the health care business in 2014. First quarter pension contributions were \$435 million in 2015 and \$180 million in 2014.

Investing

During the first three months of 2015 , our capital spending was \$284 compared to \$258 in the prior year. We anticipate that full year 2015 capital spending will be \$950 to \$1,050.

Financing

On February 27, 2015, we issued \$250 aggregate principal amount of 1.85% notes due March 1, 2020 and \$250 aggregate principal amount of 2.65% notes due March 1, 2025. Proceeds from the offering were used for general corporate purposes, including pension contribution payments.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$1,064 as of March 31, 2015 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the first quarter of 2015 was \$1,030 . These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as pension contributions, dividends and income taxes.

At March 31, 2015 , total debt was \$7.7 billion compared to \$7.0 billion at December 31, 2014 .

We maintain a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first three months of 2015 , we repurchased 1.8 million shares of our common stock at a cost of \$200 through a broker in the open market. In addition, we acquired the remaining interest in our subsidiary in Israel for approximately \$150. As a result, we are now targeting full-year 2015 share repurchases of \$700 to \$900, compared to the previous target of \$800 to \$1,000, subject to market conditions.

We account for our operations in Venezuela using highly inflationary accounting. We have historically measured results in Venezuela at the rate in which we transact our business, which was 6.3 bolivars per U.S. dollar until December 31, 2014. Given the level of uncertainty and lack of liquidity in Venezuela, in part due to recent declines in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year-end floating SICAD II exchange rate of 50 bolivars per U.S. dollar, as we believed this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014 .

On February 10, 2015, the Venezuelan government announced the addition of a new foreign currency exchange system referred to as the Marginal Currency System, or SIMADI, along with the elimination of the SICAD II system. With the elimination of SICAD II in February 2015, we remeasured our local currency-denominated balance sheet during the first quarter of 2015 at the applicable floating SIMADI exchange rate (193 bolivars per U.S. dollar at March 31, 2015) as we believe this is the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015 . At March 31, 2015 , our net investment in K-C Venezuela was \$107 , and the bolivar-denominated net monetary asset position (primarily cash) was not material. Net sales of K-C Venezuela represented less than 0.5 percent and 3 percent of consolidated net sales for the three months ended March 31, 2015 and 2014 , respectively.

Legal Matters

We believe that the ultimate disposition of litigation or compliance obligations with environmental protections laws and regulations, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations or liquidity.

Business Outlook

In 2015 , we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation.

- Growth in volume, net selling prices and product mix is expected to be in the combined 3 to 5 percent target range, with a focus on Personal Care and KCP in developing and emerging markets.
- We expect net sales to be negatively impacted by unfavorable foreign currency exchange rates of 9 to 10 percent, including an approximate 3 percent impact from exchange rate changes in Venezuela. We also expect unfavorable foreign currency translation effects to negatively impact operating profit growth by 10 to 11 percent, including an approximate 4 percent decrease from exchange rate changes in Venezuela. Currency transaction effects are also anticipated to negatively impact operating profit.
- We anticipate commodity cost deflation of \$50 to \$150.
- We plan to achieve cost savings of at least \$300 from our FORCE program, and \$60 to \$80 from the 2014 Organization Restructuring.
- We anticipate that advertising spending will increase somewhat as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- Our share of net income from equity companies is expected to be down somewhat due to lower earnings at Kimberly-Clark de Mexico, S.A.B. de C.V., driven by a weaker Mexican peso.
- We anticipate capital spending to be in a \$950 to \$1,050 range and share repurchases to total \$700 to \$900, subject to market conditions.

- We expect to recognize total pension settlement charges of \$0.8 billion after tax (\$1.3 billion before-tax) in 2015, mostly in the second quarter. In total we expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015.
- We increased our quarterly dividend 4.8 percent effective April 2015.
- Charges related to the 2014 Organization Restructuring are expected to be \$30 to \$50 after tax.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 Organization Restructuring, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions and annuity purchases, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our results will be as estimated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, as well as general economic and political conditions globally and in the markets in which we do business, could affect the realization of these estimates.

For a description of certain factors that could cause our future results to differ from those expressed in these forward-looking statements, see Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014 entitled "Risk Factors." Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

Item 4. Controls and Procedures

As of March 31, 2015 , an evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of March 31, 2015 . There were no changes in our internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. All our share repurchases during the first quarter of 2015 were made through a broker in the open market.

The following table contains information for shares repurchased during the first quarter of 2015. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2015)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs ^(b)
January 1 to January 31	198,000	\$109.87	46,868,111	43,131,889
February 1 to February 28	751,000	110.00	47,619,111	42,380,889
March 1 to March 31	891,400	107.21	48,510,511	41,489,489
Total	<u>1,840,400</u>			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on January 21, 2011. This program allows for the repurchase of 50 million shares in an amount not to exceed \$5 billion (the "2011 Program").

(b) Includes shares available under the 2011 Program, as well as shares available under a share repurchase program authorized by our Board of Directors on November 13, 2014 that allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

Item 6. Exhibits

(a) Exhibits

Exhibit No. (2)b. Definitive Purchase Agreement by and among the Corporation, The Prudential Insurance Company of America, Prudential Financial, Inc., and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*

Exhibit No. (2)c. Definitive Purchase Agreement by and among the Corporation, Massachusetts Mutual Life Insurance Company, and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*

Exhibit No. (3)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3) a of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (3)b. By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

Exhibit No. (10)e. Letter of Agreement between the Corporation and Sandra MacQuillan, filed herewith.

Exhibit No. (10)k. Letter of Agreement between the Corporation and Maria Henry, filed herewith.

Exhibit No. (31)a. Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.

Exhibit No. (31)b. Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.

Exhibit No. (32)a. Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (32)b. Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (101).INS XBRL Instance Document

Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document

Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

* Confidential treatment has been requested for portions of this agreement. Schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished supplementally to the Securities and Exchange Commission on request.

SIGNATURES

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

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Mark A. Buthman
Mark A. Buthman
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Michael T. Azbell
Michael T. Azbell
Vice President and Controller
(principal accounting officer)

April 21, 2015

EXHIBIT INDEX

Exhibit No.	Description
(2)b.	Definitive Purchase Agreement by and among the Corporation, The Prudential Insurance Company of America, Prudential Financial, Inc., and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Pension Plan, Dated as of February 23, 2015, filed herewith.*
(2)c.	Definitive Purchase Agreement by and among the Corporation, Massachusetts Mutual Life Insurance Company, and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*
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(10)k.	Letter of Agreement between the Corporation and Maria Henry, filed herewith.
(31)a.	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.
(31)b.	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
(32)a.	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(32)b.	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(101).INS	XBRL Instance Document
(101).SCH	XBRL Taxonomy Extension Schema Document
(101).CAL	XBRL Taxonomy Extension Calculation Linkbase Document
(101).DEF	XBRL Taxonomy Extension Definition Linkbase Document
(101).LAB	XBRL Taxonomy Extension Label Linkbase Document
(101).PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Confidential treatment has been requested for portions of this agreement. Schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished supplementally to the Securities and Exchange Commission on request.

DEFINITIVE PURCHASE AGREEMENT
BY AND AMONG
KIMBERLY-CLARK CORPORATION,
STATE STREET BANK AND TRUST COMPANY,
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,
AND
PRUDENTIAL FINANCIAL, INC.

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION
CONFIDENTIAL TREATMENT REQUESTED BY KIMBERLY-CLARK CORPORATION

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CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

DEFINITIVE PURCHASE AGREEMENT

This Definitive Purchase Agreement (this “Agreement”) is entered into as of February 23, 2015 (the “Signing Date”) by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the “Insurer”), Prudential Financial, Inc., a New Jersey corporation (“Insurer Parent”), Kimberly-Clark Corporation, a Delaware corporation (the “Company”), acting solely in a non-fiduciary capacity as the sponsor of the Kimberly-Clark Corporation Pension Plan (the “Plan”), and State Street Bank and Trust Company, a Massachusetts trust company, for the purposes of this Agreement, acting through State Street Global Advisors, a division of State Street Bank and Trust Company, acting solely in its capacity as the independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in this Agreement (the “Independent Fiduciary”). The Insurer, Insurer Parent, the Company and the Independent Fiduciary are referred to collectively herein as the “Parties.”

RECITALS

- A. The Company, as sponsor of the Plan, has amended the Plan to require that Liabilities under the Plan for certain participants currently receiving benefits be transferred to a licensed insurance company, and that such insurance company fully and irrevocably guarantee benefits in accordance with a group annuity contract.
- B. In furtherance of the foregoing, the Insurer wishes to issue to the Company the Group Annuity Contract on the terms and subject to the conditions set forth herein and therein.
- C. Insurer Parent expects to derive substantial benefit from the consummation of the transactions contemplated by this Agreement and the Insurer’s issuance of the Group Annuity Contract.
- D. The Company and the Independent Fiduciary are desirous of proceeding with the Plan’s purchase and the Company’s receipt of the Group Annuity Contract from the Insurer.
- E. The Independent Fiduciary has determined that the Plan’s purchase of the Group Annuity Contract as provided for herein satisfies the ERISA Requirements.
- F. The Parties wish to enter into this Agreement to provide for the purchase and the issuance of the Group Annuity Contract by the Insurer to the Company and certain related transactions and agreements, including the Insurer and the Other Insurer entering into the Administrative Services Agreement.
- G. The Company is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in a non-fiduciary capacity as plan sponsor of the Plan.

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

H. The Independent Fiduciary is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in its capacity as a named fiduciary for matters involving certain assets of the Plan.

NOW , THEREFORE , in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

I. DEFINITIONS AND INTERPRETATION

1.01 Definitions . For purposes of this Agreement:

“ 3-Month LIBOR ” means [* * *].

[* * *]

“ Action ” means any claim, action, suit, arbitration, complaint, charge, investigation, inquiry or proceeding by or before any Governmental Authority.

“ Administrative Services Agreement ” means the Annuity Administrative Services Agreement between the Insurer and the Other Insurer in substantially the form of Schedule 1.01(b) .

“ Affiliate ” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“ Agreement ” is defined in the preamble.

“ Alternative Arrangement ” is defined in Section 6.04(c) .

“ Alternative Transaction Proposal ” means any proposal or offer (a) relating to the entry into an insurance, reinsurance or other transaction similar to the purchase and issuance of a group annuity contract contemplated hereby and (b) that would be reasonably likely to replace, frustrate or cause not to occur the Transactions in respect of the Covered Lives or Contingent Lives, including any transaction in which the responsibility to make all or any substantial portion of the payments in respect of pension obligations owed to the Covered Lives or Contingent Lives would be transferred, assigned or novated from the Plan Trust to a non-affiliated Person or in which a non-affiliated Person would assume an obligation to indemnify or reimburse the Plan Trust, the Company or any of their respective Affiliates for any such payment; provided that an “Alternative Transaction Proposal” shall not include (i) any insurance, reinsurance or other transaction that does not relate to the Covered Lives or Contingent Lives or (ii) the Other Group Annuity Contract and any definitive purchase agreement or

similar agreement executed by the Other Insurer, the Company and the Independent Fiduciary with respect to the Other Group Annuity Contract.

“ Ancillary Agreements ” means the Group Annuity Contract, the Plan Trustee Agreement and all other written agreements, documents or certificates to be delivered by a Party at the Closing.

“ Annuity Benefits Correspondence Center ” is defined in Section 7.03(a).

“ Annuity Certificate ” means an annuity certificate substantially in the applicable form set forth in Schedule 1.01(c), with such modifications as may be made by the Insurer as required by, or permitted under, applicable Law.

“ Annuity Committee ” means the Annuity Committee of the Plan.

“ Annuity Exhibits ” means the annuity exhibits and related information, in substantially the same form attached to Schedule 1.01(g).

“ Annuity Commencement Date ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“ Annuity Payment ” means the monthly payments, if any, payable to Covered Lives and, if applicable, Contingent Lives and Beneficiaries pursuant to the Group Annuity Contract.

“ Applicable Rate ” means [* * *].

“ Arbitration Dispute ” is defined in Section 2.10(b).

“ ASC 715 ” means Accounting Standards Codification Section 715: Compensation-Retirement Benefits.

[* * *]

“ Asset Portfolio ” means the [* * *] in the [* * *] of the Workbook, as adjusted from time to time pursuant to Section 2.05.

[* * *] is defined in Section 2.17.

[* * *] is defined in Section III(B)(ii) of the Procedures Manual.

“ Base Annuity Premium ” is defined in Section II(A) of the Procedures Manual.

“ Base File ” means the data as of December 1, 2014 included in the excel file titled [* * *], as was provided by the Company to the Insurer in the Data Room on [* * *].

“ Beneficiary ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Bill of Sale ” means the bill of sale in the form attached as Schedule 1.01(d).

“ Business Day ” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York or Boston, Massachusetts are authorized or required by Law to close or are unable to open.

“ Cash ” means currency of the United States of America or wire transfers thereof that is legal tender for payment of all public and private debts.

“ Cash Flows ” is defined in Section III(B)(i) of the Procedures Manual.

“ Cash Payment Amount ” is defined in Section 2.06(e)(i).

“ Closing ” is defined in Section 2.02.

“ Closing Amount ” means [* * *].

“ Closing Annuity Exhibits ” is defined in Section 2.06(a)(iii).

“ Closing Data Cut-Off Date ” means the day that is 26 Business Days prior to the Target Closing Date.

“ Closing Data File ” is defined in Section 2.06(a)(i).

“ Closing Date ” is defined in Section 2.02.

“ Closing Date Asset Valuation ” is defined in Section 2.06(b).

“ Closing Date Cash Amount ” means the amount equal to [* * *].

“ Closing Date [* * *] Amount ” means [* * *].

“ Code ” means the Internal Revenue Code of 1986 and the applicable Treasury Regulations issued thereunder.

“ Commercially Reasonable Efforts ” means, with respect to the efforts to be expended by a Party with respect to any objective under this Agreement, reasonable, diligent, good faith efforts to accomplish such objective as a similarly situated Person would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgment. Notwithstanding the foregoing, “Commercially Reasonable Efforts” will not require a Person to make payments to unaffiliated third parties (other than in respect of the fees and expenses of such Person’s counsel and other advisors), to incur non-de minimis

Liabilities to unaffiliated third parties or to grant any non-de minimis concessions or accommodations.

“Company” is defined in the preamble.

“Company Disclosure Letter” means the disclosure letter as delivered by the Company to the other Parties immediately prior to the execution of this Agreement.

“Company Indemnified Claim” is defined in Section 9.02.

“Company Indemnified Party” is defined in Section 9.02.

“Company Provided Component” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Insurer (for the avoidance of doubt, the [* * *] Amount and the [* * *] Amount are not Company Provided Components).

“Company’s Knowledge” means the actual knowledge of any officer of the Company responsible for the day to day administration or oversight of the Plan or directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter.

“Compelled Disclosing Party” is defined in Section 11.13(d).

“Confidential Information” means all business and technical information or processes, stored in any medium, to the extent the same is reasonably construed or generally accepted as containing a trade secret, proprietary or confidential information of or belonging to any Party, its Representatives, its Affiliates or its Affiliates’ Representatives, including know-how and trade secrets, customer or client requirements and lists, [* * *], technology, software and data processing procedures, insurance, actuarial, accounting and financial data, management systems, records and any other information that is designated as confidential, and the portions of any reports or other documents prepared by any professional engaged in connection with this Agreement and any report or other document prepared by a receiving Party that contains or incorporates a trade secret, proprietary or confidential information of a disclosing Party. Confidential Information includes information communicated orally, in writing or in any other recorded or tangible form, includes information supplied by the disclosing Party and includes information delivered prior to the Signing Date pursuant to the Confidentiality Agreements. Information received by the receiving Party containing trade secrets or proprietary or confidential information constitutes Confidential Information.

“ Confidentiality Agreements ” means, collectively, the (a) Non-Disclosure Agreement, dated June 18, 2014, between the Company and Insurer, (b) the Non-Disclosure Agreement, dated November 21, 2014, between the Company and Independent Fiduciary and (c) the Non-Disclosure Agreement, dated December 22, 2014, between the Insurer and Independent Fiduciary.

“ Consent ” means any consent, approval (or deemed approval after the expiry of all appropriate waiting periods), authorization, notice, filing, permission or waiver.

“ Contingent Life ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Contract ” means any legally enforceable agreement, contract, commitment, instrument, undertaking, lease, note, mortgage, indenture, license or arrangement, whether written or oral.

“ Contract-Holder ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“ Contribution Amount ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“ Corridor ” means [* * *].

“ Corridor Breach ” means that the cumulative sum of the absolute values of each premium change with respect to [* * *], as calculated from time to time, exceeds the Corridor.

[* * *]

“ Covered Life ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Credit Rating Agencies ” means each of Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service, Inc. and Fitch Ratings Ltd., and their respective successors and assigns.

[* * *] is defined in Section II(C)(ii)(1) of the Procedures Manual.

“ Data Room ” means that certain IntraLinks, Inc. virtual data room entitled “Project Camden”.

[* * *] is defined in Section II(C)(ii)(3) of the Procedures Manual.

“ Dispute ” means any claim, counterclaim, demand, cause of action, controversy or dispute.

“ Dry-Run Asset Valuation ” is defined in Section 2.07(b) .

“ Dry-Run Calculation Delivery Date ” means [* * *] .

“ Dry-Run Cash Payment Amount ” is defined in Section 2.07(c)(i) .

“ Dry-Run Data Cut-Off Date ” means [* * *] .

“ Dry-Run Data File ” is defined in Section 2.07(a) .

“ Dry-Run Date Cash Amount ” means the amount equal to [* * *] .

“ Dry-Run Date [* * *] Amount ” means [* * *] .

“ Dry-Run [* * *] Amount ” means [* * *] .

“ Dry-Run [* * *] Amount ” means [* * *] .

“ Effective Date ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Enforceability Exceptions ” is defined in Section 3.02 .

“ ERISA ” means the Employee Retirement Income Security Act of 1974, as amended, and any federal agency regulations promulgated thereunder.

“ ERISA Requirements ” means all of the requirements of ERISA and applicable guidance promulgated thereunder, including Interpretive Bulletin 95-1.

[* * *]

[* * *] is defined in Section 2.13 .

[* * *] means all the [* * *] listed in Schedule 1.01(e) attached hereto.

[* * *] means all the [* * *] listed in Schedule 1.01(f) attached hereto.

“ [* * *] Amount ” is defined in Section II(C)(ii)(3) of the Procedures Manual.

“ [* * *] Amount ” is defined in Section II(C)(ii)(2) of the Procedures Manual.

“ Final Annuity Exhibits ” is defined in Section 2.09(b)(iii) .

“ Final Data Cut-Off Date ” means the day that is 93 Business Days after the Closing Date.

“ Final Data File ” is defined in Section 2.09(a) .

“ Final [* * *] Amount ” is defined in Section 2.09(a) .

“ Final [* * *] Amount ” is defined in Section 2.09(d)(i) .

“ Fundamental Reps ” means the representations and warranties contained in Sections 3.01 (Due Organization, Good Standing and Corporate Power), 3.02 (Authorization of Agreement; Enforceability), 3.05 (Plan Investments), 3.06 (No Brokers’ Fee), 3.07 (Accuracy of Information), 4.01 (Due Organization, Good Standing and Corporate Power), 4.02 (Authorization of Agreement; Enforceability), 4.03 (Consents and Approvals; No Violations), 4.04 (ERISA Related Determinations), 4.05 (No Brokers’ Fee), 5.01 (Due Organization, Good Standing and Corporate Power), 5.02 (Authorization of Agreement; Enforceability), 5.04 (Enforceability of Group Annuity Contract), 5.07 (No Brokers’ Fee), 5.08 (Accuracy of Data Provided), 5.09 (No Post-Closing Liability), 5.11 (Relationship to the Plan) and 5.12 (Compliance with ERISA).

“ GAAP ” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

“ General Account ” means the general account of the Insurer.

“ Governmental Approval ” means any Consent of a Governmental Authority.

“ Governmental Authority ” means any federal, state, municipal, foreign or local government or quasi-governmental authority or any regulatory or administrative body, department, agency, insurance commission or commissioner, subdivision, court or other tribunal, arbitrator or arbitral body of any of the foregoing.

“ Group Annuity Contract ” means a single premium, non-participating group annuity contract, and all exhibits thereto, substantially in the form set forth in Schedule 1.01(g) .

“ Group Annuity Contract Issuance ” is defined in Section 2.01 .

“ Identified USB Flash Drive ” means the USB Flash Drive containing, collectively, (a) the Workbook, (b) the Base File, (c) the Priced Lives file referenced on Schedule 1.01(i) , and (d) the Procedures Manual. Such USB Flash Drive will be delivered from the Insurer to the Company on the Signing Date, or as promptly as practical thereafter.

“ IF Engagement Letter ” means the Engagement Letter, dated January 12, 2015, by and between the Annuity Committee and Independent Fiduciary.

“ Indemnified Person ” is defined in Section 11.15(b) .

“ Independent Fiduciary ” is defined in the preamble.

“ Independent Fiduciary MAC ” means (a) the occurrence of a material adverse change, as determined in the sole discretion of the Independent Fiduciary, in or affecting directly the Insurer or the Other Insurer subsequent to the Signing Date that would cause the selection of the Insurer or the Other Insurer and the purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements or (b) the occurrence of a change in ERISA Requirements after the Signing Date that would cause the selection of the Insurer or the Other Insurer and the Plan’s purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements.

“ Insurer ” is defined in the preamble.

“ Insurer’s Knowledge ” means the actual knowledge of any officer of the Insurer or Insurer Parent who will be responsible for the day to day administration of the Group Annuity Contract or was directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter, and if none of such officers or people reporting directly to them have substantial responsibility for the relevant subject matter, then after making appropriate inquiry an officer of the Insurer or Insurer Parent who has substantial responsibility for such subject matter.

“ Insurer Parent ” is defined in the preamble.

“ Insurer Payment Commencement Date ” means the Annuity Commencement Date.

“ Insurer Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Company (for the avoidance of doubt, the [* * *] Amount and the [* * *] Amount are not Insurer Provided Components).

“ Interim Post-Closing Annuity Exhibits ” is defined in Section 2.08(b)(iii) .

“ Interim Post-Closing Data Cut-Off Date ” means the day that is 34 Business Days after the Closing Date.

“ Interim Post-Closing Data File ” is defined in Section 2.08(a) .

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(a) .

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(d)(i) .

“ Interpretive Bulletin 95-1 ” means the U.S. Department of Labor’s interpretive bulletin codified at 29 C.F.R. 2509.95-1.

“ Kimberly-Clark Benefits Center ” is defined in Section 7.03(b) .

“ Law ” means any federal, state, foreign or local law, statute, ordinance, regulation, rule or Order of any Governmental Authority.

“ Liability ” means any direct or indirect liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, penalty, fine, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, fixed, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, whenever and however arising (including whether or not required to be reflected or reserved under GAAP against on the financial statements of the obligor or responsible Person).

[* * *] is defined in Section II(C)(ii)(9) of the Procedures Manual.

“ [* * *] Amount ” means [* * *].

“ [* * *] Amount ” means [* * *].

“ Liens ” means any lien, mortgage, security interest, pledge, deposit, encumbrance, restrictive covenant or other similar restriction.

“ Materials ” is defined in Section 11.15(a) .

“ Material Litigation ” means any Action that is initiated against the Company, the Plan, the Insurer, Insurer Parent or any fiduciary of the Plan (including the Independent Fiduciary) by a Governmental Authority that seeks to enjoin the consummation of the Transactions or that otherwise asserts that the Transactions violate applicable Law.

[* * *] is defined in Section II(C)(ii)(2) of the Procedures Manual.

[* * *] is defined in Section III(B)(iv) of the Procedures Manual.

“ Non-Exempt Prohibited Transaction ” means a transaction prohibited by ERISA Section 406 or Section 4975 of the Code, for which no statutory exemption, or Department of Labor class exemption is available.

“ Notice of Extension ” is defined in Section 10.03(a) .

“ Order ” means any order, award, decision, injunction preliminary or otherwise, judgment, ruling, decree, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Authority or arbitrator.

[* * *]

[* * *]

[* * *]

“ Outside Date ” is defined in Section 10.01(b) .

“ Parties ” is defined in the preamble.

“ Payment at Close ” means (a) the assignment, transfer and delivery by the Plan Trustee to the Insurer of the Transferred Assets, determined in accordance with the procedures set forth in Schedule 2.01 , and (b) the payment by the Plan Trustee to the Insurer of an amount in Cash equal to the Cash Payment Amount.

“ Permitted Liens ” means:

(a) any Liens created by operation of Law in respect of restrictions on transfer of securities (other than restrictions relating to the transfer of the Transferred Assets at Closing, unless such transfer complies with such applicable Law); or

(b) any transfer restrictions or other limitations on assignment, transfer or the alienability of rights under any indenture, debenture or other similar governing agreement to which such assets are subject (other than restrictions relating to the transfer of an asset at Closing, unless such transfer does not violate any such restriction).

“ Person ” means any individual, corporation, limited liability company, partnership, sole proprietorship, joint venture, trust, estate, association, organization, labor union, Governmental Authority or other entity.

“ Plan ” is defined in the preamble.

“ Plan Asset ” means an asset of the Plan within the meaning of ERISA.

“ Plan Beneficiary ” means a person designated by a current or former Plan Participant, by a QDRO or by the terms of the Plan, to become entitled to receive a pension benefit from the Plan.

“ Plan Governing Documents ” means the Plan and any documents and instruments governing the Plan as contemplated under Section 404(a)(1)(D) of ERISA.

“ Plan Participant ” means a person who is eligible to receive, and is receiving, a pension benefit from the Plan.

“ Plan Trust ” means the Kimberly-Clark Retirement Trust.

“ Plan Trustee ” means Bank of New York Mellon, in its capacity as the directed trustee of the Plan Trust.

“ Plan Trustee Agreement ” is defined in Section 7.04(b) .

“ Plan Trustee Direction Letter (Closing) ” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h)(1) .

“ Plan Trustee Direction Letter (Pre-Closing) ” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h)(2) .

“ Priced Lives ” means all Plan Participants and Plan Beneficiaries who are referenced by Schedule 1.01(i) .

[* * *]

“ Procedures Manual ” means that certain Procedures Manual, as contained on the Identified USB Flash Drive delivered by the Insurer to the Company on the Signing Date or as promptly as practical thereafter, as the same may be updated in accordance with the terms hereof.

“ Projected RBC Ratio ” means, as of a day of determination, the projection of the RBC Ratio as of December 31, 2015, as calculated under the method set forth on Schedule 6.07 .

“ PTCE ” means a prohibited transaction class exemption issued by the U.S. Department of Labor pursuant to section 408(a) of ERISA.

“ QDRO ” means a domestic relations order that satisfies the qualification requirements set forth in ERISA § 206(d)(3) and Code § 401(a)(13)(B).

“ RBC Ratio ” means the risk-based capital ratio of the Insurer, which will be calculated in a manner consistent with the requirements and methodologies prescribed under New Jersey Law, as applied by the Insurer in the ordinary course of its business, consistent with its historic practice.

“ Re-Pricing Offer ” is defined in Section 10.03(b) .

“ [* * *] Asset ” is defined in Section III(B)(iii) of the Procedures Manual.

[* * *] is defined in Section II(C)(ii)(3) of the Procedures Manual.

“ Representatives ” means, in respect of any Person that is an entity, such Person’s officers, directors, employees, advisors and agents.

“ SEC ” means the Securities and Exchange Commission.

“ Signing Date ” is defined in the preamble.

“ Signing Date Amount ” means the amount equal to [* * *].

“ [* * *] Asset Portfolio ” means [* * *].

“ [* * *] Asset Portfolio Value Amount ” means [* * *].

“ Signing Date Cash Amount ” is defined in Section VI(A) of the Procedures Manual.

“ [* * *] Cash Amount ” means [* * *].

“ Target Closing Date ” means (a) [* * *] or (b) such other date on or prior to the Outside Date that the Insurer, the Company and the Independent Fiduciary may mutually agree.

“ Tax Qualified ” means qualified by the Code for preferential tax treatment under Code sections 401 (a) and 501(a).

“ Transactions ” means the transactions contemplated by this Agreement, including any payments pursuant to Section 2.08 or Section 2.09.

“ Transaction Announcement ” is defined in Section 6.02(a).

“ Transaction MAC ” means the occurrence of any fact, circumstance, change, development, condition or event subsequent to the execution of this Agreement that results in [* * *].

“ Transferred Assets ” means the assets included on the Transferred Assets Schedule.

“ Transferred Assets Schedule ” means [* * *].

[* * *] is defined in Section V of the Procedures Manual.

“ Uncovered Claim ” is defined in Section 9.03(c).

“ Workbook ” means the excel file titled [* * *] that was delivered on behalf of the Insurer to the Company in an email [* * *].

1.02 Interpretation

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they will be deemed to be followed by the words “without limitation.” The use of “or” is not intended to be exclusive unless expressly indicated otherwise.

(b) Words denoting any gender will include all genders. The meanings given to terms defined herein will be equally applicable to both singular and plural forms

of such terms. Where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning.

(c) The Schedules, the Company Disclosure Letter, the Procedures Manual and the Identified USB Flash Drive are incorporated by reference and made a part of this Agreement as if set forth fully in this Agreement.

(d) A reference to any party to this Agreement or any other agreement or document will include such party's successors and permitted assigns.

(e) A reference to any Law or to any provision of any Law will include any amendment thereto, any modification or re-enactment thereof, any Law substituted therefore and all regulations issued thereunder or pursuant thereto.

(f) All references to "\$" and dollars will refer to United States currency. All references to the word "days" will refer to calendar days unless otherwise specified in a particular case.

(g) All references to any financial or accounting terms will be defined in accordance with GAAP to the extent GAAP is applicable; provided, however, that with respect to any financial or accounting terms related to Insurer's accounting, the accounting terms will be in accordance with relevant state insurance statutory accounting principles (including applicable permitted practices).

(h) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

(i) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references relate to this Agreement unless otherwise specified.

(j) Without limiting the generality of Section 11.15, the Parties each hereby acknowledge that (a) other than the Procedures Manual (which was drafted by the Insurer), the Parties jointly and equally participated in the drafting of this Agreement and all other agreements contemplated hereby, (b) the Parties have each been adequately represented and advised by legal counsel with respect to this Agreement and the Transactions, and (c) no presumption will be made that any provision of this Agreement (other than the Procedures Manual) will be construed against any Party by reason of such role in the drafting of this Agreement and any other agreement contemplated hereby.

(k) The Table of Contents and the headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

(l) All capitalized terms not defined in the Company Disclosure Letter or any Schedule will have the meanings ascribed to them in this Agreement. The representations and warranties of the Company in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Company Disclosure Letter. The disclosure of any matter in any section of the Company Disclosure Letter will be a disclosure for all purposes of this Agreement and all other sections of the Company Disclosure Letter to which such matter relates to the extent that the applicability of such matter to such other section of the Company Disclosure Letter is reasonably apparent on its face. The Company Disclosure Letter has been arranged in sections corresponding to the sections and paragraphs of this Agreement for the convenience of the Parties. The listing of any matter by the Company in the Company Disclosure Letter will expressly not constitute an admission by the Company, or to otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Company Disclosure Letter relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event will the listing by the Company of any matter in the Company Disclosure Letter expand the scope of the Company's representations, warranties or covenants set forth in this Agreement. All attachments to the Company Disclosure Letter are incorporated by reference into the Company Disclosure Letter in which they are directly or indirectly referenced. The information contained in the Company Disclosure Letter is in all events provided subject to the confidentiality restrictions in Section 11.13.

II. PURCHASE OF SINGLE PREMIUM GROUP ANNUITY CONTRACT

2.01 Closing. At the Closing (a) the Independent Fiduciary shall irrevocably direct the Plan Trustee to make the Payment at Close, (b) the Company shall pay to the Insurer the [* * *], and (c) the Insurer shall issue and deliver to the Company the Group Annuity Contract (the "Group Annuity Contract Issuance").

2.02 Time and Place of Closing. On the terms and subject to the conditions set forth in this Agreement, the consummation of the transactions contemplated hereby (the "Closing") will take place at the offices of Jones Day 2727 North Harwood Street, Dallas, Texas 75201 or at such other location as the Parties shall mutually agree on (i) [* * *] if at least three days prior to such date all of the conditions set forth in Article VIII have been satisfied or waived (except for those conditions which in accordance with their terms will be satisfied on the Closing Date) or (ii) at such other time, date and location as the Company and the Insurer may agree in writing (the "Closing Date").

2.03 Deliveries at Closing .

(a) At the Closing, the Independent Fiduciary will, pursuant to the Plan Trustee Direction Letter (Closing), irrevocably direct the Plan Trustee to deliver to the Insurer, (with a copy to the Company), the [* * *] and Bill of Sale, each duly executed by the Plan Trustee, and the Independent Fiduciary will deliver, or cause to be delivered, to the Insurer and the Company a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Independent Fiduciary certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b), Section 8.02(a) and Section 8.02(b), in each case, as to the Independent Fiduciary.

(b) At the Closing, the Insurer will deliver to the Company (and with respect to item (ii) will also deliver to the Independent Fiduciary) the following duly executed documents and other items:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Insurer;

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Insurer certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b) and Section 8.03(a), in each case, as to the Insurer;

(iii) evidence of disposition from the Texas Department of Insurance with respect to the Group Annuity Contract;

(iv) the [* * *], duly executed by the Insurer; and

(v) the Bill of Sale, duly executed by the Insurer.

(c) At the Closing, the Company will deliver to the Insurer (and with respect to item (ii) will also deliver to the Independent Fiduciary, and with respect to the other items below, with a copy to the Independent Fiduciary) the following duly executed documents:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Company; and

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 8.02(a), Section 8.02(b) and Section 8.03(a), in each case, as to the Company.

(d) As promptly as practicable on the Closing Date but prior to Closing, the Company will deliver to the Insurer a certificate duly executed by an authorized officer of the Company, dated as of the Closing Date, setting forth the [* * *].

2.04 Allocation of Transferred Assets . Upon the Group Annuity Contract Issuance, the Insurer will allocate the Transferred Assets transferred at Closing into its General Account.

2.05 [* * *]

2.06 Closing Date Calculations . The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce the following:

(a) Closing Annuity Exhibits . In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract at Closing:

(i) On the day that is 16 Business Days prior to the Target Closing Date, the Company will deliver to the Insurer an updated data file in a form consistent with the Base File, except that such data file will include all corrections and changes to the data in the Base File identified by the Company as of such date (the “ Closing Data File ”). On the 10th Business Day prior to the Target Closing Date, the Insurer will deliver to the Company proposed Annuity Exhibits, which the Insurer will have prepared using the Closing Data File.

(ii) As soon as reasonably practicable and in any event by the 2nd Business Day following the Insurer’s delivery of such proposed Annuity Exhibits, the Company will notify the Insurer of any discrepancy between the proposed Annuity Exhibits and the Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 4th Business Day prior to the Target Closing Date and the Insurer will reflect any agreed upon changes in the revised Annuity Exhibits (the “ Closing Annuity Exhibits ”); provided, however that the Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(b) Closing Date Asset Valuation . The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day prior to the Target Closing Date a calculation of the value of each asset on the Transferred Assets Schedule, calculated in accordance with the methodology set forth in Schedule 2.06(b) , as of the close of business on the Business Day prior to the Closing (the aggregate amount of such valuations, the “ Closing Date Asset Valuation ”). In the event of any discrepancy among the Parties with respect to the Closing Date Asset Valuation that is unable to be amicably reconciled, then such discrepancy shall be addressed in accordance with Section 2.10 .

(c) Cash and Transferred Assets Exhibit. As early as practicable on the Closing Date (and prior to the Closing), the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule and the Closing Date Asset Valuation and reflect the amount of the Cash Payment Amount and the [* * *]. The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit” to the Group Annuity Contract.

(d) [* * *]. Within three Business Days of receiving the [* * *] from the Plan Trustee, and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the next day after the Insurer receives the [* * *], the Insurer will deliver to the Company the Workbook incorporating the elements of the [* * *]. As soon as reasonably practicable and in any event within two Business Days following the Insurer’s delivery of the Workbook and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook, the Company will notify the Insurer of any discrepancy between any such [* * *] and its records with respect to the information provided in such [* * *]. The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, within two Business Days following the Insurer’s delivery of such reports and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook.

(e) Cash Payment Amount. On the Closing Date (but prior to the Closing):

(i) The Insurer will deliver to the Company a calculation of the Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Cash Payment Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Cash Payment Amount.

(ii) The Insurer will calculate the Cash Payment Amount using the data provided in accordance with Section 2.06(a) and Section 2.06(c).

2.07 Dry-Run Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce a trial calculation of the cash payment amount in order to agree on best practices for Closing Date procedures.

(a) Dry-Run Data File. In order for the Insurer to calculate the Dry-Run Cash Payment Amount, the Company will deliver to the Insurer by the close of business ten Business Days prior to the Dry-Run Calculation Delivery Date an updated version of the Base File that has been revised to reflect any corrections and changes to the data in the Base File that have been identified by the Company as of the Dry-Run Data Cut-Off Date (the “Dry-Run Data File”).

(b) Dry-Run Asset Valuation . The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day immediately prior to the Dry-Run Calculation Delivery Date a calculation of the value of each asset in the Asset Portfolio, calculated in accordance with the methodology set forth in Schedule 2.06(b) as of the close of business on the Business Day immediately prior to the Dry-Run Calculation Delivery Date (the “ Dry-Run Asset Valuation ”).

(c) Dry-Run Cash Payment Amount . On the Dry-Run Calculation Delivery Date:

(i) The Insurer will deliver to the Company a calculation of the Dry-Run Cash Payment Amount in the form of Schedule 2.06(e)(i) . The “ Dry-Run Cash Payment Amount ” will be equal to [* * *] .

(ii) The Insurer will calculate the Dry-Run Cash Payment Amount using the data provided by the Company in accordance with Section 2.07(a) .

2.08 Calculation of Interim Post-Closing [* * *] Amount; Related True-Up . As set forth in this Section 2.08 , the Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce an Interim Post-Closing [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the [* * *] Amount.

(a) Interim Post-Closing Data File . On the 40th Business Day after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Closing Data File, including but not limited to [* * *] , identified by the Insurer as of the Interim Post-Closing Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “ Interim Post-Closing Data File ”). On the 53rd Business Day following the Closing Date, in connection with the calculation of the Interim Post-Closing [* * *] Amount pursuant to Section 2.08(d)(i) , the Insurer will calculate the [* * *] (the “Interim Post-Closing [* * *] Amount”).

(b) Interim Post-Closing Annuity Exhibits . In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(a) :

(i) On the 45th Business Day after the Closing, the Insurer will deliver to the Company revised Closing Annuity Exhibits, utilizing and consistent with the Interim Post-Closing Data File.

(ii) As soon as practicable and in any event by the 48th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Closing Annuity Exhibits and the Interim Post-Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 50th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Closing Annuity Exhibits (the “Interim Post-Closing Annuity Exhibits”); provided, however that the Interim Post-Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Interim Post-Closing Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 53rd Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.06(c) and updated pursuant to Section 2.19 and reflect any payment pursuant to Section 2.08(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(a).

(d) Interim Post-Closing [* * *] Amount. On the 53rd Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Interim Post-Closing [* * *] Amount in the form of Schedule 2.06(e)(i). The “Interim Post-Closing [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Interim Post-Closing [* * *] Amount.

(ii) The Insurer will calculate the Interim Post-Closing [* * *] Amount using the data provided in accordance with Section 2.08(a) (as may be modified pursuant to Section 2.08(b)).

(e) True-Up Payment Upon Resolution of Interim Post-Closing [* * *] Amount. Within five Business Days of the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount:

(i) if the calculation of the Interim Post-Closing [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Interim Post-Closing [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to the [* * *].

2.09 Calculation of Final [* * *] Amount; Related True-Up. As set forth in this Section 2.09, the Insurer, the Company and the Plan will cooperate in good faith to produce a Final [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the Interim Post-Closing [* * *] Amount.

(a) Final Data File. On the day that is 98 Business Days after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Interim Post-Closing Data File, including but not limited to [* * *], identified by the Insurer as of the Final Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “Final Data File”). On the 113th Business Day following the Closing Date, in connection with the calculation of the Final [* * *] Amount pursuant to Section 2.09(d)(i), the Insurer will calculate the [* * *] (the “Final [* * *] Amount”).

(b) Final Annuity Exhibits. In order for the Insurer to create the Annuity Exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(b):

(i) On the 103rd Business Day after the Closing, the Insurer will deliver to the Company revised Interim Post-Closing Annuity Exhibits, utilizing and consistent with the Final Data File.

(ii) As soon as practicable and in any event by the 106th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Interim Post-Closing Annuity Exhibits and the Final Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 109th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Interim Post-Closing Annuity Exhibits (the “Final Annuity Exhibits”); provided, however that the Final Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Final Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 113th Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.08(c) and reflect any payment pursuant to Section 2.09(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(b).

(d) Final [* * *] Amount. On the 113th Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Final [* * *] Amount in the form of Schedule 2.06(e)(i). The “ Final [* * *] Amount ” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Final [* * *] Amount.

(ii) The Insurer will calculate the Final [* * *] Amount using the data provided in accordance with Section 2.09(a) (as may be modified pursuant to Section 2.09(b)).

(e) True-Up Payment Upon Resolution of Final [* * *] Amount . By the later of (x) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (y) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount:

(i) if the calculation of the Final [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Final [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to [* * *].

2.10 Final [* * *] Amount; Asset Valuation Disputes .

(a) Within ten Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount in accordance with Section 2.09(d)(i) :

- (i) the Company may dispute any Insurer Provided Component; and
- (ii) the Insurer may dispute any Company Provided Component.

(b) Any dispute described in Section 2.10(a) (an “ Arbitration Dispute ”) will be resolved in accordance with the procedures set forth in Schedule 2.10(b) .

(c) Any Insurer Provided Component or Company Provided Component that is not disputed pursuant to Section 2.10(a) will be final and binding on the Parties.

2.11 Adjustment to the Target Closing Date . If subsequent to the calculation or delivery of a calculation or other deliverable that was required to be performed or delivered as of, on or prior to a day that is some number of days prior to the Target Closing Date, the Target Closing Date is adjusted so that it is a later date, the applicable

Party will re-calculate or deliver such calculation or other deliverable as of, on or prior, as applicable, to such number of days prior to the Target Closing Date as so adjusted.

2.12 Business Day Adjustments. If any calculation set forth in this Article II is to be performed as of a day that is not a Business Day, such calculation will be performed as of the immediately preceding Business Day.

2.13 Access and Cooperation. The Company, the Plan, as applicable, and the Insurer will provide the other and their Representatives with reasonable access during normal business hours to examine and will provide copies of (a) the work papers and files related to the preparation of, or support for, the calculations and valuations contemplated by this Article II and (b) the relevant books and records of the Insurer, the Company or the Plan, as applicable, and to discuss with the Insurer's or the Company's, as applicable, employees and Representatives involved with respect thereto; provided, however, that notwithstanding anything to the contrary set forth herein, (i) the Insurer will not have any obligation to provide the Company and its Representatives with access to any [* * *] with respect to the Priced Lives or any work papers or other information that discloses or reveals such [* * *], nor will the Company or any of its Representatives attempt to derive, directly or indirectly, any such [* * *] from any other information provided to the Company, the Company's Affiliates or Representatives or the Company's Affiliates' Representatives and (ii) the Company will not have any obligation to provide the Insurer or its Representatives with any work papers of its certified public accountants. If, notwithstanding the foregoing, the Company or any of its Representatives obtain any such [* * *], whether directly or indirectly, or through a process of derivation, the Company will and will direct its Representatives to not use such information and to destroy (and certify to the Insurer destruction of) such information and to otherwise transfer any rights in such information to the Insurer.

2.14 Data Updates; Mortality Adjustments.

(a) Access To Covered Life Information. From and after the date hereof through the date on which the Final [* * *] Amount is finally determined pursuant to Section 2.09 and Section 2.10, the Plan will provide the Insurer with reasonable access to all updates in the Plan's possession of the data, including benefit amounts, benefit forms, dates of birth, dates of death, gender, and lives missing from the original data provided by the Company that relate to the annuity premium payable to the Insurer, in each case limited to data in connection with Covered Lives or Contingent Lives.

(b) Insurer's Verification of Mortality. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Social Security Master Death file and the Lexis Nexis Accurint tool to attempt to determine if any Covered Lives or Contingent Lives were deceased prior to [* * *]. If (i) subject to such standard verification practices and procedures, such data source indicates that a Covered Life or Contingent Life was deceased prior to [* * *] or (ii) the Company presents evidence, reasonably acceptable to the Insurer, that a Covered Life or

Contingent Life was deceased prior to [* * *], then, the Insurer will reflect such mortality event in (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and reflect such mortality event in its calculation of the Interim Post-Closing [* * *] Amount, and (y) at all times prior to delivery of the Final Data File, the Final Data File and include such mortality event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such mortality review.

(c) Insurer's Review for Date of Birth and Gender Data; Verification of Data Errors. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Lexis Nexis Accurint tool to attempt to determine if there are any [* * *], including with respect to dates of birth or gender for any Covered Lives or Contingent Lives. If any errors in respect of dates of birth or gender are discovered that would potentially give rise to [* * *], Insurer will provide reasonably prompt notice to the Company of such errors. If (i) subject to such standard verification practices and procedures, such data source indicates a [* * *], including with respect to dates of birth or gender, for any Covered Life or Contingent Life, or (ii) the Company presents reasonably acceptable evidence to the Insurer of a [* * *] with respect to an Covered Life or Contingent Life, then, the Insurer will reflect such [* * *] in (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and include such [* * *] event, in its calculation of the Interim Post-Closing [* * *] Amount, and (y) at all times prior to the delivery of the Final Data File, the Final Data File and include such [* * *] event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such review.

2.15 Amendments to the Group Annuity Contract

(a) Within five Business Days following the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (i) to make any changes to the [* * *] Amount to reflect the Interim Post-Closing [* * *] Amount, (ii) to substitute the Interim Post-Closing Annuity Exhibits for the Closing Annuity Exhibits, and (iii) to substitute the "Cash and Transferred Assets Exhibit Supplement" prepared pursuant to Section 2.08(c) for the "Cash and Transferred Assets Exhibit."

(b) By the later of (i) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (ii) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (x) to make any changes to reflect the Final [* * *] Amount (as adjusted following the resolution of any disputes in accordance with Section 2.10), (y) to substitute the Final Annuity Exhibits for the Interim Post-Closing Annuity Exhibits, and (z) to substitute the "Cash and Transferred Assets Exhibit Supplement" prepared pursuant to Section 2.09

(c) for the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c) .

2.16 Amendments to the Procedures Manual and Identified USB Flash Drive . If the Company or the Insurer identify any error or omission in the Procedures Manual or the Identified USB Flash Drive, or any conflict whatsoever between the terms, conditions and provisions of the Procedures Manual with the other terms, conditions or provisions of this Agreement, prior to the payment of the Final Cash Payment Amount, the Company or the Insurer, as applicable, shall promptly inform the other and the Company and the Insurer shall cooperate in good faith to update the Procedures Manual or the Identified USB Flash Drive to appropriately resolve such error, omission or conflict, and such updated Procedures Manual and Identified USB Flash Drive shall be initialed by the Company and the Insurer. In the event that the Company and the Insurer cannot mutually agree on the resolution of any such error, omission or conflict within two Business Days after the Party identifying any such error, omission or conflict informs the other Party thereof, such error, omission or conflict shall be deemed an Arbitration Dispute and addressed pursuant to Schedule 2.10(b) . The Procedures Manual or the Identified USB Flash Drive, as updated pursuant to this Section 2.16 , shall be binding on the Parties.

2.17 [* * *]. No less frequently than once every two weeks between the Signing Date and the Closing Date, the Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer [* * *] as set forth in Schedule 2.17 ; provided , however , that such [* * *] shall in all events be provided as of the close of business on the Business Day immediately prior to the following dates: the Signing Date, the Dry-Run Calculation Delivery Date, and the Closing Date (each such [* * *]).

2.18 [* * *]

2.19 Return of [* * *]. On or prior to the day that is five Business Days following the Closing Date, either the Insurer or the Company may [* * *]. If any [* * *], then (a) the Insurer or the Company, as applicable, will promptly notify the other, and, [* * *], (b) within five days of such notice the Independent Fiduciary will irrevocably direct the Plan Trustee to pay the Insurer an amount, in Cash, equal to [* * *], and (c) simultaneously with its receipt of such payment from the Plan Trustee, the Insurer will [* * *]. If the Insurer and the Plan are unable to agree on whether [* * *], any party may immediately commence an Arbitration Dispute pursuant to Section 2.10 with respect to such disagreement. By the earlier of (x) agreement among the Insurer and the Company with respect to identification of [* * *] or (y) resolution of any disputes with respect to whether [* * *], the Insurer will amend the Transferred Assets Schedule to reflect any changes with respect to the assets listed therein.

2.20 Corridor Breach . In connection with the calculation of any of the Dry-Run [* * *] Amount, [* * *] Amount, Interim Post-Closing [* * *] Amount or Final [* * *] Amount, the Insurer will notify the Company simultaneously with the delivery of such [* * *] amount if there has been a Corridor Breach (any such notice, a “ Corridor Breach ”

Notice”). Disputes with respect to whether or not there has been a Corridor Breach shall be subject to Section 2.10, and any Corridor Breach Notice shall constitute an Insurer Provided Component.

2.21 Available Cash. The Company shall make available to the Plan, Cash in the amount necessary to enable the Plan Trustee to pay all amounts that it is directed to pay to the Insurer by the Independent Fiduciary pursuant to this Article II.

III. COMPANY’S REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants to the Insurer and Insurer Parent and, other than with respect to Section 3.12, to the Independent Fiduciary as of the Signing Date and other than with respect to Section 3.09, Section 3.10 and Section 3.12 (in each case, which shall be given as of the Signing Date only), as of the Closing Date, except as set forth in the Company Disclosure Letter, that:

3.01 Due Organization, Good Standing and Corporate Power. The Company is a corporation, validly existing and in good standing under the Laws of the State of Delaware and the Plan Trust is a trust, validly formed under the Laws of the State of New York. The Company has all requisite power and authority to enter into and carry out its obligations under this Agreement and to consummate the transactions contemplated to be undertaken by the Company herein. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its sponsorship of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

3.02 Authorization of Agreement; Enforceability. The Company has received all appropriate corporate approvals and no other action on the part of the Company or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated to be undertaken by the Company under this Agreement. This Agreement is duly executed and delivered by the Company, and is a valid and binding obligation of the Company and enforceable against the Company in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors’ rights generally and by general equitable principles (such exceptions, as applicable to any Person, the “Enforceability Exceptions”).

3.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company and the Independent Fiduciary of the transactions contemplated to be undertaken by the Company and the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with any provision of the Plan Governing Documents, the certificate or articles of incorporation, bylaws, code of regulations, or the comparable governing documents of the Company, (b) violate or conflict with any Law or Order of

any Governmental Authority applicable to the Company or the Plan Governing Documents, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Company is a party, the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's or Independent Fiduciary's ability to consummate the Transactions.

3.04 Compliance with ERISA.

(a) The Plan is maintained under and is subject to ERISA and operated in compliance therewith in all material respects. The Plan Trust is maintained under and is subject to ERISA, and, to the Company's Knowledge, is in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated June 27, 2013 and, to the Company's Knowledge, no event has occurred since such date that is reasonably likely to result in the Plan losing its Tax Qualified status. All Plan amendments necessary to effect the Transactions and the transactions contemplated by this Agreement and the Ancillary Agreements, to the extent that they require authorization by the Company, have been, or will be by the Closing Date, duly authorized and made by the Company. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.

(b) The Independent Fiduciary has been duly appointed as independent fiduciary of the Plan with respect to the purchase of one or more group annuity contracts as set forth in the IF Engagement Letter to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the description of the benefit forms in Sections 2.2(i) through 2.2(viii) of the Group Annuity Contract, which the Company acknowledges and agrees is not the responsibility of the Insurer or any of the Insurer's Affiliates, provided, however, that the language immediately preceding this proviso in this parenthetical shall not be construed to modify the Insurer's obligations with respect to Section 2.5 of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions, and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

3.05 Plan Investments .

(a) There are no commingled investment vehicles that hold Plan Assets, the units of which are or will be Plan Assets involved in the Transactions or the transactions contemplated by the Ancillary Agreements.

(b) No Plan Assets that are or will be involved in the Transactions or the transactions contemplated by the Ancillary Agreements are or will be managed pursuant to investment management agreements with any investment manager listed on Schedule 5.12 .

3.06 No Brokers' Fee . The Company has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

3.07 Accuracy of Information . To the Company's Knowledge, (a) the mortality experience data file provided by the Company to the Insurer identified on Schedule 3.07 did not contain any misstatements or omissions that were, in the aggregate, material; and (b) the census data for date of birth, date of death, gender or hourly/salaried indicator, in each case, with respect to the Covered Lives or Contingent Lives that is furnished by or on behalf of the Company to the Insurer was not generated using any materially incorrect systematic assumptions or material omissions.

3.08 Delivery of Plan Governing Documents . True, correct and complete copies of the Plan Governing Documents set forth on Schedule 3.08 have been delivered to the Independent Fiduciary by the Company on or prior to the Signing Date.

3.09 Settlement Accounting . As of the Signing Date, to the Company's Knowledge there are no circumstances existing or that would reasonably be expected to occur that would be likely to cause the Company to conclude that the Company may not account for the Transactions and the transactions contemplated by the Ancillary Agreements as a settlement under ASC 715.

3.10 Litigation by Plan Beneficiaries and Plan Participants . As of the Signing Date, there is no Action pending or, to the Company's Knowledge, threatened, by or on behalf of any Plan Beneficiary or Plan Participant relating to the Plan or any benefit payable or alleged to be payable pursuant to the Plan.

3.11 [* * *]

3.12 [* * *]

3.13 No Other Representations or Warranties; Reliance . Except for the representations and warranties of the Company expressly set forth in this Article III , neither the Company nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Company or any of its Affiliates

with respect to the Company, its Affiliates, the Transferred Assets or the Transactions. The Company acknowledges and agrees that the Insurer, Insurer Parent and the Independent Fiduciary have relied on the representations and warranties set forth in this Article III, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

IV. INDEPENDENT FIDUCIARY'S REPRESENTATIONS AND WARRANTIES

The Independent Fiduciary hereby represents and warrants to the Company, Insurer Parent and the Insurer as of the Signing Date and the Closing Date, that:

4.01 Due Organization, Good Standing and Corporate Power. (a) The Independent Fiduciary is a trust company validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Independent Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to consummate the transactions contemplated to be undertaken by the Independent Fiduciary herein and therein. The Independent Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its representation of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

(b) The Independent Fiduciary meets the requirements of, and in the Transactions is acting as, an investment manager under ERISA § 3(38) and a QPAM under PTCE 84-14 with respect to the Transactions and the Group Annuity Contract. The Independent Fiduciary is experienced in independent fiduciary work, and together with its reliance on its consultant, Aon Hewitt Investment Consulting, Inc. and its counsel, K&L Gates LLP, the Independent Fiduciary is knowledgeable concerning the large scale group annuity marketplace and reasonably believes that it has the requisite expertise to select the Insurer issuing the Group Annuity Contract and perform its obligations under this Agreement and the IF Engagement Letter. The Independent Fiduciary accepted its designation as the sole fiduciary of the Plan with authority to select the insurer or insurers to issue one or more group annuity contracts in the IF Engagement Letter (a true and correct copy of which has been provided to the Insurer, with the fees to be paid to the Independent Fiduciary redacted therefrom), and the Independent Fiduciary reaffirms its fiduciary status as set forth in such letter. The Independent Fiduciary has provided and will continue to provide the services described in Section 2 of such letter prudently and for the exclusive benefit and in the sole interest of the Plan and its participants and beneficiaries. The Independent Fiduciary has accepted appointment as independent fiduciary of the Plan to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and

the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the description of the benefit forms in Sections 2.2(i) through 2.2(viii) of the Group Annuity Contract, which the Independent Fiduciary acknowledges and agrees is not the responsibility of the Insurer or any of the Insurer's Affiliates, provided, however, that the language immediately preceding this proviso in this parenthetical shall not be construed to modify the Insurer's obligations with respect to Section 2.5 of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

4.02 Authorization of Agreement; Enforceability. The Independent Fiduciary has received all appropriate corporate approvals and no other action on the part of the Independent Fiduciary is necessary to authorize the execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party), and the consummation of the transactions contemplated to be undertaken by the Independent Fiduciary under this Agreement and Ancillary Agreements (to the extent a party). This Agreement, and all Ancillary Agreements (to the extent a party thereto), are duly executed and delivered by the Independent Fiduciary, and are a valid and binding obligation of the Independent Fiduciary and enforceable against the Independent Fiduciary, in accordance with its terms, subject to the Enforceability Exceptions.

4.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party) by the Independent Fiduciary and the consummation by the Independent Fiduciary of the transactions contemplated to be undertaken by the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with the certificate or articles of incorporation, bylaws, code of regulations or the comparable governing documents of the Independent Fiduciary, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Independent Fiduciary, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person.

4.04 ERISA Related Determinations.

(a) The Independent Fiduciary is fully qualified to serve as an independent fiduciary in connection with the Transactions, and any Ancillary Agreements (to the extent a party to), and it is independent of the Company and the Insurer. The annual revenues of the Independent Fiduciary and its Affiliates received in 2014 from each of (i) the Company and its Affiliates, and (ii) the Insurer and its Affiliates,

were less than one percent of the total annual revenues of the Independent Fiduciary and its Affiliates in that year and the annual revenues of the Independent Fiduciary and its Affiliates projected to be received in 2015 from each of (x) the Company and its Affiliates, and (y) the Insurer and its Affiliates, are less than one percent of the total projected annual revenues of the Independent Fiduciary and its Affiliates for 2015. Commercially reasonable ethical walls have been erected between the personnel working on the Transactions and the personnel working on other matters involving the Company, the Insurer, or any of either's Affiliates, and has ensured that its consultant has done the same.

(b) The Independent Fiduciary has selected the Insurer to issue the Group Annuity Contract as set forth in this Agreement and such selection, and the Transactions, and any Ancillary Agreements, and the Group Annuity Contract (including its terms), each satisfies the ERISA Requirements. The Independent Fiduciary has delivered a certification confirming the foregoing, executed by a duly authorized officer of the Independent Fiduciary, to the Annuity Committee.

(c) If (i) an Independent Fiduciary MAC has not occurred between the Signing Date and the Closing Date or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date, and (ii) the officers' certificates contemplated by Sections 2.03(b) and 2.03(c) are delivered to the Independent Fiduciary, the selection of the Insurer to provide the Group Annuity Contract, the terms of the Group Annuity Contract, and the Plan's use of assets for the purchase of the Group Annuity Contract as contemplated hereby will continue to satisfy the ERISA Requirements as of the Closing Date.

(d) The Transactions and the purchase of the Group Annuity Contract do not result in a Non-Exempt Prohibited Transaction.

(e) Section 4.04(d) assumes that the representations set forth in Sections 3.05 and 5.11 and the first sentence in Section 5.12, are true and correct in all material respects as of the Closing Date.

(f) The Plan Trust (i) will receive no less than "adequate consideration" for the Transferred Assets that it transfers in connection with the Transactions and (ii) will pay no more than "adequate consideration" for the Group Annuity Contract, in each case within the meaning of "adequate consideration" under Section 408(b)(17)(B) of ERISA and Section 4975(f)(10) of the Code.

4.05 No Brokers' Fee. The Independent Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

4.06 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Independent Fiduciary expressly set forth in this Article IV, neither the Independent Fiduciary nor any of its Affiliates, nor any other

Person makes any express or implied representation or warranty on behalf of the Independent Fiduciary or any of its Affiliates with respect to the Independent Fiduciary, its Affiliates, the Transferred Assets or the Transactions. The Independent Fiduciary acknowledges and agrees that Insurer Parent, the Insurer and the Company have relied on the representations set forth in this Article IV, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

V. INSURER AND INSURER PARENT REPRESENTATIONS AND WARRANTIES

Each of the Insurer and Insurer Parent hereby represents and warrants to the Company and the Independent Fiduciary as of the Signing Date and other than with respect to Section 5.06 and Section 5.13 (in each case, which shall be given as of the Signing Date only), as of the Closing Date, that:

5.01 Due Organization, Good Standing and Corporate Power . Insurer Parent is a corporation duly organized, validly existing and in good standing under the Laws of the State of New Jersey. The Insurer is a life insurance company duly organized, validly existing and in good standing under the Laws of the State of New Jersey. Each of Insurer Parent and the Insurer have all requisite power and authority to enter into and carry out their respective obligations under this Agreement and the Ancillary Agreements to which each is, or will be at closing, a party, and to consummate the transactions contemplated to be undertaken by Insurer Parent or the Insurer, as applicable herein. The Insurer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations set forth in the Group Annuity Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

5.02 Authorization of Agreement; Enforceability . Each of Insurer Parent and the Insurer have received all appropriate corporate approvals and no other action on the part of Insurer Parent, the Insurer or their respective Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements to which each is a party, and the consummation of the transactions contemplated to be undertaken by Insurer Parent or the Insurer under this Agreement. This Agreement and the Ancillary Agreements, other than the Group Annuity Contract, which is addressed by Section 5.04, is duly executed and delivered by the Insurer, and each is a valid and binding obligation of the Insurer and enforceable against the Insurer in accordance with its terms, subject to the Enforceability Exceptions. This Agreement has been duly executed and delivered by Insurer Parent and is a valid and binding obligation of Insurer Parent and enforceable against Insurer Parent, in accordance with its terms, subject to the Enforceability Exceptions.

5.03 Consents And Approvals; No Violations . Except for the approvals of the Governmental Authorities listed on Schedule 5.03 , the execution and delivery of this Agreement by Insurer Parent and the Insurer and the consummation by Insurer Parent and the Insurer of the transactions contemplated to be undertaken by Insurer Parent and the Insurer do not (a) violate or conflict with any provision of their respective certificates or articles of incorporation, bylaws, code of regulations or the comparable governing documents, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Insurer Parent or the Insurer, (c) require any Governmental Approval or (d) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Insurer is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Insurer's ability to consummate the Transactions. The form of the Group Annuity Contract has been reviewed and acknowledged by the Texas Department of Insurance and no further approval by a Governmental Authority or otherwise is required in order for the Insurer to issue the Group Annuity Contract. No further filing or approval is required to issue the Annuity Certificates in accordance with the Group Annuity Contract, other than (i) any filing made or approval received as of the date hereof and (ii) filings with and approvals of state insurance Governmental Authorities in the State(s) listed on Schedule 5.03 .

5.04 Enforceability of Group Annuity Contract . The Group Annuity Contract, when executed, will be duly executed and delivered by the Insurer and will be a valid and binding obligation of the Insurer and enforceable against the Insurer by the Contract-Holder, and each Covered Life, Contingent Life and Beneficiary, in accordance with its terms, subject to the Enforceability Exceptions. After the Contract-Holder ceases to exist, or notifies the Insurer that it will cease to perform its obligations under the Group Annuity Contract, the Group Annuity Contract will remain a valid and binding obligation of the Insurer and enforceable against the Insurer by each Covered Life, Contingent Life and Beneficiary, in accordance with its terms, subject to the Enforceability Exceptions. At all times, the right to a benefit under the Group Annuity Contract, in accordance with its terms, will be enforceable by the sole choice of the Covered Life, Contingent Life or Beneficiary to whom the benefit is owed by the Group Annuity Contract, subject to the Enforceability Exceptions.

5.05 Compliance with Laws . The business of Insurer Parent and the Insurer has been and is being conducted in material compliance with applicable Laws, and none of the licenses, permits or Governmental Approvals required for the continued conduct of the business of Insurer Parent and the Insurer as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by Insurer Parent, the Insurer or their Affiliates hereunder, except as, in either case, would not reasonably be expected to be, individually or in the aggregate, materially adverse to the ability of Insurer Parent and the Insurer to perform their obligations under this Agreement.

5.06 Litigation . As of the date hereof, there is no Action pending or, to the Knowledge of the Insurer, threatened, against Insurer Parent or the Insurer that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the Transactions or that could reasonably be expected to materially impair or restrict Insurer Parent's or the Insurer's ability to perform their respective obligations thereunder, or to consummate the Transactions.

5.07 No Brokers' Fee . Neither Insurer Parent nor the Insurer has any Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or their respective Affiliates or Representatives, could be liable.

5.08 Accuracy of Data Provided . The Insurer represents and warrants that, to the Insurer's Knowledge, (a) all material information provided to the Company or the Independent Fiduciary (other than Company Provided Components and any Insurer deliveries based on that information) in connection with the Transactions, was, as of the date indicated on such information, true and correct in all material respects and (b) no change has occurred since the date indicated on such information that the Insurer or Insurer Parent has not publicly disclosed or disclosed to the recipient of such information that would cause such information, taken as a whole, to be materially false or misleading.

5.09 No Post-Closing Liability . Following the Closing, none of the Company, the Plan, the Company's other Affiliates, the Independent Fiduciary, nor any of their respective directors, officers, trustees or fiduciaries will have any Liability to pay any Annuity Payment.

5.10 Sufficient Resources and Market Sophistication . The Insurer is a sophisticated investor with experience in the purchase of publicly traded debt of the type to be included in the Transferred Assets. The Insurer has had access to such information as it deems necessary in order to make its decision to acquire the Transferred Assets from the Plan. Without limiting any rights or remedies of the Insurer set forth in this Agreement, the Insurer and Insurer Parent acknowledge that, (a) the Company and Plan fiduciaries currently may have information with respect to the Transferred Assets that is not known to the Insurer or Insurer Parent and that may be material to a decision to acquire the Transferred Assets and (b) the Insurer and Insurer Parent have determined to acquire the Transferred Assets and the investment risk associated with the Transferred Assets notwithstanding their lack of knowledge of such information. The Insurer and Insurer Parent acknowledge and agree that neither the Company nor the Plan has given any investment advice or rendered any opinion to the Insurer as to whether the acquisition of the Transferred Assets is prudent. For the avoidance of doubt, nothing in this Section 5.10 will affect the truth or accuracy of the Company's or Independent Fiduciary's representations and warranties expressly set forth herein.

5.11 Relationship to the Plan. The Insurer is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of section 3(16)(A) of ERISA and section 414(g) of the Code) or (c) an employer any of whose employees are covered by the Plan.

5.12 Compliance with ERISA. A true and complete list of the Insurer and the Insurer's Affiliates that are investment managers within the meaning of section 3(38) of ERISA and that manage assets subject to ERISA is set forth on Schedule 5.12. Assuming the accuracy of the Company's representations in Sections 3.04(b) and 3.05 and the accuracy of the Independent Fiduciary's representations in Sections 4.01(b), 4.04(a) and 4.04(f), the execution and delivery of this Agreement and the Ancillary Agreements, to the extent a party thereto, by Insurer Parent and the Insurer, and the consummation by Insurer Parent and Insurer of the transactions contemplated to be undertaken by Insurer Parent and the Insurer do not result in a Non-Exempt Prohibited Transaction.

5.13 Financial Metrics. As of the Signing Date, the Insurer's most recent Projected RBC Ratio for December 31, 2015 determined in accordance with Schedule 6.07 was [* * *].

5.14 No Other Representations or Warranties; Reliance. Except for the representations and warranties of Insurer and Insurer Parent expressly set forth in this Article V, none of Insurer Parent, the Insurer, any of their respective Affiliates or any other Person makes any express or implied representation or warranty on behalf of Insurer Parent or the Insurer or any of their respective Affiliates with respect to Insurer Parent, the Insurer, their respective Affiliates, or the Transactions. Insurer Parent and the Insurer acknowledge and agree that the Company and the Independent Fiduciary have relied on the representations and warranties set forth in this Article V, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate

VI. PRE-CLOSING COVENANTS

6.01 Efforts to Close; Regulatory Clearances; Third-Party Consents. (a) In addition to the actions specifically provided for elsewhere in this Agreement and in any Ancillary Agreement, each of the Parties will cooperate with each other and use (and, except with respect to the Independent Fiduciary, will cause their respective Affiliates to use) their respective Commercially Reasonable Efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part to consummate the Closing. Without limiting the generality of the foregoing, the Company, the Insurer and Insurer Parent will use their respective Commercially Reasonable Efforts to obtain and to cause others to obtain, as soon as practicable, all

required Governmental Approvals at the Closing or as otherwise contemplated by this Agreement, that may be or become necessary for the performance of their respective obligations under this Agreement and the Ancillary Agreements and the consummation of the Transactions, including approval of the Annuity Certificates from all state agencies from which approval is required, and will cooperate fully with each other in promptly seeking to obtain such Governmental Approvals and Consents. Without limiting the foregoing and subject to applicable legal limitations and the written instructions of any Governmental Authority, from the Signing Date until the Closing Date, each of the Parties agrees to (i) reasonably cooperate and consult with one another, (ii) furnish to the other Parties such necessary information and assistance as such other Party may reasonably request in connection with its preparation of any notifications or filings, (iii) keep each other apprised of the status of material matters relating to the completion of the transactions contemplated thereby, including apprising the other Parties of the substance of material notices or communications received by such Party from any third party or any Governmental Authority with respect to such transactions, within five Business Days of receipt thereof, and (iv) to the extent reasonably practicable, permit the other Parties to review and incorporate the other Party's reasonable comments in any material communication to be given by it to any Governmental Authority with respect to the Transactions.

(b) Without limiting the generality of Section 6.01(a) where the cooperation of third parties that are not Governmental Authorities, such as a trustee, record keeper or paying agent, would be necessary in order for a Party to completely fulfill its obligations under this Agreement or any Ancillary Agreement, such Party will use its Commercially Reasonable Efforts to cause such third parties to provide such cooperation.

6.02 Public Announcements

(a) The Company will have the right to prepare and issue its own press release announcing the execution and delivery of this Agreement and the Transactions (the "Transaction Announcement"), a copy of which shall be provided to the Insurer and the Insurer Parent for review no less than two days prior to the issuance thereof, and the Company will consider in good faith any comments made by such other Party. From the Signing Date through the Closing, the Company and the Insurer or Insurer Parent each may make such public written or oral statements related to the Transactions as it deems necessary or appropriate, in its sole discretion; provided, however, that each such Party will seek to give the other Party (and the Independent Fiduciary, to the extent the statement references the Independent Fiduciary or the role, duties or conclusions of the Independent Fiduciary) a reasonable opportunity to comment upon such statements in advance to the extent practicable and the Party shall consider any comments made by such other Party in good faith, it being understood that neither the Company nor the Insurer (nor the Independent Fiduciary) will have any right of approval over public statements by the other Party. Each of the Company and the Insurer may make any public disclosure required by applicable Law or securities listing

standards, in which case each of the Company and the Insurer will provide to the other Party (and to the Independent Fiduciary, to the extent such announcement references the Independent Fiduciary, or the role, duties or conclusions of the Independent Fiduciary) for review prior to the issuance thereof and will consider any comments made by such other Party (or the Independent Fiduciary, as applicable) in good faith.

(b) Insurer Parent and the Insurer acknowledge that the Company will publicly disclose any information that it reasonably believes is required by the rules of the SEC to be so disclosed; provided, however, that if the Company concludes that disclosure of this Agreement is required by such rules, (i) the Company and Insurer Parent will cooperate to make an application by the Company with the SEC for confidential treatment of information relating to the pricing of the Group Annuity Contract and such other information as the Company and Insurer Parent may mutually conclude is competitively sensitive from the perspective of the Company or Insurer Parent or otherwise merits confidential treatment and (ii) the Company will include Insurer Parent in any material correspondence (written or oral) with the SEC regarding such application for confidential treatment, and the Company and Insurer Parent will otherwise reasonably cooperate in connection with such application, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

(c) Notwithstanding anything to the contrary set forth herein and without limiting the generality of Section 6.02(a), (i) the Insurer may disclose without the consent of any other Party that (in substance) (A) the Insurer was selected by the Independent Fiduciary through a competitive bidding process, (B) the Insurer understands that the Independent Fiduciary also selected another insurance company to issue a group annuity contract in respect of the Priced Lives, (C) the Insurer serves as annuity administrator (under the Administrative Services Agreement) for which it received additional, appropriate consideration and [* * *], and (ii) the Company may disclose, without consent of or notice to any other Party that (in substance) the premium to be paid at Closing to the Insurer and the Other Insurer is fair and reasonable and represents the best pricing available under the circumstances.

6.03 Notification of Certain Matters . From the Signing Date until the Closing Date, each Party will give written notice to the other Parties within five Business Days of (a) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the Transactions or that otherwise relates to obtaining such Consent, (b) any Action commenced or threatened in writing against, relating to or involving or otherwise affecting it or any of its Affiliates that relate to the consummation of the Transactions, (c) any material communications with any Covered Life, Contingent Life or Beneficiary that relate to the Transactions, and (d) the occurrence of any change or event that would reasonably be expected to cause, individually or in the aggregate, any condition to Closing set forth in Article VIII not to be satisfied (it being understood, however, that no delay or failure to provide any such notice will be deemed to be a waiver of such condition).

6.04 Administrative Transition Process. (a)(i) The Insurer will use its reasonable best efforts to enter into the Administrative Services Agreement on the Closing Date and (ii) the Insurer, the Company and the Independent Fiduciary will use their respective Commercially Reasonable Efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to (1) coordinate and allow for the provision of recordkeeping and administration services regarding Annuity Payments and (2) coordinate the transfer to the Insurer on and after the Insurer Payment Commencement Date of all administration responsibilities necessary to effectively provide the recordkeeping and administration services regarding Annuity Payments commencing on the Insurer Payment Commencement Date.

(b) The Company or the Plan shall provide the Insurer with the information on and shall complete all processes set forth in Schedule 6.04(b) (including those that occur after Closing).

(c) If, despite Section 6.04(a), the Company or the Plan do not or cannot provide the Insurer with the information on or complete all processes set forth in Schedule 6.04(b) (occurring prior to the Closing Date) and, as a result, the Insurer is in good faith unable to provide the recordkeeping and administration services regarding Annuity Payments beginning on the Closing Date, then the Insurer will use its Commercially Reasonable Efforts to find an alternative method or methods to facilitate the issuance of Annuity Payments through existing commercial arrangements or any other method that is designed to ensure that such Annuity Payments are made in a manner that complies with the obligations of the Group Annuity Contract, for the period from the Closing Date to the Insurer Payment Commencement Date (an “Alternative Arrangement”). The Company will cooperate in good faith with the Insurer to find an Alternative Arrangement.

6.05 Non-Solicitation. Unless terminated pursuant to Article X, from and after the Signing Date and prior to the Closing, the Company will not and will cause its respective Representatives (which for these purposes will not be deemed to include the Independent Fiduciary) not to (a) solicit, initiate or knowingly facilitate any Alternative Transaction Proposal or the making or consummation thereof, (b) enter into any agreement, letter of intent, agreement in principle or other similar instrument with respect to any Alternative Transaction Proposal, (c) continue or otherwise participate in any discussions (except, in response to an inquiry by any Person, to notify such Person of the existence of the provisions of this Section 6.05) or negotiations regarding, or furnish to any Person any information in connection with, any Alternative Transaction Proposal, or (d) enter into or amend any agreement or other arrangement to engage any Person (including the Independent Fiduciary) to solicit any Alternative Transaction Proposal.

6.06 Information Provided To The Independent Fiduciary. Between the Signing Date and the Closing, the Insurer and Insurer Parent will provide to the Independent Fiduciary any information that (a) is consistent with the type and amount of

information provided during the Independent Fiduciary's pre-signing due diligence process, (b) is otherwise prepared in the ordinary course of business of the Insurer (including any information that is prepared for the purpose of providing information to Credit Rating Agencies), and (c) relates to the Insurer or Insurer Parent, in each case as may be reasonably requested by the Independent Fiduciary.

6.07 [* * *]. From and after the date hereof to the earlier of the termination of this Agreement and the Closing Date, the Insurer will not, without the prior written consent of the Company (not to be unreasonably withheld or delayed), (x) execute a commitment providing for the consummation prior to the Closing Date of any of the following or (y) consummate prior to the Closing Date any of the following that were not subject to a prior commitment:

(a) [* * *]; or

(b) [* * *];

provided, however, that this Section 6.07 will not preclude the Insurer from taking any of the foregoing actions unless, after giving pro forma effect to the actions contemplated by any such commitment and any capital contributions made or irrevocably committed to be made to the Insurer in connection with such commitment or in the case of any of the foregoing actions not subject to a prior commitment, the amount of the Insurer's most recent calculation of its Projected RBC Ratio for December 31, 2015 would have been [* * *]. For the avoidance of doubt, the Insurer's compliance with this Section 6.07 will in no way limit the Independent Fiduciary's discretion in any respect, as to whether an Independent Fiduciary MAC has occurred.

6.08 No Insurer Communications. From the date of this Agreement until the issuance of an Annuity Certificate by the Insurer to a Covered Life, other than as provided for herein, without the Company's prior written consent, (a) the Insurer will cause the employees of its retirement services business unit not to initiate any contact or communication with such Plan Participant or Plan Beneficiary in connection with the Transactions, (b) the Insurer and Insurer Parent will not, and will cause all of their respective Affiliates not to provide any of their respective insurance agents, wholesalers or retailers with any contact information of such Plan Participants or Plan Beneficiaries, and (c) the Insurer and Insurer Parent will not, and will cause all of their respective Affiliates not to provide any of the respective other Representatives with any contact information of such Plan Participants or Plan Beneficiaries, except for those Representatives of the Insurer, Insurer Parent or any of their respective Affiliates who need to know such information for purposes of these Transactions and agree to comply with the requirements of this Section 6.08 and Section 11.13; provided that this Section 6.08 shall not restrict employees of the retirement services business unit of the Insurer from contacting any Plan Participant or Plan Beneficiary in connection with, or to facilitate, the performance by the Insurer of its obligations under the Group Annuity Contract, the Annuity Certificates or this Article VI or Article VII. In the event that any Plan Participant or Plan Beneficiary contacts an employee of the retirement services

business unit of the Insurer, the Insurer and the Company will cooperate to coordinate a response to any Plan Participant or Plan Beneficiary.

6.09 Company Contributions to the Plan. The Company shall make contributions to the Plan using the methodology set forth on Schedule 8.03(f) not less than five Business Days prior to the Closing Date.

6.10 [* * *]

VII. OTHER COVENANTS

7.01 Company Actions. Except as otherwise expressly contemplated by this Agreement, following the Closing Date, the Company will use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on their part to effectuate the Transactions.

7.02 Insurer Actions. Following the Closing Date, the Insurer will:

(a) subject to the final sentence of this Section 7.02, mail an Annuity Certificate to each Covered Life at the last address designated for such Covered Life by the Company or Plan, such mailing to be made as promptly as practicable but in no event later than the later to occur of (i) 75 days after the Annuity Commencement Date and (ii) 30 days after the form of Annuity Certificate is approved by the Texas Department of Insurance (provided, that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in clause (ii) will be deemed to be “60 days”); provided, that, solely with respect to any form of Annuity Certificate issuable to a Covered Life that must be approved by the relevant state insurance Governmental Authorities in any state (other than Texas) but has not been approved by the later to occur of clause (i) and (ii), then the Insurer will mail such Annuity Certificate to the relevant Covered Life (by delivery of such Annuity Certificate to the last address designated for such Covered Life by the Company) as promptly as reasonably practicable and in any case within 30 days following the date on which such Annuity Certificate has been approved by such relevant state insurance Governmental Authority (or if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in this proviso will be deemed to be “60 days”).

(b) make or cause to be made all Annuity Payments to each Covered Life, Contingent Life and Beneficiary, as required under the Group Annuity Contract, from and after the Insurer Payment Commencement Date;

(c) at the request of the Company, include a notice, provided by the Company and reasonably acceptable to the Insurer, regarding Annuity Certificates in the Insurer’s “welcome” mailing to the Covered Lives and Contingent Lives, or other

subsequent mailings made by the Insurer to the Covered Lives and Contingent Lives; and

(d) use its (i) reasonable best efforts to obtain the applicable approvals by the relevant state insurance Governmental Authority to mail an Annuity Certificate to any Covered Life and (ii) Commercially Reasonable Efforts to take, or cause to be taken, all other actions, and to do, or cause to be done, all other things reasonably necessary on its part to effectuate the Transactions.

Notwithstanding the foregoing, (x) the Insurer shall not be required to mail an Annuity Certificate to any Covered Life pursuant to Section 7.02(a) until the Other Insurer has received the applicable approvals by the relevant state insurance Governmental Authority to mail an annuity certificate to any such Covered Life and (y) the Insurer shall mail in the same package the Annuity Certificate and the annuity certificate of the Other Insurer.

7.03 Correspondence Center. (a) The Insurer will maintain, at its cost and expense, a toll-free phone number or a website (the “Annuity Benefits Correspondence Center”) which will be available from and after the Closing for Covered Lives and Contingent Lives to call with questions related to the Group Annuity Contract and the Annuity Certificates, it being understood that the Annuity Benefits Correspondence Center need not be solely dedicated to Covered Lives and Contingent Lives.

(b) For a period of five years following the Closing, the Company will maintain, at its cost and expense, a point of contact (the “Kimberly-Clark Benefits Center”) which will be available from and after the Closing and to which the Insurer may refer Covered Lives and Contingent Lives that pose questions to the Annuity Benefits Correspondence Center related to their Plan benefits, it being understood that the Kimberly-Clark Benefits Center need not be solely dedicated to Covered Lives and Contingent Lives.

(c) In the event that any Covered Life, Contingent Life or Beneficiary contacts the Insurer or any of its Affiliates or representatives with questions related to their Plan benefits, the Insurer, or its Affiliates or representatives, as applicable, may refer such person to the Kimberly-Clark Benefits Center. In the event that any Covered Life, Contingent Life or Beneficiary contacts the Company or any of its Affiliates or representatives with questions related to the Group Annuity Contract or the Annuity Certificates, the Company or its Affiliates or representatives, as applicable, may refer such person to the Annuity Benefits Correspondence Center.

7.04 Payment Agreement and Plan Trustee Agreement. (a) The Company and the Insurer will negotiate in good faith to enter into a commercially reasonable agreement providing for the services described in Schedule 7.04(a) and the other terms set forth on such schedule not less than five Business Days prior to the Closing Date.

(b) As promptly as practicable after the date hereof, the Independent Fiduciary will issue and deliver the Plan Trustee Direction Letter (Pre-Closing) to the Plan Trustee and the Independent Fiduciary, the Plan Trustee and the Insurer will enter into the Plan Trustee Agreement in substantially the form set forth on Schedule 7.04(b) (the “Plan Trustee Agreement”).

7.05 Claims Procedures. From and after the Annuity Commencement Date, the Insurer will maintain written rules and procedures to govern the submission to the Insurer of claims and requests by Covered Lives and Contingent Lives regarding Annuity Payments. Such written rules and procedures will be consistent with the Insurer’s standard rules and procedures (for handling inquiries from annuitants covered by its group annuity contracts), as the same may change from time to time.

7.06 Compliance with Prohibited Transaction Exemptions. From the Signing Date until the Closing Date, (a) the Insurer agrees to keep current the information on Schedule 5.12 by providing the Company on a monthly basis with any updates relating to the formation of any new legal entities or the entry into any agreements with or by investment managers following the Signing Date and (b) the Company will not enter into any agreements with the Insurer or any investment manager listed on Schedule 5.12 (as it may be updated from time to time) whereby the Insurer or any of its Affiliates would be a fiduciary expressly authorized in writing to manage, acquire or dispose of Plan Assets on a discretionary basis that have been identified as, or are reasonably likely to be included as, a Transferred Asset. If the Insurer discovers the existence of any such agreement, the Insurer will, and will cause its Affiliates to, cease providing any discretionary asset management services with respect to any Plan Asset before such Plan Asset becomes a Transferred Asset and the Company hereby consents to any such termination of services.

VIII. CONDITIONS TO OBLIGATION TO CLOSE

8.01 Conditions to the Company’s Obligations. The Company’s obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or, other than with respect to the condition set forth in Section 8.01(d) (which cannot be waived), waiver by the Company of the following conditions:

(a) the representations and warranties set forth in Article IV and Article V (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Insurer and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(e) the Company shall have confirmed that it may account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement as contemplated under ASC 715;

(f) a Transaction MAC has not occurred that continues as of the Closing Date;

(g) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(h) each delivery contemplated by Section 2.03(a) and Section 2.03(b) shall have been delivered;

(i) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and

(j) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.02 Conditions to the Insurer's Obligations. The Insurer's obligation to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver by the Insurer of the following conditions:

(a) the representations and warranties in Article III (other than Section 3.12, which the Parties agree shall not be considered in any respect under this Section 8.02(a)) and Article IV (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Company and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(a) and Section 2.03(c) shall have been delivered;

(e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(f) either the Company or the Plan has provided the Insurer with the information on and completed all processes set forth in Schedule 6.04(b) (occurring prior to the Closing Date), or an Alternative Arrangement shall have been effected;

(g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and

(h) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.03 Conditions to the Independent Fiduciary's Obligations. The Independent Fiduciary's obligation to, or to direct the Plan Trustee to, consummate the transactions contemplated hereby in connection with the Closing is subject to satisfaction or waiver (provided that the condition in Section 8.03(b) may not be waived) of the following conditions:

(a) (i) the representations and warranties set forth in Article III (other than Section 3.12, which the Parties agree is not being given by the Company to the Independent Fiduciary) and Article V (x) that are qualified by materiality will be true and correct in all respects or (y) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects), and (ii) the Insurer and the Company shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(b) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(c) (i) no Order shall be in effect which prohibits consummation of any transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

- (d) each delivery contemplated by Section 2.03(b) and Section 2.03(c) shall have been delivered;
- (e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;
- (f) the Plan Assets comprising the “remaining pool assets” (as determined pursuant to Part 1 of Schedule 8.03(f) as of the Signing Date) have been adjusted through the Closing Date only (except for changes in fair value) pursuant to the methodology set forth in Part 2 of Schedule 8.03(f);
- (g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and
- (h) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.04 No Frustration of Closing Conditions. None of the Company, the Independent Fiduciary or the Insurer may rely on the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in Section 8.01, 8.02 or 8.03, as the case may be, to be satisfied if such failure was caused by such Party’s or its Affiliates’ breach of its representations, warranties or covenants hereunder.

IX. INDEMNIFICATION

9.01 Survival. All of the representations and warranties set forth in this Agreement will survive the Closing until the date that is 12 months after the Closing Date; provided, however, that the Fundamental Reps will survive until the date that is six years after the Closing Date. Notwithstanding the foregoing, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the preceding sentence if written notice of the inaccuracy or breach thereof giving rise to such right of indemnity has been given to the party against whom indemnification may be sought prior to such time.

9.02 Indemnification by the Insurer. From and after the Closing, the Insurer will indemnify, defend and hold the Company, the Plan, and their respective Affiliates, officers, directors, stockholders, employees, agents and other Representatives (each, a “Company Indemnified Party”) harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any Action, demand or other claim against the Company Indemnified Party by a third party that is threatened or brought against or that involves a Company Indemnified Party and that arises out of or relates to any failure by the Insurer to make, or cause to be made, any payments required to be made to Covered Lives or Contingent Lives pursuant to the Group

Annuity Contract or the Annuity Certificates (collectively, “ Company Indemnified Claims ”).

9.03 Procedures For Indemnification Claims. (a) Any Company Indemnified Party making a claim for indemnification for Company Indemnified Claims under Section 9.02 will notify the Insurer of each Company Indemnified Claim in writing promptly after receiving notice of such, describing the Company Indemnified Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided, however, that the failure to notify the Insurer will affect the rights of a Company Indemnified Party hereunder only if, and to the extent, such failure has an actual material prejudicial effect on the Insurer’s Liabilities with respect to such claim.

(b) The Insurer will have the right at any time to assume the defense against any Company Indemnified Claim with counsel of its choice reasonably satisfactory to the Company Indemnified Party and control the defense of such Company Indemnified Claim.

(c) From and after the date that the Insurer has assumed and is conducting the defense of a Company Indemnified Claim in accordance with Section 9.03(b), (i) the Company Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in, but not control, the defense of such Company Indemnified Claim, (ii) the Company Indemnified Party may retain counsel at its sole cost and expense to control the defense of any portion of the Action, demand or other claim against the Company Indemnified Party that is not a Company Indemnified Claim (the “ Uncovered Claim ”), (iii) the Insurer and the Company Indemnified Party will cooperate fully with each other and any of their respective counsel in connection with the defense, negotiation or settlement of any such Company Indemnified Claim or (if the Company Indemnified Party retains counsel for the Uncovered Claim) the Uncovered Claim, including providing access to any relevant books and records, properties, employees and Representatives; provided, however, that for avoidance of doubt, the foregoing will not require any Person to waive, or take any action which has the effect of waiving, its attorney-client privilege, attorney work-product, or any other applicable privilege with respect thereto, (iv) the Insurer will not consent to the entry of any judgment on or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Company Indemnified Party (which will not be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages by the Insurer, and either does not impose an injunction or other equitable relief upon the Company Indemnified Party, or adversely impact the Tax Qualified status of the Plan, or admits liability on the part of any Company Indemnified Party, (v) the Company Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Insurer (which will not be unreasonably withheld, conditioned or delayed), and (vi) the Company Indemnified Party may consent to the entry of any judgment or enter into any settlement with respect to the Uncovered Claim without the prior consent of the Insurer.

(d) If the Insurer has not assumed the defense of a Company Indemnified Claim after notice thereof, (i) the Company Indemnified Party may defend against the Company Indemnified Claim in any manner it reasonably determines to be appropriate, (ii) the Insurer will reimburse the Company Indemnified Party promptly and periodically for the costs of defending against the Company Indemnified Claim (including prompt payment of reasonable attorneys' fees and expenses allocable to such Company Indemnified Claim) to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder and (iii) the Insurer will remain responsible for any costs the Company Indemnified Party may incur resulting from the Company Indemnified Claim to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder. If the Company Indemnified Party has not assumed the defense of an Uncovered Claim as contemplated by Section 9.03(c)(ii), the Insurer is not responsible in any way for any Liabilities or Orders resulting from not responding to or defending such Uncovered Claim; provided, however, that the Insurer's responsibility for Company Indemnified Claims will not be altered in any way.

9.04 Claims and Payment. On each occasion that any Company Indemnified Party will be entitled to indemnification under this Article IX, the Insurer will, at each such time, promptly pay the amount of such indemnification within ten (10) Business Days following receipt of an invoice for out-of-pocket expense, fees or other amounts for which it is liable under this Article IX.

X. TERMINATION

10.01 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing as provided below:

(a) by the mutual written consent of the Company and the Insurer;

(b) by the Company if the Closing has not occurred by or on [* * *] after the Signing Date (the "Outside Date") or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Company if any failure of the Company to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement;

(c) by the Company if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of Insurer or the Independent Fiduciary contained in this Agreement, and which will not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Insurer or the Independent Fiduciary, as applicable;

(d) by the Insurer if the Closing has not occurred by or on the Outside Date or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement shall not be available to the Insurer if any action of the Insurer or Insurer Parent or the failure of the Insurer or Insurer Parent to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement; and

(e) by the Insurer if there has been a material misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Company or the Independent Fiduciary contained in this Agreement, and which shall not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Company or the Independent Fiduciary, as applicable.

10.02 Effect of Termination; Survival. If this Agreement is terminated pursuant to Section 10.01, all rights and obligations of the Parties hereunder will terminate upon such termination and will become null and void, except that Section 1.01 (Definitions), Article XI (Miscellaneous) and this Section 10.02 (Effect of Termination; Survival) will survive any such termination and no Party will otherwise have any Liability to any other Party hereunder; provided, however, that nothing in this Section 10.02 will relieve any Party from Liability for any fraud or willful and material breach of this Agreement.

10.03 Extension.

(a) If the Closing is not reasonably expected to occur on or prior to the Outside Date, the Company may deliver a request to the Insurer on or before 5:00 pm eastern time on the Outside Date that the Outside Date be extended (a "Notice of Extension"), in which case the Outside Date will be deemed to be extended to [* * *].

(b) If the Company timely delivers a Notice of Extension to the Insurer, the Insurer will use its Commercially Reasonable Efforts to deliver to the Company and the Independent Fiduciary a written, good-faith revision of the Signing Date Amount by [* * *] (a "Re-Pricing Offer"), [* * *]. The Company will deliver a written response to the Insurer either accepting or rejecting the Re-Pricing Offer within ten Business Days following the Insurer's delivery of the Re-Pricing Offer to the Company. If the Company accepts the Re-Pricing Offer, the Parties will (i) set a new Closing Date as soon as reasonably practicable and (ii) cooperate in good faith for a period of ten Business Days to negotiate any amendments to this Agreement, the Ancillary Agreements and the Procedures Manual necessary to implement the terms of the Re-Pricing Offer.

(c) If the Company rejects the Re-Pricing Offer or the Parties do not agree upon amendments necessary to implement the terms of the Re-Pricing Offer within the time frame set forth in Section 10.03(b), then this Agreement will immediately terminate.

XI. MISCELLANEOUS

11.01 Expenses. Except as otherwise expressly set forth herein, each Party will bear its own costs and expenses incurred in connection with this Agreement and the Transactions, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.

11.02 Entire Agreement. This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by, among or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. Notwithstanding the foregoing, (a) the IF Engagement Letter will not be superseded by this Agreement or the Ancillary Agreements and (b) nothing in this Agreement will affect the terms or enforceability of the Group Annuity Contract.

11.03 Amendments and Waivers. No amendment of any provision of this Agreement or the Ancillary Agreements will be valid unless the same will be in writing and signed by each Party hereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 11.03. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

11.04 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties, and any attempt to do so will be null and void *ab initio*, without any effect whatsoever.

11.05 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient, (b) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, or (c) when transmitted, if sent by facsimile or electronic mail, to those indicated below (including the recipient):

If to the Company:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Charles Ballard, Director, Asset Management
Facsimile: (920) 225.3585
Email: charles.ballard@kcc.com

With copies (which will not constitute notice to the Company) to:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Pat Wheeler, Associate General Counsel
Facsimile: (920) 225.4498
Email: pwheeler@kcc.com

Jones Day
51 Louisiana Avenue, NW
Washington, DC 20001
Attention: Evan Miller
Facsimile: (202) 626.1700
Email: emiller@jonesday.com

Jones Day
222 East 41st Street
New York, NY 10017-6792
Attention: George Flemma
Facsimile: (212) 755.7306
Email: gflemma@jonesday.com

If to Insurer or Insurer Parent:

Prudential Insurance Company of America
200 Wood Avenue South
Iselin, NJ 08830
Attention: Susan Cannilla
Facsimile: (732) 482.8891
Email: susan.cannilla@prudential.com

With a copy (which will not constitute notice to Insurer or Insurer Parent) to:

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022
Attention: Nicholas F. Potter
Alexander Cochran
Facsimile: (212) 909.6836
Email: nfpotter@debevoise.com arcochra@debevoise.com

If to the Independent Fiduciary:

State Street Global Advisors, a division of State Street Bank and
Trust Company
One Lincoln Street
Boston, MA 02111
Attention: Denise Sisk
Facsimile: (617) 946.9434
Email: denise_sisk@ssga.com

With a copy (which will not constitute notice to Independent
Fiduciary) to:

K&L Gates LLP
210 Sixth Avenue
Pittsburgh, PA 15222
Attention: Charles R. Smith
Marcia C. Kelson
Facsimile: 412.355.6501
Email: charles.smith@klgates.com; marcia.kelson@klgates.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 11.05.

11.06 Governing Law. Except to the extent preempted by applicable Federal Law, this Agreement will be governed by, and construed in accordance with, the Laws of the State of New York, without regard to any principles of conflicts of law thereof that would permit or require the application of the Laws of another jurisdiction.

11.07 Submission to Jurisdiction; Service of Process. (a) Each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court, and only federal court if diversity of Parties exists, sitting in New York County, New York in any Dispute arising out of or relating to this Agreement or any Ancillary Agreement and agrees that all claims in respect of such Action may be heard and determined in any such court. Each Party also agrees not to bring any Action arising

out of or relating to this Agreement or any Ancillary Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any Action so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 11.05; provided, however, that nothing in this Section 11.07 will affect the right of any Party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that in the course of any Action, if the Insurer elects to, based on the opinion of counsel, produce or otherwise disclose any [* * *], to the Company, the Independent Fiduciary or their respective Affiliates or Representatives (for the avoidance of doubt, nothing herein will obligate the Insurer or any of its Affiliates or Representatives to make such disclosure), the Company and the Independent Fiduciary will consent to the filing of, and the Parties will use their all reasonable efforts to move for and urge the court to adopt, a protective order implementing terms reasonably satisfactory to the Insurer to limit the disclosure of [* * *] and ensure the strictly confidential treatment thereof, including requiring [* * *] to be submitted under seal and for the return and destruction of [* * *] or copies thereof following the conclusion of any such Action; provided, however, that in no case will the Company be required to take any steps that would compromise the ability of the Company to prosecute or defend the Action or otherwise prejudice the Company's position (including any restrictions on the ability of Company experts to review, access and analyze any materials that the Company determines are relevant to such prosecution or defense); provided, further, that the Company and the Independent Fiduciary agree that it will not be considered unreasonable for the Insurer to seek a protective order that prevents disclosure of such information in such a way that it would be reasonably likely to become available to competitors of the Insurer or other third parties not involved in any such Action.

11.08 Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

11.09 Specific Performance. The Parties agree that irreparable damage would occur if any of the provisions of this Agreement or the Ancillary Agreements were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an injunction or injunctions to prevent breaches of this Agreement or any Ancillary Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement or any Ancillary Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. Without limiting the generality of the foregoing, the Parties acknowledge and

agree that the Insurer will be entitled to enforce specifically the obligations of the Independent Fiduciary set forth in this Agreement to irrevocably direct the Plan Trustee to act in accordance with this Agreement and the Ancillary Agreements. The Parties further agree that (a) by seeking the remedies provided for in this Section 11.09, a Party will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement or any Ancillary Agreement (including monetary damages) if the remedies provided for in this Section 11.09 are not available or otherwise are not granted, and (b) nothing set forth in this Section 11.09 will require any Party hereto to institute any Action for (or limit any Party's right to institute any Action for) specific performance under this Section 11.09 prior or as a condition to exercising any termination right under Article X, nor will the commencement of any Action pursuant to this Section 11.09 or anything set forth in this Section 11.09 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of Article X, or pursue any other remedies under this Agreement that may be available then or thereafter.

11.10 Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement; provided, however, that if any of the material provisions of this Agreement are held illegal, invalid or unenforceable, this entire Agreement will be null and void. If any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions will be limited or eliminated only to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

11.11 No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the Parties and the respective successors and permitted assigns of the foregoing.

11.12 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 11.05 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

11.13 Confidentiality. (a) It is understood that each Party has received and will receive Confidential Information from the other Parties in connection with the negotiation of this Agreement and the Ancillary Agreements as well as in previous discussions and interactions involving the matters addressed by this Agreement and the Ancillary Agreement. Except as set forth herein (including except as expressly permitted or contemplated by the other provisions of this Agreement), the Parties will not use the Confidential Information of another disclosing Party except in connection with the performance of their respective obligations under this Agreement and will not disclose (and will cause their respective Representatives, Affiliates, and Affiliates'

Representatives not to disclose) any Confidential Information received from another Party, the Plan, or their Affiliates or Representatives, except to such receiving Party's Representatives, Affiliates, and Affiliates' Representatives, who have a need to know ([* * *]) and have agreed to maintain the confidentiality of Confidential Information in accordance with this Section 11.13 .

(b) Section 11.13(a) will not apply with respect to Confidential Information that the receiving Party can demonstrate is or was:

(i) already known to such Party or its Affiliates or Representatives prior to the confidential disclosure by the disclosing Party or any of its affiliates or Representatives;

(ii) independently developed by the receiving Party or its Affiliates or Representatives not in violation or breach of this Agreement or any other confidentiality obligation to the disclosing Party (such as the Confidentiality Agreements or any retention agreement with a firm or professional in connection with this Agreement);

(iii) already known to the public without breach of confidence by such Party or any of its Affiliates;

(iv) received by the receiving Party from a third party without restrictions on its use in favor of the disclosing Party, whether by Law or Contract; or

(v) subject to prior compliance with Section 11.13(c), required to be disclosed pursuant to any applicable Law, stock exchange regulation, regulatory provision, court order, subpoena or other legal process.

(c) Section 11.13(a) will not apply from and after the Closing to restrict the use or disclosure by the Insurer of any Confidential Information related to Priced Lives, Annuity Payments, or [* * *], received from another disclosing Party; provided, however, that the Insurer will use such Confidential Information only in compliance with all applicable Laws relating to privacy of personally identifying information. For the avoidance of doubt, this Section 11.13(c) does not apply to Confidential Information regarding the Company or the Plan (other than to the extent required in connection with the Group Annuity Contract).

(d) Except as otherwise provided in this Agreement, if any Party, its Representatives, its Affiliates or its Affiliates' Representatives, receives a request, subpoena, demand, or order for disclosure or becomes required by Law or stock exchange rule or regulation to disclose any Confidential Information (a "Compelled Disclosing Party"), such Compelled Disclosing Party will promptly, and in no case more than five (5) Business Days following receipt of such a request, subpoena, demand, or order (so long as it is legally permitted to provide such notification), notify the other Parties to afford them the opportunity to object and seek a protective order or other

remedy, including a protective order requiring Confidential Information to be submitted under seal and for the return and destruction of Confidential Information or copies thereof following the conclusion of any Action, prior to the disclosure of any such Confidential Information. The Compelled Disclosing Party will, to the extent permitted by Law, cooperate with the other Party's or Parties' efforts to obtain such protective order, at such other Party's or Parties' cost and expense. In the event that such protective order or other remedy is not sought or obtained, only that portion of Confidential Information which the Compelled Disclosing Party's legal counsel determines, in good faith, is required to be responsive to such request may be disclosed and such Compelled Disclosing Party will request that appropriate confidential treatment will be accorded to such Confidential Information.

(e) The Parties acknowledge and agree that this Section 11.13 will supersede the Confidentiality Agreements. Notwithstanding the foregoing, this Section 11.13(e) will not relieve any party from Liability for breaches of the Confidentiality Agreement that have occurred prior to the date hereof.

11.14 Waiver of Punitive Damages . To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement, none of the Parties will be liable to any other Party for any punitive or exemplary damages of any nature in respect of matters arising out of this Agreement, whether arising out of breach of contract, negligence, tort, strict liability or any other legal or equitable principle. The foregoing sentence will not preclude recovery of amounts claimed in a Company Indemnified Claim to the extent that claims for such amounts are subject to indemnification under this Agreement.

11.15 Intellectual Property . (a) Notwithstanding anything to the contrary herein, the Parties acknowledge that, as between the Insurer, the Company and the Independent Fiduciary, neither the Company nor the Independent Fiduciary shall have an ownership interest in any spreadsheets and formulas, including the methodologies reflected on the spreadsheets and manuals (including the Procedures Manual), related to the calculation of all or any part of the Contribution Amount (as defined in the Group Annuity Contract) or any adjustments thereto, whether or not such spreadsheets, formulas or methodologies are referenced in this Agreement, other than the methodology set forth in Schedule 8.03(f) (collectively, the "Materials"). The foregoing remains true even with respect to the Materials incorporated or reproduced in the work product of any arbitrator or staff thereof in connection with this Agreement. In furtherance of the foregoing, the Company and the Independent Fiduciary hereby assign to the Insurer all right, title and interest that such Party has or may have in any Materials, and any intellectual property rights therein and thereto, conceived, invented, authored or reduced to practice in connection with this Agreement and the Ancillary Agreements; and, for the avoidance of doubt, neither the Company nor the Independent Fiduciary assigns, conveys or impairs any right to the Materials that any other Person may have or assert. The Insurer hereby grants the Independent Fiduciary, the Company and, pursuant to the applicable engagement letter, if any, any arbitrator or

staff thereof or any other professional engaged in connection with this Agreement, the limited, [* * *] right, [* * *], to use such Materials [* * *]. The Insurer hereby grants to the Company, the Independent Fiduciary, [* * *], a limited, [* * *] right, [* * *], to use the Materials [* * *].

(b) From and after the Closing, the Insurer will indemnify, defend and hold the Company and the Independent Fiduciary and their respective Affiliates, officers, directors, stockholders and employees (each an “Indemnified Person”) harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to any claim, action, suit, arbitration, complaint, charge, investigation, inquiry, proceeding, demand or other claim against any Person (other than a direct action against an Indemnified Person) that is threatened or brought by Insurer involving [* * *].

(c) [* * *]. Further, the Insurer agrees that it will, in good faith, attempt to avoid involving the Company in any action related to enforcement against any other Person of any intellectual property or confidentiality rights with respect to the Materials.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**THE PRUDENTIAL INSURANCE COMPANY
OF AMERICA**

By: /s/ Brian J. Curran
Name: Brian J. Curran
Title: Senior Investment Vice President

KIMBERLY-CLARK CORPORATION

By: /s/ Mark A. Buthman
Name: Mark A. Buthman
Title: Senior Vice President and Chief
Financial Officer

PRUDENTIAL FINANCIAL, INC.

By: /s/ Susan Cannilla
Name: Susan Cannilla
Title: Second Vice President

STATE STREET BANK AND TRUST COMPANY,
acting solely in its
capacity as Independent Fiduciary of the
Plan

By: /s/ Sydney Marzeotti
Name: Sydney Marzeotti
Title: Vice President

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

DEFINITIVE PURCHASE AGREEMENT
BY AND AMONG
KIMBERLY-CLARK CORPORATION,
STATE STREET BANK AND TRUST COMPANY,
AND
MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

*** CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION ***
CONFIDENTIAL TREATMENT REQUESTED BY KIMBERLY-CLARK CORPORATION

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DEFINITIVE PURCHASE AGREEMENT

This Definitive Purchase Agreement (this “Agreement”) is entered into as of February 23, 2015 (the “Signing Date”) by and among Massachusetts Mutual Life Insurance Company, a Massachusetts life insurance company (the “Insurer”), Kimberly-Clark Corporation, a Delaware corporation (the “Company”), acting solely in a non-fiduciary capacity as the sponsor of the Kimberly-Clark Corporation Pension Plan (the “Plan”), and State Street Bank and Trust Company, a Massachusetts trust company, for the purposes of this Agreement, acting through State Street Global Advisors, a division of State Street Bank and Trust Company, acting solely in its capacity as the independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in this Agreement (the “Independent Fiduciary”). The Insurer, the Company and the Independent Fiduciary are referred to collectively herein as the “Parties.”

RECITALS

- A. The Company, as sponsor of the Plan, has amended the Plan to require that Liabilities under the Plan for certain participants currently receiving benefits be transferred to a licensed insurance company, and that such insurance company fully and irrevocably guarantee benefits in accordance with a group annuity contract.
- B. In furtherance of the foregoing, the Insurer expects to derive substantial benefit from the consummation of the transactions contemplated by this Agreement and wishes to issue to the Company the Group Annuity Contract on the terms and subject to the conditions set forth herein and therein.
- C. The Company and the Independent Fiduciary are desirous of proceeding with the Plan’s purchase and the Company’s receipt of the Group Annuity Contract from the Insurer.
- D. The Independent Fiduciary has determined that the Plan’s purchase of the Group Annuity Contract as provided for herein satisfies the ERISA Requirements.
- E. The Parties wish to enter into this Agreement to provide for the purchase and the issuance of the Group Annuity Contract by the Insurer to the Company and certain related transactions and agreements, including the Insurer and Other Insurer entering into the Administrative Services Agreement.
- F. The Company is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in a non-fiduciary capacity as plan sponsor of the Plan.

*** CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION ***

G. The Independent Fiduciary is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in its capacity as a named fiduciary for matters involving certain assets of the Plan.

NOW , THEREFORE , in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

I. DEFINITIONS AND INTERPRETATION

1.01 Definitions . For purposes of this Agreement:

[* * *]

“ Action ” means any claim, action, suit, arbitration, complaint, charge, investigation, inquiry or proceeding by or before any Governmental Authority.

“ Administrative Services Agreement ” means the Administrative Services Agreement between the Insurer and the Other Insurer in substantially the same form of Schedule 1.01(b).

“ Affiliate ” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“ Agreement ” is defined in the preamble.

“ Alternative Arrangement ” is defined in Section 6.04(b).

“ Alternative Transaction Proposal ” means any proposal or offer (a) relating to the entry into an insurance, reinsurance or other transaction similar to the purchase and issuance of a group annuity contract contemplated hereby and (b) that would be reasonably likely to replace, frustrate or cause not to occur the Transactions in respect of the Covered Lives or Contingent Lives, including any transaction in which the responsibility to make all or any substantial portion of the payments in respect of pension obligations owed to the Covered Lives or Contingent Lives would be transferred, assigned or novated from the Plan Trust to a non-affiliated Person or in which a non-affiliated Person would assume an obligation to indemnify or reimburse the Plan Trust, the Company or any of their respective Affiliates for any such payment; provided that an “Alternative Transaction Proposal” shall not include (i) any insurance, reinsurance or other transaction that does not relate to the Covered Lives or Contingent Lives or (ii) the Other Group Annuity Contract and any definitive purchase agreement executed by the Other Insurer, the Company and the Independent Fiduciary with

respect to the Other Group Annuity Contract (but only to the extent that the Other Group Annuity Contract and such definitive purchase agreement are not intended to replace any part of the Group Annuity Contract or this Agreement).

“ Ancillary Agreements ” means the Group Annuity Contract, the Plan Trustee Agreement and all other written agreements, documents or certificates to be delivered by a Party at the Closing.

“ Annuity Benefits Correspondence Center ” is defined in Section 7.03(a).

“ Annuity Certificate ” means an annuity certificate substantially in the applicable form set forth in Schedule 1.01(c), with such modifications as may be made by the Insurer as required by, or permitted under, applicable Law.

“ Annuity Commencement Date ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“ Annuity Committee ” means the Annuity Committee of the Plan.

“ Annuity Exhibits ” means the information, in substantially the same form as attached to Schedule 1.01(e).

“ Annuity Payment ” means the monthly payments, if any, payable to Covered Lives and, if applicable, Contingent Lives and Beneficiaries pursuant to the Group Annuity Contract.

“ Arbitration Dispute ” is defined in Section 2.10(b).

“ ASC 715 ” means Accounting Standards Codification Section 715: Compensation-Retirement Benefits.

[* * *]

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“ Asset Portfolio ” means the [* * *] of the Workbook, as adjusted from time to time pursuant to Section 2.05.

[* * *] is defined in Section 2.17.

“ Base Annuity Premium ” is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“ Base File ” means the data as of December 1, 2014, in the file titled [* * *] that was provided by the Company to the Insurer in the Data Room at [* * *] eastern time on [* * *].

“ Beneficiary ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Bill of Sale ” means the bill of sale in the form attached as Schedule 1.01(d).

“ Business Day ” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York or Boston, Massachusetts are authorized or required by Law to close or are unable to open.

“ Cash ” means currency of the United States of America or wire transfers thereof that is legal tender for payment of all public and private debts.

“ Cash Payment Amount ” is defined in Section 2.06(e)(i).

“ Closing ” is defined in Section 2.02.

“ Closing Amount ” means the sum of [* * *].

“ Closing Annuity Exhibits ” is defined in Section 2.06(a)(iii).

“ Closing Data Cut-Off Date ” means the day that is 26 Business Days prior to the Target Closing Date.

“ Closing Data File ” is defined in Section 2.06(a)(i).

“ Closing Date ” is defined in Section 2.02.

“ Closing Date Asset Valuation ” is defined in Section 2.06(b).

“ Closing Date Cash Amount ” means the amount equal to the sum of [* * *].

“ Code ” means the Internal Revenue Code of 1986 and the applicable Treasury Regulations issued thereunder.

“ Commercially Reasonable Efforts ” means, with respect to the efforts to be expended by a Party with respect to any objective under this Agreement, reasonable, diligent, good faith efforts to accomplish such objective as a similarly situated Person would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgment. Notwithstanding the foregoing, “Commercially Reasonable Efforts” will not require a Person to make payments to unaffiliated third parties (other than in respect of the fees and expenses of such Person’s counsel and other advisors), to incur non-de minimis Liabilities to unaffiliated third parties or to grant any non-de minimis concessions or accommodations.

“ Company ” is defined in the preamble.

“ Company Disclosure Letter ” means the disclosure letter as delivered by the Company to the other Parties immediately prior to the execution of this Agreement.

“ Company Indemnified Claim ” is defined in Section 9.02 .

“ Company Indemnified Party ” is defined in Section 9.02 .

“ Company Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount, and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Insurer.

“ Company’s Knowledge ” means the actual knowledge of any officer of the Company responsible for the day to day administration or oversight of the Plan or directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter.

“ Compelled Disclosing Party ” is defined in Section 11.13(d) .

“ Confidential Information ” means all business and technical information or processes, stored in any medium, to the extent the same is reasonably construed or generally accepted as containing a trade secret, proprietary or confidential information of or belonging to any Party, its Representatives, its Affiliates or its Affiliates’ Representatives, including know-how and trade secrets, customer or client requirements and lists, [* * *], technology, software and data processing procedures, insurance, actuarial, accounting and financial data, management systems, records and any other information that is designated as confidential, and the portions of any reports or other documents prepared by any professional engaged in connection with this Agreement and any report or other document prepared by a receiving Party that contains or incorporates a trade secret, proprietary or confidential information of a disclosing Party. Confidential Information includes information communicated orally, in writing or in any other recorded or tangible form, includes information supplied by the disclosing Party and includes information delivered prior to the Signing Date pursuant to the Confidentiality Agreements. Information received by the receiving Party containing trade secrets or proprietary or confidential information constitutes Confidential Information.

“ Confidentiality Agreements ” means, collectively, the (a) Non-Disclosure Agreement, dated June 13, 2014, between the Company and Insurer, and (b) the Non-Disclosure Agreement, dated November 11, 2014, between the Company and Independent Fiduciary.

“ Consent ” means any consent, approval (or deemed approval after the expiry of all appropriate waiting periods), authorization, notice, filing, permission or waiver.

“ Contingent Life ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Contract ” means any legally enforceable agreement, contract, commitment, instrument, undertaking, lease, note, mortgage, indenture, license or arrangement, whether written or oral.

“ Contract-Holder ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

[* * *]

“ Covered Life ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Credit Rating Agencies ” means each of Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service, Inc. and Fitch Ratings Ltd., and their respective successors and assigns.

“ Data Room ” means that certain IntraLinks, Inc. virtual data room entitled “Project Camden.”

“ Dispute ” means any claim, counterclaim, demand, cause of action, controversy or dispute.

“ Dry-Run Asset Valuation ” is defined in Section 2.07(b) .

“ Dry-Run Calculation Delivery Date ” means [* * *].

“ Dry-Run Cash Payment Amount ” is defined in Section 2.07(c)(i) .

“ Dry-Run Data Cut-Off Date ” means [* * *].

“ Dry-Run Data File ” is defined in Section 2.07(a) .

“ Dry-Run Date Cash Amount ” means the amount equal to the sum of [* * *].

“ Dry-Run [* * *] Amount ” means [* * *].

“ Dry-Run [* * *] Amount ” means [* * *].

“ Effective Date ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Enforceability Exceptions ” is defined in Section 3.02 .

“ ERISA ” means the Employee Retirement Income Security Act of 1974, as amended, and any federal agency regulations promulgated thereunder.

“ ERISA Requirements ” means all of the requirements of ERISA and applicable guidance promulgated thereunder, including Interpretive Bulletin 95-1.

[* * *]

[* * *] is defined in Section 2.13.

“ Final Annuity Exhibits ” is defined in Section 2.09(b)(iii).

“ Final Data Cut-Off Date ” means the day that is 93 Business Days after the Closing Date.

“ Final Data File ” is defined in Section 2.09(a).

“ Final [* * *] Amount ” is defined in Section 2.09(a).

“ Final [* * *] Amount ” is defined in Section 2.09(d)(i).

“ Fundamental Reps ” means the representations and warranties contained in Sections 3.01 (Due Organization, Good Standing and Corporate Power), 3.02 (Authorization of Agreement; Enforceability), 3.06 (No Brokers’ Fee), 4.01 (Due Organization, Good Standing and Corporate Power), 4.02 (Authorization of Agreement; Enforceability), 4.03 (Consents & Approvals; No Violations), 4.04 (ERISA Related Determinations), 4.05 (No Brokers’ Fee), 5.01 (Due Organization, Good Standing and Corporate Power), 5.02 (Authorization of Agreement; Enforceability), 5.04 (Enforceability of Group Annuity Contract), 5.07 (No Brokers’ Fee), 5.08 (Accuracy of Data Provided), and 5.09 (No Post-Closing Liability).

“ GAAP ” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

“ General Account ” means the general account of the Insurer.

“ Governmental Approval ” means any Consent of a Governmental Authority.

“ Governmental Authority ” means any federal, state, municipal, foreign or local government or quasi-governmental authority or any regulatory or administrative body, department, agency, insurance commission or commissioner, subdivision, court or other tribunal, arbitrator or arbitral body of any of the foregoing.

“ Group Annuity Contract ” means a single premium, non-participating group annuity contract, and all exhibits thereto, substantially in the form set forth in Schedule 1.01(e).

“ Group Annuity Contract Issuance ” is defined in Section 2.01.

“ Identified USB Flash Drive ” means the USB Flash Drive containing, collectively, (a) the Workbook, (b) the Base File, and (c) the Priced Lives file referenced on Schedule 1.01(g). Such USB Flash Drive will be delivered from the Insurer to the Company on the Signing Date, or as promptly as practical thereafter.

“ IF Engagement Letter ” means the Engagement Letter, dated January 12, 2015, by and between the Annuity Committee and the Independent Fiduciary.

“ Independent Fiduciary ” is defined in the preamble.

“ Independent Fiduciary MAC ” means (a) the occurrence of a material adverse change, as determined in the sole discretion of the Independent Fiduciary, in or affecting directly the Insurer or the Other Insurer subsequent to the Signing Date that would cause the selection of the Insurer or the Other Insurer and the purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements or (b) the occurrence of a change in ERISA Requirements after the Signing Date that would cause the selection of the Insurer or the Other Insurer and the Plan’s purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements.

“ Insurer ” is defined in the preamble.

“ Insurer Payment Commencement Date ” means the Annuity Commencement Date.

“ Insurer Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Company.

“ Interim [* * *] Amount ” is defined in Section 2.08(a).

“ Interim Post-Closing Annuity Exhibits ” is defined in Section 2.08(b)(iii).

“ Interim Post-Closing Data Cut-Off Date ” means the day that is 34 Business Days after the Closing Date.

“ Interim Post-Closing Data File ” is defined in Section 2.08(a).

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(d)(i).

“ Interpretive Bulletin 95-1 ” means the U.S. Department of Labor’s interpretive bulletin codified at 29 C.F.R. 2509.95-1.

“ Kimberly-Clark Benefits Center ” is defined in Section 7.03(b).

“ Law ” means any federal, state, foreign or local law, statute, ordinance, regulation, rule or Order of any Governmental Authority.

“ Liability ” means any direct or indirect liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, penalty, fine, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, fixed, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, whenever and however arising (including whether or not required to be reflected or reserved under GAAP against on the financial statements of the obligor or responsible Person).

“ [* * *] Amount ” means [* * *].

“ [* * *] Amount ” means [* * *].

“ Liens ” means any lien, mortgage, security interest, pledge, deposit, encumbrance, restrictive covenant or other similar restriction.

“ Material Litigation ” means any Action that is initiated against the Company, the Plan, the Insurer or any fiduciary of the Plan (including the Independent Fiduciary) by a Governmental Authority that seeks to enjoin the consummation of the Transactions or that otherwise asserts that the Transactions violate applicable Law.

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“ Non-Exempt Prohibited Transaction ” means a transaction prohibited by ERISA Section 406 or Section 4975 of the Code, for which no statutory exemption, or Department of Labor class exemption is available.

“ Notice of Extension ” is defined in Section 10.03(a) .

“ Order ” means any order, award, decision, injunction preliminary or otherwise, judgment, ruling, decree, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Authority or arbitrator.

[* * *]

[* * *]

“ Outside Date ” is defined in Section 10.01(b) .

“ Parties ” is defined in the preamble.

“ Payment at Close ” means (a) the assignment, transfer and delivery by the Plan Trustee to the Insurer of the Transferred Assets, determined in accordance with the

procedures set forth in Schedule 2.01, and (b) the payment by the Plan Trustee to the Insurer of an amount in Cash equal to the Cash Payment Amount.

“ Permitted Liens ” means:

(a) any Liens created by operation of Law in respect of restrictions on transfer of securities (other than restrictions relating to the transfer of the Transferred Assets at Closing, unless such transfer complies with such applicable Law); or

(b) any transfer restrictions or other limitations on assignment, transfer or the alienability of rights under any indenture, debenture or other similar governing agreement to which such assets are subject (other than restrictions relating to the transfer of an asset at Closing, unless such transfer does not violate any such restriction).

“ Person ” means any individual, corporation, limited liability company, partnership, sole proprietorship, joint venture, trust, estate, association, organization, labor union, Governmental Authority or other entity.

“ Plan ” is defined in the preamble.

“ Plan Asset ” means an asset of the Plan within the meaning of ERISA.

“ Plan Beneficiary ” means a person designated by a current or former Plan Participant, by a QDRO or by the terms of the Plan, to become entitled to receive a pension benefit from the Plan.

“ Plan Governing Documents ” means the Plan and any documents and instruments governing the Plan as contemplated under Section 404(a)(1)(D) of ERISA.

“ Plan Participant ” means a person who is eligible to receive, and is receiving, a pension benefit from the Plan.

“ Plan Trust ” means the Kimberly-Clark Retirement Trust.

“ Plan Trustee ” means Bank of New York Mellon, in its capacity as the directed trustee of the Plan Trust.

“ Plan Trustee Agreement ” is defined in Section 7.04.

“ Plan Trustee Direction Letter ” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h).

“ Premium Value As Of Pricing Date ” means the data file titled [* * *] that was provided by the Insurer to the Company in the Data Room at [* * *] eastern time on [* * *].

“ Priced Lives ” means all Plan Participants and Plan Beneficiaries who are referenced by Schedule 1.01(g).

[* * *]

“ Projected RBC Ratio ” means, as of a day of determination, the projection of the RBC Ratio as of December 31, 2015, as calculated under the method set forth on Schedule 6.07.

“ PTCE ” means a prohibited transaction class exemption issued by the U.S. Department of Labor pursuant to section 408(a) of ERISA.

“ QDRO ” means a domestic relations order that satisfies the qualification requirements set forth in ERISA § 206(d)(3) and Code § 401(a)(13)(B).

“ RBC Ratio ” means the risk-based capital ratio of the Insurer, which will be calculated in a manner consistent with the requirements and methodologies prescribed under Massachusetts Law, as applied by the Insurer in the ordinary course of its business, consistent with its historic practice.

“ Re-Pricing Offer ” is defined in Section 10.03(b).

“ Representatives ” means, in respect of any Person that is an entity, such Person’s officers, directors, employees, advisors and agents.

“ SEC ” means the Securities and Exchange Commission.

“ Signing Date ” is defined in the preamble.

“ Signing Date Amount ” is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“ [* * *] Asset Portfolio ” means [* * *].

“ [* * *] Asset Portfolio Value Amount ” means [* * *].

“ Signing Date Cash Amount ” means the amount that has been mutually agreed by the Company and the Insurer prior to the date hereof and set forth in the “CASH_PAYMENT_AMOUNT” Tab of the Workbook.

“ [* * *] Cash Amount ” means the sum of [* * *].

“ Target Closing Date ” means (a) [* * *] or (b) such other date on or prior to the Outside Date that the Insurer, the Company and the Independent Fiduciary may mutually agree.

“Tax Qualified” means qualified by the Code for preferential tax treatment under Code sections 401 (a) and 501(a).

“Transactions” means the transactions contemplated by this Agreement, including any payments pursuant to Section 2.08 or Section 2.09.

“Transaction Announcement” is defined in Section 6.02(a).

“Transaction MAC” means the occurrence of any fact, circumstance, change, development, condition or event subsequent to the execution of this Agreement that results in [* * *].

“Transferred Assets” means the assets included on the Transferred Assets Schedule.

“Transferred Assets Schedule” means [* * *].

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“Uncovered Claim” is defined in Section 9.03(c).

“Workbook” means the excel file titled [* * *] that was delivered on behalf of the Company to the Insurer in an email from [* * *] to [* * *].

1.02 Interpretation.

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they will be deemed to be followed by the words “without limitation.” The use of “or” is not intended to be exclusive unless expressly indicated otherwise.

(b) Words denoting any gender will include all genders. The meanings given to terms defined herein will be equally applicable to both singular and plural forms of such terms. Where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning.

(c) The Schedules, the Company Disclosure Letter, the Workbook, and the Identified USB Flash Drive are incorporated by reference and made a part of this Agreement as if set forth fully in this Agreement.

(d) A reference to any party to this Agreement or any other agreement or document will include such party’s successors and permitted assigns.

(e) A reference to any Law or to any provision of any Law will include any amendment thereto, any modification or re-enactment thereof, any Law substituted therefor and all regulations issued thereunder or pursuant thereto.

(f) All references to “\$” and dollars will refer to United States currency. All references to the word “days” will refer to calendar days unless otherwise specified in a particular case.

(g) All references to any financial or accounting terms will be defined in accordance with GAAP to the extent GAAP is applicable; provided, however, that with respect to any financial or accounting terms related to Insurer’s accounting, the accounting terms will be in accordance with relevant state insurance statutory accounting principles (including applicable permitted practices).

(h) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

(i) The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references relate to this Agreement unless otherwise specified.

(j) The Parties each hereby acknowledge that (a) the Parties jointly and equally participated in the drafting of this Agreement and all other agreements contemplated hereby, (b) the Parties have each been adequately represented and advised by legal counsel with respect to this Agreement and the Transactions, and (c) no presumption will be made that any provision of this Agreement will be construed against any Party by reason of such role in the drafting of this Agreement and any other agreement contemplated hereby.

(k) The Table of Contents and the headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

(l) All capitalized terms not defined in the Company Disclosure Letter or any Schedule will have the meanings ascribed to them in this Agreement. The representations and warranties of the Company in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Company Disclosure Letter. The disclosure of any matter in any section of the Company Disclosure Letter will be a disclosure for all purposes of this Agreement and all other sections of the Company Disclosure Letter to which such matter relates to the extent that the applicability of such matter to such other section of the Company Disclosure Letter is reasonably apparent on its face. The Company Disclosure Letter has been arranged in sections corresponding to the sections and paragraphs of this Agreement for the convenience of the Parties. The listing of any matter by the Company in the Company Disclosure Letter will expressly not constitute an admission by the Company, or otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or

materiality standards set forth in this Agreement. No disclosure in the Company Disclosure Letter relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event will the listing by the Company of any matter in the Company Disclosure Letter expand the scope of the Company's representations, warranties or covenants set forth in this Agreement. All attachments to the Company Disclosure Letter are incorporated by reference into the Company Disclosure Letter in which they are directly or indirectly referenced. The information contained in the Company Disclosure Letter is in all events provided subject to the confidentiality restrictions in Section 11.13.

II. PURCHASE OF SINGLE PREMIUM GROUP ANNUITY CONTRACT

2.01 Closing. At the Closing the Independent Fiduciary shall irrevocably direct the Plan Trustee to (a) make the Payment at Close, and (b) the Insurer shall issue and deliver to the Company the Group Annuity Contract (the "Group Annuity Contract Issuance").

2.02 Time and Place of Closing. On the terms and subject to the conditions set forth in this Agreement, the consummation of the transactions contemplated hereby (the "Closing") will take place at the offices of Jones Day at 2727 North Harwood Street, Dallas, Texas 75201, or at such other location as the Parties shall mutually agree, on (i) [* * *] if at least three days prior to such date all of the conditions set forth in Article VIII have been satisfied or waived (except for those conditions which in accordance with their terms will be satisfied on the Closing Date) or (ii) at such other time, date and location as the Company and the Insurer may agree in writing (the "Closing Date").

2.03 Deliveries at Closing. (a) At the Closing, the Independent Fiduciary will, pursuant to the Plan Trustee Direction Letter, irrevocably direct the Plan Trustee to deliver to the Insurer, (with a copy to the Company), the [* * *] and Bill of Sale, each duly executed by the Plan Trustee, and the Independent Fiduciary will deliver, or cause to be delivered, to the Insurer and the Company a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Independent Fiduciary certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b), Section 8.02(a) and Section 8.02(b), in each case, as to the Independent Fiduciary.

(b) At the Closing, the Insurer will deliver to the Company (and with respect to item (ii) will also deliver to the Independent Fiduciary) the following duly executed documents and other items:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Insurer;

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Insurer certifying as to the satisfaction of the conditions

specified in Section 8.01(a), Section 8.01(b) and Section 8.03(a), in each case, as to the Insurer;

(iii) the evidence of disposition from the Texas Department of Insurance with respect to the Group Annuity Contract;

(iv) the [* * *], duly executed by the Insurer; and

(v) the Bill of Sale, duly executed by the Insurer.

(c) At the Closing, the Company will deliver to the Insurer (and with respect to item (ii) will also deliver to the Independent Fiduciary, and with respect to the other items below, with a copy to the Independent Fiduciary) the following duly executed documents:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Company; and

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 8.02(a), Section 8.02(b) and Section 8.03(a), in each case, as to the Company.

2.04 Allocation of Transferred Assets. Upon the Group Annuity Contract Issuance, the Insurer will allocate the Transferred Assets transferred at Closing in to its General Account.

2.05 [* * *]

2.06 Closing Date Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce the following:

(a) Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract at Closing:

(i) On the day that is 16 Business Days prior to the Target Closing Date, the Company will deliver to the Insurer an updated data file in a form consistent with the Base File, except that such data file will include all corrections and changes to the data in the Base File identified by the Company as of such date (the "Closing Data File"). On the 10th Business Day prior to the Target Closing Date, the Insurer will deliver to the Company proposed Annuity Exhibits, which the Insurer will have prepared using the Closing Data File.

(ii) As soon as reasonably practicable and in any event by the 2nd Business Day following the Insurer's delivery of such proposed Annuity Exhibits, the Company will notify the Insurer of any discrepancy between the proposed Annuity

Exhibits and the Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 4th Business Day prior to the Target Closing Date and the Insurer will reflect any agreed upon changes in the revised Annuity Exhibits (the “Closing Annuity Exhibits”); provided, however that the Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(b) Closing Date Asset Valuation. The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day prior to the Target Closing Date a calculation of the value of each asset on the Transferred Assets Schedule, calculated in accordance with the methodology set forth in Schedule 2.06(b), as of the close of business on the Business Day prior to the Closing (the aggregate amount of such valuations, the “Closing Date Asset Valuation”). In the event of any discrepancy among the Parties with respect to the Closing Date Asset Valuation that is unable to be amicably reconciled, then such discrepancy shall be addressed in accordance with Section 2.10.

(c) Cash and Transferred Assets Exhibit. As early as practicable on the Closing Date (and prior to the Closing), the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule and the Closing Date Asset Valuation and reflect the amount of the Cash Payment Amount. The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit” to the Group Annuity Contract.

(d) [* * *]. Within three Business Days of receiving the [* * *] from the Plan Trustee, and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the next day after the Insurer receives the [* * *], the Insurer will deliver to the Company the Workbook incorporating the elements of the [* * *]. As soon as reasonably practicable and in any event within two Business Days following the Insurer’s delivery of the Workbook and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook, the Company will notify the Insurer of any discrepancy between any such [* * *] and its records with respect to the information provided in such [* * *]. The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, within two Business Days following the Insurer’s delivery of such reports and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook.

(e) Cash Payment Amount. On the Closing Date (but prior to the Closing):

(i) The Insurer will deliver to the Company a calculation of the Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Cash Payment Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Cash Payment Amount.

(ii) The Insurer will calculate the Cash Payment Amount using the data provided in accordance with Section 2.06(a) and Section 2.06(c).

2.07 Dry-Run Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce a trial calculation of the cash payment amount in order to agree on best practices for Closing Date procedures.

(a) Dry-Run Data File. In order for the Insurer to calculate the Dry-Run Cash Payment Amount, the Company will deliver to the Insurer by the close of business ten Business Days prior to the Dry-Run Calculation Delivery Date an updated version of the Base File that has been revised to reflect any corrections and changes to the data in the Base File that have been identified by the Company as of the Dry-Run Data Cut-Off Date (the “Dry-Run Data File”).

(b) Dry-Run Asset Valuation. The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day immediately prior to the Dry-Run Calculation Delivery Date a calculation of the value of each asset in the Asset Portfolio, calculated in accordance with the methodology set forth in Schedule 2.06(b) as of the close of business on the Business Day immediately prior to the Dry-Run Calculation Delivery Date (the “Dry-Run Asset Valuation”).

(c) Dry-Run Cash Payment Amount. On the Dry-Run Calculation Delivery Date:

(i) The Insurer will deliver to the Company a calculation of the Dry-Run Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Dry-Run Cash Payment Amount” will be equal to [* * *].

(ii) The Insurer will calculate the Dry-Run Cash Payment Amount using the data provided by the Company in accordance with Section 2.07(a).

2.08 Calculation of Interim Post-Closing [* * *] Amount; Related True-Up. As set forth in this Section 2.08, the Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce an Interim Post-Closing [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the [* * *] Amount.

(a) Interim Post-Closing Data File. On the 40th Business Day after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent

with the Base File which new file will include all corrections to the data in the Closing Data File identified by the Insurer as of the Interim Post-Closing Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “Interim Post-Closing Data File”). On the 53rd Business Day following the Closing Date, in connection with the calculation of the Interim Post-Closing [* * *] Amount pursuant to Section 2.08(d)(i), the Insurer will calculate the [* * *] (the “Interim [* * *] Amount”).

(b) Interim Post-Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(a):

(i) On the 45th Business Day after the Closing, the Insurer will deliver to the Company revised Closing Annuity Exhibits, utilizing and consistent with the Interim Post-Closing Data File.

(ii) As soon as practicable and in any event by the 48th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Closing Annuity Exhibits and the Interim Post-Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 50th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Closing Annuity Exhibits (the “Interim Post-Closing Annuity Exhibits”); provided, however that the Interim Post-Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Interim Post-Closing Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 53rd Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.06(c) and updated pursuant to Section 2.19 and reflect any payment pursuant to Section 2.08(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(a).

(d) Interim Post-Closing [* * *] Amount. On the 53rd Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Interim Post-Closing [* * *] Amount in the form of Schedule 2.06(e)(i). The “Interim Post-Closing [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable

detail all information supporting the calculation of the Interim Post-Closing [* * *] Amount.

(ii) The Insurer will calculate the Interim Post-Closing [* * *] Amount using the data provided in accordance with Section 2.08(a) (as may be modified pursuant to Section 2.08(b)).

(e) True-Up Payment Upon Resolution of Interim [* * *] Amount . Within five Business Days of the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount:

(i) if the calculation of the Interim Post-Closing [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Interim Post-Closing [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to [* * *].

2.09 Calculation of Final [* * *] Amount; Related True-Up . As set forth in this Section 2.09, the Insurer, the Company and the Plan will cooperate in good faith to produce a Final [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the Interim Post-Closing [* * *] Amount.

(a) Final Data File . On the day that is 98 Business Days after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Interim Post-Closing Data File identified by the Insurer as of the Final Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “ Final Data File ”. On the 113th Business Day after the Closing Date, in connection with the calculation of the Final [* * *] Amount pursuant to Section 2.09(d)(i), the Insurer will calculate the [* * *] (the “ Final [* * *] Amount ”).

(b) Final Annuity Exhibits . In order for the Insurer to create the Annuity Exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(b) :

(i) On the 103rd Business Day after the Closing, the Insurer will deliver to the Company revised Interim Post-Closing Annuity Exhibits, utilizing and consistent with the Final Data File.

(ii) As soon as practicable and in any event by the 106th Business Day following the Closing, the Company will notify the Insurer of any

discrepancy between the revised Interim Post-Closing Annuity Exhibits and the Final Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 109th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Interim Post-Closing Annuity Exhibits (the “Final Annuity Exhibits”); provided, however that the Final Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Final Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 113th Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.08(c) and reflect any payment pursuant to Section 2.09(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(b).

(d) Final [* * *] Amount. On the 113th Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Final [* * *] Amount in the form of Schedule 2.06(e)(i). The “Final [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Final [* * *] Amount.

(ii) The Insurer will calculate the Final [* * *] Amount using the data provided in accordance with Section 2.09(a) (as may be modified pursuant to Section 2.09(b)).

(e) True-Up Payment Upon Resolution of [* * *] Amount. By the later of (x) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (y) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount:

(i) if the calculation of the [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Final [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract

in connection with Section 2.15(b), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal [* * *].

2.10 Final [* * *] Amount; Asset Valuation Disputes .

(a) Within ten Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount in accordance with Section 2.09(d)(i) :

- (i) the Company may dispute any Insurer Provided Component; and
- (ii) the Insurer may dispute any Company Provided Component.

(b) Any dispute described in Section 2.10(a) (an “ Arbitration Dispute ”) will be resolved in accordance with the procedures set forth in Schedule 2.10(b) .

(c) Any Insurer Provided Component or Company Provided Component that is not disputed pursuant to Section 2.10(a) will be final and binding on the Parties.

2.11 Adjustment to the Target Closing Date . If subsequent to the calculation or delivery of a calculation or other deliverable that was required to be performed or delivered as of, on or prior to a day that is some number of days prior to the Target Closing Date, the Target Closing Date is adjusted so that it is a later date, the applicable Party will re-calculate or deliver such calculation or other deliverable as of, on or prior, as applicable, to such number of days prior to the Target Closing Date as so adjusted.

2.12 Business Day Adjustments . If any calculation set forth in this Article II is to be performed as of a day that is not a Business Day, such calculation will be performed as of the immediately preceding Business Day.

2.13 Access and Cooperation . The Company, the Plan, as applicable, and the Insurer will provide the other and their Representatives with reasonable access during normal business hours to examine and will provide copies of (a) the work papers and files related to the preparation of, or support for, the calculations and valuations contemplated by this Article II and (b) the relevant books and records of the Insurer, the Company or the Plan, as applicable, and to discuss with the Insurer’s or the Company’s, as applicable, employees and Representatives involved with respect thereto; provided , however , that notwithstanding anything to the contrary set forth herein, (i) the Insurer will not have any obligation to provide the Company and its Representatives with access to any [* * *] or any work papers or other information that discloses or reveals such [* * *], nor will the Company or any of its Representatives attempt to derive, directly or indirectly, any such [* * *] from any other information provided to the Company, the Company’s Affiliates or Representatives or the Company’s Affiliates’ Representatives and (ii) the Company will not have any obligation to provide the Insurer or its Representatives with any work papers of its certified public accountants. If,

notwithstanding the foregoing, the Company or any of its Representatives obtain any such [* * *], whether directly or indirectly, or through a process of derivation, the Company will and will direct its Representatives to not use such information and to destroy (and certify to the Insurer destruction of) such information and to otherwise transfer any rights in such information to the Insurer.

2.14 Data Updates; Mortality Adjustments.

(a) Access To Covered Life Information. From and after the date hereof through the date on which the Final [* * *] Amount is finally determined pursuant to Section 2.09 and Section 2.10, the Plan will provide the Insurer with reasonable access to all updates in the Plan's possession of the data, including benefit amounts, benefit forms, dates of birth, dates of death, gender, and lives missing from the original data provided by the Company that relate to the annuity premium payable to the Insurer, in each case limited to data in connection with Covered Lives or Contingent Lives.

(b) Insurer's Verification of Mortality. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Social Security Master Death file and the Lexis Nexis Accurint tool to attempt to determine if any Covered Lives or Contingent Lives were deceased prior to [* * *]. If (i) subject to such standard verification practices and procedures, such data source indicates that a Covered Life or Contingent Life was deceased prior to [* * *] or (ii) the Company presents evidence, reasonably acceptable to the Insurer, that a Covered Life or Contingent Life was deceased prior to [* * *], then, the Insurer will reflect such mortality event in the (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and reflect such mortality event in its calculation of the Interim [* * *] Amount, and (y) at all times prior to delivery of the Final Data File, the Final Data File and include such mortality event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such mortality review.

(c) Insurer's Review for Date of Birth and Gender Data; Verification of Data Errors. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Lexis Nexis Accurint tool to attempt to determine if there are [* * *], including with respect to dates of birth or gender for any Covered Lives or Contingent Lives. If any errors in respect of dates of birth or gender are discovered that would potentially give rise to [* * *], Insurer will provide reasonably prompt notice to the Company of such errors. If (i) subject to such standard verification practices and procedures, such data source indicates [* * *], including with respect to dates of birth or gender, for any Covered Life or Contingent Life, or (ii) the Company presents reasonably acceptable evidence to the Insurer of [* * *] with respect to an Covered Life or Contingent Life, then, the Insurer will reflect such [* * *] in the (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data

File and include such [* * *] event, in its calculation of the Interim [* * *] Amount, and (y) at all times prior to the delivery of the Final Data File, the Final Data File and include such [* * *] event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such review.

2.15 Amendments to the Group Annuity Contract .

(a) Within five Business Days following the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (i) to make any changes to the [* * *] Amount to reflect the Interim Post-Closing [* * *] Amount, (ii) to substitute the Interim Post-Closing Annuity Exhibits for the Closing Annuity Exhibits, and (iii) to substitute the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c) for the “Cash and Transferred Assets Exhibit.”

(b) By the later of (i) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (ii) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (x) to make any changes to reflect the Final [* * *] Amount (as adjusted following the resolution of any disputes in accordance with Section 2.10), (y) to substitute the Final Annuity Exhibits for the Interim Post-Closing Annuity Exhibits, and (z) to substitute the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.09(c) for the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c) .

2.16 Amendments to the Workbook and Identified USB Flash Drive . If the Company or the Insurer identify any error or omission in the Workbook or the Identified USB Flash Drive prior to the payment of the Final Cash Payment Amount, the Company or the Insurer, as applicable, shall promptly inform the other and the Company and the Insurer shall cooperate in good faith to update the Workbook or the Identified USB Flash Drive to resolve such error or omission, and such updated Identified USB Flash Drive shall be initialed by the Company and the Insurer. The Workbook or the Identified USB Flash Drive, as updated pursuant to this Section 2.16 , shall be binding on the Parties.

2.17 [* * *]. No less frequently than once every two weeks between the Signing Date and the Closing Date, the Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer [* * *] as set forth in Schedule 2.17 , provided , however , that such [* * *] shall in all events be provided as of the close of business on the Business Day immediately prior to the following dates: the Signing Date, the Dry-Run Calculation Delivery Date, and the Closing Date (each [* * *]).

2.18 [* * *]

2.19 Return of [* * *]. On or prior to the day that is five Business Days following the Closing Date, either the Insurer or the Company may [* * *]. If any [* * *], then (a) the Insurer or the Company, as applicable, will promptly notify the other, and, if such asset is, in fact, an Excluded Asset, (b) within five Business Days of such notice the Independent Fiduciary will irrevocably direct the Plan Trustee to pay the Insurer an amount, in Cash, equal to [* * *], and (c) simultaneously with its receipt of such payment from the Plan Trustee, the Insurer will [* * *]. If the Insurer and the Plan are unable to agree on whether [* * *], any party may immediately commence an Arbitration Dispute pursuant to Section 2.10 with respect to such disagreement. By the earlier of (x) agreement among the Insurer and the Company with respect to identification of [* * *] or (y) resolution of any disputes with respect to whether [* * *], the Insurer will amend the Transferred Assets Schedule to reflect any changes with respect to the assets listed therein.

2.20 Available Cash. The Company shall make available to the Plan, Cash in the amount necessary to enable the Plan Trustee to pay all amounts that it is directed to pay to the Insurer by the Independent Fiduciary pursuant to this Article II.

2.21 Conflict with Workbook. In the event of any material conflict between the provisions of this Article II and the Workbook, the Workbook shall control.

III. COMPANY'S REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants to the Insurer and the Independent Fiduciary as of the Signing Date and the Closing Date, except as set forth in the Company Disclosure Letter, that:

3.01 Due Organization, Good Standing and Corporate Power. The Company is a corporation, validly existing and in good standing under the Laws of the State of Delaware and the Plan Trust is a trust, validly formed under the Laws of the State of New York. The Company has all requisite power and authority to enter into and carry out its obligations under this Agreement and to consummate the transactions contemplated to be undertaken by the Company herein. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its sponsorship of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

3.02 Authorization of Agreement; Enforceability. The Company has received all appropriate corporate approvals and no other action on the part of the Company or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated to be undertaken by the Company under this Agreement. This Agreement is duly executed and delivered by the Company, and is a valid and binding obligation of the Company and enforceable against the Company in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency,

reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles (such exceptions, as applicable to any Person, the "Enforceability Exceptions").

3.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company and the Independent Fiduciary of the transactions contemplated to be undertaken by the Company and the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with any provision of the Plan Governing Documents, the certificate or articles of incorporation, bylaws, code of regulations, or the comparable governing documents of the Company, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Company or the Plan, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Company is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's or Independent Fiduciary's ability to consummate the Transactions.

3.04 Compliance with ERISA.

(a) The Plan is maintained under and is subject to ERISA and operated in compliance therewith in all material respects. The Plan Trust is maintained under and is subject to ERISA, and, to the Company's Knowledge, is in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated June 27, 2013 and, to the Company's Knowledge, no event has occurred since such date that is reasonably likely to result in the Plan losing its Tax Qualified status. All Plan amendments necessary to effect the Transactions and the transactions contemplated by this Agreement and the Ancillary Agreements, to the extent that they require authorization by the Company, have been, or will be by the Closing Date, duly authorized and made by the Company. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.

(b) The Independent Fiduciary has been duly appointed as independent fiduciary of the Plan with respect to the purchase of one or more group annuity contracts as set forth in the IF Engagement Letter to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the descriptions of the benefit forms in section 2.2(i)-(viii) of the Group Annuity Contract), (iv) direct the Plan

Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions, and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

3.05 Plan Investments .

(a) There are no commingled investment vehicles that hold Plan Assets, the units of which are or will be Plan Assets involved in the Transactions or the transactions contemplated by the Ancillary Agreements.

(b) No Plan Assets that are or will be involved in the Transactions or the transactions contemplated by the Ancillary Agreements are or will be managed pursuant to investment management agreements with any investment manager listed on Schedule 5.12 .

3.06 No Brokers' Fee . The Company has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

3.07 Accuracy of Information . To the Company's Knowledge, the census data for date of birth, date of death or gender, in each case, with respect to Covered Lives or Contingent Lives that was furnished by or on behalf of the Company to the Insurer was not generated using any materially incorrect systematic assumptions or material omissions.

3.08 Delivery of Plan Governing Documents . True, correct and complete copies of the Plan Governing Documents set forth on Schedule 3.08 have been delivered to the Independent Fiduciary by the Company on or prior to the Signing Date.

3.09 Settlement Accounting . As of the Signing Date, to the Company's Knowledge there are no circumstances existing or that would reasonably be expected to occur that would be likely to cause the Company to conclude that the Company may not account for the Transactions and the transactions contemplated by the Ancillary Agreements as a settlement under ASC 715.

3.10 Litigation by Plan Beneficiaries and Plan Participants . As of the Signing Date, there is no Action pending or, to the Company's Knowledge, threatened, by or on behalf of any Plan Beneficiary or Plan Participant relating to the Plan or any benefit payable or alleged to be payable pursuant to the Plan.

3.11 No Other Representations or Warranties; Reliance . Except for the representations and warranties of the Company expressly set forth in this Article III ,

neither the Company nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Company or any of its Affiliates with respect to the Company, its Affiliates, the Transferred Assets or the Transactions. The Company acknowledges and agrees that the Insurer and the Independent Fiduciary have relied on the representations and warranties set forth in this Article III, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

IV. INDEPENDENT FIDUCIARY'S REPRESENTATIONS AND WARRANTIES

The Independent Fiduciary hereby represents and warrants to the Company and the Insurer as of the Signing Date and the Closing Date, that:

4.01 Due Organization, Good Standing and Corporate Power. (a) The Independent Fiduciary is a trust company validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Independent Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to consummate the transactions contemplated to be undertaken by the Independent Fiduciary herein and therein. The Independent Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its representation of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

(b) The Independent Fiduciary meets the requirements of, and in the Transactions is acting as, an investment manager under ERISA § 3(38) and a QPAM under PTCE 84-14 with respect to the Transactions and the Group Annuity Contract. The Independent Fiduciary is experienced in independent fiduciary work, and together with its reliance on its consultant, Aon Hewitt Investment Consulting, Inc. and its counsel, K&L Gates LLP, the Independent Fiduciary is knowledgeable concerning the large scale group annuity marketplace and reasonably believes that it has the requisite expertise to select the Insurer issuing the Group Annuity Contract and perform its obligations under this Agreement and the IF Engagement Letter. The Independent Fiduciary accepted its designation as the sole fiduciary of the Plan with authority to select the insurer or insurers to issue one or more group annuity contracts in the IF Engagement Letter (a true and correct copy of which has been provided to the Insurer, with the fees to be paid to the Independent Fiduciary redacted therefrom), and the Independent Fiduciary reaffirms its fiduciary status as set forth in such letter. The Independent Fiduciary has provided and will continue to provide the services described in Section 2 of such letter prudently and for the exclusive benefit and in the sole interest of the Plan and its participants and beneficiaries. The Independent Fiduciary has accepted appointment as independent fiduciary of the Plan to (i) be the sole fiduciary

responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the descriptions of the benefit forms in section 2.2(i)-(viii) of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

4.02 Authorization of Agreement; Enforceability. The Independent Fiduciary has received all appropriate corporate approvals and no other action on the part of the Independent Fiduciary is necessary to authorize the execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party), and the consummation of the transactions contemplated to be undertaken by the Independent Fiduciary under this Agreement and Ancillary Agreements (to the extent a party). This Agreement, and all Ancillary Agreements (to the extent a party thereto), are duly executed and delivered by the Independent Fiduciary, and are a valid and binding obligation of the Independent Fiduciary and enforceable against the Independent Fiduciary, in accordance with its terms, subject to the Enforceability Exceptions.

4.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party) by the Independent Fiduciary and the consummation by the Independent Fiduciary of the transactions contemplated to be undertaken by the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with the certificate or articles of incorporation, bylaws, code of regulations or the comparable governing documents of the Independent Fiduciary, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Independent Fiduciary, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person.

4.04 ERISA Related Determinations. (a) The Independent Fiduciary is fully qualified to serve as an independent fiduciary in connection with the Transactions, and any Ancillary Agreements (to the extent a party to), and it is independent of the Company and the Insurer. The annual revenues of the Independent Fiduciary and its Affiliates received in 2014 from each of (i) the Company and its Affiliates, and (ii) the Insurer and its Affiliates, were less than one percent of the total annual revenues of the Independent Fiduciary and its Affiliates in that year and the annual revenues of the Independent Fiduciary and its Affiliates projected to be received in 2015 from each of (x) the Company and its Affiliates, and (y) the Insurer and its Affiliates, are less than one

percent of the total projected annual revenues of the Independent Fiduciary and its Affiliates for 2015. Commercially reasonable ethical walls have been erected between the personnel working on the Transactions and the personnel working on other matters involving the Company, the Insurer, or any of either's Affiliates, and each such Person has ensured that its consultant has done the same.

(b) The Independent Fiduciary has selected the Insurer to issue the Group Annuity Contract as set forth in this Agreement and such selection, and the Transactions, and any Ancillary Agreements, and the Group Annuity Contract (including its terms), each satisfies the ERISA Requirements. The Independent Fiduciary has delivered a certification confirming the foregoing, executed by a duly authorized officer of the Independent Fiduciary, to the Annuity Committee.

(c) If (i) an Independent Fiduciary MAC has not occurred between the Signing Date and the Closing Date or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date, and (ii) the officers' certificates contemplated by Sections 2.03(b) and 2.03(c) are delivered to the Independent Fiduciary, the selection of the Insurer to provide the Group Annuity Contract, the terms of the Group Annuity Contract, and the Plan's use of assets for the purchase of the Group Annuity Contract as contemplated hereby will continue to satisfy the ERISA Requirements as of the Closing Date.

(d) The Transactions and the purchase of the Group Annuity Contract do not result in a Non-Exempt Prohibited Transaction.

4.05 No Brokers' Fee. The Independent Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

4.06 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Independent Fiduciary expressly set forth in this Article IV, neither the Independent Fiduciary nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Independent Fiduciary or any of its Affiliates with respect to the Independent Fiduciary, its Affiliates, the Transferred Assets or the Transactions. The Independent Fiduciary acknowledges and agrees that the Insurer and the Company have relied on the representations set forth in this Article IV, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

V. INSURER REPRESENTATIONS AND WARRANTIES

The Insurer hereby represents and warrants to the Company and the Independent Fiduciary as of the Signing Date and the Closing Date, that:

5.01 Due Organization, Good Standing and Corporate Power . The Insurer is a life insurance company duly organized, validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Insurer has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to which it is, or will be at closing, a party, and to consummate the transactions contemplated to be undertaken by the Insurer. The Insurer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations set forth in the Group Annuity Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

5.02 Authorization of Agreement; Enforceability . The Insurer has received all appropriate corporate approvals and no other action on the part of the Insurer or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated to be undertaken by the Insurer under this Agreement. This Agreement and the Ancillary Agreements, other than the Group Annuity Contract, which is addressed by Section 5.04 , is duly executed and delivered by the Insurer, and each is a valid and binding obligation of the Insurer and enforceable against the Insurer in accordance with its terms, subject to the Enforceability Exceptions.

5.03 Consents And Approvals; No Violations . Except for the approvals of the Governmental Authorities listed on Schedule 5.03 , the execution and delivery of this Agreement by the Insurer and the consummation by the Insurer of the transactions contemplated to be undertaken by the Insurer do not (a) violate or conflict with any provision of its certificate or articles of incorporation, bylaws, code of regulations or comparable governing documents (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Insurer, (c) require any Governmental Approval or (d) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Insurer is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Insurer's ability to consummate the Transactions. The form of the Group Annuity Contract has been reviewed and acknowledged by the Texas Department of Insurance and no further approval by a Governmental Authority or otherwise is required in order for the Insurer to issue the Group Annuity Contract. No further filing or approval is required to issue the Annuity Certificates in accordance with the Group Annuity Contract, other than (i) any filing made or approval received as of the date hereof and (ii) filings with and approvals of state insurance Governmental Authorities in the State(s) listed on Schedule 5.03 .

5.04 Enforceability of Group Annuity Contract . The Group Annuity Contract, when executed, will be duly executed and delivered by the Insurer and will be a valid and binding obligation of the Insurer and enforceable against the Insurer by the

Contract-Holder, and each Covered Life, Contingent Life and Beneficiary, in accordance with its terms. After the Contract-Holder ceases to exist, or notifies the Insurer that it will cease to perform its obligations under the Group Annuity Contract, the Group Annuity Contract will remain a valid and binding obligation of the Insurer and enforceable against the Insurer by each Covered Life, Contingent Life and Beneficiary, in accordance with its terms. At all times, the right to a benefit under the Group Annuity Contract, in accordance with its terms, will be enforceable by the Covered Life, Contingent Life, or Beneficiary to whom the benefit is owed by the Group Annuity Contract by the sole choice of such Person.

5.05 Compliance with Laws . The business of the Insurer has been and is being conducted in material compliance with applicable Laws, and none of the licenses, permits or Governmental Approvals required for the continued conduct of the business of the Insurer as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by the Insurer or its Affiliates hereunder, except as would not reasonably be expected to be, individually or in the aggregate, materially adverse to the ability of the Insurer to perform its obligations under this Agreement.

5.06 Litigation . As of the date hereof, there is no Action pending or, to the Knowledge of the Insurer, threatened, against the Insurer that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the Transactions or that could reasonably be expected to materially impair or restrict the Insurer's ability to perform their respective obligations thereunder, or to consummate the Transactions.

5.07 No Brokers' Fee . The Insurer does not have any Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or their respective Affiliates or Representatives, could be liable.

5.08 Accuracy of Data Provided . The Insurer represents and warrants that (a) all material information provided by the Insurer to the Company or the Independent Fiduciary in connection with the Transactions, was, as of the date indicated on such information, true and correct in all material respects and (b) no change has occurred since the date indicated on such information that the Insurer has not publicly disclosed or disclosed to the recipient of such information that would cause such information, taken as a whole, to be materially false or misleading.

5.09 No Post-Closing Liability . Following the Closing, none of the Company, the Plan, the Company's other Affiliates, the Independent Fiduciary, nor any of their respective directors, officers, trustees or fiduciaries will have any Liability to pay any Annuity Payment.

5.10 Sufficient Resources and Market Sophistication . The Insurer is a sophisticated investor with experience in the purchase of publicly traded debt of the type to be included in the Transferred Assets. The Insurer has had access to such

information as it deems necessary in order to make its decision to acquire the Transferred Assets from the Plan. Without limiting any rights or remedies of the Insurer set forth in this Agreement, the Insurer acknowledges that, (a) the Company and Plan fiduciaries currently may have information with respect to the Transferred Assets that is not known to the Insurer and that may be material to a decision to acquire the Transferred Assets and (b) the Insurer has determined to acquire the Transferred Assets and the investment risk associated with the Transferred Assets notwithstanding its lack of knowledge of such information. The Insurer acknowledges and agrees that neither the Company nor the Plan has given any investment advice or rendered any opinion to the Insurer as to whether the acquisition of the Transferred Assets is prudent. For the avoidance of doubt, nothing in this Section 5.10 will affect the truth or accuracy of the Company's or Independent Fiduciary's representations and warranties expressly set forth herein.

5.11 Relationship to the Plan. The Insurer is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of section 3(16)(A) of ERISA and section 414(g) of the Code), (c) a fiduciary who is expressly authorized in writing to manage, acquire or dispose of the assets of the Plan on a discretionary basis, or (d) an employer any of whose employees are covered by the Plan.

5.12 Compliance with ERISA. A true and complete list of the Insurer's Affiliates that are investment managers within the meaning of section 3(38) of ERISA and that manage assets subject to ERISA is set forth on Schedule 5.12. The execution and delivery of this Agreement and the Ancillary Agreements, to the extent a party thereto, by the Insurer, and the consummation by the Insurer of the transactions contemplated to be undertaken by the Insurer do not result in a Non-Exempt Prohibited Transaction.

5.13 Financial Metrics. (a) The RBC Ratio at December 31, 2014 was [* * *] and (b) on the Signing Date, the Insurer's most current Projected RBC Ratio was [* * *].

5.14 Due Diligence. Insurer has had, or will by the Closing Date have had, the opportunity to conduct, and has conducted, a due diligence investigation with respect to the transactions contemplated by this Agreement and the Ancillary Agreements that it, in its sole discretion, deemed appropriate and hereby acknowledges that it has not been impeded or restricted in any manner by any person with respect to such due diligence investigation.

5.15 No Other Representations or Warranties; Reliance. Except for the representations and warranties of Insurer expressly set forth in this Article V, none of the Insurer, any of its Affiliates or any other Person makes any express or implied representation or warranty on behalf of the Insurer or any of its Affiliates with respect to the Insurer, its Affiliates, or the Transactions. The Insurer acknowledges and agrees

that the Company and the Independent Fiduciary have relied on the representations and warranties set forth in this Article V, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

VI. PRE-CLOSING COVENANTS

6.01 Efforts to Close; Regulatory Clearances; Third-Party Consents . (a) In addition to the actions specifically provided for elsewhere in this Agreement and in any Ancillary Agreement, each of the Parties will cooperate with each other and use (and, except with respect to the Independent Fiduciary, will cause their respective Affiliates to use) their respective Commercially Reasonable Efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part to consummate the Closing. Without limiting the generality of the foregoing, each of the Company and the Insurer will use its Commercially Reasonable Efforts to obtain and to cause others to obtain, as soon as practicable, all required Governmental Approvals at the Closing or as otherwise contemplated by this Agreement, that may be or become necessary for the performance of its obligations under this Agreement and the Ancillary Agreements and the consummation of the Transactions, including approval of the Annuity Certificates from all state agencies from which approval is required, and will cooperate fully with each other in promptly seeking to obtain such Governmental Approvals and Consents. Without limiting the foregoing and subject to applicable legal limitations and the written instructions of any Governmental Authority, from the Signing Date until the Closing Date, each of the Parties agrees to (i) reasonably cooperate and consult with one another, (ii) furnish to the other Parties such necessary information and assistance as such other Party may reasonably request in connection with its preparation of any notifications or filings, (iii) keep each other apprised of the status of material matters relating to the completion of the transactions contemplated thereby, including apprising the other Parties of the substance of material notices or communications received by such Party from any third party or any Governmental Authority with respect to such transactions, within five Business Days of receipt thereof, and (iv) to the extent reasonably practicable, permit the other Parties to review and incorporate the other Party's reasonable comments in any material communication to be given by it to any Governmental Authority with respect to the Transactions.

(b) Without limiting the generality of Section 6.01(a) where the cooperation of third parties that are not Governmental Authorities, such as a trustee, record keeper or paying agent, would be necessary in order for a Party to completely fulfill its obligations under this Agreement or any Ancillary Agreement, such Party will use its Commercially Reasonable Efforts to cause such third parties to provide such cooperation.

6.02 Public Announcements . (a) The Company will have the right to prepare and issue its own press release announcing the execution and delivery of this Agreement and the Transactions (the “Transaction Announcement”), a copy of which shall be provided to the Insurer for review no less than two days prior to the issuance thereof, and the Company will consider in good faith any comments made by such other Party. From the Signing Date through the Closing, the Company and the Insurer each may make such public written or oral statements related to the Transactions as it deems necessary or appropriate, in its sole discretion; provided, however, that each such Party will seek to give the other Party (and the Independent Fiduciary, to the extent the statement references the Independent Fiduciary or the role, duties or conclusions of the Independent Fiduciary) a reasonable opportunity to comment upon such statements in advance to the extent practicable and the Party shall consider any comments made by such other Party in good faith, it being understood that neither the Company nor the Insurer (nor the Independent Fiduciary) will have any right of approval over public statements by the other Party. Each of the Company and the Insurer may make any public disclosure required by applicable Law or securities listing standards, in which case each of the Company and the Insurer will provide to the other Party (and to the Independent Fiduciary, to the extent such announcement references the Independent Fiduciary, or the role, duties or conclusions of the Independent Fiduciary) for review prior to the issuance thereof and will consider any comments made by such other Party (or the Independent Fiduciary, as applicable) in good faith.

(b) The Insurer acknowledges that the Company will publicly disclose any information that it reasonably believes is required by the rules of the SEC to be so disclosed; provided, however, that if the Company concludes that disclosure of this Agreement is required by such rules, (i) the Company and the Insurer will cooperate to make an application by the Company with the SEC for confidential treatment of information relating to the pricing of the Group Annuity Contract and such other information as the Company or the Insurer may conclude is competitively sensitive from its perspective or otherwise merits confidential treatment and (ii) the Company will include the Insurer in any material correspondence (written or oral) with the SEC regarding such application for confidential treatment, and the Company and the Insurer will otherwise reasonably cooperate in connection with such application, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

6.03 Notification of Certain Matters . From the Signing Date until the Closing Date, each Party will give written notice to the other Parties within five Business Days of (a) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the Transactions or that otherwise relates to obtaining such Consent, (b) any Action commenced or threatened in writing against, relating to or involving or otherwise affecting it or any of its Affiliates that relate to the consummation of the Transactions, (c) any material communications with any Covered Life, Contingent Life, or Beneficiary that relate to the Transactions, and (d) the occurrence of any change or event that would reasonably be expected to cause,

individually or in the aggregate, any condition to Closing set forth in Article VIII not to be satisfied (it being understood, however, that no delay or failure to provide any such notice will be deemed to be a waiver of such condition).

6.04 Administrative Transition Process . (a) The Insurer, the Company and the Independent Fiduciary will use their respective Commercially Reasonable Efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to (i) coordinate and allow for the provision of recordkeeping and administration services regarding Annuity Payments and (ii) coordinate the transfer to the Insurer, or the Other Insurer in accordance with the Administrative Services Agreement, on and after the Insurer Payment Commencement Date of all administration responsibilities necessary to effectively provide the recordkeeping and administration services regarding Annuity Payments commencing on the Insurer Payment Commencement Date; provided, however, that the Insurer will use its reasonable best efforts to enter into the Administrative Services Agreement on the Closing Date.

(b) If, despite Section 6.04(a), the Insurer or the Other Insurer is unable to enter into such Administrative Services Agreement on the Closing Date, then the Insurer will use its Commercially Reasonable Efforts to find an alternative method or methods to facilitate the issuance of Annuity Payments through existing commercial arrangements or any other method that is designed to ensure that such Annuity Payments are made in a manner that complies with the obligations of the Group Annuity Contract, for the period from the Insurer Payment Commencement Date until the Administrative Services Agreement is executed (an "Alternative Arrangement"). The Company will cooperate in good faith with the Insurer to find an Alternative Arrangement.

6.05 Non-Solicitation . Unless terminated pursuant to Article X, from and after the Signing Date and prior to the Closing, the Company will not and will cause its respective Representatives (which for these purposes will not be deemed to include the Independent Fiduciary) not to (a) solicit, initiate or knowingly facilitate any Alternative Transaction Proposal or the making or consummation thereof, (b) enter into any agreement, letter of intent, agreement in principle or other similar instrument with respect to any Alternative Transaction Proposal, (c) continue or otherwise participate in any discussions (except, in response to an inquiry by any Person, to notify such Person of the existence of the provisions of this Section 6.05) or negotiations regarding, or furnish to any Person any information in connection with, any Alternative Transaction Proposal, or (d) enter into or amend any agreement or other arrangement to engage any Person (including the Independent Fiduciary) to solicit any Alternative Transaction Proposal.

6.06 Information Provided To The Independent Fiduciary . Between the Signing Date and the Closing, the Insurer will provide to the Independent Fiduciary any information that (a) is consistent with the type and amount of information provided during the Independent Fiduciary's pre-signing due diligence process, (b) is otherwise

prepared in the ordinary course of business of the Insurer (including any information that is prepared for the purpose of providing information to Credit Rating Agencies), and (c) relates to the Insurer, in each case, as may be reasonably requested by the Independent Fiduciary.

6.07 [* * *]. From and after the date hereof to the earlier of the termination of this Agreement and the Closing Date, the Insurer will not, without the prior written consent of the Company (not to be unreasonably withheld or delayed), (x) execute a commitment providing for the consummation prior to the Closing Date of any of the following or (y) consummate prior to the Closing Date any of the following that were not subject to a prior commitment:

(a) [* * *]; or

(b) [* * *];

provided, however, that this Section 6.07 will not preclude the Insurer from taking any of the foregoing actions unless, after giving pro forma effect to the actions contemplated by any such commitment and any capital contributions made or irrevocably committed to be made to the Insurer in connection with such commitment or in the case of any of the foregoing actions not subject to a prior commitment, the amount of the Insurer's most recent calculation of its Projected RBC Ratio would have been [* * *]. For the avoidance of doubt, the Insurer's compliance with this Section 6.07 will in no way limit the Independent Fiduciary's discretion in any respect, as to whether an Independent Fiduciary MAC has occurred.

6.08 No Insurer Communications. From the date of this Agreement until the issuance of the Annuity Certificates, other than as provided for herein, without the Company's prior written consent, (a) the Insurer will cause the employees of its retirement services business unit not to initiate any contact or communication with any Plan Participant or Plan Beneficiary in connection with the Transactions, (b) the Insurer will not, and will cause all of its Affiliates not to provide any of their respective insurance agents, wholesalers or retailers with any contact information of any Plan Participants or Plan Beneficiaries, and (c) the Insurer will not, and will cause all of their respective Affiliates not to provide any of the respective other Representatives with any contact information of any Plan Participants or Plan Beneficiaries, except for those Representatives of the Insurer or any of its Affiliates who need to know such information for purposes of the Transactions and agree to comply with the requirements of this Section 6.08 and Section 11.13; provided that this Section 6.08 shall not restrict employees of the retirement services business unit of the Insurer from contacting any Plan Participant or Plan Beneficiary in connection with, or to facilitate, the performance by the Insurer of its obligations under the Group Annuity Contract, the Annuity Certificates or this Article VI or Article VII. In the event that any Plan Participant or Plan Beneficiary contacts the Insurer or any of its Affiliates (including, without limitation, any employee of the retirement services business unit of the Insurer), the Insurer and the

Company will cooperate to coordinate a response to such Plan Participant or Plan Beneficiary.

6.09 Company Contributions to the Plan. The Company shall make contributions to the Plan using the methodology set forth in Schedule 8.03(f) not less than five Business Days prior to the Closing Date.

VII. OTHER COVENANTS

7.01 Company Actions. Except as otherwise expressly contemplated by this Agreement, following the Closing Date, the Company will use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on their part to effectuate the Transactions.

7.02 Insurer Actions. Following the Closing Date, the Insurer will, or will (with the exception of subsection (d), which applies to the Insurer) cause the Other Insurer to do the following as agent for the Insurer:

(a) mail an Annuity Certificate to each Covered Life at the last address designated for such Covered Life by the Company or Plan, such mailing to be made as promptly as practicable but in no event later than the later to occur of (i) 75 days after the Annuity Commencement Date and (ii) 30 days after the form of Annuity Certificate is approved by the Texas Department of Insurance (provided , however , that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in clause (ii) will be deemed to be “60 days”); provided , however , that, solely with respect to any form of Annuity Certificate issuable to a Covered Life that must be approved by the relevant state insurance Governmental Authorities in any state (other than Texas) but has not been approved by the later to occur of clause (i) and (ii), then the Insurer will mail such Annuity Certificate to the relevant Covered Life (by delivery of such Annuity Certificate to the last address designated for such Covered Life by the Company) as promptly as reasonably practicable and in any case within 30 days following the date on which such Annuity Certificate has been approved by such relevant state insurance Governmental Authority (provided , however , that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” will be deemed to be “60 days”); provided , further , that, notwithstanding the foregoing, (x) the Insurer shall not be required to mail an Annuity Certificate to any Covered Life pursuant to this Section 7.02(a) until the Other Insurer has received the applicable approvals by the relevant state insurance Governmental Authority to mail an annuity certificate to any such Covered Life and (y) the Insurer shall use its Commercially Reasonable Efforts to cause its Annuity Certificate to be mailed in the same package as the annuity certificate of the Other Insurer;

(b) make or cause to be made all Annuity Payments on a timely basis to each Covered Life, Contingent Life, and Beneficiary, as required under the Group Annuity Contract, from and after the Insurer Payment Commencement Date;

(c) at the request of the Company, include a notice, provided by the Company and reasonably acceptable to the Insurer, regarding Annuity Certificates in the Insurer's "welcome" mailing to the Covered Lives and Contingent Lives, or other subsequent mailings made by the Insurer to the Covered Lives and Contingent Lives; and

(d) use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on its part to effectuate the Transactions, provided, however, that the Insurer shall use reasonable best efforts to obtain Governmental Approval of the Annuity Certificates.

7.03 Correspondence Center. (a) The Insurer, or the Other Insurer as agent for the Insurer pursuant to the Administrative Services Agreement, will maintain, at its cost and expense, a toll-free phone number or a website (the "Annuity Benefits Correspondence Center") which will be available from and after the Closing for Covered Lives and Contingent Lives to call with questions related to the Group Annuity Contract and the Annuity Certificates, it being understood that the Annuity Benefits Correspondence Center need not be solely dedicated to Covered Lives and Contingent Lives.

(b) For a period of five years following the Closing, the Company will maintain, at its cost and expense, a point of contact (the "Kimberly-Clark Benefits Center") which will be available from and after the Closing and to which the Insurer may refer Covered Lives and Contingent Lives that pose questions to the Annuity Benefits Correspondence Center related to their Plan benefits, it being understood that the Kimberly-Clark Benefits Center need not be solely dedicated to Covered Lives and Contingent Lives.

(c) In the event that any Covered Life, Contingent Life, or Beneficiary contacts the Insurer or any of its Affiliates or representatives with questions related to their Plan benefits, the Insurer, or its Affiliates or representatives, as applicable, will confer with the Other Insurer regarding a response, and may refer such person to the Kimberly-Clark Benefits Center. In the event that any Covered Life, Contingent Life or Beneficiary contacts the Company or any of its Affiliates or representatives with questions related to the Group Annuity Contract or the Annuity Certificates, the Company or its Affiliates or representatives, as applicable, may refer such person to the Annuity Benefits Correspondence Center.

7.04 Plan Trustee Agreement. As promptly as practicable after the date hereof, the Independent Fiduciary, the Plan Trustee and the Insurer will enter into the Plan Trustee Agreement in substantially the form set forth on Schedule 7.04 (the "Plan Trustee Agreement").

7.05 Claims Procedures . From and after the Annuity Commencement Date, the Insurer, or the Other Insurer as agent for the Insurer pursuant to the Administrative Services Agreement, will maintain written rules and procedures to govern the submission to the Insurer of claims and requests by Covered Lives and Contingent Lives regarding Annuity Payments. Such written rules and procedures will be consistent with the Insurer's standard rules and procedures (for handling inquiries from annuitants covered by its group annuity contracts), as the same may change from time to time.

7.06 Compliance with Prohibited Transaction Exemptions . From the Signing Date until the Closing Date, (a) the Insurer agrees to keep current the information on Schedule 5.12 by providing the Company on a weekly basis with any updates relating to the formation of any new legal entities or the entry into any agreements with or by investment managers following the Signing Date and (b) the Company will not enter into any agreements with the Insurer or any investment manager listed on Schedule 5.12 (as it may be updated from time to time) whereby the Insurer or any of its Affiliates would be a fiduciary expressly authorized in writing to manage, acquire or dispose of Plan Assets on a discretionary basis that have been identified as, or are reasonably likely to be included as, a Transferred Asset. If the Insurer discovers the existence of any such agreement, the Insurer will, and will cause its Affiliates to, cease providing any discretionary asset management services with respect to any Plan Asset before such Plan Asset becomes a Transferred Asset and the Company hereby consents to any such termination of services.

VIII. CONDITIONS TO OBLIGATION TO CLOSE

8.01 Conditions to the Company's Obligations . The Company's obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or, other than with respect to the condition set forth in Section 8.01(d) (which cannot be waived), waiver by the Company of the following conditions:

(a) the representations and warranties set forth in Article IV and Article V (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Insurer and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement, (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred, or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(e) the Company shall have confirmed that it may account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement as contemplated under ASC 715;

(f) a Transaction MAC has not occurred that continues as of the Closing Date;

(g) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(h) each delivery contemplated by Section 2.03(a) and Section 2.03(b) shall have been delivered; and

(i) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.02 Conditions to the Insurer's Obligations. The Insurer's obligation to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver by the Insurer of the following conditions:

(a) the representations and warranties in Article III and Article IV (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Company and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(a) and Section 2.03(c) shall have been delivered; and

(e) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.03 Conditions to the Independent Fiduciary's Obligations . The Independent Fiduciary's obligation to, or to direct the Plan Trustee to, consummate the transactions contemplated hereby in connection with the Closing is subject to satisfaction or waiver (provided that the condition in Section 8.03(b) may not be waived) of the following conditions:

(a) (i) the representations and warranties set forth in Article III and Article V (x) that are qualified by materiality will be true and correct in all respects or (y) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects), and (ii) the Insurer and the Company shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(b) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(c) (i) no Order shall be in effect which prohibits consummation of any transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(b) and Section 2.03(c) shall have been delivered;

(e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(f) the Plan Assets comprising the "remaining pool assets" (as determined pursuant to Part 1 of Schedule 8.03(f)) as of the Signing Date, have been adjusted through the Closing Date only (except for changes in fair value) pursuant to the methodology set forth in Part 2 of Schedule 8.03(f); and

(g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.04 No Frustration of Closing Conditions . None of the Company, the Independent Fiduciary or the Insurer may rely on the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in Section 8.01, 8.02 or 8.03, as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' breach of its representations, warranties or covenants hereunder.

IX. INDEMNIFICATION

9.01 Survival. All of the representations and warranties set forth in this Agreement will survive the Closing until the date that is 12 months after the Closing Date; provided, however, that the Fundamental Reps will survive until the date that is six years after the Closing Date; provided further, however, the representation in Section 5.13(b) will not survive the Closing. Notwithstanding the foregoing, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the preceding sentence if written notice of the inaccuracy or breach thereof giving rise to such right of indemnity has been given to the party against whom indemnification may be sought prior to such time.

9.02 Indemnification by the Insurer. From and after the Closing, the Insurer will indemnify, defend and hold the Company, the Plan, the Independent Fiduciary, any other Person acting as fiduciary or agent for the Plan, and their respective Affiliates, officers, directors, stockholders, employees, agents and other Representatives (each, a "Company Indemnified Party") harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any Action, demand or other claim against the Company Indemnified Party by a third party that is threatened or brought against or that involves a Company Indemnified Party and that arises out of or relates to (a) any breach by the Insurer of any representation, warranty or covenant of either such Party under this Agreement or the Ancillary Agreements or (b) any failure by the Insurer to make, or cause to be made, any payments required to be made to Covered Lives or Contingent Lives pursuant to the Group Annuity Contract or the Annuity Certificates (collectively, "Company Indemnified Claims").

9.03 Procedures For Indemnification Claims. (a) Any Company Indemnified Party making a claim for indemnification for Company Indemnified Claims under Section 9.02 will notify the Insurer of each Company Indemnified Claim in writing promptly after receiving notice of such, describing the Company Indemnified Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided, however, that the failure to notify the Insurer will affect the rights of a Company Indemnified Party hereunder only if, and to the extent, such failure has an actual material prejudicial effect on the Insurer's Liabilities with respect to such claim.

(b) The Insurer will have the right at any time to assume the defense against any Company Indemnified Claim with counsel of its choice reasonably satisfactory to the Company Indemnified Party and control the defense of such Company Indemnified Claim.

(c) From and after the date that the Insurer has assumed and is conducting the defense of a Company Indemnified Claim in accordance with Section 9.03(b), (i) the Company Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in, but not control, the defense of such Company

Indemnified Claim, (ii) the Company Indemnified Party may retain counsel at its sole cost and expense to control the defense of any portion of the Action, demand or other claim against the Company Indemnified Party that is not a Company Indemnified Claim (the “ Uncovered Claim ”), (iii) the Insurer and the Company Indemnified Party will cooperate fully with each other and any of their respective counsel in connection with the defense, negotiation or settlement of any such Company Indemnified Claim or (if the Company Indemnified Party retains counsel for the Uncovered Claim) the Uncovered Claim, including providing access to any relevant books and records, properties, employees and Representatives; provided , however , that in no event will Insurer be responsible in any way for any Liabilities or Orders resulting from such Uncovered Claim; provided , further , that for avoidance of doubt, the foregoing will not require any Person to waive, or take any action which has the effect of waiving, its attorney-client privilege, attorney work-product, or any other applicable privilege with respect thereto, (iv) the Insurer will not consent to the entry of any judgment on or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Company Indemnified Party (which will not be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages by the Insurer, and either does not impose an injunction or other equitable relief upon the Company Indemnified Party, or adversely impact the Tax Qualified status of the Plan, or admits liability on the part of any Company Indemnified Party, (v) the Company Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Insurer (which will not be unreasonably withheld, conditioned or delayed), and (vi) the Company Indemnified Party may consent to the entry of any judgment or enter into any settlement with respect to the Uncovered Claim without the prior consent of the Insurer.

(d) If the Insurer has not assumed the defense of a Company Indemnified Claim after notice thereof, (i) the Company Indemnified Party may defend against the Company Indemnified Claim in any manner it reasonably determines to be appropriate, (ii) the Insurer will reimburse the Company Indemnified Party promptly and periodically for the costs of defending against the Company Indemnified Claim (including prompt payment of reasonable attorneys’ fees and expenses allocable to such Company Indemnified Claim) to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder and (iii) the Insurer will remain responsible for any costs the Company Indemnified Party may incur resulting from the Company Indemnified Claim to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder. If the Company Indemnified Party has not assumed the defense of an Uncovered Claim as contemplated by Section 9.03(c)(ii) , the Insurer is not responsible in any way for any Liabilities or Orders resulting from not responding to or defending such Uncovered Claim; provided , however , that the Insurer’s responsibility for Company Indemnified Claims will not be altered in any way.

9.04 Claims and Payment . On each occasion that any Company Indemnified Party will be entitled to indemnification under this Article IX, the Insurer will, at each such time, pay the amount of such indemnification within ten Business Days following receipt of an invoice for out-of- pocket expense, fees or other amounts for which it is liable under this Article IX .

X. TERMINATION

10.01 Termination of Agreement . This Agreement may be terminated at any time prior to the Closing as provided below:

(a) by the mutual written consent of the Company and the Insurer;

(b) by the Company if the Closing has not occurred by or on [* * *] after the Signing Date (the “ Outside Date ”) or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Company if any failure of the Company to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement;

(c) by the Company if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of Insurer or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 8.01(a) or Section 8.01(b) would not be satisfied, and which will not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Insurer or the Independent Fiduciary, as applicable;

(d) by the Insurer if the Closing has not occurred by or on the Outside Date or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Insurer if any action of the Insurer or the failure of the Insurer to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement; and

(e) by the Insurer if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Company or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 8.02(a) or Section 8.02(b) would not be satisfied, and which shall not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Company or the Independent Fiduciary, as applicable.

10.02 Effect of Termination; Survival . If this Agreement is terminated pursuant to Section 10.01 , all rights and obligations of the Parties hereunder will terminate upon such termination and will become null and void, except that Section 1.01 (Definitions), Article XI (Miscellaneous) and this Section 10.02 (Effect of Termination; Survival) will survive any such termination and no Party will otherwise have any Liability to any other Party hereunder; provided, however, that nothing in this Section 10.02 will relieve any Party from Liability for any fraud or willful and material breach of this Agreement.

10.03 Extension .

(a) If the Closing is not reasonably expected to occur on or prior to the Outside Date, the Company may deliver a request to the Insurer on or before 5:00 pm eastern time on the Outside Date that the Outside Date be extended (a “ Notice of Extension ”), in which case the Outside Date will be deemed to be extended to [* * *].

(b) If the Company timely delivers a Notice of Extension to the Insurer, the Insurer will use its Commercially Reasonable Efforts to deliver to the Company and the Independent Fiduciary a written, good-faith revision of the Signing Date Amount by [* * *] (a “ Re-Pricing Offer ”), [* * *]. The Company will deliver a written response to the Insurer either accepting or rejecting the Re-Pricing Offer within ten Business Days following the Insurer’s delivery of the Re-Pricing Offer to the Company. If the Company accepts the Re-Pricing Offer, the Parties will (i) set a new Closing Date as soon as reasonably practicable and (ii) cooperate in good faith for a period of ten Business Days to negotiate any amendments to this Agreement, the Ancillary Agreements and the Workbook necessary to implement the terms of the Re-Pricing Offer.

(c) If the Company rejects the Re-Pricing Offer or the Parties do not agree upon amendments necessary to implement the terms of the Re-Pricing Offer within the time frame set forth in Section 10.03(b) , then this Agreement will immediately terminate.

XI. MISCELLANEOUS

11.01 Expenses . Except as otherwise expressly set forth herein, each Party will bear its own costs and expenses incurred in connection with this Agreement and the Transactions, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.

11.02 Entire Agreement . This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by, among or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. Notwithstanding the foregoing, (a) the IF Engagement Letter will not be superseded by this Agreement or the Ancillary Agreements and (b) nothing in this Agreement will affect the terms or enforceability of the Group Annuity Contract.

11.03 Amendments and Waivers . No amendment of any provision of this Agreement or the Ancillary Agreements will be valid unless the same will be in writing and signed by each Party hereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 11.03 . Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

11.04 Succession and Assignment . This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties, and any attempt to do so will be null and void *ab initio* , without any effect whatsoever.

11.05 Notices . All notices, requests, demands, claims, and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient, (b) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, or (c) when transmitted, if sent by facsimile or electronic mail to those indicated below (including the recipient):

If to the Company:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Charles Ballard, Director, Asset Management
Facsimile: (920) 225.3585
Email: Charles.Ballard@kcc.com

With a copy (which will not constitute notice to the Company) to:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Pat Wheeler, Associate General Counsel
Facsimile: (920) 225.4498
Email: pwheeler@kcc.com

Jones Day
51 Louisiana Avenue, NW
Washington, DC 20001
Attention: Evan Miller
Facsimile: (202) 626.1700
Email: emiller@jonesday.com

Jones Day
222 East 41st Street
New York, NY 10017-6792
Attention: George Flemma
Facsimile: (212) 755.7306
Email: gflemma@jonesday.com

If to the Insurer:

Massachusetts Mutual Life Insurance Company
1295 State Street
Springfield, MA 01111
Attention: Jennifer Orzell
Facsimile: (860) 562.6210
Email: jorzell@massmutual.com

With a copy (which will not constitute notice to Insurer) to:

Massachusetts Mutual Life Insurance Company
1295 State Street
Springfield, MA 01111
Attention: Luis Concepcion
Facsimile: (413) 226.4270
Email: lconcepcion@massmutual.com

Sidley Austin LLP
787 Seventh Avenue
New York, NY 10019

Attention: Jeff Liebmann
Facsimile: (212) 839.5300

Email: jliebmann@sidley.com

If to the Independent Fiduciary:

State Street Global Advisors, a division of State Street Bank and
Trust Company
One Lincoln Street
Boston, MA 02111
Attention: Denise Sisk
Facsimile: (617) 946-9434
Email: denise_sisk@ssga.com

With a copy (which will not constitute notice to Independent
Fiduciary) to:

K&L Gates LLP
210 Sixth Avenue
Pittsburgh, PA 15222
Attention: Charles R. Smith
Marcia C. Kelson
Facsimile: (412) 355.6501
Email: charles.smith@klgates.com
marcia.kelson@klgates.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 11.05.

11.06 Governing Law. Except to the extent preempted by applicable Federal Law, this Agreement will be governed by, and construed in accordance with, the Laws of the State of New York, without regard to any principles of conflicts of law thereof that would permit or require the application of the Laws of another jurisdiction.

11.07 Submission to Jurisdiction; Service of Process. (a) Each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court, and only federal court if diversity of Parties exists, sitting in New York County, New York in any Dispute arising out of or relating to this Agreement or any Ancillary Agreement and agrees that all claims in respect of such Action may be heard and determined in any such court. Each Party also agrees not to bring any Action arising out of or relating to this Agreement or any Ancillary Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any Action so brought and waives any bond, surety or other security that might be required

of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 11.05; provided, however, that nothing in this Section 11.07 will affect the right of any Party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that in the course of any Action, if the Insurer elects to, based on the opinion of counsel, produce or otherwise disclose any [* * *], to the Company, the Independent Fiduciary or their respective Affiliates or Representatives (for the avoidance of doubt, nothing herein will obligate the Insurer or any of its Affiliates or Representatives to make such disclosure), the Company and the Independent Fiduciary will consent to the filing of, and the Parties will use their all reasonable efforts to move for and urge the court to adopt, a protective order implementing terms reasonably satisfactory to the Insurer to limit the disclosure of such [* * *] and ensure the strictly confidential treatment thereof, including requiring such [* * *] or copies thereof following the conclusion of any such Action; provided, however, that in no case will the Company be required to take any steps that would compromise the ability of the Company to prosecute or defend the Action or otherwise prejudice the Company's position (including any restrictions on the ability of Company experts to review, access and analyze any materials that the Company determines are relevant to such prosecution or defense); provided, further, that the Company and the Independent Fiduciary agree that it will not be considered unreasonable for the Insurer to seek a protective order that prevents disclosure of such information in such a way that it would be reasonably likely to become available to competitors of the Insurer or other third parties not involved in any such Action.

11.08 Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

11.09 Specific Performance. The Parties agree that irreparable damage would occur if any of the provisions of this Agreement or the Ancillary Agreements were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an injunction or injunctions to prevent breaches of this Agreement or any Ancillary Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement or any Ancillary Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. Without limiting the generality of the foregoing, the Parties acknowledge and agree that the Insurer will be entitled to enforce specifically the obligations of the Independent Fiduciary set forth in this Agreement to irrevocably direct the Plan Trustee to act in accordance with this Agreement and the Ancillary Agreements. The Parties further agree that (a) by seeking the remedies provided for in this Section 11.09, a Party

will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement or any Ancillary Agreement (including monetary damages) if the remedies provided for in this Section 11.09 are not available or otherwise are not granted, and (b) nothing set forth in this Section 11.09 will require any Party hereto to institute any Action for (or limit any Party's right to institute any Action for) specific performance under this Section 11.09 prior or as a condition to exercising any termination right under Article X, nor will the commencement of any Action pursuant to this Section 11.09 or anything set forth in this Section 11.09 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of Article X, or pursue any other remedies under this Agreement that may be available then or thereafter.

11.10 Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement; provided, however, that if any of the material provisions of this Agreement are held illegal, invalid or unenforceable, this entire Agreement will be null and void. If any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions will be limited or eliminated only to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

11.11 No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the Parties and the respective successors and permitted assigns of the foregoing.

11.12 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 11.05 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

11.13 Confidentiality. (a) It is understood that each Party has received and will receive Confidential Information from the other Parties in connection with the negotiation of this Agreement and the Ancillary Agreements as well as in previous discussions and interactions involving the matters addressed by this Agreement and the Ancillary Agreement. Except as set forth herein (including except as expressly permitted or contemplated by the other provisions of this Agreement), the Parties will not use the Confidential Information of another disclosing Party except in connection with the performance of their respective obligations under this Agreement and will not disclose (and will cause their respective Representatives, Affiliates, and Affiliates' Representatives not to disclose) any Confidential Information received from another Party, the Plan, or their Affiliates or Representatives, except to such receiving Party's Representatives, Affiliates, and Affiliates' Representatives, who have a need to know

[* * *] and have agreed to maintain the confidentiality of Confidential Information in accordance with this Section 11.13.

(b) Section 11.13(a) will not apply with respect to Confidential Information that the receiving Party can demonstrate is or was:

(i) already known to such Party or its Affiliates or Representatives prior to the confidential disclosure by the disclosing Party or any of its affiliates or Representatives;

(ii) independently developed by the receiving Party or its Affiliates or Representatives not in violation or breach of this Agreement or any other confidentiality obligation to the disclosing Party (such as the Confidentiality Agreements or any retention agreement with a firm or professional in connection with this Agreement);

(iii) already known to the public without breach of confidence by such Party or any of its Affiliates;

(iv) received by the receiving Party from a third party without restrictions on its use in favor of the disclosing Party, whether by Law or Contract; or

(v) subject to prior compliance with Section 11.13(c), required to be disclosed pursuant to any applicable Law, stock exchange regulation, regulatory provision, court order, subpoena or other legal process.

(c) Section 11.13(a) will not apply from and after the Closing to restrict the use or disclosure by the Insurer of any Confidential Information related to Priced Lives, Annuity Payments, or [* * *], received from another disclosing Party; provided, however, that the Insurer will use such Confidential Information only in compliance with all applicable Laws relating to privacy of personally identifying information. For the avoidance of doubt, this Section 11.13(c) does not apply to Confidential Information regarding the Company or the Plan (other than to the extent required in connection with the Group Annuity Contract).

(d) Except as otherwise provided in this Agreement, if any Party, its Representatives, its Affiliates or its Affiliates' Representatives, receives a request, subpoena, demand, or order for disclosure or becomes required by Law or stock exchange rule or regulation to disclose any Confidential Information (a "Compelled Disclosing Party"), such Compelled Disclosing Party will promptly, and in no case more than five Business Days following receipt of such a request, subpoena, demand, or order (so long as it is legally permitted to provide such notification), notify the other Parties to afford them the opportunity to object or seek a protective order or other remedy, including a protective order requiring Confidential Information to be submitted under seal and for the return and destruction of Confidential Information or copies thereof following the conclusion of any Action, prior to the disclosure of any such

Confidential Information. The Compelled Disclosing Party will, to the extent permitted by Law, cooperate with the other Party's or Parties' efforts to obtain such protective order, at such other Party's or Parties' cost and expense. In the event that such protective order or other remedy is not sought or obtained, only that portion of Confidential Information which the Compelled Disclosing Party in good faith believes is legally required to be provided may be disclosed and such Compelled Disclosing Party will request that appropriate confidential treatment will be accorded to such Confidential Information.

(e) The Parties acknowledge and agree that this Section 11.13 will supersede the Confidentiality Agreements. Notwithstanding the foregoing, this Section 11.13(e) will not relieve any party from Liability for breaches of the Confidentiality Agreement that have occurred prior to the date hereof.

11.14 Waiver of Punitive Damages . To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement, none of the Parties will be liable to any other Party for any punitive or exemplary damages of any nature in respect of matters arising out of this Agreement, whether arising out of breach of contract, negligence, tort, strict liability or any other legal or equitable principle. The foregoing sentence will not preclude recovery of amounts claimed in a Company Indemnified Claim to the extent that claims for such amounts are subject to indemnification under this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY**

By: /s/ Elaine A. Sarsynski
Name: Elaine A. Sarsynski
Title: Executive Vice President

KIMBERLY-CLARK CORPORATION

By: /s/ Mark A. Buthman
Name: Mark A. Buthman
Title: Senior Vice President and Chief
Financial Officer

STATE STREET BANK AND TRUST COMPANY ,
acting solely in its capacity as Independent Fiduciary
of the Plan

By: /s/ Sydney Marzeotti
Name: Sydney Marzeotti
Title: Vice President

[Signature Page to the Definitive Purchase Agreement]

*** CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION ***

January 2, 2015

Sandra MacQuillan
Address1
Address 2
Belgium

Dear Sandra:

This letter confirms our offer for you to work for Kimberly-Clark Corporation. Your initial assignment will be Senior Vice President, Supply Chain and you will report to the Chief Executive Officer. This position is based in Roswell, Georgia. Your start date with Kimberly-Clark will be April 20, 2015. The Kimberly-Clark Board of Directors is expected to officially elect you to your executive officer position at their February 17-18, 2015 meeting.

Base Salary

Your starting salary for this position will be \$560,000 per year.

Annual Incentive

You will be eligible to participate in Kimberly-Clark's annual incentive plan for management. Your target bonus under that plan will be 70% of your base salary. For 2015, you will be eligible for a full-year bonus based on actual performance results per the plan document.

Long-Term Incentives

You will also be eligible to participate in the long-term incentive plan for management. The 2015 target long-term incentive award for your level is \$750,000. Our mix of equity is currently 25% in stock options and 75% in performance based restricted share units ("RSUs"). The next regularly scheduled annual equity grant is currently planned for April 2015. The amount, type and mix of long-term incentive instruments used for the annual long-term incentive grants are subject to change.

Total Compensation

Your total annual compensation target is \$1,702,000. This amount is comprised of your base salary (\$560,000), annual incentive target amount (\$392,000) and long-term incentive target amount (\$750,000). As noted above, your total compensation may be higher or lower than the target amount based on company, team and individual performance and the resulting payouts for the annual and long-term incentive awards.

Signing Bonus

On April 29, 2015, you will be granted \$1,700,000 of economic value in the form of time-vested Restricted Stock Units ("RSUs"). The RSUs, together with accumulated dividends, will vest one-fifth (1/5) per year on the first through fifth anniversaries of the grant date.

Benefits and Vacation

As an employee of Kimberly-Clark, you will be eligible for a benefits program that includes medical, dental, life and accident insurance coverage, along with a 401(k) and profit sharing plan, paid vacation/holidays and various other benefits. You will be provided information explaining the terms and conditions of these benefit plans.

You will be extended an executive severance agreement pursuant to the Company's Executive Severance Plan subject to approval by the Management Development and Compensation Committee of the Board. This plan provides certain benefits to you upon a change in control and subsequent loss of your employment. A summary of the key benefits is enclosed.

You will be eligible to participate in the executive financial counseling program effective January 1, 2016. A summary of the benefits is enclosed.

You will receive five weeks of vacation beginning in 2015 and subsequent years until you are eligible for any additional vacation according to the Kimberly-Clark vacation policy. Unused vacation based on exception will be forfeited at the end of the year and not paid out in cash.

During Kimberly-Clark's annual benefits enrollment in the fall, you will have the option to purchase up to one additional week of vacation for the following calendar year. This option is not available during your initial enrollment at the start of your employment. Purchased vacation is forfeited if not used.

Relocation

Kimberly-Clark will relocate you to Roswell, GA under the terms of Kimberly-Clark's Permanent International Transfer Policy.

Kimberly-Clark's relocation services are administered by Weichert Workforce Mobility, Inc. A Weichert representative will contact you following your acceptance of this employment offer. Please do not initiate any relocation activities until you have spoken to a Weichert representative.

Stock Ownership Guidelines

Kimberly-Clark has stock ownership guidelines requiring your position to maintain ownership in Kimberly-Clark stock equal to three times your base salary. You are permitted five years to reach this requirement. For purposes of determining your ownership, time-vested restricted stock and any shares owned outright are counted. If, at the end of the five years, you are not in compliance with guidelines, your situation will be reviewed by the CEO. Non-compliance can result in payment of your annual bonus in time-vested restricted stock units or a decreased long-term incentive grant.

Income Tax

As a Kimberly-Clark employee on the U.S. payroll you will be subject to federal, state, Social Security and Medicare taxes, as well as local taxes (if applicable). You will remain responsible for any residual taxes in Belgium.

Social Security

Once you are moved to the U.S. payroll you will cease to be eligible for your home country Social Security program and will participate in the U.S. Social Security system. We recommend that you contact Social Security offices in both countries to ensure understanding of what action you will need to take when you desire to begin collecting social security benefits.

Passports, Visas, Green Cards

This offer is subject to the completion and successful granting of a visa and work permit giving you the legal right to work in the U.S. as required by the Immigration Reform and Control Act of 1986. Kimberly-Clark has agreed to sponsor you and assist you in the application process to obtain the necessary work authorization. Kimberly-Clark will cover all expenses associated with this visa

application process. Your Team Leader will request documentation of work authorization on your first day of employment, as required by law. It is a condition of your offer that you and any accompanying family members are granted entry to the U.S. and that you are medically fit for employment and that members of your accompanying family are medically fit to live in the U.S.

Additionally, it is recommended that you begin the application for a green card, permanent resident status, immediately once a temporary work visa has been granted. Kimberly-Clark will cover all expenses associated with the green card application process for you and your family. In the event that a green card is not granted by the end of the temporary work visa validity period, K-C will provide for movement of your household goods back to your home country. K-C recommends you seek advice from both immigration and tax experts regarding the personal impact of holding a green card given your specific circumstances.

As stated above, you or K-C can end the employment relationship for any reason at any time. In the event such termination is initiated by K-C before the green card is granted and you intend to return to the UK, K-C will bear the costs of return shipment of your personal and household effects to the UK, but only if such return shipment is made within 90 days following any such termination by K-C. If you initiate separation from K-C at any time, you will bear all costs of return shipment of your personal and household effects to your home country.

Conditions of this Offer

As a condition of your employment and effective as of your date of hire, you will be required to establish temporary housing in Roswell, GA, or the surrounding area and report to work at the Roswell office when you are not traveling domestically or internationally on business. As a further condition of your employment, if you have not permanently relocated to Roswell, GA or the surrounding area by July 31, 2015, you will be required to maintain a temporary residence in Roswell, GA or the surrounding area until such time as you have permanently relocated thereto.

If, at any time prior to your permanent relocation to Roswell, GA or the surrounding area, Kimberly-Clark determines in its sole discretion that you have failed to consistently maintain a temporary residence in Roswell, GA or the surrounding area, or that you have failed to consistently maintain a presence in Roswell, GA when not traveling domestically or internationally on business, the Company may terminate the employment relationship after having first provided written notice to you of such noncompliance and affording you 10 business days for correction. If the noncompliance is not corrected by the end of the 10th business day, the Company may terminate the employment relationship in its sole discretion, as your presence in Roswell is critical.

This offer is subject to the completion of the Pre-placement Health History Form, to ensure that you are physically capable of carrying out the essential duties of your position. If you choose to make us aware that you have a disability under the Americans with Disabilities Act, we would evaluate whether that disability could reasonably be accommodated in regard to those essential job functions.

Kimberly-Clark takes great steps to protect from disclosure its confidential and trade secret information. In accordance with our policies, we expect that as an employee, you will protect any confidential or trade secret information you learn during your employment. In particular, this protection will require that you sign the Confidentiality, Nonsolicitation and Assignment of Business Ideas Agreement ("Agreement") as a condition of your employment. The Agreement is required of all new hires at Kimberly-Clark.

Because your position may involve access to confidential business information, Kimberly-Clark will perform a pre-placement background investigation. Our offer of employment is contingent upon the results of this background investigation. United States Public Law 104-208 requires we advise you "that an investigative consumer report including information as to...character, general reputation, personal characteristics, and mode of living" may be made. Upon written request, additional information as to the nature and scope of the report will be provided.

Kimberly-Clark is a drug-free work environment. As a result, an additional condition of this offer is that you must pass a pre-employment urine drug screening. This drug screening must be completed within five days of acceptance.

Because your prior position(s) may have involved access to confidential business information, this offer is contingent on your ability to satisfy any post-employment restrictions you may have with your prior employer(s) so that you are not hindered in the performance of the duties of your position by any non-competition or confidentiality agreement.

The employment relationship is at-will and can be terminated at any time for any reason by either party.

Sandra, we are excited about you joining Kimberly-Clark and look forward to your formal acceptance of this offer. I know you will be able to pursue your dreams and achieve great results for Kimberly-Clark. Welcome aboard!

If you have any questions or need additional information, please let me know.

Sincerely,

/s/ Lizanne C. Gottung

Lizanne C. Gottung

SVP & Chief Human Resources Officer

Copies: T. Falk
A. Bru

ACCEPTANCE:

There are two copies of the offer letter enclosed. Please indicate your acceptance of our offer by signing your name on the line below and returning the signed letter to Gwen Osmond in the envelope provided. The other copy is for your records.

/s/ Sandra MacQuillan 10th January, 2015
Signature / Date

January 27, 2015

Maria Henry
Address 1
Address 2

Dear Maria:

This letter confirms our offer for you to work for Kimberly-Clark Corporation. Your initial assignment will be Senior Vice President and Chief Financial Officer and you will report to me. This position is based in Irving, Texas. Your start date with Kimberly-Clark will be April 27, 2015. The Kimberly-Clark Board of Directors is expected to officially elect you to your executive officer position at their February 17-18, 2015 meeting.

Base Salary

Your starting salary for this position will be \$750,000 per year.

Annual Incentive

You will be eligible to participate in Kimberly-Clark's annual incentive plan for management. Your target bonus under that plan will be 90% of your base salary. For 2015, you will be eligible for a full-year bonus based on actual performance results per the plan document.

Long-Term Incentives

You will also be eligible to participate in the long-term incentive plan for management. The 2015 target long-term incentive award for your level is \$2,200,000. Our mix of equity is currently 25% in stock options and 75% in performance based restricted share units ("PRSUs") and your grant will be made on April 29, 2015. The amount, type and mix of long-term incentive instruments used for the annual long-term incentive grants are subject to change.

Total Compensation

Your total annual compensation target is \$3,625,000. This amount is comprised of your base salary (\$750,000), annual incentive target amount (\$675,000) and long-term incentive target amount (\$2,200,000). As noted above, your total compensation may be higher or lower than the target amount based on company, team and individual performance and the resulting payouts for the annual and long-term incentive awards.

Benefits and Vacation

As an employee of Kimberly-Clark, you will be eligible for a benefits program that includes medical, dental, life and accident insurance coverage, along with a 401(k) and profit sharing plan, paid vacation/holidays and various other benefits. You will be provided information explaining the terms and conditions of these benefit plans.

You will be extended an executive severance agreement pursuant to the Company's Executive Severance Plan subject to approval by the Management Development and Compensation Committee of the Board. This plan provides certain benefits to you upon a change in control and subsequent loss of your employment. A summary of the key benefits is enclosed.

You will be eligible to participate in the executive financial counseling program effective January 1, 2016. A summary of the benefits is enclosed.

You will receive four weeks of vacation beginning in 2015 and subsequent years until you are eligible for any additional vacation according to the Kimberly-Clark vacation policy. Unused vacation based on exception will be forfeited at the end of the year and not paid out in cash.

During Kimberly-Clark's annual benefits enrollment in the fall, you will have the option to purchase up to one additional week of vacation for the following calendar year. This option is not available during your initial enrollment at the start of your employment. Purchased vacation is forfeited if not used.

Relocation

Kimberly-Clark will relocate you to the Irving, TX area under the terms of Kimberly-Clark's Relocation Program for Executive-Level New Hire Employees. Additionally, we agree to move your household good items from both of your Chicago area residences.

Kimberly-Clark's relocation services are administered by Weichert Workforce Mobility, Inc. A Weichert representative will contact you following your acceptance of this employment offer. Please do not initiate any relocation activities until you have spoken to a Weichert representative.

Stock Ownership Guidelines

Kimberly-Clark has stock ownership guidelines requiring your position to maintain ownership in Kimberly-Clark stock equal to three times your base salary. You are permitted five years to reach this requirement. For purposes of determining your ownership, time-vested restricted stock and any shares owned outright are counted. If, at the end of the five years, you are not in compliance with guidelines, your situation will be reviewed by the CEO. Non-compliance can result in payment of your annual bonus in time-vested restricted stock units or a decreased long-term incentive grant.

Severance Protection

If your employment is involuntarily terminated by Kimberly-Clark, or by you for Good Reason, during the first year of your employment for any reason other than for cause, we will pay you a lump sum severance amount equal to the sum of one year's base salary plus target MAAP bonus (such amount, the "Severance Benefit"). The Severance Benefit shall be calculated using your annual base salary and target MAAP percentage as of the date of your termination. This Severance Benefit will be made on the first day of the seventh month following the date of your separation from service.

"Cause," for purposes of this letter, is defined as follows: (1) habitual neglect of duty or misconduct in discharging your duties, (2) excessive, unexcused and statutorily unprotected absenteeism, (3) failure or refusal to comply with any lawful Kimberly-Clark rule or policy, including those rules set forth in the Kimberly-Clark Code of Conduct, provided such rule or policy is meaningful and substantive or such failure or refusal to comply detrimentally harms Kimberly-Clark's business, (4) engaging in disloyal, dishonest or illegal conduct relating to Kimberly-Clark's business, (5) engaging in theft, fraud, embezzlement or other criminal activity involving the parties' employment relationship or (6) otherwise engaging in improper conduct which Kimberly-Clark reasonably determines to be meaningfully detrimental to its business.

No termination for "cause" hereunder shall be effective until the Company first has provided to you in writing a statement setting forth in specific detail the basis for a cause termination hereunder.

“Good Reason,” for purposes of this letter, is defined as follows: (1) a material reduction in your authority, duties, or responsibilities, or (2) a failure by Kimberly-Clark to make a payment or grant to you as provided for in this letter that constitutes a material breach by Kimberly-Clark of this agreement; provided that, in all cases described above, you must provide written notice to Kimberly-Clark of such reduction or failure within 90 days of such condition, and Kimberly-Clark has 30 days after notice by you to remedy the condition and not pay the Severance Benefit. To receive the Severance Benefit, you will be required to execute the Corporation’s standard release agreement. The Severance Benefit shall be paid in lieu of the benefit which you would be entitled to under the Kimberly-Clark Corporation Severance Pay Plan, the Kimberly-Clark Corporation Executive Severance Plan or any other severance program then offered by Kimberly-Clark to its senior level executives which would have otherwise been payable by its terms (the “Severance Plan”). Notwithstanding the foregoing, in the event that the benefit you would otherwise be entitled to receive under the Severance Plan is greater than the Severance Benefit, to the extent you remain eligible to participate in the Severance Plan, the receipt of such benefit under the Severance Plan shall be lieu of receipt of the Severance Benefit.

Conditions of this Offer

This offer is subject to the completion of the Pre-placement Health History Form, to ensure that you are physically capable of carrying out the essential duties of your position. If you choose to make us aware that you have a disability under the Americans with Disabilities Act, we would evaluate whether that disability could reasonably be accommodated in regard to those essential job functions.

This offer is also subject to verification that you have the legal right to work in the United States as required by the Immigration Reform and Control Act of 1986. The Government Form I-9 must be completed within three days of your start date. In addition, you will be required to present certain documentation as part of the required verification process.

Kimberly-Clark takes great steps to protect from disclosure its confidential and trade secret information. In accordance with our policies, we expect that as an employee, you will protect any confidential or trade secret information you learn during your employment. In particular, this protection will require that you sign the Confidentiality, Nonsolicitation and Assignment of Business Ideas Agreement ("Agreement") as a condition of your employment. The Agreement is required of all new hires at Kimberly-Clark.

Because your position may involve access to confidential business information, Kimberly-Clark will perform a pre-placement background investigation. Our offer of employment is contingent upon the results of this background investigation. United States Public Law 104-208 requires we advise you "that an investigative consumer report including information as to...character, general reputation, personal characteristics, and mode of living" may be made. Upon written request, additional information as to the nature and scope of the report will be provided.

Kimberly-Clark is a drug-free work environment. As a result, an additional condition of this offer is that you must pass a pre-employment urine drug screening. This drug screening must be completed within five days of acceptance.

Because your prior position(s) may have involved access to confidential business information, this offer is contingent on your ability to satisfy any post-employment restrictions you may have with your prior employer(s) so that you are not hindered in the performance of the duties of your position

by any non-competition or confidentiality agreement.

The employment relationship is at-will and can be terminated at any time for any reason by either party.

Maria, we are excited about you joining Kimberly-Clark and look forward to your formal acceptance of this offer. I know you will be able to pursue your dreams and achieve great results for Kimberly-Clark. Welcome aboard!

If you have any questions or need additional information, please let me know.

Sincerely,

/s/ Thomas J. Falk

Thomas J. Falk

Chairman of the Board & Chief Executive Officer

Copies: L. Gottung
A. Bru

ACCEPTANCE:

There are two copies of the offer letter enclosed. Please indicate your acceptance of our offer by signing your name on the line below and returning the signed letter to Donna Buchheit in the envelope provided. The other copy is for your records.

/s/ Maria Henry 1/28/15

Signature / Date

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

April 21, 2015

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

CERTIFICATIONS

I, Mark A. Buthman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

April 21, 2015

/s/ Mark A. Buthman

Mark A. Buthman

Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on April 21, 2015 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk

Thomas J. Falk

Chief Executive Officer

April 21, 2015

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Mark A. Buthman, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on April 21, 2015 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Mark A. Buthman

Mark A. Buthman
Chief Financial Officer

April 21, 2015

EXHIBIT IV QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE SECOND QUARTERLY PERIOD OF 2015 ENDED 30 JUNE 2015, FILED WITH THE SEC ON 23 JULY 2015

KIMBERLY CLARK CORP

FORM 10-Q (Quarterly Report)

Filed 07/23/15 for the Period Ending 06/30/15

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended **June 30, 2015**

OR

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

For the transition period from _____ to _____

Commission file number 1-225



Kimberly-Clark Corporation

KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

39-0394230
(I.R.S. Employer
Identification No.)

P. O. Box 619100
Dallas, Texas
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 16, 2015, there were 364,275,024 shares of the Corporation's common stock outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
(Unaudited)

(Millions of dollars, except per share amounts)	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Net Sales	\$ 4,643	\$ 4,953	\$ 9,334	\$ 9,840
Cost of products sold	2,986	3,253	6,018	6,475
Gross Profit	1,657	1,700	3,316	3,365
Marketing, research and general expenses	869	938	1,718	1,834
Other (income) and expense, net	1,332	(13)	1,394	45
Operating Profit (Loss)	(544)	775	204	1,486
Interest income	4	5	8	8
Interest expense	(73)	(72)	(145)	(143)
Income (Loss) From Continuing Operations Before Income Taxes and Equity Interests	(613)	708	67	1,351
Provision for income taxes	281	(225)	51	(421)
Income (Loss) From Continuing Operations Before Equity Interests	(332)	483	118	930
Share of net income of equity companies	39	39	75	82
Income (Loss) From Continuing Operations	(293)	522	193	1,012
Income from discontinued operations, net of income taxes	—	8	—	64
Net Income (Loss)	(293)	530	193	1,076
Net income attributable to noncontrolling interests in continuing operations	(12)	(21)	(30)	(29)
Net Income (Loss) Attributable to Kimberly-Clark Corporation	\$ (305)	\$ 509	\$ 163	\$ 1,047
Per Share Basis				
Net Income (Loss) Attributable to Kimberly-Clark Corporation				
Basic				
Continuing operations	\$ (0.84)	\$ 1.33	\$ 0.45	\$ 2.60
Discontinued operations	—	0.02	—	0.17
Net income (loss)	\$ (0.84)	\$ 1.35	\$ 0.45	\$ 2.77
Diluted				
Continuing operations	\$ (0.83)	\$ 1.32	\$ 0.44	\$ 2.58
Discontinued operations	—	0.02	—	0.17
Rounding	—	0.01	—	—
Net income (loss)	\$ (0.83)	\$ 1.35	\$ 0.44	\$ 2.75
Cash Dividends Declared	\$ 0.88	\$ 0.84	\$ 1.76	\$ 1.68

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Net Income (Loss)	\$ (293)	\$ 530	\$ 193	\$ 1,076
Other Comprehensive Income (Loss), Net of Tax				
Unrealized currency translation adjustments	152	170	(316)	163
Employee postretirement benefits	853	12	861	26
Other	(25)	(7)	(5)	(11)
Total Other Comprehensive Income, Net of Tax	980	175	540	178
Comprehensive Income	687	705	733	1,254
Comprehensive income attributable to noncontrolling interests	(10)	(34)	(25)	(37)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 677	\$ 671	\$ 708	\$ 1,217

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(2015 Data is Unaudited)

(Millions of dollars)	June 30, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 603	\$ 789
Accounts receivable, net	2,286	2,223
Inventories	1,948	1,892
Other current assets	681	655
Total Current Assets	5,518	5,559
Property, Plant and Equipment, Net	7,251	7,359
Investments in Equity Companies	286	257
Goodwill	1,553	1,628
Other Assets	738	723
TOTAL ASSETS	\$ 15,346	\$ 15,526
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 2,055	\$ 1,326
Trade accounts payable	2,599	2,616
Accrued expenses	1,790	1,974
Dividends payable	321	310
Total Current Liabilities	6,765	6,226
Long-Term Debt	5,544	5,630
Noncurrent Employee Benefits	1,186	1,693
Deferred Income Taxes	698	587
Other Liabilities	337	319
Redeemable Preferred Securities of Subsidiaries	72	72
Stockholders' Equity		
Kimberly-Clark Corporation	516	729
Noncontrolling Interests	228	270
Total Stockholders' Equity	744	999
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 15,346	\$ 15,526

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

(Millions of dollars)	Six Months Ended June 30	
	2015	2014
Operating Activities		
Net income	\$ 193	\$ 1,076
Depreciation and amortization	383	435
Asset impairments	—	42
Stock-based compensation	51	36
Deferred income taxes	(346)	63
Equity companies' earnings (in excess of) less than dividends paid	(37)	(36)
(Increase) decrease in operating working capital	(417)	(215)
Postretirement benefits	908	(135)
Charge for Venezuelan balance sheet remeasurement	45	—
Other	12	13
Cash Provided by Operations	792	1,279
Investing Activities		
Capital spending	(527)	(439)
Proceeds from sales of investments	—	93
Investments in time deposits	(82)	(113)
Maturities of time deposits	91	182
Other	(8)	(4)
Cash Used for Investing	(526)	(281)
Financing Activities		
Cash dividends paid	(631)	(627)
Change in short-term debt	183	279
Debt proceeds	510	616
Debt repayments	(44)	(106)
Proceeds from exercise of stock options	82	81
Acquisitions of common stock for the treasury	(358)	(917)
Shares purchased from noncontrolling interest	(151)	—
Other	5	(7)
Cash Used for Financing	(404)	(681)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(48)	(2)
Increase (Decrease) in Cash and Cash Equivalents	(186)	315
Cash and Cash Equivalents - Beginning of Year	789	1,054
Cash and Cash Equivalents - End of Period	\$ 603	\$ 1,369

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 . Accounting Policies

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

We completed the spin-off of our health care business on October 31, 2014. As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented, and prior period Consolidated Income Statements and related disclosures have been recast accordingly. Segment results present net sales and operating profit by segment on a continuing operations basis. Other comprehensive income and cash flows of the health care business are included within our Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement, respectively, for the three and six months ended June 30, 2014, as applicable.

For further information, refer to the Consolidated Financial Statements and footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2014. The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Highly Inflationary Accounting for Venezuelan Operations

We account for our operations in Venezuela using highly inflationary accounting. Since February 2013, the Central Bank of Venezuela's regulated currency exchange system rate has been 6.3 bolivars per U.S. dollar. During March 2013, the Venezuelan government announced a complementary currency exchange system, SICAD. In February 2014, the president of Venezuela announced that another floating rate exchange system (referred to as SICAD II) would be initiated. On February 10, 2015, the Venezuelan government announced the addition of a new foreign currency exchange system referred to as the Marginal Currency System, or SIMADI, along with the elimination of the SICAD II system.

We have historically measured results in Venezuela at the rate in which we transact our business. We have qualified for access to the official exchange rate because we manufacture and sell price-controlled products. Since March 2013, exchange transactions have taken place through letters of credit which resulted in an effective exchange rate of 6.3 bolivars per U.S. dollar and through approved transactions using the regulated currency exchange system, which were also at a 6.3 exchange rate. To date, we have not been invited to participate in SICAD, and we did not seek exchange at SICAD II or SIMADI because we qualify for the more favorable official 6.3 rate and have chosen to pursue exchange at that rate.

We continue to manufacture and sell products in Venezuela as well as import raw materials and finished goods under approved foreign exchange transactions. We continued to measure results at the 6.3 rate through December 31, 2014, however, given the level of uncertainty and lack of liquidity in Venezuela, in part due to declines and volatility in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year-end floating SICAD II exchange rate of 50 bolivars per U.S. dollar as we believed this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014.

With the elimination of SICAD II in February 2015, we remeasured our local currency-denominated balance sheet during the first quarter of 2015 at the applicable floating SIMADI exchange rate as we believe this is the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015, with \$5 recorded in cost of products sold and \$40 recorded in other (income) and expense, net. Remeasurement charges during the three months ended June 30, 2015 were not material. The SIMADI exchange rate at June 30, 2015 was 197 bolivars per U.S. dollar. At June 30, 2015, our net investment in K-C Venezuela was \$105, and the bolivar-denominated net monetary asset position was not significant. Net sales of K-C Venezuela represented less than 1 percent and 3 percent of consolidated net sales for the six months ended June 30, 2015 and 2014, respectively.

New Accounting Standards

In May 2014, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The standard is effective for public entities for annual and interim periods beginning after December 15, 2017. Early adoption is permitted as of one year prior to the current effective date. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

Note 2 . 2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The plan is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

The following charges were incurred in connection with the restructuring:

	Three Months Ended June 30, 2015	Six Months Ended June 30, 2015
Cost of products sold	\$ 7	\$ 15
Marketing, research and general expenses	5	10
Provision for income taxes	(4)	(12)
Net charges	<u>\$ 8</u>	<u>\$ 13</u>

Through June 30, 2015, cumulative pre-tax charges for the restructuring were \$158 (\$108 after tax), including cumulative pre-tax cash charges of \$125. Cash payments during the six months ended June 30, 2015 related to the restructuring were \$49.

Note 3 . Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During the six months ended June 30, 2015 and for the full year 2014, there were no significant transfers among level 1, 2, or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$59 and \$58 at June 30, 2015 and December 31, 2014, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value of the COLI policies is considered a level 2 measurement and is derived from investments in a mix of money market, fixed income and equity funds managed by unrelated fund managers. At June 30, 2015 and December 31, 2014, derivative assets were \$93 and \$54, respectively, and derivative liabilities were \$63 and \$116, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 7.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		June 30, 2015		December 31, 2014	
Assets					
Cash and cash equivalents ^(a)	1	\$ 603	\$ 603	\$ 789	\$ 789
Time deposits ^(b)	1	119	119	130	130
Liabilities and redeemable securities of subsidiaries					
Short-term debt ^(c)	2	955	955	777	777
Long-term debt ^(d)	2	6,644	7,198	6,179	6,963
Redeemable preferred securities of subsidiaries ^(e)	3	72	72	72	72

- (a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.
- (b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Time deposits are recorded at cost, which approximates fair value.
- (c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.
- (d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.
- (e) The redeemable preferred securities of subsidiaries are not traded in active markets. For certain instruments, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. Additionally, the fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions.

Note 4 . Employee Postretirement Benefits

The table below presents net periodic benefit cost information for defined benefit plans and other postretirement benefit plans:

	Pension Benefits		Other Benefits	
	Three Months Ended June 30			
	2015	2014	2015	2014
Service cost	\$ 9	\$ 13	\$ 2	\$ 2
Interest cost	45	71	9	9
Expected return on plan assets	(55)	(84)	—	—
Recognized net actuarial loss	19	26	(1)	—
Settlements	1,320	—	—	—
Other	(2)	—	—	—
Net periodic benefit cost	\$ 1,336	\$ 26	\$ 10	\$ 11

	Pension Benefits		Other Benefits	
	Six Months Ended June 30			
	2015	2014	2015	2014
Service cost	\$ 19	\$ 24	\$ 6	\$ 6
Interest cost	109	139	17	18
Expected return on plan assets	(130)	(166)	—	—
Recognized net actuarial loss	48	50	(1)	—
Settlements	1,329	—	—	—
Other	(7)	5	—	—
Net periodic benefit cost	\$ 1,368	\$ 52	\$ 22	\$ 24

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement charges of \$0.8 billion after tax (\$1.3 billion pre-tax in other (income) and expense, net) during the six months ended June 30, 2015 , mostly in the second quarter.

For the six months ended June 30, 2015 , we made cash contributions of \$435 to our pension trusts, of which \$410 relates to the changes above. In total we expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015. For the six months ended June 30, 2014 , we made cash contributions of \$180 to our pension trusts.

Note 5 . Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. A reconciliation of the average number of common shares outstanding used in the basic and diluted EPS computations follows:

(Millions of shares)	Three Months Ended June 30		Six Months Ended June 30	
	2015	2014	2015	2014
Basic	364.3	375.8	364.7	377.4
Dilutive effect of stock options	0.9	1.2	1.0	1.3
Dilutive effect of restricted share and restricted share unit awards	1.5	1.4	1.6	1.6
Diluted	366.7	378.4	367.3	380.3

There were no significant outstanding stock-based awards excluded from the computation of diluted EPS during the three and six month periods ended June 30, 2015 and 2014 .

The number of common shares outstanding as of June 30, 2015 and 2014 was 364.3 million and 374.0 million , respectively.

Note 6 . Stockholders' Equity

Set forth below is a reconciliation for the six months ended June 30, 2015 of the carrying amount of total stockholders' equity from the beginning of the period to the end of the period.

	Stockholders' Equity Attributable to	
	The Corporation	Noncontrolling Interests
Balance at December 31, 2014	\$ 729	\$ 270
Net Income	163	27
Other comprehensive income, net of tax		
Unrealized translation	(310)	(6)
Employee postretirement benefits	860	1
Other	(5)	—
Stock-based awards exercised or vested	82	—
Recognition of stock-based compensation	51	—
Income tax benefits on stock-based compensation	24	—
Shares repurchased	(332)	—
Dividends declared	(642)	(19)
Other	(104)	(45)
Balance at June 30, 2015	\$ 516	\$ 228

During the six months ended June 30, 2015 , we repurchased 2.8 million shares at a total cost of \$300 .

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in accumulated other comprehensive income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation is recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the six months ended June 30, 2015 was primarily due to the strengthening of the U.S. dollar versus most foreign currencies, including the Brazilian real, Euro and Australian dollar.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2013	\$ (525)	\$ (1,668)	\$ (15)	\$ (34)
Other comprehensive income (loss) before reclassifications	155	(27)	20	(15)
(Income) loss reclassified from AOCI	—	33 (a)	—	4
Net current period other comprehensive income (loss)	155	6	20	(11)
Balance as of June 30, 2014	\$ (370)	\$ (1,662)	\$ 5	\$ (45)
Balance as of December 31, 2014	\$ (1,335)	\$ (1,924)	\$ (37)	\$ (16)
Other comprehensive income (loss) before reclassifications	(310)	9	7	16
(Income) loss reclassified from AOCI	—	844 (a)	—	(21)
Net current period other comprehensive income (loss)	(310)	853	7	(5)
Other	(12)	—	—	1
Balance as of June 30, 2015	\$ (1,657)	\$ (1,071)	\$ (30)	\$ (20)

(a) Included in computation of net periodic pension and postretirement benefits costs (see Note 4).

During the first quarter of 2015, we acquired the remaining 49.9 percent interest in our subsidiary in Israel, Hogla-Kimberly, Ltd., for \$151. As our subsidiary in Turkey was wholly-owned by our subsidiary in Israel, through this acquisition we also effectively acquired the remaining 49.9 percent interest in our subsidiary in Turkey, Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.S. The acquisition was recorded as an equity transaction that reduced noncontrolling interests, AOCI and additional paid-in capital by \$45, \$12 and \$94, respectively.

The purchase of additional ownership in an already controlled subsidiary is treated as an equity transaction with no gain or loss recognized in consolidated net income or comprehensive income. The effect of the change in ownership interest is as follows:

	Six Months Ended June 30, 2015
Net Income attributable to Kimberly-Clark Corporation	\$ 163
Decrease in Kimberly-Clark Corporation's additional paid-in capital for acquisition	(94)
Change from net income attributable to Kimberly-Clark Corporation and transfers to noncontrolling interest	\$ 69

Note 7. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable- and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar, generally is not hedged. However, consistent with other years, a portion of our net investment in our Mexican affiliate has been hedged. At June 30, 2015, we had in place net investment hedges of \$103 for a portion of our investment in our Mexican affiliate.

Set forth below is a summary of the total designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Foreign currency exchange contracts	\$ 91	\$ 54	\$ 45	\$ 102
Interest rate contracts	2	—	4	4
Commodity price contracts	—	—	14	10
Total	\$ 93	\$ 54	\$ 63	\$ 116

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At June 30, 2015, the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$250. Fair value hedges resulted in no significant ineffectiveness in the six months ended June 30, 2015 and 2014. For the three and six month periods ended June 30, 2015 and 2014, gains or losses recognized in interest expense for interest rate swaps were not significant. For the six month periods ended June 30, 2015 and 2014, no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of June 30, 2015, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2015 and future periods. As of June 30, 2015, the aggregate notional values of outstanding foreign exchange and interest rate derivative contracts designated as cash flow hedges were \$830 and \$200, respectively. Cash flow hedges resulted in no significant ineffectiveness for the six months ended June 30, 2015 and 2014. For the six months ended June 30, 2015 and 2014, no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At June 30, 2015, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at June 30, 2015 is December 2017.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. Gains of \$74 and \$40 were recorded in the three month periods ended June 30, 2015 and 2014, respectively. Losses of \$81 and gains of \$53 were recorded in the six month periods ended June 30, 2015 and 2014, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At June 30, 2015, the notional amount of these undesignated derivative instruments was \$2.5 billion.

Note 8. Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer parents a trusted partner in caring for their families and deliver confidence, protection and discretion to adults through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* helps transform workplaces for employees and patrons, making them healthier, safer and more productive, through a range of solutions and supporting products such as apparel, wipers, soaps, sanitizers, tissue and towels. Key brands in this segment include Kleenex, Scott, WypAll, Kimtech and Jackson Safety.

The following schedules present information concerning consolidated operations by business segment:

	Three Months Ended June 30			Six Months Ended June 30		
	2015	2014	Change	2015	2014	Change
NET SALES						
Personal Care	\$ 2,306	\$ 2,442	-5.6 %	\$ 4,614	\$ 4,824	-4.4 %
Consumer Tissue	1,499	1,638	-8.5 %	3,073	3,327	-7.6 %
K-C Professional	822	858	-4.2 %	1,617	1,658	-2.5 %
Corporate & Other	16	15	N.M.	30	31	N.M.
TOTAL NET SALES	\$ 4,643	\$ 4,953	-6.3 %	\$ 9,334	\$ 9,840	-5.1 %
OPERATING PROFIT						
Personal Care	\$ 473	\$ 453	+4.4 %	\$ 928	\$ 910	+2.0 %
Consumer Tissue	260	240	+8.3 %	551	497	+10.9 %
K-C Professional	145	153	-5.2 %	279	288	-3.1 %
Corporate & Other	(90)	(84)	N.M.	(160)	(164)	N.M.
Other (income) and expense, net ^(a)	1,332	(13)	N.M.	1,394	45	N.M.
TOTAL OPERATING PROFIT (LOSS)	\$ (544)	\$ 775	N.M.	\$ 204	\$ 1,486	-86.3 %

N.M. - Not Meaningful

(a) Other (income) and expense, net includes pension settlement charges of \$1,322 and \$1,331 for the three and six months ended June 30, 2015, respectively. See Note 4 for additional information.

Note 9 . Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

	June 30, 2015			December 31, 2014		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
At the lower of cost, determined on the FIFO or weighted-average cost methods, or market						
Raw materials	\$ 103	\$ 314	\$ 417	\$ 104	\$ 322	\$ 426
Work-in-process	122	100	222	120	95	215
Finished goods	525	689	1,214	511	672	1,183
Supplies and other	—	287	287	—	288	288
	750	1,390	2,140	735	1,377	2,112
Excess of FIFO or weighted-average cost over LIFO cost	(192)	—	(192)	(220)	—	(220)
Total	\$ 558	\$ 1,390	\$ 1,948	\$ 515	\$ 1,377	\$ 1,892

The following schedule presents a summary of property, plant and equipment, net:

	June 30, 2015	December 31, 2014
Land	\$ 176	\$ 177
Buildings	2,597	2,574
Machinery and equipment	13,448	13,437
Construction in progress	540	591
	16,761	16,779
Less accumulated depreciation	(9,510)	(9,420)
Total	\$ 7,251	\$ 7,359

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

Introduction

This management's discussion and analysis of financial condition and results of operations is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of Second Quarter 2015 Results
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Legal Matters
- Business Outlook

Overview of Second Quarter 2015 Results

- Net sales of \$4.6 billion decreased 6 percent compared to the year-ago period, as changes in foreign currency exchange rates reduced net sales 10 percent.
- Operating profit and net income (loss) attributable to Kimberly-Clark Corporation decreased \$1,319 and \$814, respectively, compared to the prior year. The decrease includes pension settlement charges of \$813 after tax (\$1,322 pre-tax in other (income) and expense, net) primarily related to the purchase of group annuity contracts that transferred to two insurance companies certain pension benefit obligations. See Note 4 to the Consolidated Financial Statements for additional information. Excluding the pension settlement charges, operating profit and net income attributable to Kimberly-Clark Corporation were essentially even with the year-ago period.
- Diluted earnings per share were a loss of \$0.83 versus income of \$1.35 in the prior year. Excluding the pension settlement charges, diluted earnings per share for the second quarter 2015 were \$1.39.

Results of Operations and Related Information

This section presents a discussion and analysis of our second quarter 2015 net sales, operating profit and other information relevant to an understanding of the results of operations.

We completed the spin-off of our health care business (Halyard Health, Inc.) on October 31, 2014. As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented, and prior period Consolidated Income Statements and related disclosures have been recast accordingly. Segment results present net sales and operating profit by segment on a continuing operations basis.

Results By Business Segment

	Three Months Ended June 30			Six Months Ended June 30		
	2015	2014	Change	2015	2014	Change
NET SALES						
Personal Care	\$ 2,306	\$ 2,442	-5.6 %	\$ 4,614	\$ 4,824	-4.4 %
Consumer Tissue	1,499	1,638	-8.5 %	3,073	3,327	-7.6 %
K-C Professional	822	858	-4.2 %	1,617	1,658	-2.5 %
Corporate & Other	16	15	N.M.	30	31	N.M.
TOTAL NET SALES	\$ 4,643	\$ 4,953	-6.3 %	\$ 9,334	\$ 9,840	-5.1 %
OPERATING PROFIT						
Personal Care	\$ 473	\$ 453	+4.4 %	\$ 928	\$ 910	+2.0 %
Consumer Tissue	260	240	+8.3 %	551	497	+10.9 %
K-C Professional	145	153	-5.2 %	279	288	-3.1 %
Corporate & Other	(90)	(84)	N.M.	(160)	(164)	N.M.
Other (income) and expense, net ^(a)	1,332	(13)	N.M.	1,394	45	N.M.
TOTAL OPERATING PROFIT (LOSS)	\$ (544)	\$ 775	N.M.	\$ 204	\$ 1,486	-86.3 %

N.M. - Not Meaningful

Results By Geography

	Three Months Ended June 30			Six Months Ended June 30		
	2015	2014	Change	2015	2014	Change
NET SALES						
North America	\$ 2,359	\$ 2,370	-0.5 %	\$ 4,719	\$ 4,709	+0.2 %
Outside North America	2,370	2,673	-11.3 %	4,788	5,306	-9.8 %
Intergeographic sales	(86)	(90)	N.M.	(173)	(175)	N.M.
TOTAL NET SALES	\$ 4,643	\$ 4,953	-6.3 %	\$ 9,334	\$ 9,840	-5.1 %
OPERATING PROFIT						
North America	\$ 532	\$ 470	+13.2 %	\$ 1,060	\$ 960	+10.4 %
Outside North America	346	376	-8.0 %	698	735	-5.0 %
Corporate & Other	(90)	(84)	N.M.	(160)	(164)	N.M.
Other (income) and expense, net ^(a)	1,332	(13)	N.M.	1,394	45	N.M.
TOTAL OPERATING PROFIT (LOSS)	\$ (544)	\$ 775	N.M.	\$ 204	\$ 1,486	-86.3 %

(a) Other (income) and expense, net includes pension settlement charges of \$1,322 and \$1,331 for the three and six months ended June 30, 2015, respectively. See Note 4 to the Consolidated Financial Statements for additional information.

Percentage Change 2015 Versus 2014

NET SALES

Three Months Ended June 30	Total	Changes Due To			
		Volume	Net Price	Mix/Other ^(a)	Currency
Personal Care	(5.6)	3	1	—	(10)
Consumer Tissue	(8.5)	3	(2)	—	(9)
K-C Professional	(4.2)	3	(1)	3	(9)
TOTAL CONSOLIDATED	(6.3)	3	—	1	(10)
Six Months Ended June 30					
Personal Care	(4.4)	4	1	1	(10)
Consumer Tissue	(7.6)	2	(1)	—	(9)
K-C Professional	(2.5)	3	—	3	(8)
TOTAL CONSOLIDATED	(5.1)	3	—	1	(9)

(a) Mix/Other includes rounding.

OPERATING PROFIT

Three Months Ended June 30	Total	Changes Due To					
		Volume	Net Price	Input Costs ^(a)	Cost Savings	Currency Translation	Other ^(b)
Personal Care	4.4	5	5	6	13	(10)	(15)
Consumer Tissue	8.3	6	(10)	3	16	(7)	—
K-C Professional	(5.2)	5	(5)	5	5	(13)	(2)
TOTAL CONSOLIDATED	N.M.	6	(1)	5	14	(11)	N.M.
Six Months Ended June 30							
Personal Care	2.0	6	7	3	12	(9)	(17)
Consumer Tissue	10.9	6	(8)	3	15	(8)	3
K-C Professional	(3.1)	6	(3)	4	4	(12)	(2)
TOTAL CONSOLIDATED	(86.3)	7	1	4	13	(11)	(100)

(a) Includes inflation/deflation in raw materials, energy and distribution costs.

(b) Other includes the impact of changes in marketing, research and general expenses and manufacturing costs not separately listed in the table. In addition, Other includes the impact of charges recorded in Corporate & Other and other (income) and expense, net, including pension settlement charges of \$1.3 billion during the three and six months ended June 30, 2015.

N.M. - Not Meaningful

Commentary - Second Quarter of 2015 Compared to Second Quarter of 2014

Consolidated

Net sales of \$4.6 billion in the second quarter of 2015 were down 6 percent compared to the year-ago period. Changes in foreign currency exchange rates reduced net sales 10 percent as a result of the weakening of most currencies relative to the U.S. dollar. Sales volumes increased 3 percent and product mix/other was favorable by 1 percent.

Second quarter operating profit was a loss of \$544 in 2015 and profit of \$775 in 2014. Results in 2015 include \$1,322 of charges for pension settlements and \$12 of 2014 Organization Restructuring costs. The year-over-year operating profit comparison benefited from sales volume growth and improved product mix, \$105 in cost savings from the company's FORCE (Focused On Reducing Costs Everywhere) program and \$20 of savings from the 2014 Organization Restructuring. Input costs decreased \$40 overall, including \$35 of lower costs for raw materials other than fiber and \$5 of lower energy costs. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$80 and transaction effects also negatively impacted comparisons. The currency impacts were most significant in Latin America and Eastern Europe.

Other (income) and expense, net was expense of \$1,332 in 2015 and income of \$13 in 2014. Results in 2015 were driven by pension settlement charges and foreign currency transaction losses, while prior-period results benefited from a gain on an asset sale.

The second quarter 2015 loss before income taxes and equity interests of \$613 and the overall tax benefit of \$281 include pension settlement charges of \$1,322 and a corresponding tax benefit of \$509. Excluding the impact of the pension settlement charges, pre-tax earnings and the provision for income taxes were \$709 and \$228, respectively, resulting in an effective tax rate of 32.2 percent. The second quarter 2014 effective tax rate was 31.8 percent.

Kimberly-Clark's share of net income of equity companies in the second quarter of 2015 was \$39, even with the year-ago period. At Kimberly-Clark de Mexico, S.A.B. de C.V., results benefited from sales volume growth and higher net selling prices, lower input costs and cost savings, but were negatively impacted by a weaker Mexican peso. Second quarter net income attributable to noncontrolling interests was \$12 in 2015 and \$21 in 2014. The change was driven by the redemption of \$0.5 billion of preferred securities in December 2014.

Personal Care Segment

Second quarter net sales of \$2.3 billion decreased 6 percent. Currency rates were unfavorable by more than 10 percent. Volumes increased 3 percent and net selling prices and product mix each improved 1 percent. Second quarter operating profit of \$473 increased 4 percent. The comparison benefited from sales volume growth and higher net selling prices, cost savings and lower input costs, partially offset by unfavorable effects from changes in currency rates.

Net sales in North America decreased 2 percent. Currency was unfavorable 1 percent and the combined impact of changes in net selling prices and product mix reduced net sales 1 percent. Huggies baby wipes volumes rose double digits, including benefits from innovation and market share gains. Volumes in adult care, child care and Huggies diapers were all down slightly. Feminine care volumes were down high-single digits compared to mid-single digit growth in the year-ago period, with market shares down slightly.

Net sales in developing and emerging markets decreased 7 percent, including a 20 percent negative impact from changes in currency rates. Volumes increased 7 percent, net selling prices improved 5 percent and product mix advanced 1 percent. The volume growth included gains in China and most of Latin America, led by Argentina, Brazil and Peru. The higher net selling prices were driven by increases in Eastern Europe and Latin America in response to weaker currency rates.

Net sales in developed markets outside North America (Australia, South Korea and Western/Central Europe) decreased 12 percent. Currency rates were unfavorable by 11 percent and net selling prices and volumes were both down slightly.

Consumer Tissue Segment

Second quarter net sales of \$1.5 billion decreased 8 percent. Currency rates were unfavorable by 9 percent and net selling prices were down 2 percent, while volumes were up 3 percent. Second quarter operating profit of \$260 increased 8 percent. The comparison benefited from cost savings, lower manufacturing-related costs and reduced marketing, research and general expenses, partially offset by unfavorable currencies and lower net selling prices.

Net sales in North America were even with the year-ago period. Volumes increased 5 percent. Net selling prices were off 4 percent, including the impact of increased promotion activity, and product mix was unfavorable 1 percent. Volumes rose high-single digits in bathroom tissue, with benefits from increased promotion shipments on Cottonelle. Volumes increased low-single digits in facial tissue and paper towels.

Net sales in developing and emerging markets decreased 20 percent, including a 23 point negative impact from currency rates. Net selling prices increased 2 percent and volumes advanced 1 percent.

Net sales in developed markets outside North America decreased 13 percent, driven by unfavorable currency rates.

K-C Professional ("KCP") Segment

Second quarter net sales of \$0.8 billion decreased 4 percent. Changes in currency rates reduced net sales 9 percent and net selling prices were down 1 percent. Volumes rose 3 percent and product mix/other was favorable by 3 percent, including sales of nonwovens to Halyard Health, Inc. in conjunction with a near-term supply agreement. Second quarter operating profit of \$145 decreased 5 percent. The comparison was negatively impacted by unfavorable currency effects, partially offset by benefits from higher volumes, cost savings and lower input costs.

Net sales in North America increased 1 percent. Volumes rose 3 percent. The combined impact of changes in net selling prices and product mix reduced sales 1 percent and currency was unfavorable 1 percent. Volumes were up mid-single digits in wipers and safety products and low-single digits in washroom products.

Net sales in developing and emerging markets decreased 13 percent, including a 21 point negative impact from currency rates. Volumes rose 4 percent, net selling prices improved 3 percent and product mix advanced 1 percent. The volume growth was driven by increases in Latin America and Asia.

Net sales in developed markets outside North America were down 16 percent. Changes in currency rates reduced net sales 15 percent. Net selling prices were off 3 percent, mostly in Western/Central Europe, while overall volumes increased 2 percent.

First Six Months of 2015 Compared to First Six Months of 2014

For the first six months of 2015, net sales of \$9.3 billion decreased 5 percent compared to the year-ago period, as changes in foreign currency exchange rates reduced net sales 9 percent. Sales volumes increased 3 percent and product mix/other was favorable by 1 percent.

Year-to-date operating profit was \$204 in 2015 versus \$1,486 in 2014. Results in 2015 include \$1,331 of charges for pension settlements, \$25 of 2014 Organization Restructuring costs and a charge of \$45 related to the remeasurement of the Venezuelan balance sheet. Results in 2014 include \$12 of restructuring costs for European strategic changes and a charge of \$39 related to a regulatory dispute in the Middle East. Operating profit comparisons benefited from sales volume growth, FORCE cost savings of \$195 and \$30 of savings from the 2014 Organization Restructuring. In addition, input costs overall were \$55 lower. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$160 and transaction effects also negatively impacted the operating profit comparisons.

Other (income) and expense, net was expense of \$1,394 in 2015 and \$45 in 2014. Results in 2015 were driven by pension settlement charges, while prior-period results were driven by a charge related to the regulatory dispute in the Middle East.

Through six months, diluted earnings per share were \$0.44 in 2015 compared to diluted earnings per share from continuing operations of \$2.58 in 2014. Excluding the pension settlement charges, earnings per share in 2015 were \$2.67. The 9 cent increase was driven by higher operating profit and a lower share count, partially offset by a higher effective tax rate.

2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve underlying profitability and increase flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Cumulative pre-tax savings from the restructuring are expected to be \$120 to \$140 by the end of 2017, and were \$35 through June 30, 2015 . The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Charges of \$8 after tax (\$12 pre-tax) and \$13 after tax (\$25 pre-tax) were recognized during the three and six months ended June 30, 2015 , respectively, for the restructuring.

Defined Benefit Pension Plan Changes

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement charges of \$0.8 billion after tax (\$1.3 billion pre-tax in other (income) and expense, net) during the six months ended June 30, 2015 , mostly in the second quarter.

For the six months ended June 30, 2015 , we made cash contributions of \$435 to our pension trusts, of which \$410 relates to the changes above. In total we expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015. For the six months ended June 30, 2014 , we made cash contributions of \$180 to our pension trusts.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$0.8 billion for the first six months of 2015 , compared to \$1.3 billion in the prior year. The comparison was affected by the higher pension contributions, increased operating working capital and the spin-off of the health care business in the fourth quarter of 2014.

Investing

During the first six months of 2015 , our capital spending was \$527 compared to \$439 in the prior year. We anticipate that full-year 2015 capital spending will be \$950 to \$1,050.

Financing

On February 27, 2015, we issued \$250 aggregate principal amount of 1.85% notes due March 1, 2020 and \$250 aggregate principal amount of 2.65% notes due March 1, 2025. Proceeds from the offering were used for general corporate purposes, including pension contribution payments.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$955 as of June 30, 2015 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the second quarter of 2015 was \$1,121 . These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as pension contributions, dividends and income taxes.

At June 30, 2015 , total debt was \$7.6 billion compared to \$7.0 billion at December 31, 2014 .

We maintain a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first six months of 2015 , we repurchased 2.8 million shares of our common stock at a cost of \$300 through a broker in the open market. In addition, we acquired the remaining interest in our subsidiary in Israel for \$151 . We are targeting full-year 2015 share repurchases of \$700 to \$900, subject to market conditions.

We account for our operations in Venezuela using highly inflationary accounting. We have historically measured results in Venezuela at the rate in which we transact our business, which was 6.3 bolivars per U.S. dollar until December 31, 2014. Given the level of uncertainty and lack of liquidity in Venezuela, in part due to declines and volatility in the price of oil, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year-end floating SICAD II exchange rate of 50 bolivars per U.S. dollar, as we believed this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$462 in the Consolidated Income Statement for the year ended December 31, 2014 .

On February 10, 2015, the Venezuelan government announced the addition of a new foreign currency exchange system referred to as the Marginal Currency System, or SIMADI, along with the elimination of the SICAD II system. With the elimination of SICAD II in February 2015, we remeasured our local currency-denominated balance sheet during the first quarter of 2015 at the applicable floating SIMADI exchange rate as we believe this is the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015. Remeasurement charges during the three months ended June 30, 2015 were not material. The SIMADI exchange rate at June 30, 2015 was 197 bolivars per U.S. dollar. At June 30, 2015 , our net investment in K-C Venezuela was \$105 , and the bolivar-denominated net monetary asset position was not significant. Net sales of K-C Venezuela represented less than 1 percent and 3 percent of consolidated net sales for the six months ended June 30, 2015 and 2014 , respectively.

Legal Matters

We believe that the ultimate disposition of litigation or compliance obligations with environmental protections laws and regulations, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations or liquidity.

Business Outlook

In 2015, we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation.

- Growth in volume, net selling prices and product mix is expected to be in the combined 3 to 5 percent target range, with a focus on Personal Care and KCP in developing and emerging markets.
- We expect net sales to be negatively impacted by unfavorable foreign currency exchange rates at the high end of the previously provided 9 to 10 percent range, including an approximate 3 percent impact from exchange rate changes in Venezuela. We also expect unfavorable foreign currency translation effects to negatively impact operating profit growth at the high end of the previously communicated 10 to 11 percent range, including an approximate 4 percent decrease from exchange rate changes in Venezuela. Currency transaction effects are also anticipated to negatively impact operating profit.
- We anticipate commodity cost deflation of \$100 to \$200.
- We plan to achieve cost savings of at least \$350 from our FORCE program, and \$60 to \$80 from the 2014 Organization Restructuring.
- We anticipate that advertising spending will increase somewhat as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- Our share of net income from equity companies is expected to be down somewhat due to lower earnings at Kimberly-Clark de Mexico, S.A.B. de C.V., driven by a weaker Mexican peso.
- We anticipate capital spending to be in a \$950 to \$1,050 range and share repurchases to total \$700 to \$900, subject to market conditions.
- We expect to contribute \$450 to \$500 to our defined benefit pension plans for the full year 2015.
- We increased our quarterly dividend 4.8 percent effective April 2015.
- Charges related to the 2014 Organization Restructuring are expected to be \$30 to \$50 after tax.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 Organization Restructuring, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our results will be as estimated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, as well as general economic and political conditions globally and in the markets in which we do business, could affect the realization of these estimates.

For a description of certain factors that could cause our future results to differ from those expressed in these forward-looking statements, see Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014 entitled "Risk Factors." Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

Item 4. Controls and Procedures

As of June 30, 2015, an evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of June 30, 2015. There were no changes in our internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. All our share repurchases during the second quarter of 2015 were made through a broker in the open market.

The following table contains information for shares repurchased during the second quarter of 2015. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2015)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs ^(b)
April 1 to April 30	517,300	\$108.23	49,027,811	40,972,189
May 1 to May 31	188,000	110.69	49,215,811	40,784,189
June 1 to June 30	216,000	107.43	49,431,811	40,568,189
Total	921,300			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on January 21, 2011. This program allows for the repurchase of 50 million shares in an amount not to exceed \$5 billion (the "2011 Program").

(b) Includes shares available under the 2011 Program, as well as shares available under a share repurchase program authorized by our Board of Directors on November 13, 2014 that allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

Item 6. Exhibits

(a) Exhibits

Exhibit No. (2)b. Definitive Purchase Agreement by and among the Corporation, The Prudential Insurance Company of America, Prudential Financial, Inc., and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*

Exhibit No. (2)c. Definitive Purchase Agreement by and among the Corporation, Massachusetts Mutual Life Insurance Company, and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*

Exhibit No. (3)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (3)b. By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

Exhibit No. (10)n. Form of Award Agreements under 2011 Equity Participation Plan, filed herewith.

Exhibit No. (31)a. Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.

Exhibit No. (31)b. Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.

Exhibit No. (32)a. Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (32)b. Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (101).INS XBRL Instance Document

Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document

Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

* Confidential treatment has been requested for portions of this agreement. This exhibit replaces and supersedes in its entirety the agreement filed in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 and has been filed to include a list of schedules and exhibits omitted pursuant to Rule 602(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit has been furnished supplementally to the Securities and Exchange Commission.

SIGNATURES

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

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Maria G. Henry

Maria G. Henry
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Michael T. Azbell

Michael T. Azbell
Vice President and Controller
(principal accounting officer)

July 23, 2015

EXHIBIT INDEX

Exhibit No.	Description
(2)b.	Definitive Purchase Agreement by and among the Corporation, The Prudential Insurance Company of America, Prudential Financial, Inc., and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Pension Plan, Dated as of February 23, 2015, filed herewith.*
(2)c.	Definitive Purchase Agreement by and among the Corporation, Massachusetts Mutual Life Insurance Company, and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, dated as of February 23, 2015, filed herewith.*
(3)a.	Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.
(3)b.	By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.
(4).	Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.
(10)n.	Form of Award Agreements under 2011 Equity Participation Plan, filed herewith.
(31)a.	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.
(31)b.	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
(32)a.	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(32)b.	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(101).INS	XBRL Instance Document
(101).SCH	XBRL Taxonomy Extension Schema Document
(101).CAL	XBRL Taxonomy Extension Calculation Linkbase Document
(101).DEF	XBRL Taxonomy Extension Definition Linkbase Document
(101).LAB	XBRL Taxonomy Extension Label Linkbase Document
(101).PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Confidential treatment has been requested for portions of this agreement. This exhibit replaces and supersedes in its entirety the agreement filed in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 and has been filed to include a list of schedules and exhibits omitted pursuant to Rule 602(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit has been furnished supplementally to the Securities and Exchange Commission

DEFINITIVE PURCHASE AGREEMENT
BY AND AMONG
KIMBERLY-CLARK CORPORATION,
STATE STREET BANK AND TRUST COMPANY,
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,
AND
PRUDENTIAL FINANCIAL, INC.

i

CONFIDENTIAL TREATMENT REQUESTED BY KIMBERLY-CLARK CORPORATION - CONFIDENTIAL PORTIONS OF THIS DOCUMENT HAVE BEEN REDACTED AND HAVE BEEN SEPARATELY FILED WITH THE COMMISSION

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

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Schedule 1.01(c)	Annuity Certificate
Schedule 1.01(d)	Form of Bill of Sale
Schedule 1.01(e)	List of Annuitants
Schedule 1.01(f)	List of Additional Annuitants
Schedule 1.01(g)	Group Annuity Contract
Schedule 1.01(h)(1)	Form of Plan Trustee Direction Letter (Closing)
Schedule 1.01(h)(2)	Form of Plan Trustee Direction Letter (Pre-Closing)
Schedule 1.01(i)	Priced Lives File
Schedule 2.01	Asset Transfer Procedures
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Schedule 7.04(a)	Payment Agreement Services
Schedule 7.04(b)	Plan Trustee Agreement
Schedule 8.03(f)	Methodology for Plan Contributions

¹ Schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit has been furnished supplementally to the Securities and Exchange Commission on request. This index is not a part of, and does not form a part of this agreement, and is being filed solely to comply with Item 601(b)(2) of Regulation S-K.

DEFINITIVE PURCHASE AGREEMENT

This Definitive Purchase Agreement (this "Agreement") is entered into as of February 23, 2015 (the "Signing Date") by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the "Insurer"), Prudential Financial, Inc., a New Jersey corporation ("Insurer Parent"), Kimberly-Clark Corporation, a Delaware corporation (the "Company"), acting solely in a non-fiduciary capacity as the sponsor of the Kimberly-Clark Corporation Pension Plan (the "Plan"), and State Street Bank and Trust Company, a Massachusetts trust company, for the purposes of this Agreement, acting through State Street Global Advisors, a division of State Street Bank and Trust Company, acting solely in its capacity as the independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in this Agreement (the "Independent Fiduciary"). The Insurer, Insurer Parent, the Company and the Independent Fiduciary are referred to collectively herein as the "Parties."

RECITALS

- A. The Company, as sponsor of the Plan, has amended the Plan to require that Liabilities under the Plan for certain participants currently receiving benefits be transferred to a licensed insurance company, and that such insurance company fully and irrevocably guarantee benefits in accordance with a group annuity contract.
- B. In furtherance of the foregoing, the Insurer wishes to issue to the Company the Group Annuity Contract on the terms and subject to the conditions set forth herein and therein.
- C. Insurer Parent expects to derive substantial benefit from the consummation of the transactions contemplated by this Agreement and the Insurer's issuance of the Group Annuity Contract.
- D. The Company and the Independent Fiduciary are desirous of proceeding with the Plan's purchase and the Company's receipt of the Group Annuity Contract from the Insurer.
- E. The Independent Fiduciary has determined that the Plan's purchase of the Group Annuity Contract as provided for herein satisfies the ERISA Requirements.
- F. The Parties wish to enter into this Agreement to provide for the purchase and the issuance of the Group Annuity Contract by the Insurer to the Company and certain related transactions and agreements, including the Insurer and the Other Insurer entering into the Administrative Services Agreement.
- G. The Company is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in a non-fiduciary capacity as plan sponsor of the Plan.

H. The Independent Fiduciary is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in its capacity as a named fiduciary for matters involving certain assets of the Plan.

NOW , THEREFORE , in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

I. DEFINITIONS AND INTERPRETATION

1.01 Definitions . For purposes of this Agreement:

“3-Month LIBOR” means [* * *].

[* * *]

“Action” means any claim, action, suit, arbitration, complaint, charge, investigation, inquiry or proceeding by or before any Governmental Authority.

“Administrative Services Agreement” means the Annuity Administrative Services Agreement between the Insurer and the Other Insurer in substantially the form of Schedule 1.01(b).

“Affiliate” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Agreement” is defined in the preamble.

“Alternative Arrangement” is defined in Section 6.04(c).

“Alternative Transaction Proposal” means any proposal or offer (a) relating to the entry into an insurance, reinsurance or other transaction similar to the purchase and issuance of a group annuity contract contemplated hereby and (b) that would be reasonably likely to replace, frustrate or cause not to occur the Transactions in respect of the Covered Lives or Contingent Lives, including any transaction in which the responsibility to make all or any substantial portion of the payments in respect of pension obligations owed to the Covered Lives or Contingent Lives would be transferred, assigned or novated from the Plan Trust to a non-affiliated Person or in which a non-affiliated Person would assume an obligation to indemnify or reimburse the Plan Trust, the Company or any of their respective Affiliates for any such payment; provided that an “Alternative Transaction Proposal” shall not include (i) any insurance, reinsurance or other transaction that does not relate to the Covered Lives or Contingent Lives or (ii) the Other Group Annuity Contract and any definitive purchase agreement or

similar agreement executed by the Other Insurer, the Company and the Independent Fiduciary with respect to the Other Group Annuity Contract.

“ Ancillary Agreements ” means the Group Annuity Contract, the Plan Trustee Agreement and all other written agreements, documents or certificates to be delivered by a Party at the Closing.

“ Annuity Benefits Correspondence Center ” is defined in Section 7.03(a).

“ Annuity Certificate ” means an annuity certificate substantially in the applicable form set forth in Schedule 1.01(c), with such modifications as may be made by the Insurer as required by, or permitted under, applicable Law.

“ Annuity Committee ” means the Annuity Committee of the Plan.

“ Annuity Exhibits ” means the annuity exhibits and related information, in substantially the same form attached to Schedule 1.01(g).

“ Annuity Commencement Date ” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“ Annuity Payment ” means the monthly payments, if any, payable to Covered Lives and, if applicable, Contingent Lives and Beneficiaries pursuant to the Group Annuity Contract.

“ Applicable Rate ” means [* * *].

“ Arbitration Dispute ” is defined in Section 2.10(b).

“ ASC 715 ” means Accounting Standards Codification Section 715: Compensation-Retirement Benefits.

[* * *]

“ Asset Portfolio ” means the [* * *] in the [* * *] of the Workbook, as adjusted from time to time pursuant to Section 2.05.

[* * *] is defined in Section 2.17.

[* * *] is defined in Section III(B)(ii) of the Procedures Manual.

“ Base Annuity Premium ” is defined in Section II(A) of the Procedures Manual.

“ Base File ” means the data as of December 1, 2014 included in the excel file titled [* * *], as was provided by the Company to the Insurer in the Data Room on [* * *].

“ Beneficiary ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Bill of Sale ” means the bill of sale in the form attached as Schedule 1.01(d).

“ Business Day ” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York or Boston, Massachusetts are authorized or required by Law to close or are unable to open.

“ Cash ” means currency of the United States of America or wire transfers thereof that is legal tender for payment of all public and private debts.

“ Cash Flows ” is defined in Section III(B)(i) of the Procedures Manual.

“ Cash Payment Amount ” is defined in Section 2.06(e)(i) .

“ Closing ” is defined in Section 2.02 .

“ Closing Amount ” means [* * *].

“ Closing Annuity Exhibits ” is defined in Section 2.06(a)(iii).

“ Closing Data Cut-Off Date ” means the day that is 26 Business Days prior to the Target Closing Date.

“ Closing Data File ” is defined in Section 2.06(a)(i) .

“ Closing Date ” is defined in Section 2.02 .

“ Closing Date Asset Valuation ” is defined in Section 2.06(b) .

“ Closing Date Cash Amount ” means the amount equal to [* * *].

“ Closing Date [* * *] Amount ” means [* * *].

“ Code ” means the Internal Revenue Code of 1986 and the applicable Treasury Regulations issued thereunder.

“ Commercially Reasonable Efforts ” means, with respect to the efforts to be expended by a Party with respect to any objective under this Agreement, reasonable, diligent, good faith efforts to accomplish such objective as a similarly situated Person would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgment. Notwithstanding the foregoing, “Commercially Reasonable Efforts” will not require a Person to make payments to unaffiliated third parties (other than in respect of the fees and expenses of such Person’s counsel and other advisors), to incur non-de minimis

Liabilities to unaffiliated third parties or to grant any non-de minimis concessions or accommodations.

“Company” is defined in the preamble.

“Company Disclosure Letter” means the disclosure letter as delivered by the Company to the other Parties immediately prior to the execution of this Agreement.

“Company Indemnified Claim” is defined in Section 9.02.

“Company Indemnified Party” is defined in Section 9.02.

“Company Provided Component” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Insurer (for the avoidance of doubt, the [* * *] Amount and the [* * *] Amount are not Company Provided Components).

“Company's Knowledge” means the actual knowledge of any officer of the Company responsible for the day to day administration or oversight of the Plan or directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter.

“Compelled Disclosing Party” is defined in Section 11.13(d).

“Confidential Information” means all business and technical information or processes, stored in any medium, to the extent the same is reasonably construed or generally accepted as containing a trade secret, proprietary or confidential information of or belonging to any Party, its Representatives, its Affiliates or its Affiliates' Representatives, including know-how and trade secrets, customer or client requirements and lists, [* * *], technology, software and data processing procedures, insurance, actuarial, accounting and financial data, management systems, records and any other information that is designated as confidential, and the portions of any reports or other documents prepared by any professional engaged in connection with this Agreement and any report or other document prepared by a receiving Party that contains or incorporates a trade secret, proprietary or confidential information of a disclosing Party. Confidential Information includes information communicated orally, in writing or in any other recorded or tangible form, includes information supplied by the disclosing Party and includes information delivered prior to the Signing Date pursuant to the Confidentiality Agreements. Information received by the receiving Party containing trade secrets or proprietary or confidential information constitutes Confidential Information.

“Confidentiality Agreements” means, collectively, the (a) Non-Disclosure Agreement, dated June 18, 2014, between the Company and Insurer, (b) the Non-Disclosure Agreement, dated November 21, 2014, between the Company and Independent Fiduciary and (c) the Non-Disclosure Agreement, dated December 22, 2014, between the Insurer and Independent Fiduciary.

“Consent” means any consent, approval (or deemed approval after the expiry of all appropriate waiting periods), authorization, notice, filing, permission or waiver.

“Contingent Life” has the meaning ascribed to such term in the Group Annuity Contract.

“Contract” means any legally enforceable agreement, contract, commitment, instrument, undertaking, lease, note, mortgage, indenture, license or arrangement, whether written or oral.

“Contract-Holder” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“Contribution Amount” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“Corridor” means [* * *].

“Corridor Breach” means that the cumulative sum of the absolute values of each premium change with respect to [* * *], as calculated from time to time, exceeds the Corridor.

[* * *]

“Covered Life” has the meaning ascribed to such term in the Group Annuity Contract.

“Credit Rating Agencies” means each of Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service, Inc. and Fitch Ratings Ltd., and their respective successors and assigns.

[* * *] is defined in Section II(C)(ii)(1) of the Procedures Manual.

“Data Room” means that certain IntraLinks, Inc. virtual data room entitled “Project Camden”.

[* * *] is defined in Section II(C)(ii)(3) of the Procedures Manual.

“Dispute” means any claim, counterclaim, demand, cause of action, controversy or dispute.

“Dry-Run Asset Valuation” is defined in Section 2.07(b).

“Dry-Run Calculation Delivery Date” means [* * *].

“Dry-Run Cash Payment Amount” is defined in Section 2.07(c)(i).

“Dry-Run Data Cut-Off Date” means [* * *].

“Dry-Run Data File” is defined in Section 2.07(a).

“Dry-Run Date Cash Amount” means the amount equal to [* * *].

“Dry-Run Date [* * *] Amount” means [* * *].

“Dry-Run [* * *] Amount” means [* * *].

“Dry-Run [* * *] Amount” means [* * *].

“Effective Date” has the meaning ascribed to such term in the Group Annuity Contract.

“Enforceability Exceptions” is defined in Section 3.02.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any federal agency regulations promulgated thereunder.

“ERISA Requirements” means all of the requirements of ERISA and applicable guidance promulgated thereunder, including Interpretive Bulletin 95-1.

[* * *]

[* * *] is defined in Section 2.13.

[* * *] means all the [* * *] listed in Schedule 1.01(e) attached hereto.

[* * *] means all the [* * *] listed in Schedule 1.01(f) attached hereto.

“[* * *] Amount” is defined in Section II(C)(ii)(3) of the Procedures Manual.

“[* * *] Amount” is defined in Section II(C)(ii)(2) of the Procedures Manual.

“Final Annuity Exhibits” is defined in Section 2.09(b)(iii).

“Final Data Cut-Off Date” means the day that is 93 Business Days after the Closing Date.

“Final Data File” is defined in Section 2.09(a).

“ Final [* * *] Amount ” is defined in Section 2.09(a) .

“ Final [* * *] Amount ” is defined in Section 2.09(d)(i) .

“ Fundamental Reps ” means the representations and warranties contained in Sections 3.01 (Due Organization, Good Standing and Corporate Power), 3.02 (Authorization of Agreement; Enforceability), 3.05 (Plan Investments), 3.06 (No Brokers’ Fee), 3.07 (Accuracy of Information), 4.01 (Due Organization, Good Standing and Corporate Power), 4.02 (Authorization of Agreement; Enforceability), 4.03 (Consents and Approvals; No Violations), 4.04 (ERISA Related Determinations), 4.05 (No Brokers’ Fee), 5.01 (Due Organization, Good Standing and Corporate Power), 5.02 (Authorization of Agreement; Enforceability), 5.04 (Enforceability of Group Annuity Contract), 5.07 (No Brokers’ Fee), 5.08 (Accuracy of Data Provided), 5.09 (No Post-Closing Liability), 5.11 (Relationship to the Plan) and 5.12 (Compliance with ERISA).

“ GAAP ” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

“ General Account ” means the general account of the Insurer.

“ Governmental Approval ” means any Consent of a Governmental Authority.

“ Governmental Authority ” means any federal, state, municipal, foreign or local government or quasi-governmental authority or any regulatory or administrative body, department, agency, insurance commission or commissioner, subdivision, court or other tribunal, arbitrator or arbitral body of any of the foregoing.

“ Group Annuity Contract ” means a single premium, non-participating group annuity contract, and all exhibits thereto, substantially in the form set forth in Schedule 1.01(g) .

“ Group Annuity Contract Issuance ” is defined in Section 2.01 .

“ Identified USB Flash Drive ” means the USB Flash Drive containing, collectively, (a) the Workbook, (b) the Base File, (c) the Priced Lives file referenced on Schedule 1.01(i) , and (d) the Procedures Manual. Such USB Flash Drive will be delivered from the Insurer to the Company on the Signing Date, or as promptly as practical thereafter.

“ IF Engagement Letter ” means the Engagement Letter, dated January 12, 2015, by and between the Annuity Committee and Independent Fiduciary.

“ Indemnified Person ” is defined in Section 11.15(b) .

“ Independent Fiduciary ” is defined in the preamble.

“ Independent Fiduciary MAC ” means (a) the occurrence of a material adverse change, as determined in the sole discretion of the Independent Fiduciary, in or affecting directly the Insurer or the Other Insurer subsequent to the Signing Date that would cause the selection of the Insurer or the Other Insurer and the purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements or (b) the occurrence of a change in ERISA Requirements after the Signing Date that would cause the selection of the Insurer or the Other Insurer and the Plan’s purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements.

“ Insurer ” is defined in the preamble.

“ Insurer’s Knowledge ” means the actual knowledge of any officer of the Insurer or Insurer Parent who will be responsible for the day to day administration of the Group Annuity Contract or was directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter, and if none of such officers or people reporting directly to them have substantial responsibility for the relevant subject matter, then after making appropriate inquiry an officer of the Insurer or Insurer Parent who has substantial responsibility for such subject matter.

“ Insurer Parent ” is defined in the preamble.

“ Insurer Payment Commencement Date ” means the Annuity Commencement Date.

“ Insurer Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Company (for the avoidance of doubt, the [* * *] Amount and the [* * *] Amount are not Insurer Provided Components).

“ Interim Post-Closing Annuity Exhibits ” is defined in Section 2.08(b)(iii).

“ Interim Post-Closing Data Cut-Off Date ” means the day that is 34 Business Days after the Closing Date.

“ Interim Post-Closing Data File ” is defined in Section 2.08(a).

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(a).

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(d)(i).

“ Interpretive Bulletin 95-1 ” means the U.S. Department of Labor’s interpretive bulletin codified at 29 C.F.R. 2509.95-1.

“Kimberly-Clark Benefits Center” is defined in Section 7.03(b).

“Law” means any federal, state, foreign or local law, statute, ordinance, regulation, rule or Order of any Governmental Authority.

“Liability” means any direct or indirect liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, penalty, fine, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, fixed, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, whenever and however arising (including whether or not required to be reflected or reserved under GAAP against on the financial statements of the obligor or responsible Person).

[* * *] is defined in Section II(C)(ii)(9) of the Procedures Manual.

“ [* * *] Amount ” means [* * *].

“ [* * *] Amount ” means [* * *].

“Liens” means any lien, mortgage, security interest, pledge, deposit, encumbrance, restrictive covenant or other similar restriction.

“Materials” is defined in Section 11.15(a).

“Material Litigation” means any Action that is initiated against the Company, the Plan, the Insurer, Insurer Parent or any fiduciary of the Plan (including the Independent Fiduciary) by a Governmental Authority that seeks to enjoin the consummation of the Transactions or that otherwise asserts that the Transactions violate applicable Law.

[* * *] is defined in Section II(C)(ii)(2) of the Procedures Manual.

[* * *] is defined in Section III(B)(iv) of the Procedures Manual.

“Non-Exempt Prohibited Transaction” means a transaction prohibited by ERISA Section 406 or Section 4975 of the Code, for which no statutory exemption, or Department of Labor class exemption is available.

“Notice of Extension” is defined in Section 10.03(a).

“Order” means any order, award, decision, injunction preliminary or otherwise, judgment, ruling, decree, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Authority or arbitrator.

[* * *]

[* * *]

[* * *]

“Outside Date” is defined in Section 10.01(b).

“Parties” is defined in the preamble.

“Payment at Close” means (a) the assignment, transfer and delivery by the Plan Trustee to the Insurer of the Transferred Assets, determined in accordance with the procedures set forth in Schedule 2.01, and (b) the payment by the Plan Trustee to the Insurer of an amount in Cash equal to the Cash Payment Amount.

“Permitted Liens” means:

(a) any Liens created by operation of Law in respect of restrictions on transfer of securities (other than restrictions relating to the transfer of the Transferred Assets at Closing, unless such transfer complies with such applicable Law); or

(b) any transfer restrictions or other limitations on assignment, transfer or the alienability of rights under any indenture, debenture or other similar governing agreement to which such assets are subject (other than restrictions relating to the transfer of an asset at Closing, unless such transfer does not violate any such restriction).

“Person” means any individual, corporation, limited liability company, partnership, sole proprietorship, joint venture, trust, estate, association, organization, labor union, Governmental Authority or other entity.

“Plan” is defined in the preamble.

“Plan Asset” means an asset of the Plan within the meaning of ERISA.

“Plan Beneficiary” means a person designated by a current or former Plan Participant, by a QDRO or by the terms of the Plan, to become entitled to receive a pension benefit from the Plan.

“Plan Governing Documents” means the Plan and any documents and instruments governing the Plan as contemplated under Section 404(a)(1)(D) of ERISA.

“Plan Participant” means a person who is eligible to receive, and is receiving, a pension benefit from the Plan.

“Plan Trust” means the Kimberly-Clark Retirement Trust.

“Plan Trustee” means Bank of New York Mellon, in its capacity as the directed trustee of the Plan Trust.

“Plan Trustee Agreement” is defined in Section 7.04(b).

“Plan Trustee Direction Letter (Closing)” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h)(1).

“Plan Trustee Direction Letter (Pre-Closing)” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h)(2).

“Priced Lives” means all Plan Participants and Plan Beneficiaries who are referenced by Schedule 1.01(i).

[* * *]

“Procedures Manual” means that certain Procedures Manual, as contained on the Identified USB Flash Drive delivered by the Insurer to the Company on the Signing Date or as promptly as practical thereafter, as the same may be updated in accordance with the terms hereof.

“Projected RBC Ratio” means, as of a day of determination, the projection of the RBC Ratio as of December 31, 2015, as calculated under the method set forth on Schedule 6.07.

“PTCE” means a prohibited transaction class exemption issued by the U.S. Department of Labor pursuant to section 408(a) of ERISA.

“QDRO” means a domestic relations order that satisfies the qualification requirements set forth in ERISA § 206(d)(3) and Code § 401(a)(13)(B).

“RBC Ratio” means the risk-based capital ratio of the Insurer, which will be calculated in a manner consistent with the requirements and methodologies prescribed under New Jersey Law, as applied by the Insurer in the ordinary course of its business, consistent with its historic practice.

“Re-Pricing Offer” is defined in Section 10.03(b).

“[* * *] Asset” is defined in Section III(B)(iii) of the Procedures Manual.

[* * *] is defined in Section II(C)(ii)(3) of the Procedures Manual.

“Representatives” means, in respect of any Person that is an entity, such Person’s officers, directors, employees, advisors and agents.

“SEC” means the Securities and Exchange Commission.

“Signing Date” is defined in the preamble.

“Signing Date Amount” means the amount equal to [* * *].

“ [* * *] Asset Portfolio ” means [* * *].

“ [* * *] Asset Portfolio Value Amount ” means [* * *].

“Signing Date Cash Amount” is defined in Section VI(A) of the Procedures Manual.

“ [* * *] Cash Amount ” means [* * *].

“Target Closing Date” means (a) [* * *] or (b) such other date on or prior to the Outside Date that the Insurer, the Company and the Independent Fiduciary may mutually agree.

“Tax Qualified” means qualified by the Code for preferential tax treatment under Code sections 401(a) and 501(a).

“Transactions” means the transactions contemplated by this Agreement, including any payments pursuant to Section 2.08 or Section 2.09.

“Transaction Announcement” is defined in Section 6.02(a).

“Transaction MAC” means the occurrence of any fact, circumstance, change, development, condition or event subsequent to the execution of this Agreement that results in [* * *].

“Transferred Assets” means the assets included on the Transferred Assets Schedule.

“Transferred Assets Schedule” means [* * *].

[* * *] is defined in Section V of the Procedures Manual.

“Uncovered Claim” is defined in Section 9.03(c).

“Workbook” means the excel file titled [* * *] that was delivered on behalf of the Insurer to the Company in an email [* * *].

1.02 Interpretation

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they will be deemed to be followed by the words “without limitation.” The use of “or” is not intended to be exclusive unless expressly indicated otherwise.

(b) Words denoting any gender will include all genders. The meanings given to terms defined herein will be equally applicable to both singular and plural forms

of such terms. Where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning.

(c) The Schedules, the Company Disclosure Letter, the Procedures Manual and the Identified USB Flash Drive are incorporated by reference and made a part of this Agreement as if set forth fully in this Agreement.

(d) A reference to any party to this Agreement or any other agreement or document will include such party's successors and permitted assigns.

(e) A reference to any Law or to any provision of any Law will include any amendment thereto, any modification or re-enactment thereof, any Law substituted therefore and all regulations issued thereunder or pursuant thereto.

(f) All references to "\$" and dollars will refer to United States currency. All references to the word "days" will refer to calendar days unless otherwise specified in a particular case.

(g) All references to any financial or accounting terms will be defined in accordance with GAAP to the extent GAAP is applicable; provided, however, that with respect to any financial or accounting terms related to Insurer's accounting, the accounting terms will be in accordance with relevant state insurance statutory accounting principles (including applicable permitted practices).

(h) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

(i) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references relate to this Agreement unless otherwise specified.

(j) Without limiting the generality of Section 11.15, the Parties each hereby acknowledge that (a) other than the Procedures Manual (which was drafted by the Insurer), the Parties jointly and equally participated in the drafting of this Agreement and all other agreements contemplated hereby, (b) the Parties have each been adequately represented and advised by legal counsel with respect to this Agreement and the Transactions, and (c) no presumption will be made that any provision of this Agreement (other than the Procedures Manual) will be construed against any Party by reason of such role in the drafting of this Agreement and any other agreement contemplated hereby.

(k) The Table of Contents and the headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

(l) All capitalized terms not defined in the Company Disclosure Letter or any Schedule will have the meanings ascribed to them in this Agreement. The representations and warranties of the Company in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Company Disclosure Letter. The disclosure of any matter in any section of the Company Disclosure Letter will be a disclosure for all purposes of this Agreement and all other sections of the Company Disclosure Letter to which such matter relates to the extent that the applicability of such matter to such other section of the Company Disclosure Letter is reasonably apparent on its face. The Company Disclosure Letter has been arranged in sections corresponding to the sections and paragraphs of this Agreement for the convenience of the Parties. The listing of any matter by the Company in the Company Disclosure Letter will expressly not constitute an admission by the Company, or to otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Company Disclosure Letter relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event will the listing by the Company of any matter in the Company Disclosure Letter expand the scope of the Company's representations, warranties or covenants set forth in this Agreement. All attachments to the Company Disclosure Letter are incorporated by reference into the Company Disclosure Letter in which they are directly or indirectly referenced. The information contained in the Company Disclosure Letter is in all events provided subject to the confidentiality restrictions in Section 11.13.

II. PURCHASE OF SINGLE PREMIUM GROUP ANNUITY CONTRACT

2.01 Closing. At the Closing (a) the Independent Fiduciary shall irrevocably direct the Plan Trustee to make the Payment at Close, (b) the Company shall pay to the Insurer the [* * *], and (c) the Insurer shall issue and deliver to the Company the Group Annuity Contract (the "Group Annuity Contract Issuance").

2.02 Time and Place of Closing. On the terms and subject to the conditions set forth in this Agreement, the consummation of the transactions contemplated hereby (the "Closing") will take place at the offices of Jones Day 2727 North Harwood Street, Dallas, Texas 75201 or at such other location as the Parties shall mutually agree on (i) [* * *] if at least three days prior to such date all of the conditions set forth in Article VIII have been satisfied or waived (except for those conditions which in accordance with their terms will be satisfied on the Closing Date) or (ii) at such other time, date and location as the Company and the Insurer may agree in writing (the "Closing Date").

2.03 Deliveries at Closing.

(a) At the Closing, the Independent Fiduciary will, pursuant to the Plan Trustee Direction Letter (Closing), irrevocably direct the Plan Trustee to deliver to the Insurer, (with a copy to the Company), the [* * *] and Bill of Sale, each duly executed by the Plan Trustee, and the Independent Fiduciary will deliver, or cause to be delivered, to the Insurer and the Company a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Independent Fiduciary certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b), Section 8.02(a) and Section 8.02(b), in each case, as to the Independent Fiduciary.

(b) At the Closing, the Insurer will deliver to the Company (and with respect to item (ii) will also deliver to the Independent Fiduciary) the following duly executed documents and other items:

- (i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Insurer;
- (ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Insurer certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b) and Section 8.03(a), in each case, as to the Insurer;
- (iii) evidence of disposition from the Texas Department of Insurance with respect to the Group Annuity Contract;
- (iv) the [* * *], duly executed by the Insurer; and
- (v) the Bill of Sale, duly executed by the Insurer.

(c) At the Closing, the Company will deliver to the Insurer (and with respect to item (ii) will also deliver to the Independent Fiduciary, and with respect to the other items below, with a copy to the Independent Fiduciary) the following duly executed documents:

- (i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Company; and
- (ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 8.02(a), Section 8.02(b) and Section 8.03(a), in each case, as to the Company.

(d) As promptly as practicable on the Closing Date but prior to Closing, the Company will deliver to the Insurer a certificate duly executed by an authorized officer of the Company, dated as of the Closing Date, setting forth the [* * *].

2.04 Allocation of Transferred Assets. Upon the Group Annuity Contract Issuance, the Insurer will allocate the Transferred Assets transferred at Closing into its General Account.

2.05 [* * *]

2.06 Closing Date Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce the following:

(a) Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract at Closing:

(i) On the day that is 16 Business Days prior to the Target Closing Date, the Company will deliver to the Insurer an updated data file in a form consistent with the Base File, except that such data file will include all corrections and changes to the data in the Base File identified by the Company as of such date (the “ Closing Data File ”). On the 10th Business Day prior to the Target Closing Date, the Insurer will deliver to the Company proposed Annuity Exhibits, which the Insurer will have prepared using the Closing Data File.

(ii) As soon as reasonably practicable and in any event by the 2nd Business Day following the Insurer’s delivery of such proposed Annuity Exhibits, the Company will notify the Insurer of any discrepancy between the proposed Annuity Exhibits and the Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 4th Business Day prior to the Target Closing Date and the Insurer will reflect any agreed upon changes in the revised Annuity Exhibits (the “ Closing Annuity Exhibits ”); provided , however that the Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(b) Closing Date Asset Valuation . The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day prior to the Target Closing Date a calculation of the value of each asset on the Transferred Assets Schedule, calculated in accordance with the methodology set forth in Schedule 2.06(b) , as of the close of business on the Business Day prior to the Closing (the aggregate amount of such valuations, the “ Closing Date Asset Valuation ”). In the event of any discrepancy among the Parties with respect to the Closing Date Asset Valuation that is unable to be amicably reconciled, then such discrepancy shall be addressed in accordance with Section 2.10 .

(c) Cash and Transferred Assets Exhibit. As early as practicable on the Closing Date (and prior to the Closing), the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule and the Closing Date Asset Valuation and reflect the amount of the Cash Payment Amount and the [* * *]. The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit” to the Group Annuity Contract.

(d) [* * *]. Within three Business Days of receiving the [* * *] from the Plan Trustee, and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the next day after the Insurer receives the [* * *], the Insurer will deliver to the Company the Workbook incorporating the elements of the [* * *]. As soon as reasonably practicable and in any event within two Business Days following the Insurer’s delivery of the Workbook and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook, the Company will notify the Insurer of any discrepancy between any such [* * *] and its records with respect to the information provided in such [* * *]. The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, within two Business Days following the Insurer’s delivery of such reports and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook.

(e) Cash Payment Amount. On the Closing Date (but prior to the Closing):

(i) The Insurer will deliver to the Company a calculation of the Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Cash Payment Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Cash Payment Amount.

(ii) The Insurer will calculate the Cash Payment Amount using the data provided in accordance with Section 2.06(a) and Section 2.06(c).

2.07 Dry-Run Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce a trial calculation of the cash payment amount in order to agree on best practices for Closing Date procedures.

(a) Dry-Run Data File. In order for the Insurer to calculate the Dry-Run Cash Payment Amount, the Company will deliver to the Insurer by the close of business ten Business Days prior to the Dry-Run Calculation Delivery Date an updated version of the Base File that has been revised to reflect any corrections and changes to the data in the Base File that have been identified by the Company as of the Dry-Run Data Cut-Off Date (the “Dry-Run Data File”).

(b) Dry-Run Asset Valuation. The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day immediately prior to the Dry-Run Calculation Delivery Date a calculation of the value of each asset in the Asset Portfolio, calculated in accordance with the methodology set forth in Schedule 2.06(b) as of the close of business on the Business Day immediately prior to the Dry-Run Calculation Delivery Date (the “Dry-Run Asset Valuation”).

(c) Dry-Run Cash Payment Amount. On the Dry-Run Calculation Delivery Date:

(i) The Insurer will deliver to the Company a calculation of the Dry-Run Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Dry-Run Cash Payment Amount” will be equal to [* * *].

(ii) The Insurer will calculate the Dry-Run Cash Payment Amount using the data provided by the Company in accordance with Section 2.07(a).

2.08 Calculation of Interim Post-Closing [* * *] Amount; Related True-Up. As set forth in this Section 2.08, the Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce an Interim Post-Closing [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the [* * *] Amount.

(a) Interim Post-Closing Data File. On the 40th Business Day after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Closing Data File, including but not limited to [* * *], identified by the Insurer as of the Interim Post-Closing Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “Interim Post-Closing Data File”). On the 53rd Business Day following the Closing Date, in connection with the calculation of the Interim Post-Closing [* * *] Amount pursuant to Section 2.08(d)(i), the Insurer will calculate the [* * *] (the “Interim Post-Closing [* * *] Amount”).

(b) Interim Post-Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(a):

(i) On the 45th Business Day after the Closing, the Insurer will deliver to the Company revised Closing Annuity Exhibits, utilizing and consistent with the Interim Post-Closing Data File.

(ii) As soon as practicable and in any event by the 48th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Closing Annuity Exhibits and the Interim Post-Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 50th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Closing Annuity Exhibits (the “Interim Post-Closing Annuity Exhibits”); provided, however that the Interim Post-Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Interim Post-Closing Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 53rd Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.06(c) and updated pursuant to Section 2.19 and reflect any payment pursuant to Section 2.08(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(a).

(d) Interim Post-Closing [* * *] Amount. On the 53rd Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Interim Post-Closing [* * *] Amount in the form of Schedule 2.06(e)(i). The “Interim Post-Closing [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Interim Post-Closing [* * *] Amount.

(ii) The Insurer will calculate the Interim Post-Closing [* * *] Amount using the data provided in accordance with Section 2.08(a) (as may be modified pursuant to Section 2.08(b)).

(e) True-Up Payment Upon Resolution of Interim Post-Closing [* * *] Amount. Within five Business Days of the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount:

(i) if the calculation of the Interim Post-Closing [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Interim Post-Closing [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to the [* * *].

2.09 Calculation of Final [* * *] Amount; Related True-Up. As set forth in this Section 2.09, the Insurer, the Company and the Plan will cooperate in good faith to produce a Final [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the Interim Post-Closing [* * *] Amount.

(a) Final Data File. On the day that is 98 Business Days after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Interim Post-Closing Data File, including but not limited to [* * *], identified by the Insurer as of the Final Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “Final Data File”). On the 113th Business Day following the Closing Date, in connection with the calculation of the Final [* * *] Amount pursuant to Section 2.09(d)(i), the Insurer will calculate the [* * *] (the “Final [* * *] Amount”).

(b) Final Annuity Exhibits. In order for the Insurer to create the Annuity Exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(b):

(i) On the 103rd Business Day after the Closing, the Insurer will deliver to the Company revised Interim Post-Closing Annuity Exhibits, utilizing and consistent with the Final Data File.

(ii) As soon as practicable and in any event by the 106th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Interim Post-Closing Annuity Exhibits and the Final Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 109th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Interim Post-Closing Annuity Exhibits (the “Final Annuity Exhibits”); provided, however that the Final Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Final Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 113th Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.08(c) and reflect any payment pursuant to Section 2.09(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(b).

(d) Final [* * *] Amount. On the 113th Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Final [* * *] Amount in the form of Schedule 2.06(e)(i). The “Final [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Final [* * *] Amount.

(ii) The Insurer will calculate the Final [* * *] Amount using the data provided in accordance with Section 2.09(a) (as may be modified pursuant to Section 2.09(b)).

(e) True-Up Payment Upon Resolution of Final [* * *] Amount. By the later of (x) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (y) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount:

(i) if the calculation of the Final [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Final [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to [* * *].

2.10 Final [* * *] Amount; Asset Valuation Disputes

(a) Within ten Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount in accordance with Section 2.09(d)(i):

(i) the Company may dispute any Insurer Provided Component; and

(ii) the Insurer may dispute any Company Provided Component.

(b) Any dispute described in Section 2.10(a) (an “Arbitration Dispute”) will be resolved in accordance with the procedures set forth in Schedule 2.10(b).

(c) Any Insurer Provided Component or Company Provided Component that is not disputed pursuant to Section 2.10(a) will be final and binding on the Parties.

2.11 Adjustment to the Target Closing Date. If subsequent to the calculation or delivery of a calculation or other deliverable that was required to be performed or delivered as of, on or prior to a day that is some number of days prior to the Target Closing Date, the Target Closing Date is adjusted so that it is a later date, the applicable

Party will re-calculate or deliver such calculation or other deliverable as of, on or prior, as applicable, to such number of days prior to the Target Closing Date as so adjusted.

2.12 Business Day Adjustments. If any calculation set forth in this Article II is to be performed as of a day that is not a Business Day, such calculation will be performed as of the immediately preceding Business Day.

2.13 Access and Cooperation. The Company, the Plan, as applicable, and the Insurer will provide the other and their Representatives with reasonable access during normal business hours to examine and will provide copies of (a) the work papers and files related to the preparation of, or support for, the calculations and valuations contemplated by this Article II and (b) the relevant books and records of the Insurer, the Company or the Plan, as applicable, and to discuss with the Insurer's or the Company's, as applicable, employees and Representatives involved with respect thereto; provided, however, that notwithstanding anything to the contrary set forth herein, (i) the Insurer will not have any obligation to provide the Company and its Representatives with access to any [* * *] with respect to the Priced Lives or any work papers or other information that discloses or reveals such [* * *], nor will the Company or any of its Representatives attempt to derive, directly or indirectly, any such [* * *] from any other information provided to the Company, the Company's Affiliates or Representatives or the Company's Affiliates' Representatives and (ii) the Company will not have any obligation to provide the Insurer or its Representatives with any work papers of its certified public accountants. If, notwithstanding the foregoing, the Company or any of its Representatives obtain any such [* * *], whether directly or indirectly, or through a process of derivation, the Company will and will direct its Representatives to not use such information and to destroy (and certify to the Insurer destruction of) such information and to otherwise transfer any rights in such information to the Insurer.

2.14 Data Updates; Mortality Adjustments.

(a) Access To Covered Life Information. From and after the date hereof through the date on which the Final [* * *] Amount is finally determined pursuant to Section 2.09 and Section 2.10, the Plan will provide the Insurer with reasonable access to all updates in the Plan's possession of the data, including benefit amounts, benefit forms, dates of birth, dates of death, gender, and lives missing from the original data provided by the Company that relate to the annuity premium payable to the Insurer, in each case limited to data in connection with Covered Lives or Contingent Lives.

(b) Insurer's Verification of Mortality. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Social Security Master Death file and the Lexis Nexis Accurint tool to attempt to determine if any Covered Lives or Contingent Lives were deceased prior to [* * *]. If (i) subject to such standard verification practices and procedures, such data source indicates that a Covered Life or Contingent Life was deceased prior to [* * *] or (ii) the Company presents evidence, reasonably acceptable to the Insurer, that a Covered Life or

Contingent Life was deceased prior to [* * *], then, the Insurer will reflect such mortality event in (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and reflect such mortality event in its calculation of the Interim Post-Closing [* * *] Amount, and (y) at all times prior to delivery of the Final Data File, the Final Data File and include such mortality event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such mortality review.

(c) Insurer's Review for Date of Birth and Gender Data; Verification of Data Errors. From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Lexis Nexis Accurant tool to attempt to determine if there are any [* * *], including with respect to dates of birth or gender for any Covered Lives or Contingent Lives. If any errors in respect of dates of birth or gender are discovered that would potentially give rise to [* * *], Insurer will provide reasonably prompt notice to the Company of such errors. If (i) subject to such standard verification practices and procedures, such data source indicates a [* * *], including with respect to dates of birth or gender, for any Covered Life or Contingent Life, or (ii) the Company presents reasonably acceptable evidence to the Insurer of a [* * *] with respect to an Covered Life or Contingent Life, then, the Insurer will reflect such [* * *] in (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and include such [* * *] event, in its calculation of the Interim Post-Closing [* * *] Amount, and (y) at all times prior to the delivery of the Final Data File, the Final Data File and include such [* * *] event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such review.

2.15 Amendments to the Group Annuity Contract

(a) Within five Business Days following the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (i) to make any changes to the [* * *] Amount to reflect the Interim Post-Closing [* * *] Amount, (ii) to substitute the Interim Post-Closing Annuity Exhibits for the Closing Annuity Exhibits, and (iii) to substitute the "Cash and Transferred Assets Exhibit Supplement" prepared pursuant to Section 2.08(c) for the "Cash and Transferred Assets Exhibit."

(b) By the later of (i) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (ii) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (x) to make any changes to reflect the Final [* * *] Amount (as adjusted following the resolution of any disputes in accordance with Section 2.10), (y) to substitute the Final Annuity Exhibits for the Interim Post-Closing Annuity Exhibits, and (z) to substitute the "Cash and Transferred Assets Exhibit Supplement" prepared pursuant to Section 2.09

(c) for the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c).

2.16 Amendments to the Procedures Manual and Identified USB Flash Drive. If the Company or the Insurer identify any error or omission in the Procedures Manual or the Identified USB Flash Drive, or any conflict whatsoever between the terms, conditions and provisions of the Procedures Manual with the other terms, conditions or provisions of this Agreement, prior to the payment of the Final Cash Payment Amount, the Company or the Insurer, as applicable, shall promptly inform the other and the Company and the Insurer shall cooperate in good faith to update the Procedures Manual or the Identified USB Flash Drive to appropriately resolve such error, omission or conflict, and such updated Procedures Manual and Identified USB Flash Drive shall be initialed by the Company and the Insurer. In the event that the Company and the Insurer cannot mutually agree on the resolution of any such error, omission or conflict within two Business Days after the Party identifying any such error, omission or conflict informs the other Party thereof, such error, omission or conflict shall be deemed an Arbitration Dispute and addressed pursuant to Schedule 2.10(b). The Procedures Manual or the Identified USB Flash Drive, as updated pursuant to this Section 2.16, shall be binding on the Parties.

2.17 [* * *]. No less frequently than once every two weeks between the Signing Date and the Closing Date, the Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer [* * *] as set forth in Schedule 2.17; provided, however, that such [* * *] shall in all events be provided as of the close of business on the Business Day immediately prior to the following dates: the Signing Date, the Dry-Run Calculation Delivery Date, and the Closing Date (each such [* * *]).

2.18 [* * *]

2.19 Return of [* * *]. On or prior to the day that is five Business Days following the Closing Date, either the Insurer or the Company may [* * *]. If any [* * *], then (a) the Insurer or the Company, as applicable, will promptly notify the other, and, [* * *], (b) within five days of such notice the Independent Fiduciary will irrevocably direct the Plan Trustee to pay the Insurer an amount, in Cash, equal to [* * *], and (c) simultaneously with its receipt of such payment from the Plan Trustee, the Insurer will [* * *]. If the Insurer and the Plan are unable to agree on whether [* * *], any party may immediately commence an Arbitration Dispute pursuant to Section 2.10 with respect to such disagreement. By the earlier of (x) agreement among the Insurer and the Company with respect to identification of [* * *] or (y) resolution of any disputes with respect to whether [* * *], the Insurer will amend the Transferred Assets Schedule to reflect any changes with respect to the assets listed therein.

2.20 Corridor Breach. In connection with the calculation of any of the Dry-Run [* * *] Amount, [* * *] Amount, Interim Post-Closing [* * *] Amount or Final [* * *] Amount, the Insurer will notify the Company simultaneously with the delivery of such [* * *] amount if there has been a Corridor Breach (any such notice, a “ Corridor Breach”).

Notice”). Disputes with respect to whether or not there has been a Corridor Breach shall be subject to Section 2.10, and any Corridor Breach Notice shall constitute an Insurer Provided Component.

2.21 Available Cash. The Company shall make available to the Plan, Cash in the amount necessary to enable the Plan Trustee to pay all amounts that it is directed to pay to the Insurer by the Independent Fiduciary pursuant to this Article II.

III. COMPANY’S REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants to the Insurer and Insurer Parent and, other than with respect to Section 3.12, to the Independent Fiduciary as of the Signing Date and other than with respect to Section 3.09, Section 3.10 and Section 3.12 (in each case, which shall be given as of the Signing Date only), as of the Closing Date, except as set forth in the Company Disclosure Letter, that:

3.01 Due Organization, Good Standing and Corporate Power. The Company is a corporation, validly existing and in good standing under the Laws of the State of Delaware and the Plan Trust is a trust, validly formed under the Laws of the State of New York. The Company has all requisite power and authority to enter into and carry out its obligations under this Agreement and to consummate the transactions contemplated to be undertaken by the Company herein. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its sponsorship of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

3.02 Authorization of Agreement; Enforceability. The Company has received all appropriate corporate approvals and no other action on the part of the Company or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated to be undertaken by the Company under this Agreement. This Agreement is duly executed and delivered by the Company, and is a valid and binding obligation of the Company and enforceable against the Company in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors’ rights generally and by general equitable principles (such exceptions, as applicable to any Person, the “Enforceability Exceptions”).

3.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company and the Independent Fiduciary of the transactions contemplated to be undertaken by the Company and the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with any provision of the Plan Governing Documents, the certificate or articles of incorporation, bylaws, code of regulations, or the comparable governing documents of the Company, (b) violate or conflict with any Law or Order of

any Governmental Authority applicable to the Company or the Plan Governing Documents, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Company is a party, the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's or Independent Fiduciary's ability to consummate the Transactions.

3.04 Compliance with ERISA

(a) The Plan is maintained under and is subject to ERISA and operated in compliance therewith in all material respects. The Plan Trust is maintained under and is subject to ERISA, and, to the Company's Knowledge, is in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated June 27, 2013 and, to the Company's Knowledge, no event has occurred since such date that is reasonably likely to result in the Plan losing its Tax Qualified status. All Plan amendments necessary to effect the Transactions and the transactions contemplated by this Agreement and the Ancillary Agreements, to the extent that they require authorization by the Company, have been, or will be by the Closing Date, duly authorized and made by the Company. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.

(b) The Independent Fiduciary has been duly appointed as independent fiduciary of the Plan with respect to the purchase of one or more group annuity contracts as set forth in the IF Engagement Letter to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the description of the benefit forms in Sections 2.2(i) through 2.2(viii) of the Group Annuity Contract, which the Company acknowledges and agrees is not the responsibility of the Insurer or any of the Insurer's Affiliates, provided, however, that the language immediately preceding this proviso in this parenthetical shall not be construed to modify the Insurer's obligations with respect to Section 2.5 of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions, and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.



3.05 Plan Investments .

(a) There are no commingled investment vehicles that hold Plan Assets, the units of which are or will be Plan Assets involved in the Transactions or the transactions contemplated by the Ancillary Agreements.

(b) No Plan Assets that are or will be involved in the Transactions or the transactions contemplated by the Ancillary Agreements are or will be managed pursuant to investment management agreements with any investment manager listed on Schedule 5.12 .

3.06 No Brokers' Fee . The Company has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

3.07 Accuracy of Information . To the Company's Knowledge, (a) the mortality experience data file provided by the Company to the Insurer identified on Schedule 3.07 did not contain any misstatements or omissions that were, in the aggregate, material; and (b) the census data for date of birth, date of death, gender or hourly/salaried indicator, in each case, with respect to the Covered Lives or Contingent Lives that is furnished by or on behalf of the Company to the Insurer was not generated using any materially incorrect systematic assumptions or material omissions.

3.08 Delivery of Plan Governing Documents . True, correct and complete copies of the Plan Governing Documents set forth on Schedule 3.08 have been delivered to the Independent Fiduciary by the Company on or prior to the Signing Date.

3.09 Settlement Accounting . As of the Signing Date, to the Company's Knowledge there are no circumstances existing or that would reasonably be expected to occur that would be likely to cause the Company to conclude that the Company may not account for the Transactions and the transactions contemplated by the Ancillary Agreements as a settlement under ASC 715.

3.10 Litigation by Plan Beneficiaries and Plan Participants . As of the Signing Date, there is no Action pending or, to the Company's Knowledge, threatened, by or on behalf of any Plan Beneficiary or Plan Participant relating to the Plan or any benefit payable or alleged to be payable pursuant to the Plan.

3.11 [* * *]

3.12 [* * *]

3.13 No Other Representations or Warranties; Reliance . Except for the representations and warranties of the Company expressly set forth in this Article III , neither the Company nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Company or any of its Affiliates

with respect to the Company, its Affiliates, the Transferred Assets or the Transactions. The Company acknowledges and agrees that the Insurer, Insurer Parent and the Independent Fiduciary have relied on the representations and warranties set forth in this Article III, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

IV. INDEPENDENT FIDUCIARY'S REPRESENTATIONS AND WARRANTIES

The Independent Fiduciary hereby represents and warrants to the Company, Insurer Parent and the Insurer as of the Signing Date and the Closing Date, that:

4.01 Due Organization, Good Standing and Corporate Power. (a) The Independent Fiduciary is a trust company validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Independent Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to consummate the transactions contemplated to be undertaken by the Independent Fiduciary herein and therein. The Independent Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its representation of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

(b) The Independent Fiduciary meets the requirements of, and in the Transactions is acting as, an investment manager under ERISA § 3(38) and a QPAM under PTCE 84-14 with respect to the Transactions and the Group Annuity Contract. The Independent Fiduciary is experienced in independent fiduciary work, and together with its reliance on its consultant, Aon Hewitt Investment Consulting, Inc. and its counsel, K&L Gates LLP, the Independent Fiduciary is knowledgeable concerning the large scale group annuity marketplace and reasonably believes that it has the requisite expertise to select the Insurer issuing the Group Annuity Contract and perform its obligations under this Agreement and the IF Engagement Letter. The Independent Fiduciary accepted its designation as the sole fiduciary of the Plan with authority to select the insurer or insurers to issue one or more group annuity contracts in the IF Engagement Letter (a true and correct copy of which has been provided to the Insurer, with the fees to be paid to the Independent Fiduciary redacted therefrom), and the Independent Fiduciary reaffirms its fiduciary status as set forth in such letter. The Independent Fiduciary has provided and will continue to provide the services described in Section 2 of such letter prudently and for the exclusive benefit and in the sole interest of the Plan and its participants and beneficiaries. The Independent Fiduciary has accepted appointment as independent fiduciary of the Plan to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and

the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the description of the benefit forms in Sections 2.2(i) through 2.2(viii) of the Group Annuity Contract, which the Independent Fiduciary acknowledges and agrees is not the responsibility of the Insurer or any of the Insurer's Affiliates, provided, however, that the language immediately preceding this proviso in this parenthetical shall not be construed to modify the Insurer's obligations with respect to Section 2.5 of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

4.02 Authorization of Agreement; Enforceability. The Independent Fiduciary has received all appropriate corporate approvals and no other action on the part of the Independent Fiduciary is necessary to authorize the execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party), and the consummation of the transactions contemplated to be undertaken by the Independent Fiduciary under this Agreement and Ancillary Agreements (to the extent a party). This Agreement, and all Ancillary Agreements (to the extent a party thereto), are duly executed and delivered by the Independent Fiduciary, and are a valid and binding obligation of the Independent Fiduciary and enforceable against the Independent Fiduciary, in accordance with its terms, subject to the Enforceability Exceptions.

4.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party) by the Independent Fiduciary and the consummation by the Independent Fiduciary of the transactions contemplated to be undertaken by the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with the certificate or articles of incorporation, bylaws, code of regulations or the comparable governing documents of the Independent Fiduciary, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Independent Fiduciary, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person.

4.04 ERISA Related Determinations .

(a) The Independent Fiduciary is fully qualified to serve as an independent fiduciary in connection with the Transactions, and any Ancillary Agreements (to the extent a party to), and it is independent of the Company and the Insurer. The annual revenues of the Independent Fiduciary and its Affiliates received in 2014 from each of (i) the Company and its Affiliates, and (ii) the Insurer and its Affiliates,

were less than one percent of the total annual revenues of the Independent Fiduciary and its Affiliates in that year and the annual revenues of the Independent Fiduciary and its Affiliates projected to be received in 2015 from each of (x) the Company and its Affiliates, and (y) the Insurer and its Affiliates, are less than one percent of the total projected annual revenues of the Independent Fiduciary and its Affiliates for 2015. Commercially reasonable ethical walls have been erected between the personnel working on the Transactions and the personnel working on other matters involving the Company, the Insurer, or any of either's Affiliates, and has ensured that its consultant has done the same.

(b) The Independent Fiduciary has selected the Insurer to issue the Group Annuity Contract as set forth in this Agreement and such selection, and the Transactions, and any Ancillary Agreements, and the Group Annuity Contract (including its terms), each satisfies the ERISA Requirements. The Independent Fiduciary has delivered a certification confirming the foregoing, executed by a duly authorized officer of the Independent Fiduciary, to the Annuity Committee.

(c) If (i) an Independent Fiduciary MAC has not occurred between the Signing Date and the Closing Date or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date, and (ii) the officers' certificates contemplated by Sections 2.03(b) and 2.03(c) are delivered to the Independent Fiduciary, the selection of the Insurer to provide the Group Annuity Contract, the terms of the Group Annuity Contract, and the Plan's use of assets for the purchase of the Group Annuity Contract as contemplated hereby will continue to satisfy the ERISA Requirements as of the Closing Date.

(d) The Transactions and the purchase of the Group Annuity Contract do not result in a Non-Exempt Prohibited Transaction.

(e) Section 4.04(d) assumes that the representations set forth in Sections 3.05 and 5.11 and the first sentence in Section 5.12, are true and correct in all material respects as of the Closing Date.

(f) The Plan Trust (i) will receive no less than "adequate consideration" for the Transferred Assets that it transfers in connection with the Transactions and (ii) will pay no more than "adequate consideration" for the Group Annuity Contract, in each case within the meaning of "adequate consideration" under Section 408(b)(17)(B) of ERISA and Section 4975(f)(10) of the Code.

4.05 No Brokers' Fee. The Independent Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

4.06 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Independent Fiduciary expressly set forth in this Article IV, neither the Independent Fiduciary nor any of its Affiliates, nor any other

Person makes any express or implied representation or warranty on behalf of the Independent Fiduciary or any of its Affiliates with respect to the Independent Fiduciary, its Affiliates, the Transferred Assets or the Transactions. The Independent Fiduciary acknowledges and agrees that Insurer Parent, the Insurer and the Company have relied on the representations set forth in this Article IV, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

V. INSURER AND INSURER PARENT REPRESENTATIONS AND WARRANTIES

Each of the Insurer and Insurer Parent hereby represents and warrants to the Company and the Independent Fiduciary as of the Signing Date and other than with respect to Section 5.06 and Section 5.13 (in each case, which shall be given as of the Signing Date only), as of the Closing Date, that:

5.01 Due Organization, Good Standing and Corporate Power. Insurer Parent is a corporation duly organized, validly existing and in good standing under the Laws of the State of New Jersey. The Insurer is a life insurance company duly organized, validly existing and in good standing under the Laws of the State of New Jersey. Each of Insurer Parent and the Insurer have all requisite power and authority to enter into and carry out their respective obligations under this Agreement and the Ancillary Agreements to which each is, or will be at closing, a party, and to consummate the transactions contemplated to be undertaken by Insurer Parent or the Insurer, as applicable herein. The Insurer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations set forth in the Group Annuity Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

5.02 Authorization of Agreement; Enforceability. Each of Insurer Parent and the Insurer have received all appropriate corporate approvals and no other action on the part of Insurer Parent, the Insurer or their respective Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements to which each is a party, and the consummation of the transactions contemplated to be undertaken by Insurer Parent or the Insurer under this Agreement. This Agreement and the Ancillary Agreements, other than the Group Annuity Contract, which is addressed by Section 5.04, is duly executed and delivered by the Insurer, and each is a valid and binding obligation of the Insurer and enforceable against the Insurer in accordance with its terms, subject to the Enforceability Exceptions. This Agreement has been duly executed and delivered by Insurer Parent and is a valid and binding obligation of Insurer Parent and enforceable against Insurer Parent, in accordance with its terms, subject to the Enforceability Exceptions.



5.03 Consents And Approvals; No Violations. Except for the approvals of the Governmental Authorities listed on Schedule 5.03, the execution and delivery of this Agreement by Insurer Parent and the Insurer and the consummation by Insurer Parent and the Insurer of the transactions contemplated to be undertaken by Insurer Parent and the Insurer do not (a) violate or conflict with any provision of their respective certificates or articles of incorporation, bylaws, code of regulations or the comparable governing documents, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Insurer Parent or the Insurer, (c) require any Governmental Approval or (d) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Insurer is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Insurer's ability to consummate the Transactions. The form of the Group Annuity Contract has been reviewed and acknowledged by the Texas Department of Insurance and no further approval by a Governmental Authority or otherwise is required in order for the Insurer to issue the Group Annuity Contract. No further filing or approval is required to issue the Annuity Certificates in accordance with the Group Annuity Contract, other than (i) any filing made or approval received as of the date hereof and (ii) filings with and approvals of state insurance Governmental Authorities in the State(s) listed on Schedule 5.03.

5.04 Enforceability of Group Annuity Contract. The Group Annuity Contract, when executed, will be duly executed and delivered by the Insurer and will be a valid and binding obligation of the Insurer and enforceable against the Insurer by the Contract-Holder, and each Covered Life, Contingent Life and Beneficiary, in accordance with its terms, subject to the Enforceability Exceptions. After the Contract-Holder ceases to exist, or notifies the Insurer that it will cease to perform its obligations under the Group Annuity Contract, the Group Annuity Contract will remain a valid and binding obligation of the Insurer and enforceable against the Insurer by each Covered Life, Contingent Life and Beneficiary, in accordance with its terms, subject to the Enforceability Exceptions. At all times, the right to a benefit under the Group Annuity Contract, in accordance with its terms, will be enforceable by the sole choice of the Covered Life, Contingent Life or Beneficiary to whom the benefit is owed by the Group Annuity Contract, subject to the Enforceability Exceptions.

5.05 Compliance with Laws. The business of Insurer Parent and the Insurer has been and is being conducted in material compliance with applicable Laws, and none of the licenses, permits or Governmental Approvals required for the continued conduct of the business of Insurer Parent and the Insurer as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by Insurer Parent, the Insurer or their Affiliates hereunder, except as, in either case, would not reasonably be expected to be, individually or in the aggregate, materially adverse to the ability of Insurer Parent and the Insurer to perform their obligations under this Agreement.

5.06 Litigation . As of the date hereof, there is no Action pending or, to the Knowledge of the Insurer, threatened, against Insurer Parent or the Insurer that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the Transactions or that could reasonably be expected to materially impair or restrict Insurer Parent's or the Insurer's ability to perform their respective obligations thereunder, or to consummate the Transactions.

5.07 No Brokers' Fee . Neither Insurer Parent nor the Insurer has any Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or their respective Affiliates or Representatives, could be liable.

5.08 Accuracy of Data Provided . The Insurer represents and warrants that, to the Insurer's Knowledge, (a) all material information provided to the Company or the Independent Fiduciary (other than Company Provided Components and any Insurer deliveries based on that information) in connection with the Transactions, was, as of the date indicated on such information, true and correct in all material respects and (b) no change has occurred since the date indicated on such information that the Insurer or Insurer Parent has not publicly disclosed or disclosed to the recipient of such information that would cause such information, taken as a whole, to be materially false or misleading.

5.09 No Post-Closing Liability . Following the Closing, none of the Company, the Plan, the Company's other Affiliates, the Independent Fiduciary, nor any of their respective directors, officers, trustees or fiduciaries will have any Liability to pay any Annuity Payment.

5.10 Sufficient Resources and Market Sophistication . The Insurer is a sophisticated investor with experience in the purchase of publicly traded debt of the type to be included in the Transferred Assets. The Insurer has had access to such information as it deems necessary in order to make its decision to acquire the Transferred Assets from the Plan. Without limiting any rights or remedies of the Insurer set forth in this Agreement, the Insurer and Insurer Parent acknowledge that, (a) the Company and Plan fiduciaries currently may have information with respect to the Transferred Assets that is not known to the Insurer or Insurer Parent and that may be material to a decision to acquire the Transferred Assets and (b) the Insurer and Insurer Parent have determined to acquire the Transferred Assets and the investment risk associated with the Transferred Assets notwithstanding their lack of knowledge of such information. The Insurer and Insurer Parent acknowledge and agree that neither the Company nor the Plan has given any investment advice or rendered any opinion to the Insurer as to whether the acquisition of the Transferred Assets is prudent. For the avoidance of doubt, nothing in this Section 5.10 will affect the truth or accuracy of the Company's or Independent Fiduciary's representations and warranties expressly set forth herein.



5.11 Relationship to the Plan. The Insurer is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of section 3(16)(A) of ERISA and section 414(g) of the Code) or (c) an employer any of whose employees are covered by the Plan.

5.12 Compliance with ERISA. A true and complete list of the Insurer and the Insurer's Affiliates that are investment managers within the meaning of section 3(38) of ERISA and that manage assets subject to ERISA is set forth on Schedule 5.12. Assuming the accuracy of the Company's representations in Sections 3.04(b) and 3.05 and the accuracy of the Independent Fiduciary's representations in Sections 4.01(b), 4.04(a) and 4.04(f), the execution and delivery of this Agreement and the Ancillary Agreements, to the extent a party thereto, by Insurer Parent and the Insurer, and the consummation by Insurer Parent and Insurer of the transactions contemplated to be undertaken by Insurer Parent and the Insurer do not result in a Non-Exempt Prohibited Transaction.

5.13 Financial Metrics. As of the Signing Date, the Insurer's most recent Projected RBC Ratio for December 31, 2015 determined in accordance with Schedule 6.07 was [* * *].

5.14 No Other Representations or Warranties; Reliance. Except for the representations and warranties of Insurer and Insurer Parent expressly set forth in this Article V, none of Insurer Parent, the Insurer, any of their respective Affiliates or any other Person makes any express or implied representation or warranty on behalf of Insurer Parent or the Insurer or any of their respective Affiliates with respect to Insurer Parent, the Insurer, their respective Affiliates, or the Transactions. Insurer Parent and the Insurer acknowledge and agree that the Company and the Independent Fiduciary have relied on the representations and warranties set forth in this Article V, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate

VI. PRE-CLOSING COVENANTS

6.01 Efforts to Close; Regulatory Clearances; Third-Party Consents. (a) In addition to the actions specifically provided for elsewhere in this Agreement and in any Ancillary Agreement, each of the Parties will cooperate with each other and use (and, except with respect to the Independent Fiduciary, will cause their respective Affiliates to use) their respective Commercially Reasonable Efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part to consummate the Closing. Without limiting the generality of the foregoing, the Company, the Insurer and Insurer Parent will use their respective Commercially Reasonable Efforts to obtain and to cause others to obtain, as soon as practicable, all

required Governmental Approvals at the Closing or as otherwise contemplated by this Agreement, that may be or become necessary for the performance of their respective obligations under this Agreement and the Ancillary Agreements and the consummation of the Transactions, including approval of the Annuity Certificates from all state agencies from which approval is required, and will cooperate fully with each other in promptly seeking to obtain such Governmental Approvals and Consents. Without limiting the foregoing and subject to applicable legal limitations and the written instructions of any Governmental Authority, from the Signing Date until the Closing Date, each of the Parties agrees to (i) reasonably cooperate and consult with one another, (ii) furnish to the other Parties such necessary information and assistance as such other Party may reasonably request in connection with its preparation of any notifications or filings, (iii) keep each other apprised of the status of material matters relating to the completion of the transactions contemplated thereby, including apprising the other Parties of the substance of material notices or communications received by such Party from any third party or any Governmental Authority with respect to such transactions, within five Business Days of receipt thereof, and (iv) to the extent reasonably practicable, permit the other Parties to review and incorporate the other Party's reasonable comments in any material communication to be given by it to any Governmental Authority with respect to the Transactions.

(b) Without limiting the generality of Section 6.01(a) where the cooperation of third parties that are not Governmental Authorities, such as a trustee, record keeper or paying agent, would be necessary in order for a Party to completely fulfill its obligations under this Agreement or any Ancillary Agreement, such Party will use its Commercially Reasonable Efforts to cause such third parties to provide such cooperation.

6.02 Public Announcements

(a) The Company will have the right to prepare and issue its own press release announcing the execution and delivery of this Agreement and the Transactions (the "Transaction Announcement"), a copy of which shall be provided to the Insurer and the Insurer Parent for review no less than two days prior to the issuance thereof, and the Company will consider in good faith any comments made by such other Party. From the Signing Date through the Closing, the Company and the Insurer or Insurer Parent each may make such public written or oral statements related to the Transactions as it deems necessary or appropriate, in its sole discretion; provided, however, that each such Party will seek to give the other Party (and the Independent Fiduciary, to the extent the statement references the Independent Fiduciary or the role, duties or conclusions of the Independent Fiduciary) a reasonable opportunity to comment upon such statements in advance to the extent practicable and the Party shall consider any comments made by such other Party in good faith, it being understood that neither the Company nor the Insurer (nor the Independent Fiduciary) will have any right of approval over public statements by the other Party. Each of the Company and the Insurer may make any public disclosure required by applicable Law or securities listing

standards, in which case each of the Company and the Insurer will provide to the other Party (and to the Independent Fiduciary, to the extent such announcement references the Independent Fiduciary, or the role, duties or conclusions of the Independent Fiduciary) for review prior to the issuance thereof and will consider any comments made by such other Party (or the Independent Fiduciary, as applicable) in good faith.

(b) Insurer Parent and the Insurer acknowledge that the Company will publicly disclose any information that it reasonably believes is required by the rules of the SEC to be so disclosed; provided, however, that if the Company concludes that disclosure of this Agreement is required by such rules, (i) the Company and Insurer Parent will cooperate to make an application by the Company with the SEC for confidential treatment of information relating to the pricing of the Group Annuity Contract and such other information as the Company and Insurer Parent may mutually conclude is competitively sensitive from the perspective of the Company or Insurer Parent or otherwise merits confidential treatment and (ii) the Company will include Insurer Parent in any material correspondence (written or oral) with the SEC regarding such application for confidential treatment, and the Company and Insurer Parent will otherwise reasonably cooperate in connection with such application, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

(c) Notwithstanding anything to the contrary set forth herein and without limiting the generality of Section 6.02(a), (i) the Insurer may disclose without the consent of any other Party that (in substance) (A) the Insurer was selected by the Independent Fiduciary through a competitive bidding process, (B) the Insurer understands that the Independent Fiduciary also selected another insurance company to issue a group annuity contract in respect of the Priced Lives, (C) the Insurer serves as annuity administrator (under the Administrative Services Agreement) for which it received additional, appropriate consideration and [* * *], and (ii) the Company may disclose, without consent of or notice to any other Party that (in substance) the premium to be paid at Closing to the Insurer and the Other Insurer is fair and reasonable and represents the best pricing available under the circumstances.

6.03 Notification of Certain Matters. From the Signing Date until the Closing Date, each Party will give written notice to the other Parties within five Business Days of (a) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the Transactions or that otherwise relates to obtaining such Consent, (b) any Action commenced or threatened in writing against, relating to or involving or otherwise affecting it or any of its Affiliates that relate to the consummation of the Transactions, (c) any material communications with any Covered Life, Contingent Life or Beneficiary that relate to the Transactions, and (d) the occurrence of any change or event that would reasonably be expected to cause, individually or in the aggregate, any condition to Closing set forth in Article VIII not to be satisfied (it being understood, however, that no delay or failure to provide any such notice will be deemed to be a waiver of such condition).

6.04 Administrative Transition Process. (a)(i) The Insurer will use its reasonable best efforts to enter into the Administrative Services Agreement on the Closing Date and (ii) the Insurer, the Company and the Independent Fiduciary will use their respective Commercially Reasonable Efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to (1) coordinate and allow for the provision of recordkeeping and administration services regarding Annuity Payments and (2) coordinate the transfer to the Insurer on and after the Insurer Payment Commencement Date of all administration responsibilities necessary to effectively provide the recordkeeping and administration services regarding Annuity Payments commencing on the Insurer Payment Commencement Date.

(b) The Company or the Plan shall provide the Insurer with the information on and shall complete all processes set forth in Schedule 6.04(b) (including those that occur after Closing).

(c) If, despite Section 6.04(a), the Company or the Plan do not or cannot provide the Insurer with the information on or complete all processes set forth in Schedule 6.04(b) (occurring prior to the Closing Date) and, as a result, the Insurer is in good faith unable to provide the recordkeeping and administration services regarding Annuity Payments beginning on the Closing Date, then the Insurer will use its Commercially Reasonable Efforts to find an alternative method or methods to facilitate the issuance of Annuity Payments through existing commercial arrangements or any other method that is designed to ensure that such Annuity Payments are made in a manner that complies with the obligations of the Group Annuity Contract, for the period from the Closing Date to the Insurer Payment Commencement Date (an “Alternative Arrangement”). The Company will cooperate in good faith with the Insurer to find an Alternative Arrangement.

6.05 Non-Solicitation. Unless terminated pursuant to Article X, from and after the Signing Date and prior to the Closing, the Company will not and will cause its respective Representatives (which for these purposes will not be deemed to include the Independent Fiduciary) not to (a) solicit, initiate or knowingly facilitate any Alternative Transaction Proposal or the making or consummation thereof, (b) enter into any agreement, letter of intent, agreement in principle or other similar instrument with respect to any Alternative Transaction Proposal, (c) continue or otherwise participate in any discussions (except, in response to an inquiry by any Person, to notify such Person of the existence of the provisions of this Section 6.05.) or negotiations regarding, or furnish to any Person any information in connection with, any Alternative Transaction Proposal, or (d) enter into or amend any agreement or other arrangement to engage any Person (including the Independent Fiduciary) to solicit any Alternative Transaction Proposal.

6.06 Information Provided To The Independent Fiduciary. Between the Signing Date and the Closing, the Insurer and Insurer Parent will provide to the Independent Fiduciary any information that (a) is consistent with the type and amount of

information provided during the Independent Fiduciary's pre-signing due diligence process, (b) is otherwise prepared in the ordinary course of business of the Insurer (including any information that is prepared for the purpose of providing information to Credit Rating Agencies), and (c) relates to the Insurer or Insurer Parent, in each case as may be reasonably requested by the Independent Fiduciary.

6.07 [* * *]. From and after the date hereof to the earlier of the termination of this Agreement and the Closing Date, the Insurer will not, without the prior written consent of the Company (not to be unreasonably withheld or delayed), (x) execute a commitment providing for the consummation prior to the Closing Date of any of the following or (y) consummate prior to the Closing Date any of the following that were not subject to a prior commitment:

(a) [* * *]; or

(b) [* * *];

provided, however, that this Section 6.07 will not preclude the Insurer from taking any of the foregoing actions unless, after giving pro forma effect to the actions contemplated by any such commitment and any capital contributions made or irrevocably committed to be made to the Insurer in connection with such commitment or in the case of any of the foregoing actions not subject to a prior commitment, the amount of the Insurer's most recent calculation of its Projected RBC Ratio for December 31, 2015 would have been [* * *]. For the avoidance of doubt, the Insurer's compliance with this Section 6.07 will in no way limit the Independent Fiduciary's discretion in any respect, as to whether an Independent Fiduciary MAC has occurred.

6.08 No Insurer Communications . From the date of this Agreement until the issuance of an Annuity Certificate by the Insurer to a Covered Life, other than as provided for herein, without the Company's prior written consent, (a) the Insurer will cause the employees of its retirement services business unit not to initiate any contact or communication with such Plan Participant or Plan Beneficiary in connection with the Transactions, (b) the Insurer and Insurer Parent will not, and will cause all of their respective Affiliates not to provide any of their respective insurance agents, wholesalers or retailers with any contact information of such Plan Participants or Plan Beneficiaries, and (c) the Insurer and Insurer Parent will not, and will cause all of their respective Affiliates not to provide any of the respective other Representatives with any contact information of such Plan Participants or Plan Beneficiaries, except for those Representatives of the Insurer, Insurer Parent or any of their respective Affiliates who need to know such information for purposes of these Transactions and agree to comply with the requirements of this Section 6.08 and Section 11.13; provided that this Section 6.08 shall not restrict employees of the retirement services business unit of the Insurer from contacting any Plan Participant or Plan Beneficiary in connection with, or to facilitate, the performance by the Insurer of its obligations under the Group Annuity Contract, the Annuity Certificates or this Article VI or Article VII . In the event that any Plan Participant or Plan Beneficiary contacts an employee of the retirement services

business unit of the Insurer, the Insurer and the Company will cooperate to coordinate a response to any Plan Participant or Plan Beneficiary.

6.09 Company Contributions to the Plan. The Company shall make contributions to the Plan using the methodology set forth on Schedule 8.03(f) not less than five Business Days prior to the Closing Date.

6.10 [* * *]

VII. OTHER COVENANTS

7.01 Company Actions. Except as otherwise expressly contemplated by this Agreement, following the Closing Date, the Company will use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on their part to effectuate the Transactions.

7.02 Insurer Actions. Following the Closing Date, the Insurer will:

(a) subject to the final sentence of this Section 7.02, mail an Annuity Certificate to each Covered Life at the last address designated for such Covered Life by the Company or Plan, such mailing to be made as promptly as practicable but in no event later than the later to occur of (i) 75 days after the Annuity Commencement Date and (ii) 30 days after the form of Annuity Certificate is approved by the Texas Department of Insurance (provided, that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in clause (ii) will be deemed to be “60 days”); provided, that, solely with respect to any form of Annuity Certificate issuable to a Covered Life that must be approved by the relevant state insurance Governmental Authorities in any state (other than Texas) but has not been approved by the later to occur of clause (i) and (ii), then the Insurer will mail such Annuity Certificate to the relevant Covered Life (by delivery of such Annuity Certificate to the last address designated for such Covered Life by the Company) as promptly as reasonably practicable and in any case within 30 days following the date on which such Annuity Certificate has been approved by such relevant state insurance Governmental Authority (or if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in this proviso will be deemed to be “60 days”).

(b) make or cause to be made all Annuity Payments to each Covered Life, Contingent Life and Beneficiary, as required under the Group Annuity Contract, from and after the Insurer Payment Commencement Date;

(c) at the request of the Company, include a notice, provided by the Company and reasonably acceptable to the Insurer, regarding Annuity Certificates in the Insurer’s “welcome” mailing to the Covered Lives and Contingent Lives, or other

subsequent mailings made by the Insurer to the Covered Lives and Contingent Lives; and

(d) use its (i) reasonable best efforts to obtain the applicable approvals by the relevant state insurance Governmental Authority to mail an Annuity Certificate to any Covered Life and (ii) Commercially Reasonable Efforts to take, or cause to be taken, all other actions, and to do, or cause to be done, all other things reasonably necessary on its part to effectuate the Transactions.

Notwithstanding the foregoing, (x) the Insurer shall not be required to mail an Annuity Certificate to any Covered Life pursuant to Section 7.02(a) until the Other Insurer has received the applicable approvals by the relevant state insurance Governmental Authority to mail an annuity certificate to any such Covered Life and (y) the Insurer shall mail in the same package the Annuity Certificate and the annuity certificate of the Other Insurer.

7.03 Correspondence Center. (a) The Insurer will maintain, at its cost and expense, a toll-free phone number or a website (the “Annuity Benefits Correspondence Center”) which will be available from and after the Closing for Covered Lives and Contingent Lives to call with questions related to the Group Annuity Contract and the Annuity Certificates, it being understood that the Annuity Benefits Correspondence Center need not be solely dedicated to Covered Lives and Contingent Lives.

(b) For a period of five years following the Closing, the Company will maintain, at its cost and expense, a point of contact (the “Kimberly-Clark Benefits Center”) which will be available from and after the Closing and to which the Insurer may refer Covered Lives and Contingent Lives that pose questions to the Annuity Benefits Correspondence Center related to their Plan benefits, it being understood that the Kimberly-Clark Benefits Center need not be solely dedicated to Covered Lives and Contingent Lives.

(c) In the event that any Covered Life, Contingent Life or Beneficiary contacts the Insurer or any of its Affiliates or representatives with questions related to their Plan benefits, the Insurer, or its Affiliates or representatives, as applicable, may refer such person to the Kimberly-Clark Benefits Center. In the event that any Covered Life, Contingent Life or Beneficiary contacts the Company or any of its Affiliates or representatives with questions related to the Group Annuity Contract or the Annuity Certificates, the Company or its Affiliates or representatives, as applicable, may refer such person to the Annuity Benefits Correspondence Center.

7.04 Payment Agreement and Plan Trustee Agreement. (a) The Company and the Insurer will negotiate in good faith to enter into a commercially reasonable agreement providing for the services described in Schedule 7.04(a) and the other terms set forth on such schedule not less than five Business Days prior to the Closing Date.

(b) As promptly as practicable after the date hereof, the Independent Fiduciary will issue and deliver the Plan Trustee Direction Letter (Pre-Closing) to the Plan Trustee and the Independent Fiduciary, the Plan Trustee and the Insurer will enter into the Plan Trustee Agreement in substantially the form set forth on Schedule 7.04(b) (the “Plan Trustee Agreement”).

7.05 Claims Procedures. From and after the Annuity Commencement Date, the Insurer will maintain written rules and procedures to govern the submission to the Insurer of claims and requests by Covered Lives and Contingent Lives regarding Annuity Payments. Such written rules and procedures will be consistent with the Insurer’s standard rules and procedures (for handling inquiries from annuitants covered by its group annuity contracts), as the same may change from time to time.

7.06 Compliance with Prohibited Transaction Exemptions. From the Signing Date until the Closing Date, (a) the Insurer agrees to keep current the information on Schedule 5.12 by providing the Company on a monthly basis with any updates relating to the formation of any new legal entities or the entry into any agreements with or by investment managers following the Signing Date and (b) the Company will not enter into any agreements with the Insurer or any investment manager listed on Schedule 5.12 (as it may be updated from time to time) whereby the Insurer or any of its Affiliates would be a fiduciary expressly authorized in writing to manage, acquire or dispose of Plan Assets on a discretionary basis that have been identified as, or are reasonably likely to be included as, a Transferred Asset. If the Insurer discovers the existence of any such agreement, the Insurer will, and will cause its Affiliates to, cease providing any discretionary asset management services with respect to any Plan Asset before such Plan Asset becomes a Transferred Asset and the Company hereby consents to any such termination of services.

VIII. CONDITIONS TO OBLIGATION TO CLOSE

8.01 Conditions to the Company’s Obligations. The Company’s obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or, other than with respect to the condition set forth in Section 8.01(d) (which cannot be waived), waiver by the Company of the following conditions:

(a) the representations and warranties set forth in Article IV and Article V (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Insurer and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(e) the Company shall have confirmed that it may account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement as contemplated under ASC 715;

(f) a Transaction MAC has not occurred that continues as of the Closing Date;

(g) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(h) each delivery contemplated by Section 2.03(a) and Section 2.03(b) shall have been delivered;

(i) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and

(j) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.02 Conditions to the Insurer's Obligations. The Insurer's obligation to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver by the Insurer of the following conditions:

(a) the representations and warranties in Article III (other than Section 3.12, which the Parties agree shall not be considered in any respect under this Section 8.02(a)) and Article IV (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Company and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(a) and Section 2.03(c) shall have been delivered;

(e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(f) either the Company or the Plan has provided the Insurer with the information on and completed all processes set forth in Schedule 6.04(b) (occurring prior to the Closing Date), or an Alternative Arrangement shall have been effected;

(g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and

(h) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.03 Conditions to the Independent Fiduciary's Obligations. The Independent Fiduciary's obligation to, or to direct the Plan Trustee to, consummate the transactions contemplated hereby in connection with the Closing is subject to satisfaction or waiver (provided that the condition in Section 8.03(b) may not be waived) of the following conditions:

(a) (i) the representations and warranties set forth in Article III (other than Section 3.12, which the Parties agree is not being given by the Company to the Independent Fiduciary) and Article V (x) that are qualified by materiality will be true and correct in all respects or (y) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties which address matters only as of a particular date shall be true and correct as of that date in all material respects), and (ii) the Insurer and the Company shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(b) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(c) (i) no Order shall be in effect which prohibits consummation of any transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

- (d) each delivery contemplated by Section 2.03(b) and Section 2.03(c) shall have been delivered;
- (e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;
- (f) the Plan Assets comprising the “remaining pool assets” (as determined pursuant to Part 1 of Schedule 8.03(f) as of the Signing Date) have been adjusted through the Closing Date only (except for changes in fair value) pursuant to the methodology set forth in Part 2 of Schedule 8.03(f);
- (g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract; and
- (h) the agreements contemplated by Section 7.04 have been executed and delivered by each of the parties thereto.

8.04 No Frustration of Closing Conditions. None of the Company, the Independent Fiduciary or the Insurer may rely on the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in Section 8.01, 8.02 or 8.03, as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' breach of its representations, warranties or covenants hereunder.

IX. INDEMNIFICATION

9.01 Survival. All of the representations and warranties set forth in this Agreement will survive the Closing until the date that is 12 months after the Closing Date; provided, however, that the Fundamental Reps will survive until the date that is six years after the Closing Date. Notwithstanding the foregoing, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the preceding sentence if written notice of the inaccuracy or breach thereof giving rise to such right of indemnity has been given to the party against whom indemnification may be sought prior to such time.

9.02 Indemnification by the Insurer. From and after the Closing, the Insurer will indemnify, defend and hold the Company, the Plan, and their respective Affiliates, officers, directors, stockholders, employees, agents and other Representatives (each, a “Company Indemnified Party”) harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any Action, demand or other claim against the Company Indemnified Party by a third party that is threatened or brought against or that involves a Company Indemnified Party and that arises out of or relates to any failure by the Insurer to make, or cause to be made, any payments required to be made to Covered Lives or Contingent Lives pursuant to the Group

Annuity Contract or the Annuity Certificates (collectively, “ Company Indemnified Claims ”).

9.03 Procedures For Indemnification Claims. (a) Any Company Indemnified Party making a claim for indemnification for Company Indemnified Claims under Section 9.02 will notify the Insurer of each Company Indemnified Claim in writing promptly after receiving notice of such, describing the Company Indemnified Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided, however, that the failure to notify the Insurer will affect the rights of a Company Indemnified Party hereunder only if, and to the extent, such failure has an actual material prejudicial effect on the Insurer’s Liabilities with respect to such claim.

(b) The Insurer will have the right at any time to assume the defense against any Company Indemnified Claim with counsel of its choice reasonably satisfactory to the Company Indemnified Party and control the defense of such Company Indemnified Claim.

(c) From and after the date that the Insurer has assumed and is conducting the defense of a Company Indemnified Claim in accordance with Section 9.03(b), (i) the Company Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in, but not control, the defense of such Company Indemnified Claim, (ii) the Company Indemnified Party may retain counsel at its sole cost and expense to control the defense of any portion of the Action, demand or other claim against the Company Indemnified Party that is not a Company Indemnified Claim (the “ Uncovered Claim ”), (iii) the Insurer and the Company Indemnified Party will cooperate fully with each other and any of their respective counsel in connection with the defense, negotiation or settlement of any such Company Indemnified Claim or (if the Company Indemnified Party retains counsel for the Uncovered Claim) the Uncovered Claim, including providing access to any relevant books and records, properties, employees and Representatives; provided, however, that for avoidance of doubt, the foregoing will not require any Person to waive, or take any action which has the effect of waiving, its attorney-client privilege, attorney work-product, or any other applicable privilege with respect thereto, (iv) the Insurer will not consent to the entry of any judgment on or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Company Indemnified Party (which will not be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages by the Insurer, and either does not impose an injunction or other equitable relief upon the Company Indemnified Party, or adversely impact the Tax Qualified status of the Plan, or admits liability on the part of any Company Indemnified Party, (v) the Company Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Insurer (which will not be unreasonably withheld, conditioned or delayed), and (vi) the Company Indemnified Party may consent to the entry of any judgment or enter into any settlement with respect to the Uncovered Claim without the prior consent of the Insurer.

(d) If the Insurer has not assumed the defense of a Company Indemnified Claim after notice thereof, (i) the Company Indemnified Party may defend against the Company Indemnified Claim in any manner it reasonably determines to be appropriate, (ii) the Insurer will reimburse the Company Indemnified Party promptly and periodically for the costs of defending against the Company Indemnified Claim (including prompt payment of reasonable attorneys' fees and expenses allocable to such Company Indemnified Claim) to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder and (iii) the Insurer will remain responsible for any costs the Company Indemnified Party may incur resulting from the Company Indemnified Claim to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder. If the Company Indemnified Party has not assumed the defense of an Uncovered Claim as contemplated by Section 9.03(c)(ii), the Insurer is not responsible in any way for any Liabilities or Orders resulting from not responding to or defending such Uncovered Claim; provided, however, that the Insurer's responsibility for Company Indemnified Claims will not be altered in any way.

9.04 Claims and Payment. On each occasion that any Company Indemnified Party will be entitled to indemnification under this Article IX, the Insurer will, at each such time, promptly pay the amount of such indemnification within ten (10) Business Days following receipt of an invoice for out-of-pocket expense, fees or other amounts for which it is liable under this Article IX.

X. TERMINATION

10.01 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing as provided below:

(a) by the mutual written consent of the Company and the Insurer;

(b) by the Company if the Closing has not occurred by or on [* * *] after the Signing Date (the "Outside Date") or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Company if any failure of the Company to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement;

(c) by the Company if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of Insurer or the Independent Fiduciary contained in this Agreement, and which will not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Insurer or the Independent Fiduciary, as applicable;

(d) by the Insurer if the Closing has not occurred by or on the Outside Date or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement shall not be available to the Insurer if any action of the Insurer or Insurer Parent or the failure of the Insurer or Insurer Parent to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement; and

(e) by the Insurer if there has been a material misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Company or the Independent Fiduciary contained in this Agreement, and which shall not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Company or the Independent Fiduciary, as applicable.

10.02 Effect of Termination; Survival. If this Agreement is terminated pursuant to Section 10.01, all rights and obligations of the Parties hereunder will terminate upon such termination and will become null and void, except that Section 1.01 (Definitions), Article XI (Miscellaneous) and this Section 10.02 (Effect of Termination; Survival) will survive any such termination and no Party will otherwise have any Liability to any other Party hereunder; provided, however, that nothing in this Section 10.02 will relieve any Party from Liability for any fraud or willful and material breach of this Agreement.

10.03 Extension.

(a) If the Closing is not reasonably expected to occur on or prior to the Outside Date, the Company may deliver a request to the Insurer on or before 5:00 pm eastern time on the Outside Date that the Outside Date be extended (a "Notice of Extension"), in which case the Outside Date will be deemed to be extended to [* * *].

(b) If the Company timely delivers a Notice of Extension to the Insurer, the Insurer will use its Commercially Reasonable Efforts to deliver to the Company and the Independent Fiduciary a written, good-faith revision of the Signing Date Amount by [* * *] (a "Re-Pricing Offer"), [* * *]. The Company will deliver a written response to the Insurer either accepting or rejecting the Re-Pricing Offer within ten Business Days following the Insurer's delivery of the Re-Pricing Offer to the Company. If the Company accepts the Re-Pricing Offer, the Parties will (i) set a new Closing Date as soon as reasonably practicable and (ii) cooperate in good faith for a period of ten Business Days to negotiate any amendments to this Agreement, the Ancillary Agreements and the Procedures Manual necessary to implement the terms of the Re-Pricing Offer.

(c) If the Company rejects the Re-Pricing Offer or the Parties do not agree upon amendments necessary to implement the terms of the Re-Pricing Offer within the time frame set forth in Section 10.03(b), then this Agreement will immediately terminate.

XI. MISCELLANEOUS

11.01 Expenses. Except as otherwise expressly set forth herein, each Party will bear its own costs and expenses incurred in connection with this Agreement and the Transactions, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.

11.02 Entire Agreement. This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by, among or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. Notwithstanding the foregoing, (a) the IF Engagement Letter will not be superseded by this Agreement or the Ancillary Agreements and (b) nothing in this Agreement will affect the terms or enforceability of the Group Annuity Contract.

11.03 Amendments and Waivers. No amendment of any provision of this Agreement or the Ancillary Agreements will be valid unless the same will be in writing and signed by each Party hereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 11.03. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

11.04 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties, and any attempt to do so will be null and void *ab initio*, without any effect whatsoever.

11.05 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient, (b) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, or (c) when transmitted, if sent by facsimile or electronic mail, to those indicated below (including the recipient):

If to the Company:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Charles Ballard, Director, Asset Management
Facsimile: (920) 225.3585
Email: charles.ballard@kcc.com

With copies (which will not constitute notice to the Company) to:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Pat Wheeler, Associate General Counsel
Facsimile: (920) 225.4498
Email: pwheeler@kcc.com

Jones Day
51 Louisiana Avenue, NW
Washington, DC 20001
Attention: Evan Miller
Facsimile: (202) 626.1700
Email: emiller@jonesday.com

Jones Day
222 East 41st Street
New York, NY 10017-6792
Attention: George Flemma
Facsimile: (212) 755.7306
Email: gflemma@jonesday.com

If to Insurer or Insurer Parent:

Prudential Insurance Company of America
200 Wood Avenue South
Iselin, NJ 08830
Attention: Susan Cannilla
Facsimile: (732) 482.8891
Email: susan.cannilla@prudential.com

With a copy (which will not constitute notice to Insurer or Insurer Parent) to:

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022
Attention: Nicholas F. Potter
Alexander Cochran
Facsimile: (212) 909.6836
Email: nfpotter@debevoise.com arcochra@debevoise.com

If to the Independent Fiduciary:

State Street Global Advisors, a division of State Street Bank and Trust
Company
One Lincoln Street
Boston, MA 02111
Attention: Denise Sisk
Facsimile: (617) 946.9434
Email: denise_sisk@ssga.com

With a copy (which will not constitute notice to Independent Fiduciary) to:

K&L Gates LLP
210 Sixth Avenue
Pittsburgh, PA 15222
Attention: Charles R. Smith
Marcia C. Kelson
Facsimile: 412.355.6501
Email: charles.smith@klgates.com; marcia.kelson@klgates.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 11.05.

11.06 Governing Law. Except to the extent preempted by applicable Federal Law, this Agreement will be governed by, and construed in accordance with, the Laws of the State of New York, without regard to any principles of conflicts of law thereof that would permit or require the application of the Laws of another jurisdiction.

11.07 Submission to Jurisdiction; Service of Process. (a) Each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court, and only federal court if diversity of Parties exists, sitting in New York County, New York in any Dispute arising out of or relating to this Agreement or any Ancillary Agreement and agrees that all claims in respect of such Action may be heard and determined in any such court. Each Party also agrees not to bring any Action arising

out of or relating to this Agreement or any Ancillary Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any Action so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 11.05; provided, however, that nothing in this Section 11.07 will affect the right of any Party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that in the course of any Action, if the Insurer elects to, based on the opinion of counsel, produce or otherwise disclose any [* * *], to the Company, the Independent Fiduciary or their respective Affiliates or Representatives (for the avoidance of doubt, nothing herein will obligate the Insurer or any of its Affiliates or Representatives to make such disclosure), the Company and the Independent Fiduciary will consent to the filing of, and the Parties will use their all reasonable efforts to move for and urge the court to adopt, a protective order implementing terms reasonably satisfactory to the Insurer to limit the disclosure of [* * *] and ensure the strictly confidential treatment thereof, including requiring [* * *] to be submitted under seal and for the return and destruction of [* * *] or copies thereof following the conclusion of any such Action; provided, however, that in no case will the Company be required to take any steps that would compromise the ability of the Company to prosecute or defend the Action or otherwise prejudice the Company's position (including any restrictions on the ability of Company experts to review, access and analyze any materials that the Company determines are relevant to such prosecution or defense); provided, further, that the Company and the Independent Fiduciary agree that it will not be considered unreasonable for the Insurer to seek a protective order that prevents disclosure of such information in such a way that it would be reasonably likely to become available to competitors of the Insurer or other third parties not involved in any such Action.

11.08 Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

11.09 Specific Performance. The Parties agree that irreparable damage would occur if any of the provisions of this Agreement or the Ancillary Agreements were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an injunction or injunctions to prevent breaches of this Agreement or any Ancillary Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement or any Ancillary Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. Without limiting the generality of the foregoing, the Parties acknowledge and

agree that the Insurer will be entitled to enforce specifically the obligations of the Independent Fiduciary set forth in this Agreement to irrevocably direct the Plan Trustee to act in accordance with this Agreement and the Ancillary Agreements. The Parties further agree that (a) by seeking the remedies provided for in this Section 11.09, a Party will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement or any Ancillary Agreement (including monetary damages) if the remedies provided for in this Section 11.09 are not available or otherwise are not granted, and (b) nothing set forth in this Section 11.09 will require any Party hereto to institute any Action for (or limit any Party's right to institute any Action for) specific performance under this Section 11.09 prior or as a condition to exercising any termination right under Article X, nor will the commencement of any Action pursuant to this Section 11.09 or anything set forth in this Section 11.09 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of Article X, or pursue any other remedies under this Agreement that may be available then or thereafter.

11.10 Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement; provided, however, that if any of the material provisions of this Agreement are held illegal, invalid or unenforceable, this entire Agreement will be null and void. If any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions will be limited or eliminated only to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

11.11 No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the Parties and the respective successors and permitted assigns of the foregoing.

11.12 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 11.05 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

11.13 Confidentiality. (a) It is understood that each Party has received and will receive Confidential Information from the other Parties in connection with the negotiation of this Agreement and the Ancillary Agreements as well as in previous discussions and interactions involving the matters addressed by this Agreement and the Ancillary Agreement. Except as set forth herein (including except as expressly permitted or contemplated by the other provisions of this Agreement), the Parties will not use the Confidential Information of another disclosing Party except in connection with the performance of their respective obligations under this Agreement and will not disclose (and will cause their respective Representatives, Affiliates, and Affiliates'

Representatives not to disclose) any Confidential Information received from another Party, the Plan, or their Affiliates or Representatives, except to such receiving Party's Representatives, Affiliates, and Affiliates' Representatives, who have a need to know ([* * *]) and have agreed to maintain the confidentiality of Confidential Information in accordance with this Section 11.13.

(b) Section 11.13(a) will not apply with respect to Confidential Information that the receiving Party can demonstrate is or was:

- (i) already known to such Party or its Affiliates or Representatives prior to the confidential disclosure by the disclosing Party or any of its affiliates or Representatives;
- (ii) independently developed by the receiving Party or its Affiliates or Representatives not in violation or breach of this Agreement or any other confidentiality obligation to the disclosing Party (such as the Confidentiality Agreements or any retention agreement with a firm or professional in connection with this Agreement);
- (iii) already known to the public without breach of confidence by such Party or any of its Affiliates;
- (iv) received by the receiving Party from a third party without restrictions on its use in favor of the disclosing Party, whether by Law or Contract; or
- (v) subject to prior compliance with Section 11.13(c), required to be disclosed pursuant to any applicable Law, stock exchange regulation, regulatory provision, court order, subpoena or other legal process.

(c) Section 11.13(a) will not apply from and after the Closing to restrict the use or disclosure by the Insurer of any Confidential Information related to Priced Lives, Annuity Payments, or [* * *], received from another disclosing Party; provided, however, that the Insurer will use such Confidential Information only in compliance with all applicable Laws relating to privacy of personally identifying information. For the avoidance of doubt, this Section 11.13(c) does not apply to Confidential Information regarding the Company or the Plan (other than to the extent required in connection with the Group Annuity Contract).

(d) Except as otherwise provided in this Agreement, if any Party, its Representatives, its Affiliates or its Affiliates' Representatives, receives a request, subpoena, demand, or order for disclosure or becomes required by Law or stock exchange rule or regulation to disclose any Confidential Information (a "Compelled Disclosing Party"), such Compelled Disclosing Party will promptly, and in no case more than five (5) Business Days following receipt of such a request, subpoena, demand, or order (so long as it is legally permitted to provide such notification), notify the other Parties to afford them the opportunity to object and seek a protective order or other

remedy, including a protective order requiring Confidential Information to be submitted under seal and for the return and destruction of Confidential Information or copies thereof following the conclusion of any Action, prior to the disclosure of any such Confidential Information. The Compelled Disclosing Party will, to the extent permitted by Law, cooperate with the other Party's or Parties' efforts to obtain such protective order, at such other Party's or Parties' cost and expense. In the event that such protective order or other remedy is not sought or obtained, only that portion of Confidential Information which the Compelled Disclosing Party's legal counsel determines, in good faith, is required to be responsive to such request may be disclosed and such Compelled Disclosing Party will request that appropriate confidential treatment will be accorded to such Confidential Information.

(e) The Parties acknowledge and agree that this Section 11.13 will supersede the Confidentiality Agreements. Notwithstanding the foregoing, this Section 11.13(e) will not relieve any party from Liability for breaches of the Confidentiality Agreement that have occurred prior to the date hereof.

11.14 Waiver of Punitive Damages. To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement, none of the Parties will be liable to any other Party for any punitive or exemplary damages of any nature in respect of matters arising out of this Agreement, whether arising out of breach of contract, negligence, tort, strict liability or any other legal or equitable principle. The foregoing sentence will not preclude recovery of amounts claimed in a Company Indemnified Claim to the extent that claims for such amounts are subject to indemnification under this Agreement.

11.15 Intellectual Property. (a) Notwithstanding anything to the contrary herein, the Parties acknowledge that, as between the Insurer, the Company and the Independent Fiduciary, neither the Company nor the Independent Fiduciary shall have an ownership interest in any spreadsheets and formulas, including the methodologies reflected on the spreadsheets and manuals (including the Procedures Manual), related to the calculation of all or any part of the Contribution Amount (as defined in the Group Annuity Contract) or any adjustments thereto, whether or not such spreadsheets, formulas or methodologies are referenced in this Agreement, other than the methodology set forth in Schedule 8.03(f) (collectively, the "Materials"). The foregoing remains true even with respect to the Materials incorporated or reproduced in the work product of any arbitrator or staff thereof in connection with this Agreement. In furtherance of the foregoing, the Company and the Independent Fiduciary hereby assign to the Insurer all right, title and interest that such Party has or may have in any Materials, and any intellectual property rights therein and thereto, conceived, invented, authored or reduced to practice in connection with this Agreement and the Ancillary Agreements; and, for the avoidance of doubt, neither the Company nor the Independent Fiduciary assigns, conveys or impairs any right to the Materials that any other Person may have or assert. The Insurer hereby grants the Independent Fiduciary, the Company and, pursuant to the applicable engagement letter, if any, any arbitrator or

staff thereof or any other professional engaged in connection with this Agreement, the limited, [* * *] right, [* * *], to use such Materials [* * *]. The Insurer hereby grants to the Company, the Independent Fiduciary, [* * *], a limited, [* * *] right, [* * *], to use the Materials [* * *].

(b) From and after the Closing, the Insurer will indemnify, defend and hold the Company and the Independent Fiduciary and their respective Affiliates, officers, directors, stockholders and employees (each an “Indemnified Person”) harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to any claim, action, suit, arbitration, complaint, charge, investigation, inquiry, proceeding, demand or other claim against any Person (other than a direct action against an Indemnified Person) that is threatened or brought by Insurer involving [* * *].

(c) [* * *]. Further, the Insurer agrees that it will, in good faith, attempt to avoid involving the Company in any action related to enforcement against any other Person of any intellectual property or confidentiality rights with respect to the Materials.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ Brian J. Curran
Name: Brian J. Curran
Title: Senior Investment Vice President

KIMBERLY-CLARK CORPORATION

By: /s/ Mark A. Buthman
Name: Mark A. Buthman
Title: Senior Vice President and Chief Financial Officer

PRUDENTIAL FINANCIAL, INC.

By: /s/ Susan Cannilla
Name: Susan Cannilla
Title: Second Vice President

STATE STREET BANK AND TRUST COMPANY, acting solely in its capacity as Independent Fiduciary of the Plan

By: /s/ Sydney Marzeotti
Name: Sydney Marzeotti
Title: Vice President

DEFINITIVE PURCHASE AGREEMENT
BY AND AMONG
KIMBERLY-CLARK CORPORATION,
STATE STREET BANK AND TRUST COMPANY,
AND
MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

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CONFIDENTIAL TREATMENT REQUESTED BY KIMBERLY-CLARK CORPORATION - CONFIDENTIAL PORTIONS OF THIS DOCUMENT HAVE BEEN REDACTED AND HAVE BEEN SEPARATELY FILED WITH THE COMMISSION

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

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Schedule 1.01(c)	Form of Annuity Certificate
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Schedule 1.01(e)	Form of Group Annuity Contract
Schedule 1.01(g)	Priced Lives File
Schedule 1.01(h)	Form of Plan Trustee Direction Letter
Schedule 2.01	Asset Transfer Procedures
Schedule 2.06(b)	Asset Valuation Formulas and Methods
Schedule 2.06(e)(i)	Form of Calculations
Schedule 2.10(b)	Arbitration Dispute Resolution Procedures
Schedule 2.17	In-Kind Bond Listing
Schedule 3.08	Plan Governing Documents
Schedule 5.03	Required Governmental Approvals
Schedule 5.12	Investment Managers
Schedule 6.07	Ratio Calculation
Schedule 7.04	Form of Plan Trustee Agreement
Schedule 8.03(f)	Methodology for Plan Contributions

¹ Schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit has been furnished supplementally to the Securities and Exchange Commission on request. This index is not a part of, and does not form a part of, this agreement and is being filed solely to comply with Item 601(b)(2) of Regulation S-K.

DEFINITIVE PURCHASE AGREEMENT

This Definitive Purchase Agreement (this "Agreement") is entered into as of February 23, 2015 (the "Signing Date") by and among Massachusetts Mutual Life Insurance Company, a Massachusetts life insurance company (the "Insurer"), Kimberly-Clark Corporation, a Delaware corporation (the "Company"), acting solely in a non-fiduciary capacity as the sponsor of the Kimberly-Clark Corporation Pension Plan (the "Plan"), and State Street Bank and Trust Company, a Massachusetts trust company, for the purposes of this Agreement, acting through State Street Global Advisors, a division of State Street Bank and Trust Company, acting solely in its capacity as the independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in this Agreement (the "Independent Fiduciary"). The Insurer, the Company and the Independent Fiduciary are referred to collectively herein as the "Parties."

RECITALS

- A. The Company, as sponsor of the Plan, has amended the Plan to require that Liabilities under the Plan for certain participants currently receiving benefits be transferred to a licensed insurance company, and that such insurance company fully and irrevocably guarantee benefits in accordance with a group annuity contract.
- B. In furtherance of the foregoing, the Insurer expects to derive substantial benefit from the consummation of the transactions contemplated by this Agreement and wishes to issue to the Company the Group Annuity Contract on the terms and subject to the conditions set forth herein and therein.
- C. The Company and the Independent Fiduciary are desirous of proceeding with the Plan's purchase and the Company's receipt of the Group Annuity Contract from the Insurer.
- D. The Independent Fiduciary has determined that the Plan's purchase of the Group Annuity Contract as provided for herein satisfies the ERISA Requirements.
- E. The Parties wish to enter into this Agreement to provide for the purchase and the issuance of the Group Annuity Contract by the Insurer to the Company and certain related transactions and agreements, including the Insurer and Other Insurer entering into the Administrative Services Agreement.
- F. The Company is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in a non-fiduciary capacity as plan sponsor of the Plan.

G. The Independent Fiduciary is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in its capacity as a named fiduciary for matters involving certain assets of the Plan.

NOW , THEREFORE , in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

I. DEFINITIONS AND INTERPRETATION

1.01 Definitions. For purposes of this Agreement:

[* * *]

“Action” means any claim, action, suit, arbitration, complaint, charge, investigation, inquiry or proceeding by or before any Governmental Authority.

“Administrative Services Agreement” means the Administrative Services Agreement between the Insurer and the Other Insurer in substantially the same form of Schedule 1.01(b).

“Affiliate” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Agreement” is defined in the preamble.

“Alternative Arrangement” is defined in Section 6.04(b).

“Alternative Transaction Proposal” means any proposal or offer (a) relating to the entry into an insurance, reinsurance or other transaction similar to the purchase and issuance of a group annuity contract contemplated hereby and (b) that would be reasonably likely to replace, frustrate or cause not to occur the Transactions in respect of the Covered Lives or Contingent Lives, including any transaction in which the responsibility to make all or any substantial portion of the payments in respect of pension obligations owed to the Covered Lives or Contingent Lives would be transferred, assigned or novated from the Plan Trust to a non-affiliated Person or in which a non-affiliated Person would assume an obligation to indemnify or reimburse the Plan Trust, the Company or any of their respective Affiliates for any such payment; provided that an “Alternative Transaction Proposal” shall not include (i) any insurance, reinsurance or other transaction that does not relate to the Covered Lives or Contingent Lives or (ii) the Other Group Annuity Contract and any definitive purchase agreement executed by the Other Insurer, the Company and the Independent Fiduciary with

respect to the Other Group Annuity Contract (but only to the extent that the Other Group Annuity Contract and such definitive purchase agreement are not intended to replace any part of the Group Annuity Contract or this Agreement).

“Ancillary Agreements” means the Group Annuity Contract, the Plan Trustee Agreement and all other written agreements, documents or certificates to be delivered by a Party at the Closing.

“Annuity Benefits Correspondence Center” is defined in Section 7.03(a).

“Annuity Certificate” means an annuity certificate substantially in the applicable form set forth in Schedule 1.01(c), with such modifications as may be made by the Insurer as required by, or permitted under, applicable Law.

“Annuity Commencement Date” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

“Annuity Committee” means the Annuity Committee of the Plan.

“Annuity Exhibits” means the information, in substantially the same form as attached to Schedule 1.01(e).

“Annuity Payment” means the monthly payments, if any, payable to Covered Lives and, if applicable, Contingent Lives and Beneficiaries pursuant to the Group Annuity Contract.

“Arbitration Dispute” is defined in Section 2.10(b).

“ASC 715” means Accounting Standards Codification Section 715: Compensation-Retirement Benefits.

[* * *]

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“Asset Portfolio” means the [* * *] of the Workbook, as adjusted from time to time pursuant to Section 2.05.

[* * *] is defined in Section 2.17.

“Base Annuity Premium” is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“Base File” means the data as of December 1, 2014, in the file titled [* * *] that was provided by the Company to the Insurer in the Data Room at [* * *] eastern time on [* * *].

“ Beneficiary ” has the meaning ascribed to such term in the Group Annuity Contract.

“ Bill of Sale ” means the bill of sale in the form attached as Schedule 1.01(d).

“ Business Day ” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York or Boston, Massachusetts are authorized or required by Law to close or are unable to open.

“ Cash ” means currency of the United States of America or wire transfers thereof that is legal tender for payment of all public and private debts.

“ Cash Payment Amount ” is defined in Section 2.06(e)(i).

“ Closing ” is defined in Section 2.02.

“ Closing Amount ” means the sum of [* * *].

“ Closing Annuity Exhibits ” is defined in Section 2.06(a)(iii).

“ Closing Data Cut-Off Date ” means the day that is 26 Business Days prior to the Target Closing Date.

“ Closing Data File ” is defined in Section 2.06(a)(i).

“ Closing Date ” is defined in Section 2.02.

“ Closing Date Asset Valuation ” is defined in Section 2.06(b).

“ Closing Date Cash Amount ” means the amount equal to the sum of [* * *].

“ Code ” means the Internal Revenue Code of 1986 and the applicable Treasury Regulations issued thereunder.

“ Commercially Reasonable Efforts ” means, with respect to the efforts to be expended by a Party with respect to any objective under this Agreement, reasonable, diligent, good faith efforts to accomplish such objective as a similarly situated Person would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgment. Notwithstanding the foregoing, “Commercially Reasonable Efforts” will not require a Person to make payments to unaffiliated third parties (other than in respect of the fees and expenses of such Person’s counsel and other advisors), to incur non-de minimis Liabilities to unaffiliated third parties or to grant any non-de minimis concessions or accommodations.

“ Company ” is defined in the preamble.

“ Company Disclosure Letter ” means the disclosure letter as delivered by the Company to the other Parties immediately prior to the execution of this Agreement.

“ Company Indemnified Claim ” is defined in Section 9.02 .

“ Company Indemnified Party ” is defined in Section 9.02 .

“ Company Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the Final [* * *] Amount, and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Insurer.

“ Company’s Knowledge ” means the actual knowledge of any officer of the Company responsible for the day to day administration or oversight of the Plan or directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter.

“ Compelled Disclosing Party ” is defined in Section 11.13(d) .

“ Confidential Information ” means all business and technical information or processes, stored in any medium, to the extent the same is reasonably construed or generally accepted as containing a trade secret, proprietary or confidential information of or belonging to any Party, its Representatives, its Affiliates or its Affiliates’ Representatives, including know-how and trade secrets, customer or client requirements and lists, [* * *], technology, software and data processing procedures, insurance, actuarial, accounting and financial data, management systems, records and any other information that is designated as confidential, and the portions of any reports or other documents prepared by any professional engaged in connection with this Agreement and any report or other document prepared by a receiving Party that contains or incorporates a trade secret, proprietary or confidential information of a disclosing Party. Confidential Information includes information communicated orally, in writing or in any other recorded or tangible form, includes information supplied by the disclosing Party and includes information delivered prior to the Signing Date pursuant to the Confidentiality Agreements. Information received by the receiving Party containing trade secrets or proprietary or confidential information constitutes Confidential Information.

“ Confidentiality Agreements ” means, collectively, the (a) Non-Disclosure Agreement, dated June 13, 2014, between the Company and Insurer, and (b) the Non-Disclosure Agreement, dated November 11, 2014, between the Company and Independent Fiduciary.

“ Consent ” means any consent, approval (or deemed approval after the expiry of all appropriate waiting periods), authorization, notice, filing, permission or waiver.

“Contingent Life” has the meaning ascribed to such term in the Group Annuity Contract.

“Contract” means any legally enforceable agreement, contract, commitment, instrument, undertaking, lease, note, mortgage, indenture, license or arrangement, whether written or oral.

“Contract-Holder” has the meaning ascribed to such term in Section 1.1 of the Group Annuity Contract.

[* * *]

“Covered Life” has the meaning ascribed to such term in the Group Annuity Contract.

“Credit Rating Agencies” means each of Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service, Inc. and Fitch Ratings Ltd., and their respective successors and assigns.

“Data Room” means that certain IntraLinks, Inc. virtual data room entitled “Project Camden.”

“Dispute” means any claim, counterclaim, demand, cause of action, controversy or dispute.

“Dry-Run Asset Valuation” is defined in Section 2.07(b).

“Dry-Run Calculation Delivery Date” means [* * *].

“Dry-Run Cash Payment Amount” is defined in Section 2.07(c)(i).

“Dry-Run Data Cut-Off Date” means [* * *].

“Dry-Run Data File” is defined in Section 2.07(a).

“Dry-Run Date Cash Amount” means the amount equal to the sum of [* * *].

“Dry-Run [* * *] Amount” means [* * *].

“Dry-Run [* * *] Amount” means [* * *].

“Effective Date” has the meaning ascribed to such term in the Group Annuity Contract.

“Enforceability Exceptions” is defined in Section 3.02.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any federal agency regulations promulgated thereunder.

“ERISA Requirements” means all of the requirements of ERISA and applicable guidance promulgated thereunder, including Interpretive Bulletin 95-1.

[* * *]

[* * *] is defined in Section 2.13.

“Final Annuity Exhibits” is defined in Section 2.09(b)(iii).

“Final Data Cut-Off Date” means the day that is 93 Business Days after the Closing Date.

“Final Data File” is defined in Section 2.09(a).

“Final [* * *] Amount” is defined in Section 2.09(a).

“Final [* * *] Amount” is defined in Section 2.09(d)(i).

“Fundamental Reps” means the representations and warranties contained in Sections 3.01 (Due Organization, Good Standing and Corporate Power), 3.02 (Authorization of Agreement; Enforceability), 3.06 (No Brokers’ Fee), 4.01 (Due Organization, Good Standing and Corporate Power), 4.02 (Authorization of Agreement; Enforceability), 4.03 (Consents & Approvals; No Violations), 4.04 (ERISA Related Determinations), 4.05 (No Brokers’ Fee), 5.01 (Due Organization, Good Standing and Corporate Power), 5.02 (Authorization of Agreement; Enforceability), 5.04 (Enforceability of Group Annuity Contract), 5.07 (No Brokers’ Fee), 5.08 (Accuracy of Data Provided), and 5.09 (No Post-Closing Liability).

“GAAP” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

“General Account” means the general account of the Insurer.

“Governmental Approval” means any Consent of a Governmental Authority.

“Governmental Authority” means any federal, state, municipal, foreign or local government or quasi-governmental authority or any regulatory or administrative body, department, agency, insurance commission or commissioner, subdivision, court or other tribunal, arbitrator or arbitral body of any of the foregoing.

“Group Annuity Contract” means a single premium, non-participating group annuity contract, and all exhibits thereto, substantially in the form set forth in Schedule 1.01(e).

“Group Annuity Contract Issuance” is defined in Section 2.01.

“ Identified USB Flash Drive ” means the USB Flash Drive containing, collectively, (a) the Workbook, (b) the Base File, and (c) the Priced Lives file referenced on Schedule 1.01(g). Such USB Flash Drive will be delivered from the Insurer to the Company on the Signing Date, or as promptly as practical thereafter.

“ IF Engagement Letter ” means the Engagement Letter, dated January 12, 2015, by and between the Annuity Committee and the Independent Fiduciary.

“ Independent Fiduciary ” is defined in the preamble.

“ Independent Fiduciary MAC ” means (a) the occurrence of a material adverse change, as determined in the sole discretion of the Independent Fiduciary, in or affecting directly the Insurer or the Other Insurer subsequent to the Signing Date that would cause the selection of the Insurer or the Other Insurer and the purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements or (b) the occurrence of a change in ERISA Requirements after the Signing Date that would cause the selection of the Insurer or the Other Insurer and the Plan’s purchase of the Group Annuity Contract or the Other Group Annuity Contract to fail to satisfy ERISA Requirements.

“ Insurer ” is defined in the preamble.

“ Insurer Payment Commencement Date ” means the Annuity Commencement Date.

“ Insurer Provided Component ” means any component incorporated into the calculation of the Payment at Close (including the information provided pursuant to Section 2.17), the Cash Payment Amount, the [* * *] Amount and the Interim Post-Closing [* * *] Amount not calculated, determined or provided by the Company.

“ Interim [* * *] Amount ” is defined in Section 2.08(a).

“ Interim Post-Closing Annuity Exhibits ” is defined in Section 2.08(b)(iii).

“ Interim Post-Closing Data Cut-Off Date ” means the day that is 34 Business Days after the Closing Date.

“ Interim Post-Closing Data File ” is defined in Section 2.08(a).

“ Interim Post-Closing [* * *] Amount ” is defined in Section 2.08(d)(i).

“ Interpretive Bulletin 95-1 ” means the U.S. Department of Labor’s interpretive bulletin codified at 29 C.F.R. 2509.95-1.

“ Kimberly-Clark Benefits Center ” is defined in Section 7.03(b).

“Law” means any federal, state, foreign or local law, statute, ordinance, regulation, rule or Order of any Governmental Authority.

“Liability” means any direct or indirect liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, penalty, fine, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, fixed, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, whenever and however arising (including whether or not required to be reflected or reserved under GAAP against on the financial statements of the obligor or responsible Person).

“[* * *] Amount” means [* * *].

“[* * *] Amount” means [* * *].

“Liens” means any lien, mortgage, security interest, pledge, deposit, encumbrance, restrictive covenant or other similar restriction.

“Material Litigation” means any Action that is initiated against the Company, the Plan, the Insurer or any fiduciary of the Plan (including the Independent Fiduciary) by a Governmental Authority that seeks to enjoin the consummation of the Transactions or that otherwise asserts that the Transactions violate applicable Law.

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“Non-Exempt Prohibited Transaction” means a transaction prohibited by ERISA Section 406 or Section 4975 of the Code, for which no statutory exemption, or Department of Labor class exemption is available.

“Notice of Extension” is defined in Section 10.03(a).

“Order” means any order, award, decision, injunction preliminary or otherwise, judgment, ruling, decree, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Authority or arbitrator.

[* * *]

[* * *]

“Outside Date” is defined in Section 10.01(b).

“Parties” is defined in the preamble.

“Payment at Close” means (a) the assignment, transfer and delivery by the Plan Trustee to the Insurer of the Transferred Assets, determined in accordance with the

procedures set forth in Schedule 2.01, and (b) the payment by the Plan Trustee to the Insurer of an amount in Cash equal to the Cash Payment Amount.

“ Permitted Liens ” means:

(a) any Liens created by operation of Law in respect of restrictions on transfer of securities (other than restrictions relating to the transfer of the Transferred Assets at Closing, unless such transfer complies with such applicable Law); or

(b) any transfer restrictions or other limitations on assignment, transfer or the alienability of rights under any indenture, debenture or other similar governing agreement to which such assets are subject (other than restrictions relating to the transfer of an asset at Closing, unless such transfer does not violate any such restriction).

“ Person ” means any individual, corporation, limited liability company, partnership, sole proprietorship, joint venture, trust, estate, association, organization, labor union, Governmental Authority or other entity.

“ Plan ” is defined in the preamble.

“ Plan Asset ” means an asset of the Plan within the meaning of ERISA.

“ Plan Beneficiary ” means a person designated by a current or former Plan Participant, by a QDRO or by the terms of the Plan, to become entitled to receive a pension benefit from the Plan.

“ Plan Governing Documents ” means the Plan and any documents and instruments governing the Plan as contemplated under Section 404(a)(1)(D) of ERISA.

“ Plan Participant ” means a person who is eligible to receive, and is receiving, a pension benefit from the Plan.

“ Plan Trust ” means the Kimberly-Clark Retirement Trust.

“ Plan Trustee ” means Bank of New York Mellon, in its capacity as the directed trustee of the Plan Trust.

“ Plan Trustee Agreement ” is defined in Section 7.04.

“ Plan Trustee Direction Letter ” means the Independent Fiduciary’s direction to the Plan Trustee in substantially the form attached hereto as Schedule 1.01(h).

“ Premium Value As Of Pricing Date ” means the data file titled [* * *] that was provided by the Insurer to the Company in the Data Room at [* * *] eastern time on [* * *].

“ Priced Lives ” means all Plan Participants and Plan Beneficiaries who are referenced by Schedule 1.01(g) .

[* * *]

“ Projected RBC Ratio ” means, as of a day of determination, the projection of the RBC Ratio as of December 31, 2015, as calculated under the method set forth on Schedule 6.07 .

“ PTCE ” means a prohibited transaction class exemption issued by the U.S. Department of Labor pursuant to section 408(a) of ERISA.

“ QDRO ” means a domestic relations order that satisfies the qualification requirements set forth in ERISA § 206(d)(3) and Code § 401(a)(13)(B).

“ RBC Ratio ” means the risk-based capital ratio of the Insurer, which will be calculated in a manner consistent with the requirements and methodologies prescribed under Massachusetts Law, as applied by the Insurer in the ordinary course of its business, consistent with its historic practice.

“ Re-Pricing Offer ” is defined in Section 10.03(b) .

“ Representatives ” means, in respect of any Person that is an entity, such Person's officers, directors, employees, advisors and agents.

“ SEC ” means the Securities and Exchange Commission.

“ Signing Date ” is defined in the preamble.

“ Signing Date Amount ” is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“ [* * *] Asset Portfolio ” means [* * *].

“ [* * *] Asset Portfolio Value Amount ” means [* * *].

“ Signing Date Cash Amount ” means the amount that has been mutually agreed by the Company and the Insurer prior to the date hereof and set forth in the “CASH_PAYMENT_AMOUNT” Tab of the Workbook.

“ [* * *] Cash Amount ” means the sum of [* * *].

“ Target Closing Date ” means (a) [* * *] or (b) such other date on or prior to the Outside Date that the Insurer, the Company and the Independent Fiduciary may mutually agree.

“Tax Qualified” means qualified by the Code for preferential tax treatment under Code sections 401(a) and 501(a).

“Transactions” means the transactions contemplated by this Agreement, including any payments pursuant to Section 2.08 or Section 2.09.

“Transaction Announcement” is defined in Section 6.02(a).

“Transaction MAC” means the occurrence of any fact, circumstance, change, development, condition or event subsequent to the execution of this Agreement that results in [* * *].

“Transferred Assets” means the assets included on the Transferred Assets Schedule.

“Transferred Assets Schedule” means [* * *].

[* * *] is defined in the “REFERENCE_WORKSHEET” Tab of the Workbook.

“Uncovered Claim” is defined in Section 9.03(c).

“Workbook” means the excel file titled [* * *] that was delivered on behalf of the Company to the Insurer in an email from [* * *] to [* * *].

1.02 Interpretation

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they will be deemed to be followed by the words “without limitation.” The use of “or” is not intended to be exclusive unless expressly indicated otherwise.

(b) Words denoting any gender will include all genders. The meanings given to terms defined herein will be equally applicable to both singular and plural forms of such terms. Where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning.

(c) The Schedules, the Company Disclosure Letter, the Workbook, and the Identified USB Flash Drive are incorporated by reference and made a part of this Agreement as if set forth fully in this Agreement.

(d) A reference to any party to this Agreement or any other agreement or document will include such party’s successors and permitted assigns.

(e) A reference to any Law or to any provision of any Law will include any amendment thereto, any modification or re-enactment thereof, any Law substituted therefor and all regulations issued thereunder or pursuant thereto.

(f) All references to “\$” and dollars will refer to United States currency. All references to the word “days” will refer to calendar days unless otherwise specified in a particular case.

(g) All references to any financial or accounting terms will be defined in accordance with GAAP to the extent GAAP is applicable; provided, however, that with respect to any financial or accounting terms related to Insurer’s accounting, the accounting terms will be in accordance with relevant state insurance statutory accounting principles (including applicable permitted practices).

(h) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

(i) The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references relate to this Agreement unless otherwise specified.

(j) The Parties each hereby acknowledge that (a) the Parties jointly and equally participated in the drafting of this Agreement and all other agreements contemplated hereby, (b) the Parties have each been adequately represented and advised by legal counsel with respect to this Agreement and the Transactions, and (c) no presumption will be made that any provision of this Agreement will be construed against any Party by reason of such role in the drafting of this Agreement and any other agreement contemplated hereby.

(k) The Table of Contents and the headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

(l) All capitalized terms not defined in the Company Disclosure Letter or any Schedule will have the meanings ascribed to them in this Agreement. The representations and warranties of the Company in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Company Disclosure Letter. The disclosure of any matter in any section of the Company Disclosure Letter will be a disclosure for all purposes of this Agreement and all other sections of the Company Disclosure Letter to which such matter relates to the extent that the applicability of such matter to such other section of the Company Disclosure Letter is reasonably apparent on its face. The Company Disclosure Letter has been arranged in sections corresponding to the sections and paragraphs of this Agreement for the convenience of the Parties. The listing of any matter by the Company in the Company Disclosure Letter will expressly not constitute an admission by the Company, or otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or

materiality standards set forth in this Agreement. No disclosure in the Company Disclosure Letter relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event will the listing by the Company of any matter in the Company Disclosure Letter expand the scope of the Company's representations, warranties or covenants set forth in this Agreement. All attachments to the Company Disclosure Letter are incorporated by reference into the Company Disclosure Letter in which they are directly or indirectly referenced. The information contained in the Company Disclosure Letter is in all events provided subject to the confidentiality restrictions in Section 11.13.

II. PURCHASE OF SINGLE PREMIUM GROUP ANNUITY CONTRACT

2.01 Closing. At the Closing the Independent Fiduciary shall irrevocably direct the Plan Trustee to (a) make the Payment at Close, and (b) the Insurer shall issue and deliver to the Company the Group Annuity Contract (the "Group Annuity Contract Issuance").

2.02 Time and Place of Closing. On the terms and subject to the conditions set forth in this Agreement, the consummation of the transactions contemplated hereby (the "Closing") will take place at the offices of Jones Day at 2727 North Harwood Street, Dallas, Texas 75201, or at such other location as the Parties shall mutually agree, on (i) [* * *] if at least three days prior to such date all of the conditions set forth in Article VIII have been satisfied or waived (except for those conditions which in accordance with their terms will be satisfied on the Closing Date) or (ii) at such other time, date and location as the Company and the Insurer may agree in writing (the "Closing Date").

2.03 Deliveries at Closing. (a) At the Closing, the Independent Fiduciary will, pursuant to the Plan Trustee Direction Letter, irrevocably direct the Plan Trustee to deliver to the Insurer, (with a copy to the Company), the [* * *] and Bill of Sale, each duly executed by the Plan Trustee, and the Independent Fiduciary will deliver, or cause to be delivered, to the Insurer and the Company a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Independent Fiduciary certifying as to the satisfaction of the conditions specified in Section 8.01(a), Section 8.01(b), Section 8.02(a) and Section 8.02(b), in each case, as to the Independent Fiduciary.

(b) At the Closing, the Insurer will deliver to the Company (and with respect to item (ii) will also deliver to the Independent Fiduciary) the following duly executed documents and other items:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Insurer;

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Insurer certifying as to the satisfaction of the conditions

specified in Section 8.01(a), Section 8.01(b) and Section 8.03(a), in each case, as to the Insurer;

(iii) the evidence of disposition from the Texas Department of Insurance with respect to the Group Annuity Contract;

(iv) the [* * *], duly executed by the Insurer; and

(v) the Bill of Sale, duly executed by the Insurer.

(c) At the Closing, the Company will deliver to the Insurer (and with respect to item (ii) will also deliver to the Independent Fiduciary, and with respect to the other items below, with a copy to the Independent Fiduciary) the following duly executed documents:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Company; and

(ii) a certificate, dated as of the Closing Date, duly executed by an authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 8.02(a), Section 8.02(b) and Section 8.03(a), in each case, as to the Company.

2.04 Allocation of Transferred Assets. Upon the Group Annuity Contract Issuance, the Insurer will allocate the Transferred Assets transferred at Closing in to its General Account.

2.05 [* * *]

2.06 Closing Date Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce the following:

(a) Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract at Closing:

(i) On the day that is 16 Business Days prior to the Target Closing Date, the Company will deliver to the Insurer an updated data file in a form consistent with the Base File, except that such data file will include all corrections and changes to the data in the Base File identified by the Company as of such date (the “ Closing Data File ”). On the 10th Business Day prior to the Target Closing Date, the Insurer will deliver to the Company proposed Annuity Exhibits, which the Insurer will have prepared using the Closing Data File.

(ii) As soon as reasonably practicable and in any event by the 2nd Business Day following the Insurer’s delivery of such proposed Annuity Exhibits, the Company will notify the Insurer of any discrepancy between the proposed Annuity

Exhibits and the Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 4th Business Day prior to the Target Closing Date and the Insurer will reflect any agreed upon changes in the revised Annuity Exhibits (the “Closing Annuity Exhibits”); provided, however that the Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(b) Closing Date Asset Valuation. The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day prior to the Target Closing Date a calculation of the value of each asset on the Transferred Assets Schedule, calculated in accordance with the methodology set forth in Schedule 2.06(b), as of the close of business on the Business Day prior to the Closing (the aggregate amount of such valuations, the “Closing Date Asset Valuation”). In the event of any discrepancy among the Parties with respect to the Closing Date Asset Valuation that is unable to be amicably reconciled, then such discrepancy shall be addressed in accordance with Section 2.10.

(c) Cash and Transferred Assets Exhibit. As early as practicable on the Closing Date (and prior to the Closing), the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule and the Closing Date Asset Valuation and reflect the amount of the Cash Payment Amount. The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit” to the Group Annuity Contract.

(d) [* * *]. Within three Business Days of receiving the [* * *] from the Plan Trustee, and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the next day after the Insurer receives the [* * *], the Insurer will deliver to the Company the Workbook incorporating the elements of the [* * *]. As soon as reasonably practicable and in any event within two Business Days following the Insurer’s delivery of the Workbook and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook, the Company will notify the Insurer of any discrepancy between any such [* * *] and its records with respect to the information provided in such [* * *]. The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, within two Business Days following the Insurer’s delivery of such reports and, with respect to the Signing Date, the Dry-Run Calculation Delivery Date and the Closing Date, on the same day as the Insurer’s delivery of the Workbook.

(e) Cash Payment Amount. On the Closing Date (but prior to the Closing):

(i) The Insurer will deliver to the Company a calculation of the Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Cash Payment Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Cash Payment Amount.

(ii) The Insurer will calculate the Cash Payment Amount using the data provided in accordance with Section 2.06(a) and Section 2.06(c).

2.07 Dry-Run Calculations. The Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce a trial calculation of the cash payment amount in order to agree on best practices for Closing Date procedures.

(a) Dry-Run Data File. In order for the Insurer to calculate the Dry-Run Cash Payment Amount, the Company will deliver to the Insurer by the close of business ten Business Days prior to the Dry-Run Calculation Delivery Date an updated version of the Base File that has been revised to reflect any corrections and changes to the data in the Base File that have been identified by the Company as of the Dry-Run Data Cut-Off Date (the “Dry-Run Data File”).

(b) Dry-Run Asset Valuation. The Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer on the Business Day immediately prior to the Dry-Run Calculation Delivery Date a calculation of the value of each asset in the Asset Portfolio, calculated in accordance with the methodology set forth in Schedule 2.06(b) as of the close of business on the Business Day immediately prior to the Dry-Run Calculation Delivery Date (the “Dry-Run Asset Valuation”).

(c) Dry-Run Cash Payment Amount. On the Dry-Run Calculation Delivery Date:

(i) The Insurer will deliver to the Company a calculation of the Dry-Run Cash Payment Amount in the form of Schedule 2.06(e)(i). The “Dry-Run Cash Payment Amount” will be equal to [* * *].

(ii) The Insurer will calculate the Dry-Run Cash Payment Amount using the data provided by the Company in accordance with Section 2.07(a).

2.08 Calculation of Interim Post-Closing [* * *] Amount; Related True-Up. As set forth in this Section 2.08, the Insurer, the Company and the Plan Trustee (at the direction of the Independent Fiduciary) will cooperate in good faith to produce an Interim Post-Closing [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the [* * *] Amount.

(a) Interim Post-Closing Data File. On the 40th Business Day after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent

with the Base File which new file will include all corrections to the data in the Closing Data File identified by the Insurer as of the Interim Post-Closing Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the “Interim Post-Closing Data File”). On the 53rd Business Day following the Closing Date, in connection with the calculation of the Interim Post-Closing [* * *] Amount pursuant to Section 2.08(d)(i), the Insurer will calculate the [* * *] (the “Interim [* * *] Amount”).

(b) Interim Post-Closing Annuity Exhibits. In order for the Insurer to create the annuity exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(a):

(i) On the 45th Business Day after the Closing, the Insurer will deliver to the Company revised Closing Annuity Exhibits, utilizing and consistent with the Interim Post-Closing Data File.

(ii) As soon as practicable and in any event by the 48th Business Day following the Closing, the Company will notify the Insurer of any discrepancy between the revised Closing Annuity Exhibits and the Interim Post-Closing Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 50th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Closing Annuity Exhibits (the “Interim Post-Closing Annuity Exhibits”); provided, however that the Interim Post-Closing Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Interim Post-Closing Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 53rd Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.06(c) and updated pursuant to Section 2.19 and reflect any payment pursuant to Section 2.08(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(a).

(d) Interim Post-Closing [* * *] Amount. On the 53rd Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Interim Post-Closing [* * *] Amount in the form of Schedule 2.06(e)(i). The “Interim Post-Closing [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable

detail all information supporting the calculation of the Interim Post-Closing [* * *] Amount.

(ii) The Insurer will calculate the Interim Post-Closing [* * *] Amount using the data provided in accordance with Section 2.08(a) (as may be modified pursuant to Section 2.08(b)).

(e) True-Up Payment Upon Resolution of Interim [* * *] Amount. Within five Business Days of the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount:

(i) if the calculation of the Interim Post-Closing [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Interim Post-Closing [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(a), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal to [* * *].

2.09 Calculation of Final [* * *] Amount; Related True-Up. As set forth in this Section 2.09, the Insurer, the Company and the Plan will cooperate in good faith to produce a Final [* * *] Amount calculation following the Closing Date to reconcile any adjustments to the Interim Post-Closing [* * *] Amount.

(a) Final Data File. On the day that is 98 Business Days after the Closing, the Insurer will deliver to the Company an updated data file in a form consistent with the Base File which new file will include all corrections to the data in the Interim Post-Closing Data File identified by the Insurer as of the Final Data Cut-Off Date and reflecting any other changes agreed between the Insurer and the Company (the "Final Data File"). On the 113th Business Day after the Closing Date, in connection with the calculation of the Final [* * *] Amount pursuant to Section 2.09(d)(i), the Insurer will calculate the [* * *] (the "Final [* * *] Amount").

(b) Final Annuity Exhibits. In order for the Insurer to create the Annuity Exhibits that will be attached to the Group Annuity Contract as amended pursuant to Section 2.15(b):

(i) On the 103rd Business Day after the Closing, the Insurer will deliver to the Company revised Interim Post-Closing Annuity Exhibits, utilizing and consistent with the Final Data File.

(ii) As soon as practicable and in any event by the 106th Business Day following the Closing, the Company will notify the Insurer of any

discrepancy between the revised Interim Post-Closing Annuity Exhibits and the Final Data File (it being understood that the failure of the Company to so notify the Insurer will not be deemed to constitute a waiver by the Company of any of its rights under Section 2.10).

(iii) The Insurer and the Company will cooperate in good faith to resolve such discrepancies, if any, on or prior to the 109th Business Day following the Closing and the Insurer will reflect any agreed upon changes in the revised Interim Post-Closing Annuity Exhibits (the “Final Annuity Exhibits”); provided, however that the Final Annuity Exhibits will not include any Priced Life for which the Insurer has not been provided a social security number.

(c) Final Cash and Transferred Assets Exhibit Supplement. On or prior to the day that is the 113th Business Day following the Closing Date, the Insurer will produce and deliver to the Company a cash and transferred assets schedule, which will incorporate the Transferred Assets Schedule delivered pursuant to Section 2.08(c) and reflect any payment pursuant to Section 2.09(e). The Insurer will attach such cash and transferred assets schedule as the “Cash and Transferred Assets Exhibit Supplement” to the amendment to the Group Annuity Contract pursuant to Section 2.15(b).

(d) Final [* * *] Amount. On the 113th Business Day following the Closing Date:

(i) The Insurer will deliver to the Company a calculation of the Final [* * *] Amount in the form of Schedule 2.06(e)(i). The “Final [* * *] Amount” will be equal to [* * *]. The Insurer will simultaneously deliver to the Company a schedule in the form of the Workbook providing in reasonable detail all information supporting the calculation of the Final [* * *] Amount.

(ii) The Insurer will calculate the Final [* * *] Amount using the data provided in accordance with Section 2.09(a) (as may be modified pursuant to Section 2.09(b)).

(e) True-Up Payment Upon Resolution of [* * *] Amount. By the later of (x) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (y) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount:

(i) if the calculation of the [* * *] Amount results in a negative number, then, subject to the execution of the amended Group Annuity Contract in connection with Section 2.15(b), the Insurer will pay to the Plan Trustee an amount, in Cash, equal to [* * *]; and

(ii) if the calculation of the Final [* * *] Amount results in a positive number, then, subject to the execution of the amended Group Annuity Contract

in connection with Section 2.15(b), the Independent Fiduciary will irrevocably direct the Plan Trustee to pay to the Insurer an amount, in Cash, equal [* * *].

2.10 Final [* * *] Amount; Asset Valuation Disputes .

(a) Within ten Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount in accordance with Section 2.09(d)(i) :

- (i) the Company may dispute any Insurer Provided Component; and
- (ii) the Insurer may dispute any Company Provided Component.

(b) Any dispute described in Section 2.10(a) (an “ Arbitration Dispute ”) will be resolved in accordance with the procedures set forth in Schedule 2.10(b) .

(c) Any Insurer Provided Component or Company Provided Component that is not disputed pursuant to Section 2.10(a) will be final and binding on the Parties.

2.11 Adjustment to the Target Closing Date . If subsequent to the calculation or delivery of a calculation or other deliverable that was required to be performed or delivered as of, on or prior to a day that is some number of days prior to the Target Closing Date, the Target Closing Date is adjusted so that it is a later date, the applicable Party will re-calculate or deliver such calculation or other deliverable as of, on or prior, as applicable, to such number of days prior to the Target Closing Date as so adjusted.

2.12 Business Day Adjustments . If any calculation set forth in this Article II is to be performed as of a day that is not a Business Day, such calculation will be performed as of the immediately preceding Business Day.

2.13 Access and Cooperation . The Company, the Plan, as applicable, and the Insurer will provide the other and their Representatives with reasonable access during normal business hours to examine and will provide copies of (a) the work papers and files related to the preparation of, or support for, the calculations and valuations contemplated by this Article II and (b) the relevant books and records of the Insurer, the Company or the Plan, as applicable, and to discuss with the Insurer’s or the Company’s, as applicable, employees and Representatives involved with respect thereto; provided, however, that notwithstanding anything to the contrary set forth herein, (i) the Insurer will not have any obligation to provide the Company and its Representatives with access to any [* * *] or any work papers or other information that discloses or reveals such [* * *], nor will the Company or any of its Representatives attempt to derive, directly or indirectly, any such [* * *] from any other information provided to the Company, the Company’s Affiliates or Representatives or the Company’s Affiliates’ Representatives and (ii) the Company will not have any obligation to provide the Insurer or its Representatives with any work papers of its certified public accountants. If,

notwithstanding the foregoing, the Company or any of its Representatives obtain any such [* * *], whether directly or indirectly, or through a process of derivation, the Company will and will direct its Representatives to not use such information and to destroy (and certify to the Insurer destruction of) such information and to otherwise transfer any rights in such information to the Insurer.

2.14 Data Updates; Mortality Adjustments .

(a) Access To Covered Life Information . From and after the date hereof through the date on which the Final [* * *] Amount is finally determined pursuant to Section 2.09 and Section 2.10 , the Plan will provide the Insurer with reasonable access to all updates in the Plan's possession of the data, including benefit amounts, benefit forms, dates of birth, dates of death, gender, and lives missing from the original data provided by the Company that relate to the annuity premium payable to the Insurer, in each case limited to data in connection with Covered Lives or Contingent Lives.

(b) Insurer's Verification of Mortality . From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Social Security Master Death file and the Lexis Nexis Accurint tool to attempt to determine if any Covered Lives or Contingent Lives were deceased prior to [* * *]. If (i) subject to such standard verification practices and procedures, such data source indicates that a Covered Life or Contingent Life was deceased prior to [* * *] or (ii) the Company presents evidence, reasonably acceptable to the Insurer, that a Covered Life or Contingent Life was deceased prior to [* * *], then, the Insurer will reflect such mortality event in the (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data File and reflect such mortality event in its calculation of the Interim [* * *] Amount, and (y) at all times prior to delivery of the Final Data File, the Final Data File and include such mortality event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such mortality review.

(c) Insurer's Review for Date of Birth and Gender Data; Verification of Data Errors . From and after the Closing Data Cut-Off Date until the Final Data Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, review the Lexis Nexis Accurint tool to attempt to determine if there are [* * *], including with respect to dates of birth or gender for any Covered Lives or Contingent Lives. If any errors in respect of dates of birth or gender are discovered that would potentially give rise to [* * *], Insurer will provide reasonably prompt notice to the Company of such errors. If (i) subject to such standard verification practices and procedures, such data source indicates [* * *], including with respect to dates of birth or gender, for any Covered Life or Contingent Life, or (ii) the Company presents reasonably acceptable evidence to the Insurer of [* * *] with respect to an Covered Life or Contingent Life, then, the Insurer will reflect such [* * *] in the (x) if two Business Days before the Interim Post-Closing Data Cut-Off Date, the Interim Post-Closing Data

File and include such [* * *] event, in its calculation of the Interim [* * *] Amount, and (y) at all times prior to the delivery of the Final Data File, the Final Data File and include such [* * *] event in its calculation of the Final [* * *] Amount. The Insurer will provide monthly updates to the Company of such review.

2.15 Amendments to the Group Annuity Contract .

(a) Within five Business Days following the delivery by the Insurer of the calculation of the Interim Post-Closing [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (i) to make any changes to the [* * *] Amount to reflect the Interim Post-Closing [* * *] Amount, (ii) to substitute the Interim Post-Closing Annuity Exhibits for the Closing Annuity Exhibits, and (iii) to substitute the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c) for the “Cash and Transferred Assets Exhibit.”

(b) By the later of (i) the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.10 and (ii) five Business Days following the delivery by the Insurer of the calculation of the Final [* * *] Amount, the Insurer and the Company will amend the Group Annuity Contract, in each case, (x) to make any changes to reflect the Final [* * *] Amount (as adjusted following the resolution of any disputes in accordance with Section 2.10), (y) to substitute the Final Annuity Exhibits for the Interim Post-Closing Annuity Exhibits, and (z) to substitute the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.09(c) for the “Cash and Transferred Assets Exhibit Supplement” prepared pursuant to Section 2.08(c).

2.16 Amendments to the Workbook and Identified USB Flash Drive . If the Company or the Insurer identify any error or omission in the Workbook or the Identified USB Flash Drive prior to the payment of the Final Cash Payment Amount, the Company or the Insurer, as applicable, shall promptly inform the other and the Company and the Insurer shall cooperate in good faith to update the Workbook or the Identified USB Flash Drive to resolve such error or omission, and such updated Identified USB Flash Drive shall be initialed by the Company and the Insurer. The Workbook or the Identified USB Flash Drive, as updated pursuant to this Section 2.16 , shall be binding on the Parties.

2.17 [* * *]. No less frequently than once every two weeks between the Signing Date and the Closing Date, the Independent Fiduciary will direct the Plan Trustee to deliver to the Insurer [* * *] as set forth in Schedule 2.17 , provided , however , that such [* * *] shall in all events be provided as of the close of business on the Business Day immediately prior to the following dates: the Signing Date, the Dry-Run Calculation Delivery Date, and the Closing Date (each [* * *]).

2.18 [* * *]

2.19 Return of [* * *]. On or prior to the day that is five Business Days following the Closing Date, either the Insurer or the Company may [* * *]. If any [* * *], then (a) the Insurer or the Company, as applicable, will promptly notify the other, and, if such asset is, in fact, an Excluded Asset, (b) within five Business Days of such notice the Independent Fiduciary will irrevocably direct the Plan Trustee to pay the Insurer an amount, in Cash, equal to [* * *], and (c) simultaneously with its receipt of such payment from the Plan Trustee, the Insurer will [* * *]. If the Insurer and the Plan are unable to agree on whether [* * *], any party may immediately commence an Arbitration Dispute pursuant to Section 2.10 with respect to such disagreement. By the earlier of (x) agreement among the Insurer and the Company with respect to identification of [* * *] or (y) resolution of any disputes with respect to whether [* * *], the Insurer will amend the Transferred Assets Schedule to reflect any changes with respect to the assets listed therein.

2.20 Available Cash. The Company shall make available to the Plan, Cash in the amount necessary to enable the Plan Trustee to pay all amounts that it is directed to pay to the Insurer by the Independent Fiduciary pursuant to this Article II.

2.21 Conflict with Workbook. In the event of any material conflict between the provisions of this Article II and the Workbook, the Workbook shall control.

III. COMPANY'S REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants to the Insurer and the Independent Fiduciary as of the Signing Date and the Closing Date, except as set forth in the Company Disclosure Letter, that:

3.01 Due Organization, Good Standing and Corporate Power. The Company is a corporation, validly existing and in good standing under the Laws of the State of Delaware and the Plan Trust is a trust, validly formed under the Laws of the State of New York. The Company has all requisite power and authority to enter into and carry out its obligations under this Agreement and to consummate the transactions contemplated to be undertaken by the Company herein. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its sponsorship of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

3.02 Authorization of Agreement; Enforceability. The Company has received all appropriate corporate approvals and no other action on the part of the Company or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated to be undertaken by the Company under this Agreement. This Agreement is duly executed and delivered by the Company, and is a valid and binding obligation of the Company and enforceable against the Company in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency,

reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles (such exceptions, as applicable to any Person, the "Enforceability Exceptions").

3.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company and the Independent Fiduciary of the transactions contemplated to be undertaken by the Company and the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with any provision of the Plan Governing Documents, the certificate or articles of incorporation, bylaws, code of regulations, or the comparable governing documents of the Company, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Company or the Plan, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Company is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's or Independent Fiduciary's ability to consummate the Transactions.

3.04 Compliance with ERISA.

(a) The Plan is maintained under and is subject to ERISA and operated in compliance therewith in all material respects. The Plan Trust is maintained under and is subject to ERISA, and, to the Company's Knowledge, is in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated June 27, 2013 and, to the Company's Knowledge, no event has occurred since such date that is reasonably likely to result in the Plan losing its Tax Qualified status. All Plan amendments necessary to effect the Transactions and the transactions contemplated by this Agreement and the Ancillary Agreements, to the extent that they require authorization by the Company, have been, or will be by the Closing Date, duly authorized and made by the Company. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.

(b) The Independent Fiduciary has been duly appointed as independent fiduciary of the Plan with respect to the purchase of one or more group annuity contracts as set forth in the IF Engagement Letter to (i) be the sole fiduciary responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the descriptions of the benefit forms in section 2.2(i)-(viii) of the Group Annuity Contract), (iv) direct the Plan

Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions, and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

3.05 Plan Investments .

(a) There are no commingled investment vehicles that hold Plan Assets, the units of which are or will be Plan Assets involved in the Transactions or the transactions contemplated by the Ancillary Agreements.

(b) No Plan Assets that are or will be involved in the Transactions or the transactions contemplated by the Ancillary Agreements are or will be managed pursuant to investment management agreements with any investment manager listed on Schedule 5.12 .

3.06 No Brokers' Fee . The Company has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

3.07 Accuracy of Information . To the Company's Knowledge, the census data for date of birth, date of death or gender, in each case, with respect to Covered Lives or Contingent Lives that was furnished by or on behalf of the Company to the Insurer was not generated using any materially incorrect systematic assumptions or material omissions.

3.08 Delivery of Plan Governing Documents . True, correct and complete copies of the Plan Governing Documents set forth on Schedule 3.08 have been delivered to the Independent Fiduciary by the Company on or prior to the Signing Date.

3.09 Settlement Accounting . As of the Signing Date, to the Company's Knowledge there are no circumstances existing or that would reasonably be expected to occur that would be likely to cause the Company to conclude that the Company may not account for the Transactions and the transactions contemplated by the Ancillary Agreements as a settlement under ASC 715.

3.10 Litigation by Plan Beneficiaries and Plan Participants . As of the Signing Date, there is no Action pending or, to the Company's Knowledge, threatened, by or on behalf of any Plan Beneficiary or Plan Participant relating to the Plan or any benefit payable or alleged to be payable pursuant to the Plan.

3.11 No Other Representations or Warranties; Reliance . Except for the representations and warranties of the Company expressly set forth in this Article III ,

neither the Company nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Company or any of its Affiliates with respect to the Company, its Affiliates, the Transferred Assets or the Transactions. The Company acknowledges and agrees that the Insurer and the Independent Fiduciary have relied on the representations and warranties set forth in this Article III, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

IV. INDEPENDENT FIDUCIARY'S REPRESENTATIONS AND WARRANTIES

The Independent Fiduciary hereby represents and warrants to the Company and the Insurer as of the Signing Date and the Closing Date, that:

4.01 Due Organization, Good Standing and Corporate Power. (a) The Independent Fiduciary is a trust company validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Independent Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to consummate the transactions contemplated to be undertaken by the Independent Fiduciary herein and therein. The Independent Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its representation of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

(b) The Independent Fiduciary meets the requirements of, and in the Transactions is acting as, an investment manager under ERISA § 3(38) and a QPAM under PTCE 84-14 with respect to the Transactions and the Group Annuity Contract. The Independent Fiduciary is experienced in independent fiduciary work, and together with its reliance on its consultant, Aon Hewitt Investment Consulting, Inc. and its counsel, K&L Gates LLP, the Independent Fiduciary is knowledgeable concerning the large scale group annuity marketplace and reasonably believes that it has the requisite expertise to select the Insurer issuing the Group Annuity Contract and perform its obligations under this Agreement and the IF Engagement Letter. The Independent Fiduciary accepted its designation as the sole fiduciary of the Plan with authority to select the insurer or insurers to issue one or more group annuity contracts in the IF Engagement Letter (a true and correct copy of which has been provided to the Insurer, with the fees to be paid to the Independent Fiduciary redacted therefrom), and the Independent Fiduciary reaffirms its fiduciary status as set forth in such letter. The Independent Fiduciary has provided and will continue to provide the services described in Section 2 of such letter prudently and for the exclusive benefit and in the sole interest of the Plan and its participants and beneficiaries. The Independent Fiduciary has accepted appointment as independent fiduciary of the Plan to (i) be the sole fiduciary

responsible for selecting one or more insurers to provide annuities in accordance and compliance with the ERISA Requirements, (ii) determine whether the Transactions and the Group Annuity Contract satisfy ERISA, (iii) represent the interests of the Plan and its participants and beneficiaries in connection with the negotiation of a commitment agreement and the terms of any agreements with the Insurer, including the Group Annuity Contract and the Annuity Certificates (other than solely the descriptions of the benefit forms in section 2.2(i)-(viii) of the Group Annuity Contract), (iv) direct the Plan Trustee on behalf of the Plan to transfer the Transferred Assets, the Cash Payment Amount and any post-Closing cash payments that are payable by the Plan Trustee in connection with the consummation of the Transactions and (v) take all other actions on behalf of the Plan necessary to effectuate the foregoing, including to perform the covenants and agreements and make the representations and warranties set forth in this Agreement and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

4.02 Authorization of Agreement; Enforceability. The Independent Fiduciary has received all appropriate corporate approvals and no other action on the part of the Independent Fiduciary is necessary to authorize the execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party), and the consummation of the transactions contemplated to be undertaken by the Independent Fiduciary under this Agreement and Ancillary Agreements (to the extent a party). This Agreement, and all Ancillary Agreements (to the extent a party thereto), are duly executed and delivered by the Independent Fiduciary, and are a valid and binding obligation of the Independent Fiduciary and enforceable against the Independent Fiduciary, in accordance with its terms, subject to the Enforceability Exceptions.

4.03 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement, and Ancillary Agreements (to the extent a party) by the Independent Fiduciary and the consummation by the Independent Fiduciary of the transactions contemplated to be undertaken by the Independent Fiduciary pursuant to this Agreement do not (a) violate or conflict with the certificate or articles of incorporation, bylaws, code of regulations or the comparable governing documents of the Independent Fiduciary, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to Independent Fiduciary, (c) require any additional Governmental Approval or (d) require any Consent of or other action by any Person.

4.04 ERISA Related Determinations. (a) The Independent Fiduciary is fully qualified to serve as an independent fiduciary in connection with the Transactions, and any Ancillary Agreements (to the extent a party to), and it is independent of the Company and the Insurer. The annual revenues of the Independent Fiduciary and its Affiliates received in 2014 from each of (i) the Company and its Affiliates, and (ii) the Insurer and its Affiliates, were less than one percent of the total annual revenues of the Independent Fiduciary and its Affiliates in that year and the annual revenues of the Independent Fiduciary and its Affiliates projected to be received in 2015 from each of (x) the Company and its Affiliates, and (y) the Insurer and its Affiliates, are less than one

percent of the total projected annual revenues of the Independent Fiduciary and its Affiliates for 2015. Commercially reasonable ethical walls have been erected between the personnel working on the Transactions and the personnel working on other matters involving the Company, the Insurer, or any of either's Affiliates, and each such Person has ensured that its consultant has done the same.

(b) The Independent Fiduciary has selected the Insurer to issue the Group Annuity Contract as set forth in this Agreement and such selection, and the Transactions, and any Ancillary Agreements, and the Group Annuity Contract (including its terms), each satisfies the ERISA Requirements. The Independent Fiduciary has delivered a certification confirming the foregoing, executed by a duly authorized officer of the Independent Fiduciary, to the Annuity Committee.

(c) If (i) an Independent Fiduciary MAC has not occurred between the Signing Date and the Closing Date or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date, and (ii) the officers' certificates contemplated by Sections 2.03(b) and 2.03(c) are delivered to the Independent Fiduciary, the selection of the Insurer to provide the Group Annuity Contract, the terms of the Group Annuity Contract, and the Plan's use of assets for the purchase of the Group Annuity Contract as contemplated hereby will continue to satisfy the ERISA Requirements as of the Closing Date.

(d) The Transactions and the purchase of the Group Annuity Contract do not result in a Non-Exempt Prohibited Transaction.

4.05 No Brokers' Fee. The Independent Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or its respective Affiliates or Representatives, could be liable.

4.06 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Independent Fiduciary expressly set forth in this Article IV, neither the Independent Fiduciary nor any of its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Independent Fiduciary or any of its Affiliates with respect to the Independent Fiduciary, its Affiliates, the Transferred Assets or the Transactions. The Independent Fiduciary acknowledges and agrees that the Insurer and the Company have relied on the representations set forth in this Article IV, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

V. INSURER REPRESENTATIONS AND WARRANTIES

The Insurer hereby represents and warrants to the Company and the Independent Fiduciary as of the Signing Date and the Closing Date, that:

5.01 Due Organization, Good Standing and Corporate Power . The Insurer is a life insurance company duly organized, validly existing and in good standing under the Laws of the Commonwealth of Massachusetts. The Insurer has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to which it is, or will be at closing, a party, and to consummate the transactions contemplated to be undertaken by the Insurer. The Insurer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations set forth in the Group Annuity Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

5.02 Authorization of Agreement; Enforceability . The Insurer has received all appropriate corporate approvals and no other action on the part of the Insurer or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated to be undertaken by the Insurer under this Agreement. This Agreement and the Ancillary Agreements, other than the Group Annuity Contract, which is addressed by Section 5.04 , is duly executed and delivered by the Insurer, and each is a valid and binding obligation of the Insurer and enforceable against the Insurer in accordance with its terms, subject to the Enforceability Exceptions.

5.03 Consents And Approvals; No Violations . Except for the approvals of the Governmental Authorities listed on Schedule 5.03 , the execution and delivery of this Agreement by the Insurer and the consummation by the Insurer of the transactions contemplated to be undertaken by the Insurer do not (a) violate or conflict with any provision of its certificate or articles of incorporation, bylaws, code of regulations or comparable governing documents (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Insurer, (c) require any Governmental Approval or (d) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Insurer is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Insurer's ability to consummate the Transactions. The form of the Group Annuity Contract has been reviewed and acknowledged by the Texas Department of Insurance and no further approval by a Governmental Authority or otherwise is required in order for the Insurer to issue the Group Annuity Contract. No further filing or approval is required to issue the Annuity Certificates in accordance with the Group Annuity Contract, other than (i) any filing made or approval received as of the date hereof and (ii) filings with and approvals of state insurance Governmental Authorities in the State(s) listed on Schedule 5.03 .

5.04 Enforceability of Group Annuity Contract . The Group Annuity Contract, when executed, will be duly executed and delivered by the Insurer and will be a valid and binding obligation of the Insurer and enforceable against the Insurer by the

Contract-Holder, and each Covered Life, Contingent Life and Beneficiary, in accordance with its terms. After the Contract-Holder ceases to exist, or notifies the Insurer that it will cease to perform its obligations under the Group Annuity Contract, the Group Annuity Contract will remain a valid and binding obligation of the Insurer and enforceable against the Insurer by each Covered Life, Contingent Life and Beneficiary, in accordance with its terms. At all times, the right to a benefit under the Group Annuity Contract, in accordance with its terms, will be enforceable by the Covered Life, Contingent Life, or Beneficiary to whom the benefit is owed by the Group Annuity Contract by the sole choice of such Person.

5.05 Compliance with Laws . The business of the Insurer has been and is being conducted in material compliance with applicable Laws, and none of the licenses, permits or Governmental Approvals required for the continued conduct of the business of the Insurer as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by the Insurer or its Affiliates hereunder, except as would not reasonably be expected to be, individually or in the aggregate, materially adverse to the ability of the Insurer to perform its obligations under this Agreement.

5.06 Litigation . As of the date hereof, there is no Action pending or, to the Knowledge of the Insurer, threatened, against the Insurer that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the Transactions or that could reasonably be expected to materially impair or restrict the Insurer's ability to perform their respective obligations thereunder, or to consummate the Transactions.

5.07 No Brokers' Fee . The Insurer does not have any Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transactions for which any other Party, or their respective Affiliates or Representatives, could be liable.

5.08 Accuracy of Data Provided . The Insurer represents and warrants that (a) all material information provided by the Insurer to the Company or the Independent Fiduciary in connection with the Transactions, was, as of the date indicated on such information, true and correct in all material respects and (b) no change has occurred since the date indicated on such information that the Insurer has not publicly disclosed or disclosed to the recipient of such information that would cause such information, taken as a whole, to be materially false or misleading.

5.09 No Post-Closing Liability . Following the Closing, none of the Company, the Plan, the Company's other Affiliates, the Independent Fiduciary, nor any of their respective directors, officers, trustees or fiduciaries will have any Liability to pay any Annuity Payment.

5.10 Sufficient Resources and Market Sophistication . The Insurer is a sophisticated investor with experience in the purchase of publicly traded debt of the type to be included in the Transferred Assets. The Insurer has had access to such

information as it deems necessary in order to make its decision to acquire the Transferred Assets from the Plan. Without limiting any rights or remedies of the Insurer set forth in this Agreement, the Insurer acknowledges that, (a) the Company and Plan fiduciaries currently may have information with respect to the Transferred Assets that is not known to the Insurer and that may be material to a decision to acquire the Transferred Assets and (b) the Insurer has determined to acquire the Transferred Assets and the investment risk associated with the Transferred Assets notwithstanding its lack of knowledge of such information. The Insurer acknowledges and agrees that neither the Company nor the Plan has given any investment advice or rendered any opinion to the Insurer as to whether the acquisition of the Transferred Assets is prudent. For the avoidance of doubt, nothing in this Section 5.10 will affect the truth or accuracy of the Company's or Independent Fiduciary's representations and warranties expressly set forth herein.

5.11 Relationship to the Plan. The Insurer is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of section 3(16)(A) of ERISA and section 414(g) of the Code), (c) a fiduciary who is expressly authorized in writing to manage, acquire or dispose of the assets of the Plan on a discretionary basis, or (d) an employer any of whose employees are covered by the Plan.

5.12 Compliance with ERISA. A true and complete list of the Insurer's Affiliates that are investment managers within the meaning of section 3(38) of ERISA and that manage assets subject to ERISA is set forth on Schedule 5.12. The execution and delivery of this Agreement and the Ancillary Agreements, to the extent a party thereto, by the Insurer, and the consummation by the Insurer of the transactions contemplated to be undertaken by the Insurer do not result in a Non-Exempt Prohibited Transaction.

5.13 Financial Metrics. (a) The RBC Ratio at December 31, 2014 was [* * *] and (b) on the Signing Date, the Insurer's most current Projected RBC Ratio was [* * *].

5.14 Due Diligence. Insurer has had, or will by the Closing Date have had, the opportunity to conduct, and has conducted, a due diligence investigation with respect to the transactions contemplated by this Agreement and the Ancillary Agreements that it, in its sole discretion, deemed appropriate and hereby acknowledges that it has not been impeded or restricted in any manner by any person with respect to such due diligence investigation.

5.15 No Other Representations or Warranties; Reliance. Except for the representations and warranties of Insurer expressly set forth in this Article V, none of the Insurer, any of its Affiliates or any other Person makes any express or implied representation or warranty on behalf of the Insurer or any of its Affiliates with respect to the Insurer, its Affiliates, or the Transactions. The Insurer acknowledges and agrees

that the Company and the Independent Fiduciary have relied on the representations and warranties set forth in this Article V, and such representations and warranties will not be affected in any way by reason of any investigation made by or on behalf of such Parties or their respective Affiliates or Representatives or by reason of the fact that such Parties or their respective Affiliates or Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

VI. PRE-CLOSING COVENANTS

6.01 Efforts to Close; Regulatory Clearances; Third-Party Consents. (a) In addition to the actions specifically provided for elsewhere in this Agreement and in any Ancillary Agreement, each of the Parties will cooperate with each other and use (and, except with respect to the Independent Fiduciary, will cause their respective Affiliates to use) their respective Commercially Reasonable Efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part to consummate the Closing. Without limiting the generality of the foregoing, each of the Company and the Insurer will use its Commercially Reasonable Efforts to obtain and to cause others to obtain, as soon as practicable, all required Governmental Approvals at the Closing or as otherwise contemplated by this Agreement, that may be or become necessary for the performance of its obligations under this Agreement and the Ancillary Agreements and the consummation of the Transactions, including approval of the Annuity Certificates from all state agencies from which approval is required, and will cooperate fully with each other in promptly seeking to obtain such Governmental Approvals and Consents. Without limiting the foregoing and subject to applicable legal limitations and the written instructions of any Governmental Authority, from the Signing Date until the Closing Date, each of the Parties agrees to (i) reasonably cooperate and consult with one another, (ii) furnish to the other Parties such necessary information and assistance as such other Party may reasonably request in connection with its preparation of any notifications or filings, (iii) keep each other apprised of the status of material matters relating to the completion of the transactions contemplated thereby, including apprising the other Parties of the substance of material notices or communications received by such Party from any third party or any Governmental Authority with respect to such transactions, within five Business Days of receipt thereof, and (iv) to the extent reasonably practicable, permit the other Parties to review and incorporate the other Party's reasonable comments in any material communication to be given by it to any Governmental Authority with respect to the Transactions.

(b) Without limiting the generality of Section 6.01(a) where the cooperation of third parties that are not Governmental Authorities, such as a trustee, record keeper or paying agent, would be necessary in order for a Party to completely fulfill its obligations under this Agreement or any Ancillary Agreement, such Party will use its Commercially Reasonable Efforts to cause such third parties to provide such cooperation.

6.02 Public Announcements. (a) The Company will have the right to prepare and issue its own press release announcing the execution and delivery of this Agreement and the Transactions (the “Transaction Announcement”), a copy of which shall be provided to the Insurer for review no less than two days prior to the issuance thereof, and the Company will consider in good faith any comments made by such other Party. From the Signing Date through the Closing, the Company and the Insurer each may make such public written or oral statements related to the Transactions as it deems necessary or appropriate, in its sole discretion; provided, however, that each such Party will seek to give the other Party (and the Independent Fiduciary, to the extent the statement references the Independent Fiduciary or the role, duties or conclusions of the Independent Fiduciary) a reasonable opportunity to comment upon such statements in advance to the extent practicable and the Party shall consider any comments made by such other Party in good faith, it being understood that neither the Company nor the Insurer (nor the Independent Fiduciary) will have any right of approval over public statements by the other Party. Each of the Company and the Insurer may make any public disclosure required by applicable Law or securities listing standards, in which case each of the Company and the Insurer will provide to the other Party (and to the Independent Fiduciary, to the extent such announcement references the Independent Fiduciary, or the role, duties or conclusions of the Independent Fiduciary) for review prior to the issuance thereof and will consider any comments made by such other Party (or the Independent Fiduciary, as applicable) in good faith.

(b) The Insurer acknowledges that the Company will publicly disclose any information that it reasonably believes is required by the rules of the SEC to be so disclosed; provided, however, that if the Company concludes that disclosure of this Agreement is required by such rules, (i) the Company and the Insurer will cooperate to make an application by the Company with the SEC for confidential treatment of information relating to the pricing of the Group Annuity Contract and such other information as the Company or the Insurer may conclude is competitively sensitive from its perspective or otherwise merits confidential treatment and (ii) the Company will include the Insurer in any material correspondence (written or oral) with the SEC regarding such application for confidential treatment, and the Company and the Insurer will otherwise reasonably cooperate in connection with such application, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

6.03 Notification of Certain Matters. From the Signing Date until the Closing Date, each Party will give written notice to the other Parties within five Business Days of (a) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the Transactions or that otherwise relates to obtaining such Consent, (b) any Action commenced or threatened in writing against, relating to or involving or otherwise affecting it or any of its Affiliates that relate to the consummation of the Transactions, (c) any material communications with any Covered Life, Contingent Life, or Beneficiary that relate to the Transactions, and (d) the occurrence of any change or event that would reasonably be expected to cause,

individually or in the aggregate, any condition to Closing set forth in Article VIII not to be satisfied (it being understood, however, that no delay or failure to provide any such notice will be deemed to be a waiver of such condition).

6.04 Administrative Transition Process. (a) The Insurer, the Company and the Independent Fiduciary will use their respective Commercially Reasonable Efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to (i) coordinate and allow for the provision of recordkeeping and administration services regarding Annuity Payments and (ii) coordinate the transfer to the Insurer, or the Other Insurer in accordance with the Administrative Services Agreement, on and after the Insurer Payment Commencement Date of all administration responsibilities necessary to effectively provide the recordkeeping and administration services regarding Annuity Payments commencing on the Insurer Payment Commencement Date; provided, however, that the Insurer will use its reasonable best efforts to enter into the Administrative Services Agreement on the Closing Date.

(b) If, despite Section 6.04(a), the Insurer or the Other Insurer is unable to enter into such Administrative Services Agreement on the Closing Date, then the Insurer will use its Commercially Reasonable Efforts to find an alternative method or methods to facilitate the issuance of Annuity Payments through existing commercial arrangements or any other method that is designed to ensure that such Annuity Payments are made in a manner that complies with the obligations of the Group Annuity Contract, for the period from the Insurer Payment Commencement Date until the Administrative Services Agreement is executed (an “ Alternative Arrangement ”). The Company will cooperate in good faith with the Insurer to find an Alternative Arrangement.

6.05 Non-Solicitation. Unless terminated pursuant to Article X, from and after the Signing Date and prior to the Closing, the Company will not and will cause its respective Representatives (which for these purposes will not be deemed to include the Independent Fiduciary) not to (a) solicit, initiate or knowingly facilitate any Alternative Transaction Proposal or the making or consummation thereof, (b) enter into any agreement, letter of intent, agreement in principle or other similar instrument with respect to any Alternative Transaction Proposal, (c) continue or otherwise participate in any discussions (except, in response to an inquiry by any Person, to notify such Person of the existence of the provisions of this Section 6.05) or negotiations regarding, or furnish to any Person any information in connection with, any Alternative Transaction Proposal, or (d) enter into or amend any agreement or other arrangement to engage any Person (including the Independent Fiduciary) to solicit any Alternative Transaction Proposal.

6.06 Information Provided To The Independent Fiduciary. Between the Signing Date and the Closing, the Insurer will provide to the Independent Fiduciary any information that (a) is consistent with the type and amount of information provided during the Independent Fiduciary’s pre-signing due diligence process, (b) is otherwise

prepared in the ordinary course of business of the Insurer (including any information that is prepared for the purpose of providing information to Credit Rating Agencies), and (c) relates to the Insurer, in each case, as may be reasonably requested by the Independent Fiduciary.

6.07 [* * *]. From and after the date hereof to the earlier of the termination of this Agreement and the Closing Date, the Insurer will not, without the prior written consent of the Company (not to be unreasonably withheld or delayed), (x) execute a commitment providing for the consummation prior to the Closing Date of any of the following or (y) consummate prior to the Closing Date any of the following that were not subject to a prior commitment:

(a) [* * *]; or

(b) [* * *];

provided , however , that this Section 6.07 will not preclude the Insurer from taking any of the foregoing actions unless, after giving pro forma effect to the actions contemplated by any such commitment and any capital contributions made or irrevocably committed to be made to the Insurer in connection with such commitment or in the case of any of the foregoing actions not subject to a prior commitment, the amount of the Insurer's most recent calculation of its Projected RBC Ratio would have been [* * *]. For the avoidance of doubt, the Insurer's compliance with this Section 6.07 will in no way limit the Independent Fiduciary's discretion in any respect, as to whether an Independent Fiduciary MAC has occurred.

6.08 No Insurer Communications . From the date of this Agreement until the issuance of the Annuity Certificates, other than as provided for herein, without the Company's prior written consent, (a) the Insurer will cause the employees of its retirement services business unit not to initiate any contact or communication with any Plan Participant or Plan Beneficiary in connection with the Transactions, (b) the Insurer will not, and will cause all of its Affiliates not to provide any of their respective insurance agents, wholesalers or retailers with any contact information of any Plan Participants or Plan Beneficiaries, and (c) the Insurer will not, and will cause all of their respective Affiliates not to provide any of the respective other Representatives with any contact information of any Plan Participants or Plan Beneficiaries, except for those Representatives of the Insurer or any of its Affiliates who need to know such information for purposes of the Transactions and agree to comply with the requirements of this Section 6.08 and Section 11.13 ; provided that this Section 6.08 shall not restrict employees of the retirement services business unit of the Insurer from contacting any Plan Participant or Plan Beneficiary in connection with, or to facilitate, the performance by the Insurer of its obligations under the Group Annuity Contract, the Annuity Certificates or this Article VI or Article VII . In the event that any Plan Participant or Plan Beneficiary contacts the Insurer or any of its Affiliates (including, without limitation, any employee of the retirement services business unit of the Insurer), the Insurer and the

Company will cooperate to coordinate a response to such Plan Participant or Plan Beneficiary.

6.09 Company Contributions to the Plan. The Company shall make contributions to the Plan using the methodology set forth in Schedule 8.03(f) not less than five Business Days prior to the Closing Date.

VII. OTHER COVENANTS

7.01 Company Actions. Except as otherwise expressly contemplated by this Agreement, following the Closing Date, the Company will use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on their part to effectuate the Transactions.

7.02 Insurer Actions. Following the Closing Date, the Insurer will, or will (with the exception of subsection (d), which applies to the Insurer) cause the Other Insurer to do the following as agent for the Insurer:

(a) mail an Annuity Certificate to each Covered Life at the last address designated for such Covered Life by the Company or Plan, such mailing to be made as promptly as practicable but in no event later than the later to occur of (i) 75 days after the Annuity Commencement Date and (ii) 30 days after the form of Annuity Certificate is approved by the Texas Department of Insurance (provided , however , that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” in clause (ii) will be deemed to be “60 days”); provided , however , that, solely with respect to any form of Annuity Certificate issuable to a Covered Life that must be approved by the relevant state insurance Governmental Authorities in any state (other than Texas) but has not been approved by the later to occur of clause (i) and (ii), then the Insurer will mail such Annuity Certificate to the relevant Covered Life (by delivery of such Annuity Certificate to the last address designated for such Covered Life by the Company) as promptly as reasonably practicable and in any case within 30 days following the date on which such Annuity Certificate has been approved by such relevant state insurance Governmental Authority (provided , however , that if such approval results in a need for the Insurer to make any non-de minimis changes in its programming in order to prepare such Annuity Certificates, the reference to “30 days” will be deemed to be “60 days”); provided , further , that, notwithstanding the foregoing, (x) the Insurer shall not be required to mail an Annuity Certificate to any Covered Life pursuant to this Section 7.02(a) until the Other Insurer has received the applicable approvals by the relevant state insurance Governmental Authority to mail an annuity certificate to any such Covered Life and (y) the Insurer shall use its Commercially Reasonable Efforts to cause its Annuity Certificate to be mailed in the same package as the annuity certificate of the Other Insurer;

(b) make or cause to be made all Annuity Payments on a timely basis to each Covered Life, Contingent Life, and Beneficiary, as required under the Group Annuity Contract, from and after the Insurer Payment Commencement Date;

(c) at the request of the Company, include a notice, provided by the Company and reasonably acceptable to the Insurer, regarding Annuity Certificates in the Insurer's "welcome" mailing to the Covered Lives and Contingent Lives, or other subsequent mailings made by the Insurer to the Covered Lives and Contingent Lives; and

(d) use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on its part to effectuate the Transactions, provided, however, that the Insurer shall use reasonable best efforts to obtain Governmental Approval of the Annuity Certificates.

7.03 Correspondence Center. (a) The Insurer, or the Other Insurer as agent for the Insurer pursuant to the Administrative Services Agreement, will maintain, at its cost and expense, a toll-free phone number or a website (the "Annuity Benefits Correspondence Center") which will be available from and after the Closing for Covered Lives and Contingent Lives to call with questions related to the Group Annuity Contract and the Annuity Certificates, it being understood that the Annuity Benefits Correspondence Center need not be solely dedicated to Covered Lives and Contingent Lives.

(b) For a period of five years following the Closing, the Company will maintain, at its cost and expense, a point of contact (the "Kimberly-Clark Benefits Center") which will be available from and after the Closing and to which the Insurer may refer Covered Lives and Contingent Lives that pose questions to the Annuity Benefits Correspondence Center related to their Plan benefits, it being understood that the Kimberly-Clark Benefits Center need not be solely dedicated to Covered Lives and Contingent Lives.

(c) In the event that any Covered Life, Contingent Life, or Beneficiary contacts the Insurer or any of its Affiliates or representatives with questions related to their Plan benefits, the Insurer, or its Affiliates or representatives, as applicable, will confer with the Other Insurer regarding a response, and may refer such person to the Kimberly-Clark Benefits Center. In the event that any Covered Life, Contingent Life or Beneficiary contacts the Company or any of its Affiliates or representatives with questions related to the Group Annuity Contract or the Annuity Certificates, the Company or its Affiliates or representatives, as applicable, may refer such person to the Annuity Benefits Correspondence Center.

7.04 Plan Trustee Agreement. As promptly as practicable after the date hereof, the Independent Fiduciary, the Plan Trustee and the Insurer will enter into the Plan Trustee Agreement in substantially the form set forth on Schedule 7.04 (the "Plan Trustee Agreement").

7.05 Claims Procedures. From and after the Annuity Commencement Date, the Insurer, or the Other Insurer as agent for the Insurer pursuant to the Administrative Services Agreement, will maintain written rules and procedures to govern the submission to the Insurer of claims and requests by Covered Lives and Contingent Lives regarding Annuity Payments. Such written rules and procedures will be consistent with the Insurer's standard rules and procedures (for handling inquiries from annuitants covered by its group annuity contracts), as the same may change from time to time.

7.06 Compliance with Prohibited Transaction Exemptions. From the Signing Date until the Closing Date, (a) the Insurer agrees to keep current the information on Schedule 5.12 by providing the Company on a weekly basis with any updates relating to the formation of any new legal entities or the entry into any agreements with or by investment managers following the Signing Date and (b) the Company will not enter into any agreements with the Insurer or any investment manager listed on Schedule 5.12 (as it may be updated from time to time) whereby the Insurer or any of its Affiliates would be a fiduciary expressly authorized in writing to manage, acquire or dispose of Plan Assets on a discretionary basis that have been identified as, or are reasonably likely to be included as, a Transferred Asset. If the Insurer discovers the existence of any such agreement, the Insurer will, and will cause its Affiliates to, cease providing any discretionary asset management services with respect to any Plan Asset before such Plan Asset becomes a Transferred Asset and the Company hereby consents to any such termination of services.

VIII. CONDITIONS TO OBLIGATION TO CLOSE

8.01 Conditions to the Company's Obligations. The Company's obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or, other than with respect to the condition set forth in Section 8.01(d) (which cannot be waived), waiver by the Company of the following conditions:

(a) the representations and warranties set forth in Article IV and Article V (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Insurer and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement, (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred, or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(e) the Company shall have confirmed that it may account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement as contemplated under ASC 715;

(f) a Transaction MAC has not occurred that continues as of the Closing Date;

(g) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(h) each delivery contemplated by Section 2.03(a) and Section 2.03(b) shall have been delivered; and

(i) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.02 Conditions to the Insurer's Obligations. The Insurer's obligation to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver by the Insurer of the following conditions:

(a) the representations and warranties in Article III and Article IV (i) that are qualified by materiality will be true and correct in all respects or (ii) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects);

(b) the Company and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(a) and Section 2.03(c) shall have been delivered; and

(e) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.03 Conditions to the Independent Fiduciary's Obligations . The Independent Fiduciary's obligation to, or to direct the Plan Trustee to, consummate the transactions contemplated hereby in connection with the Closing is subject to satisfaction or waiver (provided that the condition in Section 8.03(b) may not be waived) of the following conditions:

(a) (i) the representations and warranties set forth in Article III and Article V (x) that are qualified by materiality will be true and correct in all respects or (y) that are not qualified by materiality will be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date (except that those representations and warranties that address matters only as of a particular date shall be true and correct as of that date in all material respects), and (ii) the Insurer and the Company shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(b) the Independent Fiduciary shall have confirmed that the Transactions continue to satisfy the ERISA Requirements because an Independent Fiduciary MAC has not occurred or, if an Independent Fiduciary MAC has occurred, it is not continuing on the Closing Date;

(c) (i) no Order shall be in effect which prohibits consummation of any transactions contemplated by this Agreement and (ii) no Material Litigation shall have been filed or commenced and then be pending;

(d) each delivery contemplated by Section 2.03(b) and Section 2.03(c) shall have been delivered;

(e) the Administrative Services Agreement has been executed and delivered by each of the parties thereto;

(f) the Plan Assets comprising the "remaining pool assets" (as determined pursuant to Part 1 of Schedule 8.03(f)) as of the Signing Date, have been adjusted through the Closing Date only (except for changes in fair value) pursuant to the methodology set forth in Part 2 of Schedule 8.03(f); and

(g) simultaneously with the Closing, the Other Insurer and the Company have executed the Other Group Annuity Contract.

8.04 No Frustration of Closing Conditions . None of the Company, the Independent Fiduciary or the Insurer may rely on the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in Section 8.01, 8.02 or 8.03, as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' breach of its representations, warranties or covenants hereunder.

IX. INDEMNIFICATION

9.01 Survival. All of the representations and warranties set forth in this Agreement will survive the Closing until the date that is 12 months after the Closing Date; provided, however, that the Fundamental Reps will survive until the date that is six years after the Closing Date; provided further, however, the representation in Section 5.13(b) will not survive the Closing. Notwithstanding the foregoing, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the preceding sentence if written notice of the inaccuracy or breach thereof giving rise to such right of indemnity has been given to the party against whom indemnification may be sought prior to such time.

9.02 Indemnification by the Insurer. From and after the Closing, the Insurer will indemnify, defend and hold the Company, the Plan, the Independent Fiduciary, any other Person acting as fiduciary or agent for the Plan, and their respective Affiliates, officers, directors, stockholders, employees, agents and other Representatives (each, a "Company Indemnified Party") harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any Action, demand or other claim against the Company Indemnified Party by a third party that is threatened or brought against or that involves a Company Indemnified Party and that arises out of or relates to (a) any breach by the Insurer of any representation, warranty or covenant of either such Party under this Agreement or the Ancillary Agreements or (b) any failure by the Insurer to make, or cause to be made, any payments required to be made to Covered Lives or Contingent Lives pursuant to the Group Annuity Contract or the Annuity Certificates (collectively, "Company Indemnified Claims").

9.03 Procedures For Indemnification Claims. (a) Any Company Indemnified Party making a claim for indemnification for Company Indemnified Claims under Section 9.02 will notify the Insurer of each Company Indemnified Claim in writing promptly after receiving notice of such, describing the Company Indemnified Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided, however, that the failure to notify the Insurer will affect the rights of a Company Indemnified Party hereunder only if, and to the extent, such failure has an actual material prejudicial effect on the Insurer's Liabilities with respect to such claim.

(b) The Insurer will have the right at any time to assume the defense against any Company Indemnified Claim with counsel of its choice reasonably satisfactory to the Company Indemnified Party and control the defense of such Company Indemnified Claim.

(c) From and after the date that the Insurer has assumed and is conducting the defense of a Company Indemnified Claim in accordance with Section 9.03(b), (i) the Company Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in, but not control, the defense of such Company

Indemnified Claim, (ii) the Company Indemnified Party may retain counsel at its sole cost and expense to control the defense of any portion of the Action, demand or other claim against the Company Indemnified Party that is not a Company Indemnified Claim (the “ Uncovered Claim ”), (iii) the Insurer and the Company Indemnified Party will cooperate fully with each other and any of their respective counsel in connection with the defense, negotiation or settlement of any such Company Indemnified Claim or (if the Company Indemnified Party retains counsel for the Uncovered Claim) the Uncovered Claim, including providing access to any relevant books and records, properties, employees and Representatives; provided, however, that in no event will Insurer be responsible in any way for any Liabilities or Orders resulting from such Uncovered Claim; provided, further, that for avoidance of doubt, the foregoing will not require any Person to waive, or take any action which has the effect of waiving, its attorney-client privilege, attorney work-product, or any other applicable privilege with respect thereto, (iv) the Insurer will not consent to the entry of any judgment on or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Company Indemnified Party (which will not be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages by the Insurer, and either does not impose an injunction or other equitable relief upon the Company Indemnified Party, or adversely impact the Tax Qualified status of the Plan, or admits liability on the part of any Company Indemnified Party, (v) the Company Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Insurer (which will not be unreasonably withheld, conditioned or delayed), and (vi) the Company Indemnified Party may consent to the entry of any judgment or enter into any settlement with respect to the Uncovered Claim without the prior consent of the Insurer.

(d) If the Insurer has not assumed the defense of a Company Indemnified Claim after notice thereof, (i) the Company Indemnified Party may defend against the Company Indemnified Claim in any manner it reasonably determines to be appropriate, (ii) the Insurer will reimburse the Company Indemnified Party promptly and periodically for the costs of defending against the Company Indemnified Claim (including prompt payment of reasonable attorneys’ fees and expenses allocable to such Company Indemnified Claim) to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder and (iii) the Insurer will remain responsible for any costs the Company Indemnified Party may incur resulting from the Company Indemnified Claim to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder. If the Company Indemnified Party has not assumed the defense of an Uncovered Claim as contemplated by Section 9.03(c)(ii), the Insurer is not responsible in any way for any Liabilities or Orders resulting from not responding to or defending such Uncovered Claim; provided, however, that the Insurer’s responsibility for Company Indemnified Claims will not be altered in any way.

9.04 Claims and Payment. On each occasion that any Company Indemnified Party will be entitled to indemnification under this Article IX, the Insurer will, at each such time, pay the amount of such indemnification within ten Business Days following receipt of an invoice for out-of-pocket expense, fees or other amounts for which it is liable under this Article IX.

X. TERMINATION

10.01 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing as provided below:

(a) by the mutual written consent of the Company and the Insurer;

(b) by the Company if the Closing has not occurred by or on [* * *] after the Signing Date (the “Outside Date”) or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Company if any failure of the Company to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement;

(c) by the Company if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of Insurer or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 8.01(a) or Section 8.01(b) would not be satisfied, and which will not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Insurer or the Independent Fiduciary, as applicable;

(d) by the Insurer if the Closing has not occurred by or on the Outside Date or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, however, that such right to terminate this Agreement will not be available to the Insurer if any action of the Insurer or the failure of the Insurer to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement; and

(e) by the Insurer if there has been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Company or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 8.02(a) or Section 8.02(b) would not be satisfied, and which shall not have been cured prior to 20 Business Days following notice of such misrepresentation or breach to the Company or the Independent Fiduciary, as applicable.

10.02 Effect of Termination; Survival . If this Agreement is terminated pursuant to Section 10.01 , all rights and obligations of the Parties hereunder will terminate upon such termination and will become null and void, except that Section 1.01 (Definitions), Article XI (Miscellaneous) and this Section 10.02 (Effect of Termination; Survival) will survive any such termination and no Party will otherwise have any Liability to any other Party hereunder; provided, however , that nothing in this Section 10.02 will relieve any Party from Liability for any fraud or willful and material breach of this Agreement.

10.03 Extension .

(a) If the Closing is not reasonably expected to occur on or prior to the Outside Date, the Company may deliver a request to the Insurer on or before 5:00 pm eastern time on the Outside Date that the Outside Date be extended (a “ Notice of Extension ”), in which case the Outside Date will be deemed to be extended to [* * *].

(b) If the Company timely delivers a Notice of Extension to the Insurer, the Insurer will use its Commercially Reasonable Efforts to deliver to the Company and the Independent Fiduciary a written, good-faith revision of the Signing Date Amount by [* * *] (a “ Re-Pricing Offer ”), [* * *]. The Company will deliver a written response to the Insurer either accepting or rejecting the Re-Pricing Offer within ten Business Days following the Insurer’s delivery of the Re-Pricing Offer to the Company. If the Company accepts the Re-Pricing Offer, the Parties will (i) set a new Closing Date as soon as reasonably practicable and (ii) cooperate in good faith for a period of ten Business Days to negotiate any amendments to this Agreement, the Ancillary Agreements and the Workbook necessary to implement the terms of the Re-Pricing Offer.

(c) If the Company rejects the Re-Pricing Offer or the Parties do not agree upon amendments necessary to implement the terms of the Re-Pricing Offer within the time frame set forth in Section 10.03(b) , then this Agreement will immediately terminate.

XI. MISCELLANEOUS

11.01 Expenses . Except as otherwise expressly set forth herein, each Party will bear its own costs and expenses incurred in connection with this Agreement and the Transactions, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.

11.02 Entire Agreement . This Agreement and the Ancillary Agreements constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by, among or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. Notwithstanding the foregoing, (a) the IF Engagement Letter will not be superseded by this Agreement or the Ancillary Agreements and (b) nothing in this Agreement will affect the terms or enforceability of the Group Annuity Contract.

11.03 Amendments and Waivers. No amendment of any provision of this Agreement or the Ancillary Agreements will be valid unless the same will be in writing and signed by each Party hereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 11.03. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

11.04 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties, and any attempt to do so will be null and void *ab initio*, without any effect whatsoever.

11.05 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient, (b) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, or (c) when transmitted, if sent by facsimile or electronic mail to those indicated below (including the recipient):

If to the Company:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Charles Ballard, Director, Asset Management
Facsimile: (920) 225.3585
Email: Charles.Ballard@kcc.com

With a copy (which will not constitute notice to the Company) to:

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Attention: Pat Wheeler, Associate General Counsel
Facsimile: (920) 225.4498
Email: pwheeler@kcc.com

Jones Day
51 Louisiana Avenue, NW
Washington, DC 20001
Attention: Evan Miller
Facsimile: (202) 626.1700
Email: emiller@jonesday.com

Jones Day
222 East 41st Street
New York, NY 10017-6792
Attention: George Flemma
Facsimile: (212) 755.7306
Email: gflemma@jonesday.com

If to the Insurer:

Massachusetts Mutual Life Insurance Company
1295 State Street
Springfield, MA 01111
Attention: Jennifer Orzell
Facsimile: (860) 562.6210
Email: jorzell@massmutual.com

With a copy (which will not constitute notice to Insurer) to:

Massachusetts Mutual Life Insurance Company
1295 State Street
Springfield, MA 01111
Attention: Luis Concepcion
Facsimile: (413) 226.4270
Email: lconcepcion@massmutual.com

Sidley Austin LLP
787 Seventh Avenue
New York, NY 10019

Attention: Jeff Liebmann
Facsimile: (212) 839.5300

Email: jliebmann@sidley.com

If to the Independent Fiduciary:

State Street Global Advisors, a division of State Street Bank and Trust
Company
One Lincoln Street
Boston, MA 02111
Attention: Denise Sisk
Facsimile: (617) 946-9434
Email: denise_sisk@ssga.com

With a copy (which will not constitute notice to Independent Fiduciary) to:

K&L Gates LLP
210 Sixth Avenue
Pittsburgh, PA 15222
Attention: Charles R. Smith
Marcia C. Kelson
Facsimile: (412) 355.6501
Email: charles.smith@klgates.com
marcia.kelson@klgates.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 11.05.

11.06 Governing Law. Except to the extent preempted by applicable Federal Law, this Agreement will be governed by, and construed in accordance with, the Laws of the State of New York, without regard to any principles of conflicts of law thereof that would permit or require the application of the Laws of another jurisdiction.

11.07 Submission to Jurisdiction; Service of Process. (a) Each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court, and only federal court if diversity of Parties exists, sitting in New York County, New York in any Dispute arising out of or relating to this Agreement or any Ancillary Agreement and agrees that all claims in respect of such Action may be heard and determined in any such court. Each Party also agrees not to bring any Action arising out of or relating to this Agreement or any Ancillary Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any Action so brought and waives any bond, surety or other security that might be required

of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 11.05; provided, however, that nothing in this Section 11.07 will affect the right of any Party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that in the course of any Action, if the Insurer elects to, based on the opinion of counsel, produce or otherwise disclose any [* * *], to the Company, the Independent Fiduciary or their respective Affiliates or Representatives (for the avoidance of doubt, nothing herein will obligate the Insurer or any of its Affiliates or Representatives to make such disclosure), the Company and the Independent Fiduciary will consent to the filing of, and the Parties will use their all reasonable efforts to move for and urge the court to adopt, a protective order implementing terms reasonably satisfactory to the Insurer to limit the disclosure of such [* * *] and ensure the strictly confidential treatment thereof, including requiring such [* * *] or copies thereof following the conclusion of any such Action; provided, however, that in no case will the Company be required to take any steps that would compromise the ability of the Company to prosecute or defend the Action or otherwise prejudice the Company's position (including any restrictions on the ability of Company experts to review, access and analyze any materials that the Company determines are relevant to such prosecution or defense); provided, further, that the Company and the Independent Fiduciary agree that it will not be considered unreasonable for the Insurer to seek a protective order that prevents disclosure of such information in such a way that it would be reasonably likely to become available to competitors of the Insurer or other third parties not involved in any such Action.

11.08 Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

11.09 Specific Performance. The Parties agree that irreparable damage would occur if any of the provisions of this Agreement or the Ancillary Agreements were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an injunction or injunctions to prevent breaches of this Agreement or any Ancillary Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement or any Ancillary Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. Without limiting the generality of the foregoing, the Parties acknowledge and agree that the Insurer will be entitled to enforce specifically the obligations of the Independent Fiduciary set forth in this Agreement to irrevocably direct the Plan Trustee to act in accordance with this Agreement and the Ancillary Agreements. The Parties further agree that (a) by seeking the remedies provided for in this Section 11.09, a Party

will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement or any Ancillary Agreement (including monetary damages) if the remedies provided for in this Section 11.09 are not available or otherwise are not granted, and (b) nothing set forth in this Section 11.09 will require any Party hereto to institute any Action for (or limit any Party's right to institute any Action for) specific performance under this Section 11.09 prior or as a condition to exercising any termination right under Article X, nor will the commencement of any Action pursuant to this Section 11.09 or anything set forth in this Section 11.09 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of Article X, or pursue any other remedies under this Agreement that may be available then or thereafter.

11.10 Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement; provided, however, that if any of the material provisions of this Agreement are held illegal, invalid or unenforceable, this entire Agreement will be null and void. If any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions will be limited or eliminated only to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

11.11 No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the Parties and the respective successors and permitted assigns of the foregoing.

11.12 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 11.05 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

11.13 Confidentiality. (a) It is understood that each Party has received and will receive Confidential Information from the other Parties in connection with the negotiation of this Agreement and the Ancillary Agreements as well as in previous discussions and interactions involving the matters addressed by this Agreement and the Ancillary Agreement. Except as set forth herein (including except as expressly permitted or contemplated by the other provisions of this Agreement), the Parties will not use the Confidential Information of another disclosing Party except in connection with the performance of their respective obligations under this Agreement and will not disclose (and will cause their respective Representatives, Affiliates, and Affiliates' Representatives not to disclose) any Confidential Information received from another Party, the Plan, or their Affiliates or Representatives, except to such receiving Party's Representatives, Affiliates, and Affiliates' Representatives, who have a need to know

[* * *] and have agreed to maintain the confidentiality of Confidential Information in accordance with this Section 11.13.

(b) Section 11.13(a) will not apply with respect to Confidential Information that the receiving Party can demonstrate is or was:

(i) already known to such Party or its Affiliates or Representatives prior to the confidential disclosure by the disclosing Party or any of its affiliates or Representatives;

(ii) independently developed by the receiving Party or its Affiliates or Representatives not in violation or breach of this Agreement or any other confidentiality obligation to the disclosing Party (such as the Confidentiality Agreements or any retention agreement with a firm or professional in connection with this Agreement);

(iii) already known to the public without breach of confidence by such Party or any of its Affiliates;

(iv) received by the receiving Party from a third party without restrictions on its use in favor of the disclosing Party, whether by Law or Contract; or

(v) subject to prior compliance with Section 11.13(c), required to be disclosed pursuant to any applicable Law, stock exchange regulation, regulatory provision, court order, subpoena or other legal process.

(c) Section 11.13(a) will not apply from and after the Closing to restrict the use or disclosure by the Insurer of any Confidential Information related to Priced Lives, Annuity Payments, or [* * *], received from another disclosing Party; provided, however, that the Insurer will use such Confidential Information only in compliance with all applicable Laws relating to privacy of personally identifying information. For the avoidance of doubt, this Section 11.13(c) does not apply to Confidential Information regarding the Company or the Plan (other than to the extent required in connection with the Group Annuity Contract).

(d) Except as otherwise provided in this Agreement, if any Party, its Representatives, its Affiliates or its Affiliates' Representatives, receives a request, subpoena, demand, or order for disclosure or becomes required by Law or stock exchange rule or regulation to disclose any Confidential Information (a "Compelled Disclosing Party"), such Compelled Disclosing Party will promptly, and in no case more than five Business Days following receipt of such a request, subpoena, demand, or order (so long as it is legally permitted to provide such notification), notify the other Parties to afford them the opportunity to object or seek a protective order or other remedy, including a protective order requiring Confidential Information to be submitted under seal and for the return and destruction of Confidential Information or copies thereof following the conclusion of any Action, prior to the disclosure of any such

Confidential Information. The Compelled Disclosing Party will, to the extent permitted by Law, cooperate with the other Party's or Parties' efforts to obtain such protective order, at such other Party's or Parties' cost and expense. In the event that such protective order or other remedy is not sought or obtained, only that portion of Confidential Information which the Compelled Disclosing Party in good faith believes is legally required to be provided may be disclosed and such Compelled Disclosing Party will request that appropriate confidential treatment will be accorded to such Confidential Information.

(e) The Parties acknowledge and agree that this Section 11.13 will supersede the Confidentiality Agreements. Notwithstanding the foregoing, this Section 11.13(e) will not relieve any party from Liability for breaches of the Confidentiality Agreement that have occurred prior to the date hereof.

11.14 Waiver of Punitive Damages. To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement, none of the Parties will be liable to any other Party for any punitive or exemplary damages of any nature in respect of matters arising out of this Agreement, whether arising out of breach of contract, negligence, tort, strict liability or any other legal or equitable principle. The foregoing sentence will not preclude recovery of amounts claimed in a Company Indemnified Claim to the extent that claims for such amounts are subject to indemnification under this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**MASSACHUSETTS MUTUAL LIFE INSURANCE
COMPANY**

By: /s/ Elaine A. Sarsynski
Name: Elaine A. Sarsynski
Title: Executive Vice President

KIMBERLY-CLARK CORPORATION

By: /s/ Mark A. Buthman
Name: Mark A. Buthman
Title: Senior Vice President and Chief
Financial Officer

STATE STREET BANK AND TRUST COMPANY, acting
solely in its capacity as Independent Fiduciary of the Plan

By: /s/ Sydney Marzeotti
Name: Sydney Marzeotti
Title: Vice President

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CONFIDENTIAL TREATMENT REQUESTED BY KIMBERLY-CLARK CORPORATION - CONFIDENTIAL PORTIONS OF THIS DOCUMENT HAVE BEEN
REDACTED AND HAVE BEEN SEPARATELY FILED WITH THE COMMISSION

CONFIDENTIAL MATERIAL REDACTED AND SEPARATELY FILED WITH THE COMMISSION

**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award, granted on _____, by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), to _____ (the "Participant") is subject to the terms and conditions of the 2011 Equity Participation Plan (the "Plan") and the Award Agreement, including any country-specific terms and conditions contained in Appendix A to this Award Agreement.

WITNESSETH:

WHEREAS, the Corporation has adopted the Plan to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's and its Affiliate's long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Participant Performance Restricted Stock Units ("PRSUs") at the target level of _____ (the "Target Level"), subject to the terms, conditions and restrictions set forth herein and in the Plan, and the Corporation's attainment of the Performance Goals established by the Committee as set forth on Appendix A-1. The actual number of PRSUs earned by the Participant at the end of the Restricted Period may range from 0 to 200% of the Target Level.
2. Transferability Restrictions.
 - (a) Restricted Period. During the Restricted Period, the Participant may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award, and any such attempted sale, assignment, transfer, pledge or disposal shall be void. Except as provided under paragraph 2, the Award, including any accrued dividend equivalents, shall be subject to forfeiture until the end of the Restricted Period. Participant becomes 100% vested in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee.

The Restricted Period shall begin on the date of the granting of this Award, and shall end on April 29, 2018. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Agreement, nor to vote such shares as the record owner thereof.

During each year in the Restricted Period, the Participant will not be paid dividend equivalents on the unvested PRSUs but the Participant will receive a credit equal to dividends declared on the Corporation's Common Stock which will be reinvested in additional PRSUs at the then fair market value of the Corporation's Common Stock on the date dividends are paid, and the additional PRSUs will be accumulated and paid if and when the PRSUs vest, based on the actual number of PRSUs that vest. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation.

- (b) Termination of Employment. Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon termination of employment unless such termination (i) is due to a Qualified Termination of Employment, or (ii) if more than six months after the Grant Date, due to death, Retirement, Total and Permanent Disability, or the shutdown or divestiture of a business unit. A termination of employment shall not be deemed to have occurred while a Participant is on military leave or other bona fide leave of absence if

the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing sentence, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for purposes of the Plan. A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan.

- (c) Death, Retirement, or Total and Permanent Disability. In the event that more than six months after the Grant Date the Participant's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1) prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period. In the event that more than six months after the Grant Date the Participant's termination of employment is due to Retirement it shall result in 100% vesting in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee, and such Award shall be paid within 70 days following the end of the Restricted Period.

Notwithstanding this Section 2(c), if the Corporation receives an opinion of counsel that there has been a legal judgment and/or legal development in the Participant's jurisdiction that would likely result in the favorable Retirement treatment that applies to the PRSUs under this Section 2(c) being deemed unlawful and/or discriminatory, then the Corporation will not apply the favorable Retirement treatment and PRSUs will be treated as they would under the rules that apply if the Participant's employment with the Corporation or an Affiliate ends for any other reason, as applicable.

- (d) Shutdown or Divestiture. In the event that more than six months after the Grant Date the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1) prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period.
- (e) Qualified Termination of Employment. In the event of a Qualified Termination of Employment the Award which would have otherwise been forfeited will be handled consistent with subsection 14(b) of the Plan and shall be paid within 10 days following the last day of employment of the Participant with the Corporation. Notwithstanding anything in this Agreement to the contrary, the payment of an Award to a Key Employee who has separated from service due to a Qualified Termination of Employment shall be made at the earlier of the first day of the seventh month following the date of separation from service or the end of the Restricted Period. A Key Employee is any Participant who meets the definition of a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code and the regulations promulgated thereunder.
- (f) Payment of Awards. The payment of the Award, including any accrued dividend equivalents accumulated pursuant to Section 2(a), shall be made in shares of Common Stock. Except as may otherwise be provided in

subparagraph 2(e), the payment of an Award shall be made within 70 days following the end of the Restricted Period.

(g) Payment of Withholding Taxes. No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Participant or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation or an Affiliate, as applicable, such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities in relation to this Award. The Corporation may, in its discretion, withhold payment of required withholding taxes with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this paragraph 2.

3. Nontransferability. Neither the Award nor the Participant's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Participant (i) by will, or (ii) by the laws of descent and distribution.
4. Compliance with Law. No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Participant will not constitute a violation of the U.S. Securities Act of 1933, as amended. As a condition of this Award, the Participant shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the U.S. Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Participant is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Participant to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither the Corporation nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties the Participant may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Participant any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Participant whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Participant under this Award.
6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.
7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Participant.
8. Delaware Law to Govern. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware.

9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock of the Corporation purchased for satisfying the requirements of this Award.
10. Notices. Any notice to be given to the Corporation under this Award shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Participant under the terms of this Award may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government or any equivalent non-U.S. postal service.
11. Changes in Capitalization. In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.
12. Effect on Other Plans. All benefits under this Award shall constitute special incentives and shall not affect the level of benefits provided to or received by the Participant (or the Participant's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. This Award shall not be construed to affect in any way the Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.
13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of PRSUs and vesting provisions. The value of the Award is an extraordinary item outside the scope of the Participant's employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
14. Data Privacy. The Participant hereby authorizes their employer to furnish the Corporation (and any agent of the Corporation administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Participant waives any data privacy rights such Participant might otherwise have with respect to such information.
15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.
16. Successors. This Award Agreement, including but not limited to the non-competition obligations described in Section 19 below, shall be binding upon and inure to the benefit of any successor or successors of the Corporation.
17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the U.S. Securities Act of 1933, as amended, the U.S. Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).
18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.
19. Non-Competition Provisions For U.S. Participants Only.
 - (a) During the term of the Participant's employment and for a period of two (2) years following the termination of employment, regardless of the reason for or the manner of termination, unless otherwise

prohibited by state law, the Participant agrees that the Participant shall not, without the written consent of the Corporation, within the United States of America, either directly or indirectly, undertake for a Competitor to perform duties and responsibilities that are the same or substantially similar to those duties and responsibilities that the Participant undertook for the Corporation or an Affiliate, relating to the research, development, production, sales and/or marketing of any health or hygiene product ("Business of the Corporation") competitive with any health or hygiene product for which the Participant had research, development, production, sales and/or marketing duties or responsibilities during the two (2) year period prior to the end of the Participant's employment. As used herein, "Competitor" means any business that is the same or substantially the same as the Business of the Corporation anywhere in the United States. Provided, however, the foregoing restriction shall not apply if the Participant resides and/or primarily works in the State of California.

(b) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant agrees to notify the Corporation in writing prior to accepting new employment, or engaging in any other activity which may violate this Agreement, and the Participant agrees to provide in such notice information concerning the anticipated new employment or activity, including, but not limited to: name of employer; address of employer; name of new team leader; job title; and scope and responsibilities of the new position. The Participant recognizes that such duty of notification is absolute and is not affected by the Participant's belief that such employment may perhaps not violate this Agreement or otherwise be unfairly competitive with the Corporation. The Participant's written notice should be addressed to General Counsel, Attention: Noncompetition and Confidentiality Agreement, Kimberly-Clark Corporation, 351 Phelps Drive, Irving, TX 75038. Provided, however, the foregoing notice requirement shall not apply if the Participant resides and/or primarily works in the State of California.

(c) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant shall provide a copy of Section 19 of this Agreement to each new employer before starting in any new employment. The Participant agrees that the Corporation may notify any third party about the Participant's obligations under Section 19 of this Agreement until such obligations are fulfilled.

(d) If any provision of this Section 19 is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such provision shall be deemed to be severed from the Agreement and such invalidity, illegality or unenforceability will not affect any other provision of the Agreement, all of which shall remain valid and enforceable. Notwithstanding the foregoing, if a court of competent jurisdiction determines that the covenants contained in this Section 19 are unenforceable because they are overbroad in some respect, to the full extent permitted by applicable law, the court should revise or reform any aspect of this Section 19 so as to make the scope of such Section 19 as broad as can be enforced under applicable law.

(e) In the event of an anticipated or actual breach by the Participant of this provision, the Participant acknowledges and agrees that damages would not be an adequate remedy to compensate the Corporation for the harm to the business of the Corporation and, in such event, agrees that the Corporation shall be entitled to a temporary restraining order and to temporary injunctive relief to prevent or terminate such anticipated or actual breach, provided, however, that nothing in this Agreement shall be construed to limit any permanent relief to which the Corporation may be entitled or the damages otherwise recoverable by the Corporation in any such event.

(f) If the Participant violates any aspect of this provision, or any duty of loyalty or confidentiality imposed by law, in addition to any damages that the Participant may be required to pay, the Participant understands and agrees that the Participant shall be required to reimburse the Corporation for all its costs incurred to enforce this Agreement, including but not limited to, all attorneys' fees.

20. Acceptance of Award Terms and Conditions. A Participant has until the end of the one hundred twenty (120) day period beginning from the Grant Date of this Award to accept this Award Agreement. If the Participant does not accept this Award Agreement on or before the end of such one hundred twenty (120) day period then the grant of the Award, as set forth in Section 1, shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

Acknowledgment of Conditions

I understand, acknowledge and agree to the following conditions with respect to the Award granted to me under the Plan:

- The Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended, cancelled or terminated at any time, to the extent permitted by the Plan. The grant of an Award is a voluntary and occasional benefit and does not create any contractual or other right to receive an Award or benefits in lieu of an Award in the future, even if the Awards have been granted in the past. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of Awards, vesting provisions and the exercise price.
- My participation in the Plan is voluntary. Participation in the Plan will not create a right to further employment with my actual employer (the “Employer”) and shall not interfere with the ability of the Employer to terminate my employment relationship at any time. Further, the Award and my participation in the Plan will not be interpreted to form an employment contract or relationship with the Corporation or any Affiliate.
- The Award and the shares of Common Stock subject to the Award, and the income and value of same, are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Corporation or, if different, the Employer, and which are outside the scope of my employment contract, if any, and are not intended to replace any pension rights or compensation. As such, the Award, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension, retirement or welfare benefits or similar payments and in no event shall be considered as compensation for, or relating in any way to, past services for the Corporation, the Employer or any other Affiliate.
- Unless otherwise agreed with the Corporation, the Award and shares of Common Stock subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, any service I may provide as a director of any Affiliate.
- The future value of the underlying shares of Common Stock is unknown, indeterminable, and cannot be predicted with certainty.
- The Award will be subject to any policy adopted by the Corporation relating to the recovery of such Award to the extent it is determined that the Performance Goals were not actually achieved.
- No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of my employment by the Corporation or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Award, to which I am otherwise not entitled, I irrevocably agree never to institute any claim against the Corporation, the Employer or any other Affiliate, waive my ability, if any, to bring any such claim, and release the Corporation, the Employer and all other Affiliates from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, I shall be deemed irrevocably to have agreed not to pursue such a claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claims.
- In the event of termination of my employment (whether or not in breach of local labor laws and except as otherwise explicitly provided in the Award Agreement of the Plan), my right to receive PRSUs and vest in the Award under the Plan, if any, will terminate effective as of the date that I am no longer actively employed and will not be extended by any notice period mandated under local law (*e.g.* , active employment would not include a period of “garden leave” or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed for purposes of the Award (including whether I may still be considered employed while on a leave of absence).
- The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding participation in the Plan, or my acquisition or sale of the underlying shares of Common Stock. Further, I have been advised to consult with my own advisors regarding participation in the Plan before taking any action related to the Plan.
- Neither the Corporation, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between my local currency and the United States Dollar that may affect the value of the PRSUs or of any amounts due to me pursuant to the settlement of the PRSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.
- Regardless of any action the Corporation or the Employer takes with respect to any or all income tax (including federal, state and local taxes), social insurance, fringe benefit tax, payroll tax, payment on account or other tax-related items related

to my participation in the Plan and legally applicable to me (“Tax-Related Items”), I acknowledge that the ultimate liability for all Tax-Related Items is and remains my responsibility and may exceed the amount actually withheld by the Corporation or the Employer. I further acknowledge that the Corporation and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the PRSUs, the vesting of PRSUs, the conversion of the PRSUs into shares or the receipt of an equivalent cash payment, the subsequent sale of any shares acquired at vesting and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to Tax-Related Items in more than one jurisdiction, I acknowledge that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

- Prior to the relevant taxable or tax withholding event, as applicable, I shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employer to satisfy or account for all Tax-Related Items. In this regard, I authorize the Corporation or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations with regard to all Tax-Related Items by one or a combination of the following:
 - (1) withholding from my wages or other cash compensation paid to me by the Corporation and/or the Employer; or
 - (2) withholding from the proceeds of the sale of shares acquired upon vesting of the Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on my behalf, pursuant to this authorization); or
 - (3) withholding shares to be issued upon vesting of the Award
- To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case I will receive a refund of any over-withheld amount in cash and will have no entitlement to the common stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, I am deemed to have been issued the full number of shares subject to the Award, notwithstanding that a number of shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of my participation in the Plan.
- I shall pay to the Corporation or to the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of my participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to deliver shares or the proceeds of the sale of shares to me if I fail to comply with my obligations in connection with the Tax-Related Items.
- ***I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement by and among, as applicable, my Employer, the Corporation, and its other Affiliates for the exclusive purpose of implementing, administering and managing my participation in the Plan.***
- ***I understand that the Corporation and my Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in my favor (“Data”), for the purpose of implementing, administering and managing the Plan.***
- ***I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in***

writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me PRSUs or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

- The Plan and the Award are governed by and subject to U.S. law. Interpretation of the Plan and my rights under the Plan will be governed by provisions of U.S. law. For purposes of litigating any dispute that arises under this Award or Award Agreement, the parties submit to and consent to the jurisdiction of the State of Delaware, and agree that such litigation shall be conducted in the federal courts for the United States for the Northern District of Texas, and no other courts, where this Award is made and/or to be performed; and waive, to the fullest extent permitted by law, any objection that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in any such court is improper or that such proceedings have been brought in an inconvenient forum.
- I understand that I am solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses or notices, which may be necessary for my Award, to acquire the shares or to hold or sell the shares subject to the PRSU award. Neither the Corporation nor its Affiliates will be responsible for obtaining such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties I may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.
- The provisions of this Award Agreement are severable and if one or more of the provisions of this Award Agreement shall be held invalid, illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nonetheless be binding and enforceable. To the extent that any provisions of this Award Agreement are held to be invalid or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Award Agreement to be construed so as to foster the intent of this Award Agreement and the Plan.
- If I have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
- Notwithstanding any provisions in this Award Agreement, the Award shall be subject to any special terms and conditions set forth in Appendix A to this Award Agreement for my country. Moreover, if I relocate to one of the countries included in Appendix A, the special terms and conditions for such country will apply to me, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Award Agreement.
- For U.S. Participants only: I acknowledge that the grant of an Award is expressly conditioned on the non-competition provisions set forth in Section 19.
- The Corporation reserves the right to impose other requirements on my participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
- The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. I hereby consent to receive such documents by on-line delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third-party designated by the Corporation.
- A waiver by the Corporation of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by me or any other participant.
- I may be subject to insider trading restrictions and/or market abuse laws, which may affect my ability to acquire or sell shares of Common Stock or rights to shares of Common Stock (e.g. , PRSUs) under the Plan during such times as I am considered to have “inside information” regarding the Corporation (as defined by the laws in my country). Any restrictions

under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. I am responsible for ensuring my compliance with any applicable restrictions and am advised to speak with my personal legal advisor on this matter.

- My country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect my ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares acquired under the Plan) in a brokerage or bank account outside my country. I may be required to report such accounts, assets or transactions to the tax or other authorities in my country. I also may be required to repatriate sale proceeds or other funds received as a result of my participation in the Plan to my country through a designated bank or broker within a certain time after receipt. I acknowledge that it is my responsibility to be compliant with such regulations, and that I am advised to consult my personal legal advisor for any details.
- I acknowledge that I have reviewed the Corporation's Code of Conduct. I further acknowledge that I understand the terms and standards contained in that Code of Conduct and specifically acknowledge that I have an obligation to report suspected violations of the Code of Conduct pursuant to the Corporation's Escalation Policy.

Conclusion and Acceptance

I accept this grant via electronic signature by clicking the "Accept" icon and certify that I have read, understand and agree to the terms and conditions of the 2011 Equity Participation Plan (the "Plan"), the provisions of the applicable Award Agreement and all other applicable documents (including any country-specific terms applicable to my grant). I hereby authorize the Employer to furnish the Corporation (and any agent administering the Plan or providing recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and enable administration of the Plan and I understand that such information shall be used only as long and to the extent necessary to administer my participation in the Plan. I agree that my participation in the Plan and the Awards granted to me under the Plan will be governed solely by provisions of U.S. law.

**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

APPENDIX A

Certain capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or the Award Agreement.

This Appendix A includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant resides and/or works in one of the countries listed below.

This Appendix A also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of March 2015. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information noted herein as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at vesting of the Award or the subsequent sale of the shares or receipt of any dividends or dividend equivalents.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working, transferred or transfers employment after the Award is granted or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant. The Corporation shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to the Participant in such circumstances.

ARGENTINA

Securities Law Information

Neither the PRSUs nor the shares of Common Stock subject to the PRSUs are publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to the supervision of any Argentine governmental authority.

Foreign Asset/Account Reporting Information

Argentine residents must report any shares of common stock acquired under the Plan and held on December 31st of each year on their annual tax return for the year.

Exchange Control Information

If the Participant transfers proceeds from the sale of shares of Common Stock or the receipt of any dividends paid on such shares into Argentina within 10 days of sale/receipt (*i.e.* , if the proceeds have not been held in a U.S. bank or brokerage account for at least 10 days prior to transfer), the Participant must deposit 30% of the proceeds into a non-interest bearing account in Argentina for 365 days. If the Participant has satisfied the 10-day holding obligation, the Argentine bank handling the transaction may request certain documentation in connection with the Participant's request to transfer proceeds into Argentina, including evidence of the sale and proof of the source of funds used to purchase the shares of Common Stock. If the bank determines that the 10-day rule or any other rule or regulation promulgated by the Argentine Central Bank has not been satisfied, it will require that 30% of the transfer amount be placed in a non-interest bearing dollar denominated mandatory deposit account for a holding period of 365 days.

The Participant must comply with any and all Argentine currency exchange restrictions, approvals and reporting requirements in connection with the vesting of the PRSUs and the subsequent sale of any shares acquired at vesting.

Please note that exchange control regulations in Argentina are subject to frequent change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations the Participant may have in connection with the Participant's participation in the Plan.

AUSTRALIA

Shutdown or Divestiture

The following provision replaces Section 2(d) of the Award Agreement.

In the event that, more than six months after the Grant Date, the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro rata vesting. This pro-rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) and prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment. Any fractional share of the Corporation resulting from such a prorated Award shall be rounded to the nearest whole share. The Award shall be paid as soon as practicable after the termination of the Participant's employment.

Award Forfeited on Termination of Employment

Except for the shutdown or divestiture of a business unit, as described above, and notwithstanding any other provision in the Award Agreement, Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon any termination of employment including, but not limited to, any termination that is due to a Qualified Termination of Employment, death, Retirement or Total and Permanent Disability.

Securities Law Notice

If the Participant acquires shares of the Corporation's Common Stock pursuant to this Award and the Participant offers his or her shares of the Corporation's Common Stock for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. *The Participant should obtain legal advice on his or her disclosure obligations prior to making any such offer.*

Compliance with Laws

Notwithstanding anything else in the Plan or the Award Agreement, the Participant will not be entitled to and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth.) (the "Act"), any other provision of the Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Employer is under no obligation to seek or obtain the approval of its shareholders in a general meeting for the purpose of overcoming any such limitation or restriction.

Exchange Control Information

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. If an Australian bank is assisting with the transaction, the bank will file the report on the Participant's behalf.

BAHRAIN

There are no country-specific provisions.

BELGIUM

Foreign Asset/Accounting Reporting Information

The Participant is required to report any bank accounts opened and maintained outside Belgium on his or her annual tax return. The Participant is also required to complete a separate report providing the National Bank of Belgium with details regarding any such account, including the account number, the name of the bank in which such account is held and the country in which such account is located.

BOLIVIA

There are no country-specific provisions.

BRAZIL

Compliance with Law

By accepting the Award, the Participant acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the PRSUs, the conversion of the PRSUs into shares or the receipt of an equivalent cash payment, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

Exchange Control Information

If the Participant is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares of Common Stock.

CANADA

Award Payable Only in Shares

Awards granted to Participants in Canada shall be paid in shares of the Corporation's Common Stock only and do not provide any right for Participant to receive a cash payment.

Securities Law Information

The Participant is permitted to sell shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed. The Corporation's shares are currently listed on New York Stock Exchange.

Acknowledgment of Conditions

The following provision supplements the Acknowledgement of Conditions section of the Award Agreement:

For the purposes of this Award Agreement, my termination of employment will be measured effective as of the date that is the earlier of: (1) the date my employment is terminated, (2) the date I receive notice of termination of employment or service from the Employer, or (3) the date I am no longer actively employed or providing services, regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law, and/or common law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed or providing services for purposes of the Award.

Foreign Asset/Account Reporting Information

Foreign property (including shares of Common Stock) held by Canadian residents must be reported annually on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign property exceeds C\$100,000 at any time during the year. Foreign property includes shares of Common Stock acquired under the Plan and may include the PRSUs. The PRSUs must be reported - generally at a nil cost - if the \$100,000 cost threshold is exceeded because of other foreign property the Participant holds. If shares of Common Stock are acquired, their cost generally is the adjusted cost base ("ACB") of the shares. The ACB would normally equal the Fair Market Value of the shares at vesting, but if the Participant owns other shares, this ACB may have to be averaged with the ACB of the other shares. If due, the Form must be filed by April 30 of the following year. The Participant should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

The following provisions apply if the Participant is a resident of Quebec:

Language Consent

The parties acknowledge that it is their express wish that the Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information

The Participant hereby authorizes the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Corporation, any Affiliate and the plan administrators to disclose and discuss the Plan with their advisors. The Participant further authorizes the Corporation and any Affiliate to record such information and to keep such information in the Participant's employee file.

CHILE

Securities Law Information

The PRSUs are granted on April 29, 2015 and are made subject to general ruling n° 336 of the Chilean Superintendence of Securities and Insurance ("SVS"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the SVS, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

La oferta privada de estos PRSUs se inicia en el día 29 de abril de 2015 y se acoge a las disposiciones de la norma de carácter general n° 336 de la Superintendencia de Valores y Seguros de Chile ("SVS"). Esta oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la SVS, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos en Chile, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de los mismos. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el registro de valores correspondiente.

Exchange Control Information

The Participant is not required to repatriate funds obtained from the sale of shares or the receipt of any dividends. However, if the Participant decides to repatriate such funds, the Participant must do so through the Formal Exchange Market if the amount of the funds exceeds US\$10,000. In such case, the Participant must report the payment to a commercial bank or registered foreign exchange office receiving the funds. If the Participant does not repatriate the funds and uses such funds for the payment of other obligations contemplated under a different Chapter of the Foreign Exchange Regulations, the Participant must sign Annex 1 of the Manual of Chapter XII of the Foreign Exchange Regulations and file it directly with the Central Bank within the first 10 days of the month immediately following the transaction.

If the Participant's aggregate investments held outside of Chile meets or exceeds US\$5,000,000 (including the investments made under the Plan), the Participant may need to report the investments quarterly to the Central Bank. Annex 3.1 of Chapter XII of the Foreign Exchange Regulations must be used to file this report.

Please note that exchange control regulations in Chile are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to receiving proceeds from the sale of shares of Common Stock acquired under the Plan.

Annual Tax Reporting Obligation

The Chilean Internal Revenue Service ("CIRS") requires all taxpayers to provide information annually regarding: (i) the taxes paid abroad, which they will use as a credit against Chilean income taxes, and (ii) the results of foreign investments. These annual reporting obligations must be complied with by submitting a sworn statement setting forth this information before March 15 of each year. The forms to be used to submit the sworn statement are Tax Form 1853 "Annual Sworn Statement"

Regarding Credits for Taxes Paid Abroad” and Tax Form 1851 “Annual Sworn Statement Regarding Investments Held Abroad.” If the Participant is not a Chilean citizen and has been a resident in Chile for less than three years, the Participant is exempt from the requirement to file Tax Form 1853. These statements must be submitted electronically through the CIRS website: www.sii.cl.

CHINA

Awards Payable Only in Cash

Notwithstanding anything in the Award Agreement, Awards granted to Participants in China do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant through local payroll.

COLOMBIA

Acknowledgment of Conditions

The following provision supplements the Acknowledgement of Conditions section of the Award Agreement:

I acknowledge that pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of my “salary” for any legal purpose.

COSTA RICA

There are no country-specific provisions.

CZECH REPUBLIC

Exchange Control Information

The Czech National Bank may require the Participant to fulfill certain notification duties in relation to the acquisition of shares of Common Stock and the opening and maintenance of a foreign account. Even in the absence of a request from the CNB the Participant may need to report foreign direct investments with a value of CZK 2,500,000 or more in the aggregate and/or other foreign financial assets with a value of CZK 200,000,000 or more. However, because exchange control regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor prior to the vesting of the PRSUs and the sale of Common Stock to ensure compliance with current regulations. It is the Participant’s responsibility to comply with any applicable Czech exchange control laws.

DENMARK

Danish Stock Option Act

By accepting this Award, the Participant acknowledges that he or she has received a Danish translation of an Employer Statement, which is being provided to comply with the Danish Stock Option Act.

Foreign Asset/Account Reporting Information

If the Participant establishes an account holding shares or an account holding cash outside Denmark, he or she must report the account to the Danish Tax Administration. The form which should be used in this respect can be obtained from a local bank. (These obligations are separate from and in addition to the obligations described below.)

Securities/Tax Reporting Information

If the Participant holds shares of Common Stock acquired under the Plan in a brokerage account with a broker or bank outside Denmark, he or she is required to inform the Danish Tax Administration about the account. For this purpose, the Participant must file a Form V (*Erklaering V*) with the Danish Tax Administration. The Form V must be signed both by the Participant and by the applicable broker or bank where the account is held. By signing the Form V, the broker or bank undertakes to forward information to the Danish Tax Administration concerning the shares in the account without further request each year. By

signing the Form V, the Participant authorizes the Danish Tax Administration to examine the account. In the event that the applicable broker or bank with which the account is held does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Participant acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage account and shares of Common Stock deposited therein to the Danish Tax Administration as part of his or her annual income tax return. By signing the Form V, the Participant authorizes the Danish Tax Administration to examine the account.

In addition, if the Participant opens a brokerage account (or a deposit account with a U.S. bank) for the purpose of holding cash outside Denmark, he or she is also required to inform the Danish Tax Administration about this account. To do so, the Participant must file a Form K (*Erklaering K*) with the Danish Tax Administration. The Form K must be signed both by the Participant and by the applicable broker or bank where the account is held. By signing the Form K, the broker/bank undertakes an obligation, without further request each year, to forward information to the Danish Tax Administration concerning the content of the account. By signing the Form K, the Participant authorizes the Danish Tax Administration to examine the account. In the event that the applicable financial institution (broker or bank) with which the account is held, does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Participant acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account to the Danish Tax Administration as part of the Participant's annual income tax return. By signing the Form K, the Participant authorizes the Danish Tax Administration to examine the account.

DOMINICAN REPUBLIC

There are no country-specific provisions.

ECUADOR

There are no country-specific provisions.

EL SALVADOR

There are no country-specific provisions.

FRANCE

PRSUs Not Tax-Qualified

The Participant understands that this Award is not intended to be French tax-qualified.

Consent to Receive Information in English

By accepting the Award Agreement providing for the terms and conditions of the Participant's Award grant, the Participant confirms having read and understood the documents relating to this grant (the Plan and this Award Agreement) which were provided in English language. The Participant accepts the terms of those documents accordingly.

En acceptant le Contrat d'Attribution décrivant les termes et conditions de l'attribution, le participant confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan U.S. et ce Contrat d'Attribution) qui ont été communiqués en langue anglaise. Le participant accepte les termes en connaissance de cause.

Foreign Asset/Account Reporting Information

If the Participant holds shares of Common Stock outside of France or maintains a foreign bank account, he or she is required to report such to the French tax authorities when filing his or her annual tax return. Further, if the Participant has a foreign account balance exceeding €1,000,000, he or she may have additional monthly reporting obligations. Failure to comply could trigger significant penalties.

GERMANY

Exchange Control Information

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. No report is required for payments less than €12,500. In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock), the report must be made by the 5th day of the month following the month in which the payment was received. Effective from September 2013, the report must be filed electronically. The form of report (“*Allgemeine Meldeportal Statistik*”) can be accessed via the *Bundesbank’s* website (www.bundesbank.de) and is available in both German and English. The Participant is responsible for satisfying the reporting obligation.

GUATEMALA

Language Waiver

By participating in the Plan, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the Plan, the Award Agreement and this Appendix A.

HONDURAS

There are no country-specific provisions.

HONG KONG

Securities Warning

The offer of this Award and the shares of Common Stock subject to this Award do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation or its Affiliates participating in the Plan. The Participant should be aware that the Plan, the Plan prospectus and the contents of this Award Agreement (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the personal use of each Participant and may not be distributed to any other person. The Participant is advised to exercise caution in relation to the offer. If the Participant is in any doubt about any of the contents of the Agreement, including this Appendix A, or the Plan, the Participant should obtain independent professional advice.

Award Payable Only in Shares

Awards granted to Participants in Hong Kong shall be paid in shares of Common Stock only and do not provide any right for the Participant to receive a cash payment.

Sale of Shares

In the event the Award vests within six months of the Grant Date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares acquired prior to the six-month anniversary of the Grant Date. Any shares of common stock acquired under the Plan are accepted as a personal investment.

Occupational Retirement Schemes Ordinance Alert

The Corporation specifically intends that neither the Award nor the Plan will be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”).

INDIA

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in India do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant.

Foreign Asset/Account Reporting Information

The Participant is required to declare foreign bank accounts and any foreign financial assets in his or her annual tax return. It is the Participant's responsibility to comply with this reporting obligation and the Participant should consult with his or her personal tax advisor in this regard.

INDONESIA

Exchange Control Information

If the Participant remits funds into Indonesia, the Indonesian bank through which the transaction is made will submit a report on the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a description of the transaction must be included in the report. Although the bank through which the transaction is made is required to make the report, the Participant must complete a "Transfer Report Form." The Transfer Report Form will be provided to the Participant by the bank through which the transaction is to be made.

ISRAEL

Securities Law Information

The offer of this Award does not constitute a public offering under the Securities Law, 1968.

Immediate Sale Requirement

The Participant understands and agrees that, upon vesting of the Award, the shares of Common Stock acquired at vesting of the Award will be sold immediately. The Participant further agrees that the Corporation is authorized to instruct its designated broker to assist with any mandatory sale of such shares (on the Participant's behalf pursuant to this authorization) and expressly authorizes the Corporation's designated broker to complete the sale of such shares. Upon any such sale of shares, the sale proceeds, less any Tax-Related Items and broker's fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

ITALY

Data Privacy Notice.

This provision replaces in its entirety the data privacy section in the Acknowledgement of Conditions section of the Award Agreement:

I understand that the Employer, the Corporation and any other Affiliate may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation or any Affiliate, details of all Awards, or any other entitlement to shares of Common Stock awarded, cancelled, exercised, vested, unvested or outstanding in the my favor ("Data"), for the exclusive purpose of implementing, managing and administering the Plan. I am aware that providing the Corporation with Data is necessary for the performance of the Plan and that my refusal to provide such Data would make it impossible for the Corporation to perform its contractual obligations and may affect the my ability to participate in the Plan.

The Controller of personal data processing is Kimberly-Clark Corporation with registered offices at 351 Phelps Drive, Irving, Texas 75038, United States of America, and, pursuant to Legislative Decree no. 196/2003, its representative in Italy is Kimberly-Clark s.r.l. at Via Della Rocca, 49, Torino, Italy.

I understand that Data may be transferred to the Corporation or any of its Affiliates, or to any third parties assisting in the implementation, management and administration of the Plan including any transfer required to Merrill Lynch or other third party with whom shares acquired pursuant to the vesting of the Award or cash from the sale of such shares may be deposited. Furthermore, I understand the recipients that may receive, possess, use, retain, and transfer such Data may be located in Italy or elsewhere, including outside the European Union, and that recipients' country (e.g., the United States) may have different data privacy laws and protections than Italy.

I understand that the processing activity, including transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require my consent thereto as the processing is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan. I understand that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

I understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage my participation in the Plan. I understand that, pursuant to Section 7 of the Legislative Decree no. 196/2003, I have the right to, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the Data processing. Furthermore, I am aware that Data will not be used for direct marketing purposes. In addition, I understand that Data provided can be reviewed and questions or complaints can be addressed by contacting my local human resources representative.

Plan Document Acknowledgment

In accepting the grant of this Award, the Participant acknowledges that he or she has received a copy of the Plan and the Award Agreement and has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A.

The Participant acknowledges that he or she has read and specifically and expressly approves the following sections of the Award Agreement: Section 2(g) on Payment of Withholding Taxes; Section 5 on No Right of Continued Employment; Section 8 on Delaware Law to Govern; the section on Acknowledgment of Conditions; and the Data Privacy Notice section included in this Appendix A.

Foreign Asset/Account Reporting Information

Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and shares of Common Stock) which may generate income taxable in Italy are required to report these assets on their annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions.

JAPAN

Foreign Asset/Account Reporting Information

The Participant will be required to report details of any assets (including any shares of Common Stock acquired under the Plan) held outside of Japan as of December 31st of each year, to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th of the following year. The Participant should consult with his or her personal tax advisor as to whether the reporting obligation applies to the Participant and whether the Participant will be required to report details of any outstanding PRSUs or shares of Common Stock by the Participant in the report.

KENYA

There are no country-specific provisions.

KOREA

Exchange Control Information

If the Participant receives U.S. \$500,000 or more from the sale of shares of Common Stock or the receipt of dividends paid on such shares in a single transaction, Korean exchange control laws require the Participant to repatriate the proceeds to Korea within 18 months of the sale/receipt.

Foreign Asset/Account Reporting Information

Korean residents must declare all foreign financial accounts (e.g. , non-Korean bank accounts, brokerage accounts, etc.) in countries that have not entered into an “intergovernmental agreement for automatic exchange of tax information” with Korea to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency). The Participant should consult with his or her personal tax advisor to determine how to value the Participant’s foreign accounts for purposes of this reporting requirement and whether the Participant is required to file a report with respect to such accounts.

MALAYSIA

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgement of Conditions section of the Award Agreement:

I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement by and among, as applicable, my Employer, the Corporation, and its other Affiliates for the exclusive purpose of implementing, administering and managing my participation in the Plan.

I understand that the Corporation and my Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in my favor (“Data”), for the purpose of implementing, administering and managing the Plan.

I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative SiewYun.Cheah@kcc.com at telephone number 603 78068268. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me PRSUs or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

Malaysian Translation:

Saya dengan ini secara eksplisit dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadi saya seperti yang diterangkan dalam Perjanjian Penganugerahan dan apa-apa bahan geran opsyen lain oleh dan di antara, seperti mana yang terpakai, Majikan, Syarikat dan Anak-Anak Syarikat Sekutunya untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan.

Saya memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang saya, termasuk, tetapi tidak terhad kepada, nama saya, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang di Syarikat, butir-butir semua opsyen atau apa-apa hak lain atas syer dalam saham biasa yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah saya (“Data”), untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan.

Saya memahami bahawa Data akan dipindahkan kepada Merrill Lynch, atau pembekal perkhidmatan pelan saham yang mungkin ditetapkan oleh Syarikat pada masa depan yang membantu Syarikat dengan pelaksanaan, pentadbiran dan pengurusan Pelan. Saya memahami bahawa penerima-penerima Data mungkin berada di Amerika Syarikat atau mana-mana tempat lain dan bahawa negara penerima-penerima (contohnya di Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara saya. Saya memahami bahawa saya boleh meminta satu senarai yang mengandungi nama dan alamat penerima-penerima Data yang berpotensi dengan menghubungi wakil sumber manusia tempatan saya SiewYun.Cheah@kcc.com, T: 603 78068268. Saya memberi kuasa kepada Syarikat, Merrill Lynch dan mana-mana penerima-penerima lain yang mungkin membantu Syarikat (pada masa sekarang atau pada masa depan) dengan melaksanakan, mentadbir dan menguruskan Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa Data hanya akan disimpan untuk tempoh yang perlu bagi melaksanakan, mentadbir, dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa saya boleh, pada bila-bila masa, melihat Data, meminta maklumat tambahan mengenai penyimpanan dan pemrosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatan saya. Saya selanjutnya memahami bahawa saya memberi persetujuan ini secara sukarela. Sekiranya saya tidak bersetuju, atau kemudian membatalkan persetujuan saya, status pekerjaan atau perkhidmatan dan kerjaya saya dengan Majikan tidak akan terjejas; satunya akibat jika saya tidak bersetuju atau menarik balik persetujuan saya adalah bahawa Syarikat tidak akan dapat menganugerahkan kepada saya PRSUs atau anugerah ekuiti lain atau mentadbir atau mengekalkan anugerah tersebut. Oleh itu, saya memahami bahawa keengganan atau penarikan balik persetujuan saya boleh menjejaskan keupayaan saya untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan saya untuk memberikan keizinan atau penarikan balik keizinan, saya memahami bahawa saya boleh menghubungi wakil sumber manusia tempatan saya.

Director Notification Obligation

If the Participant is a director of the Corporation's Malaysian Affiliate, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Affiliate in writing when the Participant receives or disposes of an interest (e.g. , an Award or shares) in the Corporation or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Corporation or any related company.

MEXICO

Modification

By accepting the Award, the Participant understands and agrees that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Acknowledgement of the Grant

In accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan and the Award Agreement, including this Appendix A, has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A. The Participant further acknowledges that the Participant has read and specifically and expressly approves the Acknowledgement of Conditions section of the Award Agreement, in which the following is clearly described and established:

- (1) The Participant's participation in the Plan does not constitute an acquired right.
- (2) The Plan and the Participant's participation in the Plan are offered by the Corporation on a wholly discretionary basis.
- (3) The Participant's participation in the Plan is voluntary.
- (4) Neither the Corporation nor any Affiliates are responsible for any decrease in the value of the Award granted and/or shares of Common Stock issued under the Plan.

Labor Acknowledgment and Policy Statement

In accepting the grant of this Award, the Participant expressly recognizes that Kimberly-Clark Corporation, with registered offices at 351 Phelps Drive, Irving, Texas 75038, U.S.A., is solely responsible for the administration of the Plan and that the

Participant's participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between the Participant and the Corporation since the Participant is participating in the Plan on a wholly commercial basis and his or her sole Employer is Kimberly-Clark de Mexico, S.A. de C.V. ("KCC-Mexico"). Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that he or she may derive from participating in the Plan do not establish any rights between the Participant and the Employer, KCC-Mexico and do not form part of the employment conditions and/or benefits provided by KCC-Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that his or her participation in the Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, Kimberly-Clark Corporation reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that he or she does not reserve to him- or herself any action or right to bring any claim against Kimberly-Clark Corporation for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Corporation, its Affiliates, branches, representation offices, its shareholders, officers, agents, or legal representatives with respect to any claim that may arise.

Spanish Translation

Modificación

Al aceptar el Premio, el Participante entiende y acuerda que cualquier modificación al Plan o al Acuerdo o su terminación, no cambiará o disminuirá los términos y condiciones de empleo.

Reconocimiento del Otorgamiento

Al aceptar el Premio, el Participante está de acuerdo en haber recibido una copia del Plan, del Acuerdo incluyendo el presente Anexo "A" y ha revisado el Plan y el Acuerdo, incluyendo este Anexo "A" en su totalidad y comprende y acepta todas las disposiciones previstas en el Plan, en el Acuerdo, incluyendo el presente Anexo "A". Asimismo, el Participante reconoce que ha leído y manifiesta su específica y expresa conformidad con los términos y condiciones establecidos del Acuerdo, en el cual claramente se describe y establece lo siguiente:

- (1) La participación del Participante en el Plan no constituye un derecho adquirido.*
- (2) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía de forma completamente discrecional.*
- (3) La participación del Participante en el Plan es voluntaria.*
- (4) Ni la Compañía ni sus Afiliadas son responsables por la reducción del valor del Premio y/o Acciones Ordinarias emitidas bajo el Plan.*

Reconocimiento de la Legislación Laboral y Declaración de la Política

Al aceptar el otorgamiento de este Premio, el Participante expresamente reconoce que Kimberly-Clark Corporation con oficinas registradas en 351 Phelps Drive, Irving, Texas 75038, U.S.A., es la única responsable por la administración del Plan y que la participación del Participante en el Plan y en su caso la adquisición de las Opciones de Compra de Acciones o Acciones no constituyen ni podrán interpretarse como una relación de trabajo entre el Participante y Kimberly-Clark Corporation, ya que el Participante participa en el Plan en un marco totalmente comercial y su único Patrón lo es Kimberly-Clark de Mexico, S.A. de C.V., con domicilio en Kimberly-Clark de Mexico, S.A. de C.V. Mexico. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar de la participación en el Plan no establecen derecho alguno entre el Participante y el Patrón, Kimberly-Clark de Mexico, S.A. de C.V. y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por Kimberly-Clark de Mexico, S.A. de C.V. y que cualquier modificación al Plan o su terminación no constituye un cambio o impedimento de los términos y condiciones de la relación de trabajo del Participante.

Asimismo, el Participante reconoce que su participación en el Plan es resultado de una decisión unilateral y discrecional de Kimberly-Clark Corporation por lo tanto, Kimberly-Clark Corporation se reserva el absoluto derecho de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente el Participante.

Finalmente, el Participante por este medio declara que no se reserva derecho o acción alguna que ejercitar en contra de Kimberly-Clark Corporation por cualquier compensación o daño en relación con las disposiciones del Plan o de los beneficios

derivados del Plan y por lo tanto, el Participante otorga el más amplio finiquito que en derecho proceda a Kimberly-Clark Corporation, sus afiliadas, subsidiarias, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales en relación con cualquier demanda que pudiera surgir.

NETHERLANDS

There are no country-specific provisions.

NEW ZEALAND

There are no country-specific provisions.

NICARAGUA

There are no country-specific provisions.

NIGERIA

There are no country-specific provisions.

PANAMA

Securities Law Information

Neither this Award nor any shares of Common Stock that the Participant may acquire at vesting of this Award constitute a public offering of securities, as they are available only to eligible employees of the Corporation and its Affiliates.

PARAGUAY

There are no country-specific provisions.

PERU

Securities Law Information

The offer of this Award is considered a private offering in Peru; therefore, it is not subject to registration in Peru.

PHILIPPINES

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in the Philippines do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash in an amount equal to the value of shares of Common Stock at vesting less any Tax-Related Items. Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to Participant.

POLAND

Exchange Control Information

If the Participant holds foreign securities (including shares of Common Stock) or maintains accounts abroad, the Employee must report information on transactions and balances of the securities and cash deposited in such accounts to the National Bank of Poland if the value of such securities and cash (when combined with all other assets held abroad) exceeds PLN 7,000,000. If required, the reports are due on a quarterly basis. Polish residents are also required to transfer funds through a bank account in Poland if the transferred amount in any single transaction exceeds a specified threshold (currently €15,000). Further, upon the request of a Polish bank, Polish residents are required to inform the bank about all foreign exchange transactions performed through such bank. In addition, Polish residents are required to store documents connected with any foreign exchange transaction for a period of five years, as measured from the end of the year in which such transaction occurred.

The Participant should consult with his or her personal legal advisor to determine what he or she must do to fulfill any applicable reporting/exchange control duties.

PORTUGAL

Language Consent

The Participant hereby expressly declares that he or she has full knowledge of the English language and has read, understood and fully accepted and agreed to the terms and conditions established in the Plan and the Award Agreement.

Conhecimento da Língua.

O Participante pelo presente declara expressamente que tem pleno conhecimento da língua inglesa e que leu, compreendeu e livremente aceitou e concordou com os termos e condições estabelecidas no Plano e no Acordo de Atribuição

Exchange Control Information

If the Participant receives shares of Common Stock upon vesting of the Award, the acquisition of the shares should be reported to the Banco de Portugal for statistical purposes. If the shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will submit the report on the Participant's behalf. If the shares are not deposited with a commercial bank or financial intermediary in Portugal, the Participant is responsible for submitting the report to the Banco de Portugal.

PUERTO RICO

There are no country-specific provisions.

RUSSIA

Securities Law Information

This Award Agreement, the Plan and all other materials the Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of shares of Common Stock under the Plan has not and will not be registered in Russia and hence the shares described in any Plan-related documents may not be offered or placed in public circulation in Russia.

Please note that, under the Russian law, the Participant is not permitted to sell the Corporation's shares directly to other Russian individuals and the Participant is not permitted to bring share certificates into Russia.

Exchange Control Information

Under current exchange control regulations, the Participant must repatriate the cash proceeds resulting from sale of the shares of Common Stock to Russia. Such proceeds must be initially credited to the Participant through a foreign currency account opened in the Participant's name at an authorized bank in Russia. After the funds are initially received in Russia, they may be further remitted to a foreign bank in accordance with Russian exchange control laws. However, dividends (but not dividend equivalents) can be held in a foreign currency account at a foreign individual bank account opened in certain countries (including the United States).

The Participant is strongly advised to contact his or her personal advisor regarding the Participant's obligation's resulting from participation in the Plan as significant penalties may apply in the case of non-compliance with exchange control requirement and because such exchange control requirements may change.

Data Privacy Notice

This provision supplements the Data Privacy section in the Acknowledgements and Conditions section of the Award Agreement:

The Participant understands and agrees that he or she must complete and return a Consent to Processing of Personal Data (the "Consent") form to the Corporation if requested. Further, the Participant understands and agrees that if the

Participant does not complete and return a Consent form to the Corporation if requested, the Corporation will not be able to grant PRSUs to the Participant or other awards or administer or maintain such awards. Therefore, the Participant understands that refusing to complete a Consent form or withdrawing his or her consent may affect the Participant's ability to participate in the Plan.

Anti-Corruption Information

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (e.g., shares of foreign companies such as the Company). Accordingly, the Participant should inform the Corporation if he or she is covered by these laws because the Participant should not hold shares of common stock acquired under the Plan.

SINGAPORE

Securities Law Information

The Award is being made pursuant to the "Qualifying Person" exemption" under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that the Award is subject to section 257 of the SFA and the Participant will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock subject to the Award in Singapore, unless such sale or offer is made (a) after six months of the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Chief Executive Officer and Director Notification Obligation

If the Participant is the Chief Executive Officer ("CEO") or a director, associate director or shadow director of the Corporation's Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Corporation's Singapore Affiliate in writing when the Participant receives an interest (e.g. , an Award or shares) in the Corporation or any Affiliate. In addition, the Participant must notify the Corporation's Singapore Affiliate when he or she sells shares of the Corporation or of any Affiliate (including when the Participant sells shares issued upon vesting and settlement of the Award). These notifications must be made within two business days of acquiring or disposing of any interest in the Corporation or any Affiliate. In addition, a notification of the Participant's interests in the Corporation or any Affiliate must be made within two business days of becoming the CEO or a director, associate director or shadow director.

SLOVAK REPUBLIC

Foreign Asset/Account Reporting Information

If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, *podnikateľ*), the Participant will be obligated to report his or her foreign assets (including any foreign securities) to the National Bank of Slovakia (provided that the value of the foreign assets exceeds an amount of €2,000,000). These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

SLOVENIA

There are no country-specific provisions.

SOUTH AFRICA

Tax Acknowledgment

By accepting the Award, the Participant agrees to notify the Employer of the amount of any gain realized upon vesting of the Award. If the Participant fails to advise the Employer of the gain realized upon vesting, the Participant may be liable for a fine. The Participant will be responsible for paying any difference between the actual tax liability and the amount withheld.

Exchange Control Information

To participate in the Plan, the Participant must comply with exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa.

Because the Exchange Control Regulations change frequently and without notice, the Participant understands that he or she should consult a legal advisor prior to the acquisition or sale of shares under the Plan to ensure compliance with current regulations. The Participant understands that it is his or her responsibility to comply with South African exchange control laws, and neither the Corporation nor the Employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

SPAIN

Securities Law Information

No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the grant of this Award. The Award Agreement (including this Appendix A) has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Termination of Employment

For purposes of this Award, a termination of employment includes a termination that is deemed an “unfair dismissal” or a “constructive dismissal.”

Labor Law Acknowledgment

By accepting the Award, the Participant acknowledges that he or she understands and agrees to participation in the Plan and that he or she has received a copy of the Plan.

The Participant understands that the Corporation has unilaterally, gratuitously and discretionally decided to grant Awards under the Plan to individuals who may be employees of the Corporation or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Corporation or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Corporation or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant since the future value of the Award and the underlying shares is unknown and unpredictable. In addition, the Participant understands that this grant would not be made but for the assumptions and conditions referred to above; thus, the Participant understands, acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the Award shall be null and void.

Further, the Participant understands that the Award is a conditional right. Participant shall forfeit any unvested Award upon termination of employment unless such termination is (i) due to a Qualified Termination of Employment, or (ii) if more than six months after the Grant Date, due to death, Total and Permanent Disability, or the shutdown or divestiture of a business unit. Vesting will cease, for example, regardless of whether (1) the Participant is considered to be unfairly dismissed without good cause (i.e., subject to a “despido improcedente”); (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates his or her employment or service relationship due to a change of work location, duties or any other employment or contractual condition; and (4) the Participant terminates his or her employment or service relationship due to a unilateral breach of contract by the Corporation or an Affiliate. Consequently, upon termination of the Participant’s employment or service relationship for any of the above reasons, the Participant may automatically lose any rights to the PRSUs that were not vested on the date of termination of the Participant’s employment or service relationship, as described in the Plan and the Award Agreement.

Exchange Control Information

The acquisition, ownership and sale of shares of Common Stock under the Plan must be declared to the Spanish Dirección

General de Comercio e Inversiones (the “DGCI”), which is a department of the Ministry of Economy and Competitiveness. The participant must also declare ownership of any shares of Common Stock by filing a Form D-6 with the Directorate of Foreign Transactions each January while the shares of Common Stock are owned. In addition, the sale of shares of Common Stock must also be declared on Form D-6 filed with the DGCI in January, unless the sale proceeds exceed the applicable threshold (currently €1,502,530) (or the Participant holds 10% or more of the share capital of the Corporation or such other amount that would entitle the Participant to join the Corporation's Board of Directors), in which case, the filing is due within one month after the sale.

When receiving foreign currency payments derived from the ownership of shares of Common Stock (*e.g.* , sale proceeds) exceeding €50,000, the Participant must inform the financial institution receiving the payment of the basis upon which such payment is made. The Participant will need to provide the institution with the following information: (i) the Participant's name, address, and tax identification number; (ii) the name and corporate domicile of the Corporation; (iii) the amount of the payment; the currency used; (iv) the country of origin; (v) the reasons for the payment; and (vi) further information that may be required.

The Participant is required to declare electronically to the Bank of Spain any securities accounts (including brokerage accounts held abroad), any foreign instruments (including any shares of Common Stock acquired under the Plan) and any transactions with non-Spanish residents (including any payments of shares of Common Stock made to the Participant by the Corporation) if the value of the transactions for all such accounts during the prior year or the balances in such accounts as of December 31 of the prior year exceeds €1,000,000. If neither the total balances nor total transactions with non-residents during the relevant period exceed €50,000,000, a summarized form declaration may be used. More frequent reporting is required if such transaction value or account balance exceeds €100,000,000.

Foreign Asset/Account Reporting Information

If the Participant holds rights or assets (*e.g.* , shares of Common Stock or cash held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset (*e.g.* , shares of Common Stock, cash, etc.) as of December 31 each year, the Participant is required to report certain information regarding such rights and assets on tax form 720. After such rights and/or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000. The reporting must be completed by the following March 31.

SWEDEN

There are no country-specific provisions.

SWITZERLAND

Securities Law Information

The Awards offered by the Corporation are considered a private offering in Switzerland; therefore, such offer is not subject to registration in Switzerland. Neither this document nor any other materials relating to the Awards constitute a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the Awards may be publicly distributed nor otherwise made publicly available in Switzerland.

TAIWAN

Securities Law Information

The offer of participation in the Plan is available only for employees of the Corporation and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information

The Participant may acquire and remit foreign currency (including proceeds from the sale of shares of Common Stock or the receipt of dividends) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.

If the transaction amount is US\$500,000 or more in a single transaction, the Participant may be required to provide additional supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

THAILAND

Exchange Control Information

If the proceeds from the sale of shares of Common Stock or the receipt of dividends paid on such shares are equal to or greater than US\$50,000 in a single transaction, the Participant must repatriate all cash proceeds to Thailand immediately following the receipt of the cash proceeds and then either convert such proceeds to Thai Baht or deposit the proceeds into a foreign currency account opened with a commercial bank in Thailand within 360 days of repatriation. In addition, the Participant must specifically report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. If the Participant fails to comply with these obligations, the Participant may be subject to penalties assessed by the Bank of Thailand.

The Participant should consult his or her personal advisor prior to taking any action with respect to remittance of cash proceeds into Thailand. The Participant is responsible for ensuring compliance with all exchange control laws in Thailand.

TRINIDAD & TOBAGO

There are no country-specific provisions.

TURKEY

Securities Law Information

Under Turkish law, the Participant is not permitted to sell shares of Common Stock acquired under the Plan in Turkey. The Participant must sell the shares of Common Stock acquired under the Plan outside of Turkey. The Shares are currently traded on the New York Stock Exchange in the U.S. under the ticket symbol "KMB" and shares of Common Stock may be sold on this exchange.

Exchange Control Information

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, the Participant may be required to appoint a Turkish broker to assist him or her with the sale of the shares of Common Stock acquired under the Plan. *The Participant should consult his or her personal legal advisor before selling any shares of Common Stock acquired under the Plan to confirm the applicability of this requirement to the Participant.*

UKRAINE

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Ukraine do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to Participant through local payroll.

UNITED KINGDOM

Tax Acknowledgment

The following information supplements the information regarding Tax-Related Items in the Acknowledgment of Conditions section of the Award Agreement:

If payment or withholding of the income tax due is not made within 90 days after the end of the U.K. tax year in which the event giving rise to the Tax-Related Items occurs or such other period specified in section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax shall constitute a loan owed by the Participant to the Employer, effective on the Due Date. The Participant agrees that the loan will bear interest at the then-

current Her Majesty's Revenue and Customs ("HMRC") official rate and it will be immediately due and repayable, and the Corporation and/or Employer may recover it at any time thereafter by any of the means referred to in the Acknowledgement of Conditions section of the Award Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of this provision will not apply to the Participant. In the event that the Participant is an officer or director, as defined above, and income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance Contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Corporation or the Employer (as applicable) for the value of any employee NICs due on this additional benefit which the Corporation and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in the Acknowledgement of Conditions section of the Award Agreement.

URUGUAY

There are no country-specific provisions.

VENEZUELA

Investment Representation

As a condition of the grant of the Award, the Participant acknowledges and agrees that any shares of Common Stock the Participant may acquire upon the settlement of the Award are acquired as and intended to be an investment rather than for the resale of the shares of Common Stock and conversion of shares into foreign currency.

Securities Law Information

The Award granted under the Plan and the shares of Common Stock issued under the Plan are offered as a personal, private, exclusive transaction and are not subject to Venezuelan government securities regulations.

Exchange Control Information

Exchange control restrictions may limit the ability to remit funds out of Venezuela or to remit funds into Venezuela following the sale of shares of Common Stock acquired upon settlement of the Award under the Plan. The Corporation reserves the right to further restrict the settlement of the Award or to amend or cancel the Award at any time in order to comply with the applicable exchange control laws in Venezuela. However, ultimately, the Participant is responsible for complying with exchange control laws in Venezuela and neither the Corporation, the Employer, nor any other Affiliate will be liable for any fines or penalties resulting from the Participant's failure to comply with applicable laws. Because exchange control laws and regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor before accepting the Award to ensure compliance with current regulations.

VIETNAM

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Vietnam do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant through local payroll.

Appendix A-1

**Performance Goal for Kimberly-Clark Corporation
Performance Restricted Stock Unit Awards Granted in 2015¹**

50% of the Performance Goal will be based on attainment of Three Year Average ROIC performance set forth below for the Performance Period, and 50% of the Performance Goal will be based on attainment of the Three Year Average Net Sales growth set forth below for the Performance Period.

Payout as a Percentage of Target

Weight	Measure	0%	50%	100%	150%	200%
50%	Net Sales	-1.40%	-0.15%	1.10%	2.35%	3.60%
50%	ROIC	20.25%	20.75%	21.25%	21.75%	22.25%

Net Sales is defined as consolidated revenues as reported.

Annual ROIC is defined as consolidated after-tax operating profit plus earnings from equity companies for the year, divided by invested capital. Invested capital will be defined as the average total assets less notes receivable and non-interest bearing current liabilities.

Performance Period - January 1, 2015 through December 31, 2017.

Three Year Average ROIC shall be the Annual ROIC for each year in the Performance Period divided by three and rounded to the nearest tenth of a percent.

Three Year Average Net Sales shall be the Annual Net Sales growth for each year in the Performance Period divided by three and rounded to the nearest tenth of a percent.

Any adjustment to Three Year Average Net Sales or the Three Year Average ROIC will be approved by the Management Development and Compensation Committee.

¹ Performance Goal - The Management Development and Compensation Committee (the "Committee") intends to exercise its discretion so that all performance restricted share unit awards granted will be paid in accordance with the Performance Goal formula set forth above. If the Committee did not exercise this discretion, each Executive Officer (as defined by Rule 3b-7 of the Securities Exchange Act of 1934) would be paid based on an award of 200% of Target provided that the Corporation has positive earnings per share for the Performance Period. In addition, the Committee awarded an amount equal to any dividends and other distributions which would have been paid on shares of Common Stock, based on the number of PRSUs that vest under this Award, provided the Corporation has positive earnings per share for the applicable calendar quarter.

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

July 23, 2015

/s/ Thomas J. Falk

Thomas J. Falk

Chief Executive Officer

CERTIFICATIONS

I, Maria G. Henry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

July 23, 2015

/s/ Maria G. Henry

Maria G. Henry

Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on July 23, 2015 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk

Thomas J. Falk

Chief Executive Officer

July 23, 2015

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Maria G. Henry, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on July 23, 2015 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Maria G. Henry

Maria G. Henry
Chief Financial Officer

July 23, 2015

EXHIBIT V KIMBERLY-CLARK SHAREPLUS PLAN, FILED WITH THE SEC ON 18
SEPTEMBER 2009 AS EXHIBIT 4.3.1 OF FORM S-8

KIMBERLY CLARK CORP

FORM S-8

(Securities Registration: Employee Benefit Plan)

Filed 09/18/09

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Paper & Paper Products
Sector	Basic Materials
Fiscal Year	04/30

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As Filed with the Securities and Exchange Commission on September 18, 2009
 Registration No. 333-_____

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

Form S-8

Registration Statement Under The Securities Act of 1933

Kimberly-Clark Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware
 (State or Other Jurisdiction
 of Incorporation or Organization)

39-0394230
 (I.R.S. Employer
 Identification Number)

P.O. Box 619100
Dallas, Texas
 (Address of Principal Executive Offices)

75261-9100
 (Zip Code)

**Kimberly-Clark Shareplus
 Trust Deed and Rules of Kimberly-Clark Shareplus UK
 Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey)
 Trust Deed of the Kimberly-Clark Employee Share Trust (UK)**
 (Full Title of the Plans)

THOMAS J. MIELKE
**Senior Vice President — Law and Government Affairs
 and Chief Compliance Officer**
P.O. Box 619100
Dallas, Texas 75261-9100
(972) 281-1200

(Name, Address and Telephone Number, Including Area Code, of Agent for Service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 (Do not check if smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$1.25 par value	500,000 shares	\$58.18(1)	\$29,090,000(1)	\$1,623.22

(1) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended, pursuant to Rule 457(c) thereunder, based on \$58.18, the average of the high and low prices of the Common Stock on September 14, 2009, as reported in the consolidated reporting system.

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PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents previously filed by the Registrant with the Securities and Exchange Commission ("SEC") are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2008;
2. Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2009 and June 30, 2009;
3. Current Reports on Form 8-K filed on March 4, 2009, April 22, 2009, May 1, 2009, May 29, 2009 and September 2, 2009 (in each case only to the extent filed and not furnished);
4. Description of the Registrant's Common Stock contained in the Prospectus constituting a part of the Registrant's Registration Statement on Form S-3 (Registration No. 333-144828) filed on July 24, 2007.

All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), subsequent to the date hereof and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference herein and to be a part hereof from the dates of filing of such reports and documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 6. Indemnification of Directors and Officers.

The Registrant's By-laws (the "By-Laws") provide, among other things, that the Registrant shall (i) indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is a party or witness, or is threatened to be made a party or witness, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Registrant) by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the Registrant, or is or was serving at the request of the Registrant as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans), against all liability, loss suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Registrant, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, and (ii) indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is a party or witness, or is threatened to be made a party or witness, or is otherwise involved in, any threatened, pending or completed action or suit by or in the right of the Registrant to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Registrant, or is or was serving at the request of the Registrant as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans) against all liability, loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Registrant and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Registrant unless and only to the extent that the Court of Chancery or the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper. Notwithstanding

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the foregoing, the Registrant is not required to indemnify any director or officer of the Registrant in connection with an action, suit or proceeding (or part thereof) initiated by such director or officer against the Registrant or any directors, officers or employees thereof unless (i) the initiation of such proceeding (or portion thereof) was authorized by the Board of Directors of the Registrant or (ii) notwithstanding the lack of such authorization, the person seeking indemnification is successful on the merits.

The By-Laws further provide that (i) expenses (including attorneys' fees) incurred by any current or former officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Registrant, to the fullest extent permitted by applicable law, in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Registrant and (ii) the indemnification and advancement of expenses provided therein shall not be deemed exclusive of any other rights to which those seeking indemnification shall be entitled, or may thereafter acquire, under any statute, provision of the Registrant's Certificate of Incorporation, the By-Laws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

The By-Laws further provide that any repeal or modification of the indemnification provisions of the By-Laws will not adversely affect any right or protection thereunder of a director or officer of the Registrant in respect of any action, suit or proceeding (regardless of when such proceeding is first threatened, commenced or completed) arising out of or relating to any acts or omissions occurring prior to such repeal or modification, and the rights to indemnification and advancement of expenses pursuant to the indemnification provisions of the By-Laws will vest at the time any such person becomes a director or officer of the Registrant.

Section 145 of the General Corporation Law of the State of Delaware authorizes indemnification by the Registrant of directors and officers under the circumstances provided in the provisions of the By-Laws described above, and requires such indemnification for expenses actually and reasonably incurred to the extent a director or officer is successful in the defense of any action, or any claim, issue or matter therein.

The Registrant has purchased insurance which purports to insure the Registrant against certain costs of indemnification which may be incurred by it pursuant to the By-Laws and to insure the officers and directors of the Registrant, and of its subsidiary companies, against certain liabilities incurred by them in the discharge of their functions as such officers and directors except for liabilities resulting from their own malfeasance.

Item 8. Exhibits.

See the Exhibit Index, which is incorporated herein by reference. The Registrant agrees to furnish supplementally a copy of any omitted schedule to the SEC upon request.

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with

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the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement; provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irving, State of Texas, on September 18, 2009.

KIMBERLY-CLARK CORPORATION

By: /s/ Thomas J. Falk

Thomas J. Falk
Chairman of the Board and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<u>/s/ Thomas J. Falk</u> Thomas J. Falk	Chairman of the Board and Chief Executive Officer and Director (principal executive officer)	September 18, 2009
---	---	--------------------

<u>/s/ Mark A. Buthman</u> Mark A. Buthman	Senior Vice President and Chief Financial Officer (principal financial officer)	September 18, 2009
---	---	--------------------

<u>/s/ Randy J. Vest</u> Randy J. Vest	Vice President and Controller (principal accounting officer)	September 18, 2009
---	--	--------------------

Directors

John R. Alm
Dennis R. Beresford
John F. Bergstrom
Abelardo E. Bru
Robert W. Dechard
Mae C. Jemison

James M. Jenness
Ian C. Read
Linda Johnson Rice
Marc J. Shapiro
G. Craig Sullivan

By: /s/ Thomas J. Mielke
Thomas J. Mielke, Attorney-in-Fact

September 18, 2009

EXHIBIT INDEX

The following is a list of Exhibits included as part of this Registration Statement. Items marked with an asterisk are filed herewith.

- 4.1 Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.
- 4.2 By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.
- 4.3.1* Kimberly-Clark Shareplus.
- 4.3.2* Trust Deed and Rules of Kimberly-Clark Shareplus UK.
- 4.3.3* Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey).
- 4.3.4* Trust Deed of the Kimberly-Clark Employee Share Trust (UK).
- 23* Consent of Deloitte & Touche LLP.
- 24* Powers of Attorney.

EXHIBIT 4.3.1

KIMBERLY-CLARK

KIMBERLY-CLARK

SHAREPLUS

**BACON & WOODROW
ACTUARIES & CONSULTANTS**

KIMBERLY-CLARK

SHAREPLUS

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KIMBERLY-CLARK SHAREPLUS

This Plan entitled 'Kimberly-Clark Shareplus' is designed for operation in European countries and is amended by a schedule attached to the Plan making the variations which apply in particular European countries. Where no schedule is attached for a particular country, the Rules of the Plan apply without amendments.

1 DEFINITIONS

In these Rules the following words and expressions shall, where the context so permits, have the meanings set forth below:

"ACQUISITION DATE"	the date on which Partnership Shares are acquired on behalf of Participants in accordance with Rule 3 of the Plan;
"AWARD DATE"	(1) in relation to Matching Shares, the date on which Matching Shares are awarded to Participants in accordance with Rule 5 of the Plan; and (2) in relation to Dividend Shares, the date on which the Dividend Shares are awarded to Participants in accordance with Rule 8 of the Plan;
"CALCULATION DATE"	the date, being either 1 July or 1 January (or such other date as may be determined by the Directors) following the successive monthly acquisitions of Partnership Shares by the Trustee on behalf of Participants using Partnership Share Money;
"CHANGE OF CONTROL"	means an event deemed to have taken place if: (i) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, acquire Shares of the Corporation having 20% or more of the total number of votes that may be cast for the

election of Directors of the Company; or (ii) as the result of any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions (a "Transaction"), the persons who were directors of the Company before the Transaction shall cease to constitute a majority of the Board of Directors of the Company or any successor to the Company;

"THE COMPANY" Kimberly-Clark Corporation registered in the State of Delaware U.S.A;

"CONTROL" in relation to a corporate body, the power of a person to secure by the holding of shares or the possession of voting power that the affairs of that corporate body are conducted in accordance with the wishes of that person;

"DEALING DAY" a day on which the New York Stock Exchange is open for the transaction of business;

"THE DIRECTORS" the Shareplus Management Committee including the European HR Policy Council;

"DIVIDEND SHARES" Shares which are awarded to Participants under Rule 8.1 and held by the Trustee upon the terms of the Plan;

"ELIGIBLE EMPLOYEE" any person who is a full-time or part-time employee of a Participating Company including persons who have been temporarily transferred to work in another country but continue to be paid by the Participating Company;

"GROUP" the Participating Company by which the Participant is employed and any other Participating Company;

"HOLDING PERIOD" in relation to Partnership Shares, the period of twelve months commencing on the appropriate Calculation Date;

"JOINTLY OWNED COMPANY" a company of which 50% of the issued share capital is owned by the Company and 50% is owned by another company and which is not under the Control of either company; this expression includes a company which is controlled by a Jointly Owned Company;

"MARKET VALUE" in relation to a Share on any date, if and so long as the Shares are listed on the New York Stock Exchange, its middle market quotation on the immediately preceding Dealing Day;

"MATCHING SHARES" Shares which are awarded to an Eligible Employee under Rule 5 and held by the Trustee upon the terms of the Plan;

"MINIMUM MONTHLY SUBSCRIPTION" in relation to any invitation, the local currency equivalent of \$15 (calculated at the closing exchange rate quoted in the Financial Times on the date of deduction) or such other amount as the Directors may determine in the event of a significant change in exchange rates;

"NOTICE OF AWARD" a notice of award of Partnership, Matching or Dividend Shares in such form as determined by the Trustee.

"PARTICIPANT" an Eligible Employee who has entered into a Partnership Share Agreement to participate in the Plan;

"PARTICIPATING COMPANY"	any Subsidiary or Jointly Owned Company which has been designated by the Directors as a Participating Company;
"PARTNERSHIP SHARES"	Shares which are acquired by or on behalf of Eligible Employees under Rule 3 and held by the Trustee on the terms of the Plan;
"PARTNERSHIP SHARE AGREEMENT"	An agreement included in the application form as determined by the Directors from time to time;
"PARTNERSHIP SHARE MONEY"	the deduction made from a Participant's Salary in accordance with the Partnership Share Agreement before it is used to acquire Partnership Shares on his behalf;
"PLAN"	Kimberly-Clark Shareplus in its present form, or as from time to time altered in accordance with its Rules;
"PLAN SHARES"	Shares held by the Trustees upon the terms of the Plan on behalf of the Participants comprising Partnership, Matching and Dividend Shares;
"RULES"	the rules of the Plan (and "Rule" shall be construed accordingly) including the Schedules;
"SALARY"	basic pay as defined in the country in which the Eligible Employee is employed, but excluding bonuses and employee benefits;
"SHARE"	a share (including for the avoidance of doubt a fraction of a share) of common stock in the Company;

"SUBSIDIARY"	a company which is under the Control of the Company;
"TRUST"	the Kimberly-Clark Employee Share Trust (Jersey) or the Kimberly-Clark Employee Share Trust (UK) as determined by the Directors;
"TRUSTEE"	the Trustees of the Kimberly-Clark Employee Share Trust (Jersey) or the Trustees of the Kimberly-Clark Employee Share Trust (UK) as the case may be;

References to any statutory provision are to that provision as amended or re-enacted from time to time and, unless the context otherwise requires, words in the singular include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

PART ONE - PARTNERSHIP SHARES

2 INVITATIONS TO ACQUIRE PARTNERSHIP SHARES

2.1 When the Directors have decided to operate the Plan by inviting Eligible Employees to acquire Partnership Shares, an invitation shall be issued to each Eligible Employee inviting him to enter into an agreement with the Company by signing and returning as directed the accompanying Partnership Share Agreement duly completed and signed.

An employee who starts employment with a Participating Company will be given an invitation as soon as administratively possible after the date of commencement of his employment.

The invitation shall specify:

- 2.1.1 whether the Directors have determined to offer Matching Shares to Eligible Employees who enter into a Partnership Share Agreement; and

2.1.2 the basis on which such Matching Shares will be awarded;

2.2 The Company may specify the maximum number of Shares to be included in an offer of Partnership Shares.

2.2.1 The Partnership Share Agreement shall contain an undertaking by the Company to notify each Eligible Employee of any restriction on the number of Shares to be included in an offer. This notification shall be given before the deduction of the Partnership Share Money relating to the offer.

2.3 A Partnership Share Agreement entered into in accordance with this Rule 2 shall form the binding agreement between the Eligible Employee and the Company:

2.3.1 to permit the Company to deduct from his net Salary (i.e. after deduction of tax and social security contributions) each month an amount which is not less than the Minimum Monthly Subscription nor more than 4% of his gross Salary;

PROVIDED THAT if the Minimum Monthly Subscription is more than 4% of the gross salary of the Eligible Employee, the deduction from his Salary will be the amount of the Minimum Monthly Subscription.

2.3.2 to permit the Company to transfer to the Trustee the sum deducted under rule 2.3.1.

2.3.3 to permit the Trustee to use the sum in rule 2.3.1 to acquire Partnership Shares on behalf of the Eligible Employee and to hold them in accordance with the Rules.

2.4 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to stop the deductions from his Salary with effect from a date specified in the notice. Following such a notice, the Participant may direct the Company to re-start the deductions from his

Salary, provided that the deductions that have been missed in the interim period may not be made up.

2.5 A Partnership Share Agreement may provide for Participants to vary the amount deducted from Salary.

2.6 A maximum of two events under rules 2.4 and 2.5 (stopping, restarting and varying contributions) is permitted in each calendar year, unless the Company in its absolute discretion decides to permit additional applications of rules 2.4 or 2.5.

3 ACQUISITION OF PARTNERSHIP SHARES

3.1 All Partnership Share Money deducted by the Company in accordance with the Partnership Share Agreement entered into under Rule 2.1 shall be transferred directly to the Trustees. Within 30 days after the Partnership Share Money was deducted from Participants' Salaries the Trustees shall use it in the purchase of, allocation or subscription for Partnership Shares on behalf of Participants. The Trustees will send at least once in every calendar year a Notice of Award to each Participant showing the number of Shares acquired for him.

3.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined in accordance with the Market Value of the Partnership Shares on the Acquisition Date.

3.3 If any Partnership Share Money remains after the acquisition, it may be retained by the Trustees to the Participant's account and added to the next amount of Partnership Share Money deducted from his Salary.

3.4 If the Trustees deposit the Partnership Share Money in an interest-bearing account, any interest earned will not become the entitlement of the Participant but will be used to defray the expenses of the Trust.

3.5 A Participant may withdraw any or all of his Partnership Shares from the Plan at any time. He may direct the Trustees to transfer to him the legal ownership

of the Partnership Shares; he may also direct the Trustees to transfer to him any Partnership Share Money held on his behalf. If before the end of the Holding Period he sells or withdraws from the Plan the Partnership Shares, he will lose any entitlement to receive any corresponding Matching Shares unless Rule 4.3 or 4.4 applies.

4 CESSATION OF EMPLOYMENT

4.1 In the event of a Participant ceasing to be employed by the Group in any circumstances the Directors shall ensure that his Partnership Shares and any Partnership Share Money held by the Trustee on his behalf are transferred to him by the Trustee as soon as practicable after such cessation; or he may ask the Trustee to sell his Shares and send him the cash proceeds after deducting the expenses of sale.

4.2 Unless Rule 4.3 or 4.4 applies, in the event of a Participant ceasing to be employed in the Group before the end of the Holding Period he will lose any entitlement to receive any corresponding Matching Shares. In the event of a Participant ceasing to be employed in the Group for any reason before the Calculation Date, he will lose any entitlement to receive any corresponding Matching Shares.

4.3 In the event of a Participant ceasing to be employed by the Group during the Holding Period by reason of:

- 4.3.1 injury or disability, (in each case as defined in the country in which the Participant is employed); or
- 4.3.2 redundancy or its equivalent in accordance with the laws and practices of the country in which the Participant is employed, and as determined by the Company
- 4.3.3 a change of Control or other circumstances resulting in the Participating Company ceasing to be a member of the Group; or
- 4.3.4 the sale of a business or part of a business of a Participating Company in such circumstances that employees retain their existing employment

rights in accordance with the legislation in their country of residence; or

4.3.5 retirement in accordance with the laws and practices of the country in which the Participant is employed; or

4.3.6 death

the Holding Period will come to an end on the date of cessation and he will receive the corresponding Matching Shares on that date in accordance with Rule 5.2.

4.4 In the event of a Participant ceasing to be employed by a Participating Company in such circumstances that he then commences employment with the Company or a Subsidiary in another country, the Holding Period will come to an end on the date of cessation and at the discretion of the Directors he will receive the corresponding Matching Shares on that date in accordance with Rule 5.2.

4.5 When a Participant receives Matching Shares in the circumstances set out in Rules 4.3 or 4.4, he must immediately remove them from the Plan.

PART TWO - MATCHING SHARES

5 AWARD OF MATCHING SHARES

5.1 When the Directors have decided to operate the Plan by awarding Matching Shares on the same terms to Eligible Employees who enter into a Partnership Share Agreement under Rule 2, the invitation issued to each Eligible Employee under Rule 2 shall contain information about such decision, including the number of Matching Shares that will be appropriated for each Partnership Share.

5.2 On the day following the end of the Holding Period, the Directors will award to Participants on whose behalf the Trustees hold Partnership Shares,

Matching Shares on the basis set out in the invitation. The Matching Shares awarded will then form part of the Plan Shares.

5.3 Where Matching Shares are awarded under this Rule 5 the Trustees will send at least once in every calendar year a Notice of Award to each Participant to whom such Shares have been awarded.

6 TRANSFER OF MATCHING SHARES

6.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2, a Participant may direct the Trustee to transfer the legal ownership of his Matching Shares to him at any date after the end of the Holding Period.

6.2 The Participating Company will be entitled to withhold and the Participant will be obligated to pay, the amount of tax or any social security contributions or other regulatory payments which may be payable by or on behalf of such Participant in connection with the transfer of Plan Shares. The Trustees may establish appropriate procedures to provide for any such payment including, in lieu of transferring some or all of the Shares to which a Participant is entitled, the sale of such proportion thereof as shall equate to the amount of the liability, the payment of such amount to the relevant authority and the transfer of the resulting number of Shares to the Participant.

6.3 Any direction given by a Participant under Rule 6.1 must be in the form as notified by the Trustee, adapted as appropriate. The Trustee will transfer the relevant Matching Shares as soon as practicable after the receipt of the direction.

7 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF MATCHING SHARES FROM THE PLAN

7.1 In the event of a Participant ceasing to be employed by the Group in any circumstances, he must either (a) ask the Trustee to forward to him the Share Certificate in respect of his Matching Shares; or (b) he may ask the Trustee to sell his Matching Shares and send him the cash proceeds after deducting the expenses of sale.

PART THREE - DIVIDEND SHARES

8 REINVESTMENT OF DIVIDENDS

8.1 All dividends payable in respect of Plan Shares shall be paid by the Company directly to the Trustee. The Trustee shall, within 30 days of their receipt of such dividends net of any taxes which may be due under U.S. law on the dividends, use them to acquire further Shares for awarding to Participants as Dividend Shares.

8.2 For the purposes of Rule 8.1 'acquire' shall mean subscribe for, allocate or purchase.

8.3 Where Dividend Shares have been acquired under Rule 8.1 the Trustee will send a Notice of Award to each Participant to whom such Dividend Shares have been awarded at least once in every calendar year.

9 TRANSFER OF DIVIDEND SHARES

9.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2.1 a Participant may direct the Trustee to transfer the legal ownership of his Dividend Shares to him at any time.

9.2 Any direction given by a Participant under Rule 9.1 must be in the form as notified by the Trustee, adapted as appropriate. The Trustee will transfer the relevant Dividend Shares as soon as practicable after receipt of the direction.

10 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF DIVIDEND SHARES FROM THE PLAN

10.1 In the event of a Participant ceasing to be employed by a Participating Company in any circumstances, he must either (a) ask the Trustees to forward to him the Share Certificate in respect of his Shares; or (b) ask the Trustees to sell his Dividend Shares and send him the cash proceeds after deducting the expenses of sale.

PART FOUR - GENERAL

11 ACQUISITION OF SHARES FOR AWARD

11.1 The Trustee may upon the direction of the Directors, purchase Shares on the Acquisition Date or from time to time until the Dealing Day preceding the relevant Award Date. Such Shares may be purchased on the New York Stock Exchange.

11.2 The Trustee, at the direction of the Directors, may subscribe for Shares for awarding to Eligible Employees under the Plan on the relevant Award Date and the price per Share at which the Trustees shall subscribe for such Shares shall be the Market Value of a Share on the date of subscription.

11.3 Contributions to be made by the Company and each Participating Company to the Trustee to support any purchase of or subscription for Shares to be made by the Trustee for award on any Award Date shall be paid not later than the Dealing Day immediately prior to the relevant Award Date.

11.4 Certificates shall be issued by the Company in respect of Plan Shares and shall be delivered to or to the order of the Trustee.

12 ISSUE OF SHARES AND DIVIDENDS

12.1 All Shares issued under the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank equally in all respects with the Shares then in issue.

12.2 The Participant will receive all rights as to voting, dividend transfer and other rights in respect of Partnership Shares from the Acquisition Date and in respect of Matching Shares and Dividend Shares on the respective Award Date.

12.3 If the Trustees receive any foreign cash dividend in respect of Plan Shares, they shall give the Participant notice of the amount of any foreign tax already deducted.

13 TAKEOVERS

13.1 In the event of a Change of Control of the Company, the Directors will give notice to all participants as soon as practicable.

13.2 A Participant may then direct the Trustees to accept an offer of shares for any of his Plan Shares to the intent that, if the offer is accepted, the new holding of shares in the acquiring company equates to the original holding of Plan Shares.

14 TAX AND SOCIAL SECURITY

If

(a) the receipt of Matched Shares and/or Dividend Shares or

(b) the sale of Plan Shares

results in a liability to income tax, capital gains tax or social security contributions (or the local equivalent of these) in the Participant's country of employment and the legislation in that country requires tax or social security contributions to be withheld, the Participating Company will make the appropriate deductions. If there is no such requirement in that country it is the responsibility of the Participant to settle these liabilities with the appropriate authorities.

15 STAMP DUTY

Any stamp duty or other expenses involved in any transfer of Shares by the Trustee shall be payable by the Participant concerned or the purchaser from the Participant concerned.

16 DISPUTES

The decision of the Directors in any dispute or question affecting any Eligible Employee or Participant under the Plan shall be final and conclusive.

17 RIGHTS ON TERMINATION OF EMPLOYMENT

In no circumstances shall any person who has ceased to be an employee of the Company or any Subsidiary or any member of the Group by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim as against any Participating Company or Subsidiary or the Group or the Trustee any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan.

18 ADMINISTRATION AND ALTERATIONS

18.1 The Directors shall have power from time to time to make and vary such regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan as it thinks fit.

18.2 The Directors shall have power from time to time exercisable by resolution to agree that any Subsidiary and any Jointly Owned Company shall become a Participating Company for the purposes of the Plan. Any such member of the Group shall cease to be a Participating Company as from such date as the Directors may by resolution determine and shall be deemed not to be a Participating Company as from the date on which it ceases to be a Subsidiary or Jointly Owned Company.

18.3 In the event of any dispute as to whether a person is or is not an Eligible Employee or as to any rights or obligations of any person hereunder or any question concerning the construction or effect hereto or any other question in connection with the Plan, the Directors shall determine the same (other than in the case of a matter to be certified by the auditors in accordance with these Rules) and such determination shall be final and binding on all persons.

18.4 The Directors may resolve to alter the Rules as may be necessary or desirable to take account of relevant overseas legislation to acquire or maintain beneficial tax treatment.

18.5 The Rules of the Plan may be altered by resolution of the Directors provided that:

18.5.1 no alteration which would adversely affect the rights of any Participant in respect of Plan Shares already awarded to him or acquired on his behalf shall be effective; and

18.5.2 no alteration may be made which would alter the fundamental purpose of the Plan.

18.6 The cost of the preparation and operation of the Plan shall be borne by the Company.

19 ERRORS AND OMISSIONS

19.1 The Company, the relevant Participating Company and where appropriate the Trustee may do all such acts and things as they may agree to rectify any error or omission, including any error or omission as a result of which any Eligible Employee is not accounted for on the award of Plan Shares notwithstanding that such action may fall outside the time limits or otherwise conflict with the provisions of the Rules provided always that the limits set out in Rule 1 would not thereby be exceeded.

20 NOTICES

20.1 Save as otherwise provided herein, any notice or communication to be given by the Company or the Trustee to any Eligible Employee or Participant may be given by personal delivery or by sending the same by ordinary post to his last known address and where a notice or communication is sent by post it shall be deemed to have been received 72 hours after the same was put into the post properly addressed and stamped. All notifications, documents, option or

share certificates and other communications sent by post as aforesaid will be sent at the risk of the Eligible Employee or Participant concerned and the Company, its Subsidiaries, any Jointly Owned Company, any other employing company and the Trustee shall have no liability whatsoever to any Eligible Employee or Participant in respect of any notification, document, option or share certificate or other communication so given, sent or made and nor shall the Company, any of its Subsidiaries any other employing company or the Trustee be concerned to see that any Eligible Employee or Participant actually receives it.

20.2 Save as otherwise provided herein, any notice or communication given by an Eligible Employee or a Participant to the Company or the Trustee shall be delivered or sent to the Company or the Trustee at its registered office (or at such other place or places as the Directors or the Trustee may from time to time determine and notify to Eligible Employees and Participants) and be effective upon receipt.

21 GENERAL

21.1 The Directors may decide from time to time to suspend or cease operation of the Plan. Benefits awarded under the Plan do not constitute remuneration or an entitlement to future participation in the Plan.

21.2 The Plan shall continue for a period of ten years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors.

22 GOVERNING LAW

The Plan is governed by and shall be construed in accordance with the laws of England.

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - BELGIUM

The Plan shall be modified in respect of Matching Shares awarded to or to be awarded to a person resident for tax purposes in Belgium as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 6.1, delete the wording and replace with:

"6.1 "In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2, the Participant agrees that the Trustees will hold his Matching Shares until the expiration of two years following the date on which the Matching Shares were awarded to him."

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - ITALY

The Plan shall be modified in respect of Rule 21.2 and the definition of "Market Value" in respect of Matching Shares awarded to or to be awarded to a person resident for tax purposes in Italy as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 1, the definition of "Market Value" shall be varied as follows:

Delete "its middle market quotation on the immediately preceding Dealing Day" and replace with "the average price of the immediately preceding thirty Dealing Days".

Rules 21.2 shall be renumbered Rule 21.3 and a new Rule 21.2 shall be inserted as follows:

"21.2 "The number of Matching Shares awarded to participants under the Plan has been calculated taking into consideration the influence of the said amount over the employment economic figures provided by their employment and, in particular, the severance payments including the end-of service allowance (TFR). Participants will not be entitled to claim any additional payments or a different calculation of the above-mentioned figures."

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - UK TOP-UP

The Plan shall be modified in respect of the definition of "Eligible Employee" in respect of a person resident for tax purposes in the UK, as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 1, the definition of "Eligible Employee" shall be varied as follows:

Delete the wording in shareplus and replace with:

- " (a) any person who is a full-time or part-time employee of a Participating Company including persons who have been temporarily transferred to work in another country but continue to be paid by the Participating Company; or
- (b) has participated or has agreed to participate in shareplus UK by saving the maximum amount permitted under that Plan as defined in its Rules under "Partnership Share Limit".

In Rule 4.3.5 delete the wording and replace with:

"retirement on or after reaching age 50".

EXHIBIT VI TRUST DEED AND RULES OF KIMBERLY-CLARK SHAREPLUS UK

DATED 15 MAY 2002

- (1) KIMBERLY-CLARK HOLDING LIMITED
(2) MOURANT ECS TRUSTEES LTD (NOW EES TRUSTEES LIMITED)

TRUST DEED AND RULES

OF

KIMBERLY-CLARK SHAREPLUS UK

Adopted by the Board of Directors of the Company

On 9 May 2002

and approved by HMRC

under the Finance Act 2000

on 16 May 2002 under reference A1513

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THIS DEED is made the 15th day of May 2002

BETWEEN:

- (1) KIMBERLY-CLARK HOLDING LIMITED whose registered office is at 1 Tower View, Kings Hill, West Malling, Kent ME19 4HA (hereinafter called "**the Company**"); and
- (2) MOURANT ECS TRUSTEES LTD whose registered office is at 4th Floor 35 New Bridge Street, London EC2V 6BW (later re-named EES TRUSTEES LIMITED whose registered office is at The Pavilion, Bridgwater Road, Bristol BS13 8AE ("**the Trustees**").

RECITALS:

- (A) The Company was incorporated on 20 November 1985 with limited liability under the Companies Act 1985 under registration number 1961889.
- (B) The Company wishes to establish a share incentive plan to be approved in accordance with the provisions of the Schedule and constituting an employees' share scheme as defined in Section 1166 of the Companies Act 2006 (hereinafter called "the Plan") for the purposes of providing funds to the Trustees to enable Shares in the capital of the Parent to be acquired by the Trustees and to be appropriated to employees of the Participating Companies (as hereinafter defined) and to enable the Trustees to acquire further Shares in the capital of the Parent on behalf of Participants using Partnership Share Money (as defined in Schedule One) and dividends in accordance with the rules of the Plan.
- (C) The Board of Directors of the Company resolved to adopt the Plan on 9 May 2002.
- (D) The Trustees have agreed to be the first Trustees of the Plan.

THIS DEED PROVIDES as follows:

1. DEFINITIONS

- 1.1 Unless the context otherwise requires words and expressions defined in Schedule One shall have the same meaning in the other parts of this Deed and references to "Clauses" shall mean clauses of this Deed and references to "Rules" in this Deed and in Schedule One shall mean the rules set out in Schedule One.
- 1.2 References to the Plan shall mean the Plan constituted by this Deed and Schedule One.
- 1.3 References to any statutory provision are to that provision as amended or re-enacted from time to time and unless the context otherwise requires words in the singular shall include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

2. TRUSTS OF THE PLAN

- 2.1 The Company hereby covenants with the Trustees to pay and to procure that each Participating Company pays to the Trustees in accordance with and subject to the provisions of the Plan the amounts due from it or them for the purposes of the subscription for or purchase of Shares by the Trustees to be appropriated under the Plan as Free Shares and/or Matching Shares to prospective Participants employed by it or them (as appropriate) together with any other amounts required to cover any costs charges and expenses incurred in such subscription or purchase and any other expenses and charges incurred by the Trustees in the establishment operation and determination of the Plan.
- 2.2 The Company hereby covenants with the Trustees to pay and procure that each Participating Company pays to the Trustees as soon as practicable in accordance with and subject to the provisions of the Plan the amounts due from Participants under deduction from salary for the purposes of the subscription for or purchase of Shares by the Trustees to be acquired under the Plan as Partnership Shares for Participants employed by it or them (as appropriate).
- 2.3 The Trustees shall keep any Partnership Share Money in an account with:
- (a) an institution authorised under the Banking Act 1987;
 - (b) a building society; or
 - (c) a relevant European institution.

The Trustees shall be under no obligation to place monies in an interest bearing account, but if Partnership Share Money is held in an interest bearing account the Trustees must account to the Participants for it.

- 2.4 The Company hereby covenants with the Trustees to pay and procure that each Participating Company pays to the Trustees in accordance with and subject to the provisions of the Plan any cash dividends in respect of Plan Shares held on behalf of Participants for the purposes of the subscription for or purchase of further Shares by the Trustees as Dividend Shares for Participants in accordance with Rule 12.1.

- 2.5 Subject as hereinafter provided the Trustees hereby covenant with the Company, each Participating Company and each Participant to apply the monies received pursuant to Clauses 2.1, 2.2 and 2.4 in the subscription for or purchase of Shares and to hold the same once appropriated and all other trust property deriving therefrom UPON TRUST for the Participants respectively entitled thereto subject to the Rules of the Plan and shall appropriate the Shares so acquired to the Participants in accordance with the Rules of the Plan.
- 2.6 The Trustees shall be entitled to rely on information supplied by the Company and each Participating Company in respect of the eligibility of any person to become or remain a Participant in the Plan.
- 2.7 The Trustees shall, as soon as practicable after the first award of Shares and thereafter on at least one occasion in a calendar year notify each Participant of the following:
- 2.7.1 where Shares are purchased or subscribed for in accordance with Clauses 2.1 and 2.4:
- the number and description of Shares appropriated;
 - the Market Value of those Shares on the Appropriation Day;
 - the Holding Period in respect of those Shares;
 - in relation to Clause 2.4, the amount carried forward under the provisions of paragraph 68 of the Schedule; and
 - details of any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject.
- 2.7.2 where Shares are purchased or subscribed for in accordance with Clause 2.2:
- the number and description of Shares so acquired;
 - the amount of the contributions made by the Participant in acquiring the Shares and the basis on which the number of Shares was determined;
 - the Market Value in accordance with which the number of Shares acquired on behalf of a Participant was determined; and
 - details of any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject.
- except that where the Directors have decided that an Accumulation Period shall apply, such notice need be given on only one occasion in a Year of Assessment following the appropriation of Shares
- 2.8 If prior to the appropriation of any Shares under the Plan the Trustees become entitled in respect of those Shares to any rights to be allotted or to subscribe for further securities (other than an issue of bonus shares of the same class as Shares then held by

the Trustees pending any such appropriation which bonus shares shall be retained by the Trustees and shall form part of the Shares to be appropriated among the Participants on the relevant Appropriation Day) the Trustees may exercise those rights or sell those rights for the best consideration in money reasonably obtainable at the time.

2.9 The Trustees shall hold:

2.9.1 the net proceeds of any sale made pursuant to Clause 2.12;

2.9.2 any income therefrom; and

2.9.3 any Capital Receipt of less than £3 otherwise distributable to a particular Participant;

UPON TRUST to apply the same in or towards any reasonable expenses of administering and determining the Plan (including any provision for taxation for which the Trustees are liable) and the Trustees shall notify the Company on request of the amounts so held by them and the Trustees shall not be under any duty to invest any monies of which they stand possessed under this Clause

2.10 The Trustees may, with the agreement of the Participant, carry forward any surplus Partnership Share Money remaining after the acquisition of Shares pursuant to Clause 2.2 for the Participant but in any other case must pay the surplus Partnership Share Money to the Participant. However, where a Participant withdraws from a Partnership Share Agreement, any Partnership Share Money held on his behalf shall be paid over to him in accordance with Rule 7.

2.11 Every Free Share Agreement and Partnership Share Agreement shall provide that if the Participant:

- (a) ceases to hold Relevant Employment (otherwise than in any of the circumstances mentioned in Rules 4.1, or 11.1);
- (b) withdraws the Free or Matching Shares from the Plan; or
- (c) in the case of Matching Shares, withdraws the corresponding Partnership Shares from the Plan;

at any time within a period not exceeding one year beginning with an Appropriation Date, he shall thereupon forfeit his beneficial interest in:

- (a) such Free or Matching Shares, as the case may be, appropriated to him on that Appropriation Date; and
- (b) all other shares or other securities except Dividend Shares acquired by such Participant for no consideration by virtue or in consequence of his holding of such Free and Matching Shares.

2.12 Upon the termination of the Plan for whatever reason the Trustees shall sell all unappropriated Shares and thereupon account (so far as practicable) to the Company and to any Participating Companies for any monies held by them so far as practicable

in the same proportions as they were provided or as may otherwise be appropriate and shall pay any cash balances held under Clause 2.10 to which a Participant may be entitled to him as soon as practicable and in any event within 60 days of termination of the Plan (subject to Clause 14).

3. DIVIDENDS AND OTHER DISTRIBUTIONS

As soon as practicable following their receipt of any dividends or other distributions in respect of Plan Shares the Trustees shall deal with them in accordance with the Rules of the Plan.

4. GROUP COMPANIES

4.1 The Plan may with the consent of the Directors be extended to any Subsidiary not a party to this Deed by the adherence of such Subsidiary to the provisions of the Plan by a deed supplemental hereto in the form of Schedule Eight amended as may be thought necessary by the Company and the Trustees and thereupon the provisions of the Plan and of this Deed shall apply to such Subsidiary as though it were a party to this Deed.

4.2 The Plan shall cease to apply to any Participating Company other than the Company at any time when:

4.2.1 such company ceases to be a Subsidiary; or

4.2.2 a notice is served by the Company upon the Trustees that the Plan shall cease to apply to such company provided that the conditions specified in paragraphs 26-29 of the Schedule continue to be satisfied.

4.3 If and so long as the Plan applies to any Subsidiary such Subsidiary shall provide the Trustees with all information required from it for the purposes of the administration and determination of the Plan and shall do so in such form as the Trustees shall reasonably require and the Trustees shall in good faith rely on such information without further enquiry.

4.4 If and so long as the Plan applies to any Subsidiary the powers and discretions exercisable by such Subsidiary in relation to the Plan shall be exercisable by resolution of its board of directors or a duly appointed committee of such board and a minute of any resolution of such board signed by the secretary or a director of such Subsidiary shall be sufficient authority for the Trustees to act.

5. ACQUISITION OF SHARES

5.1 Shares to be used pursuant to the Plan may be acquired by the Trustees by way of:

5.1.1 subscription; or

5.1.2 purchase (including from Participants and any other trust); or

5.1.3 a rights or capitalisation issue in respect of Shares which have been acquired by the Trustees and have not been appropriated under the Plan; or

5.1.4 forfeiture under the provisions of Clause 2.11;

and any Shares acquired in accordance with Clauses 5.1.1 and 5.1.2 above may also be acquired for an amount which is below the market value as defined in Part VIII of the Taxation of Chargeable Gains Act 1992.

- 5.2 The Trustees shall have the power to borrow funds to acquire Shares for the purposes of the Plan so long as the Shares are readily convertible assets within the meaning of Section 702 of the Act.
- 5.3 Any sums paid by a Participating Company to the Trustees pursuant to Clause 2.1 shall if not applied for the purposes of the Plan within nine months from the date of such payment be used to cover the Trustees' incidental costs and expenses or be repaid promptly to that company.

6. **ISSUE OF SHARES**

- 6.1 All Shares subscribed for by the Trustees pursuant to the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank pari passu with the Shares then in issue except that they will not rank for any dividend or other rights declared by reference to a record date preceding the date of such subscription.
- 6.2 If and so long as the Shares which are to be issued are of the same class as shares which are listed on the New York Stock Exchange the Company shall use its best endeavours to procure that as soon as practicable after the allotment of any shares to the Trustees pursuant to the Plan application shall be made to the New York Stock Exchange for admission of the shares to the Exchange.

7. **RETENTION OF SHARES**

- 7.1 The Trustees shall not dispose of any Plan Shares held on behalf of a Participant during the applicable Holding Period except:
- 7.1.1 in accordance with a direction of such Participant (or his personal representatives) in the event of a Reconstruction or Take-over affecting such Shares;
- 7.1.2 to raise funds to subscribe for rights issues (subject to Clause 10);
- 7.1.3 to dispose of Shares to meet PAYE obligations under paragraph 79 of the Schedule.
- 7.2 After the applicable Holding Period nothing shall prevent a Participant from instructing the Trustees to sell his beneficial interest in his Plan Shares, including a sale to the Trustees for the same consideration as would be required to be obtained on a sale of such Shares to a third party.
- 7.3 Subject to Rule 21, when a Participant ceases to be in Relevant Employment the Trustees must within 90 days remove any Shares of his from the Trust by:
- 7.3.1 transferring the Plan Shares to the Participant or to another person at his direction; or

- 7.3.2 disposing of the Plan Shares and accounting (or holding themselves ready to account) for the proceeds to the Participant or to another person at his direction.

Where the Participant has died the references in Clauses 7.3.1 and 7.3.2 to the Participant shall be read as references to his personal representatives.

8. VOTING RIGHTS

- 8.1 In respect of any Plan Shares the Trustees shall upon any matter in relation to which at a general meeting of the Relevant Company or at any class meeting they are entitled to exercise any voting rights attaching thereto invite the relevant Participants to direct them as to such exercise. The Trustees shall not be entitled in respect of any Plan Shares to vote on a show of hands unless all directions received from the Participants concerned in respect of the particular resolution are identical and shall not in any circumstances be under an obligation to call for a poll. In the event of any poll the Trustees shall vote only in accordance with the directions of Participants who have given such directions. The Trustees shall not exercise any voting rights in respect of any unappropriated Shares acquired by them pursuant to the Plan.
- 8.2 The Trustees shall not be bound to act upon any instructions given by a Participant in respect of Plan Shares unless such instructions are received by the Trustees in writing signed by the Participant.

9. NOTICES AND CIRCULARS

- 9.1 Notices or documents which the Trustees are required or may desire to give to any Eligible Employee or Participant shall be delivered to him by hand or electronically or sent to him by first-class post pre-paid at his last known home or business address according to information provided by him to the relevant Participating Company. Notices sent by first class post shall be deemed to have been given on the day following the date of posting.
- 9.2 The Parent shall send or make available to Participants copies of all circulars and documents sent by it to the holders of its Shares and if and for so long as the Parent is not the Relevant Company shall use all reasonable endeavours to procure that all circulars and documents sent by the Relevant Company to its ordinary shareholders shall be sent or made available to Participants.

10. RIGHTS ISSUES

- 10.1 Whenever any rights to acquire shares or other securities or other rights of any nature are granted by the Relevant Company in respect of Plan Shares each Participant shall be notified by the Trustees of the rights (determined in accordance with Clause 13) attaching to his Plan Shares and he may instruct the Trustees:
- 10.1.1 (subject to the provision by him of funds) to take up the rights; or
- 10.1.2 to sell the rights (in whole or in part); or
- 10.1.3 to allow the rights to lapse.

- 10.2 The Trustees shall act upon such instructions received by them not less than five Dealing Days before the expiry of the period allowed for the exercise of any such rights. If any Participant has not prior to five Dealing Days before the expiry of the period allowed for the exercise of any such rights given instructions to the Trustees with regard thereto and provided any funds necessary for the purpose the Trustees shall allow such rights to lapse. The Trustees shall deal with any payment received in consequence of allowing any rights to lapse in respect of any Plan Shares as a Capital Receipt (provided that any Capital Receipt of less than £3 otherwise distributable to a particular Participant may be retained by the Trustees).
- 10.3 Any Plan Shares (within the meaning of paragraph 99(1) of the Schedule) taken up by the Trustees on behalf of any Participant under this Clause shall, subject to Clause 13, form part of the Participant's Plan Shares and shall be deemed to have been acquired or appropriated at the same time as the Plan Shares to which they relate.
- 10.4 Nothing in this Clause shall require the Trustees to act in any manner whereby they would be involved in any liability unless indemnified to their satisfaction by the Participant in question against such liability. In the exercise of any discretion conferred upon them the Trustees shall not be liable for any loss to any Participant arising by reason of any matter or thing other than wilful fraud or wrongdoing or in the case of Trustees engaged in the business of providing a trustee service for a fee negligence on the part of the relevant trustee sought to be made liable.

11. CAPITALISATION ISSUES

Where the Relevant Company allots any new shares (within the meaning of paragraph 87(7) of the Schedule) by way of capitalisation to the Trustees in respect of any Plan Shares held by them such new shares shall subject to and in accordance with Clause 13 form part of such Plan Shares and shall be deemed to have been acquired or appropriated at the same time as the Plan Shares in respect of which they are allotted.

12. RECONSTRUCTIONS AND TAKE-OVERS

- 12.1 Participants shall be notified of any Reconstruction or Take-over and any Participant may give notice in writing to the Trustees instructing them in respect of any of his Plan Shares (and where appropriate exercising any right to elect to receive any particular form of consideration available thereunder).
- 12.2 To the extent the consideration received by virtue of any Reconstruction or Take-over consists of cash it shall be treated as the proceeds of a disposal under Clause 7.1 and so far as it consists of new shares (within the meaning of paragraph 87(7) of the Schedule) it shall be held by the Trustees as Plan Shares subject to the terms of this Deed and the Rules mutatis mutandis as if the same were the Plan Shares in respect of which they are issued or which they otherwise represent.

13. ENTITLEMENTS

- 13.1 Where in respect of Shares of the same class as the Plan Shares an offer or invitation is made conferring rights to acquire against payment additional securities in the Relevant Company or where new securities by way of capitalisation are to be allotted by such company the Trustees shall allocate such rights or securities amongst the

Participants concerned on a proportionate basis and the Trustees shall use their best endeavours to sell any rights or securities which are not allocated and distribute the net proceeds of sale (after deducting therefrom any expenses of sale and any taxation which may be payable by the Trustees in respect thereof) among the Participants whose allocation was rounded down. Such proceeds which derive from Plan Shares will be treated as a Capital Receipt in accordance with section 502(2) of the Act provided that any sum of less than £3 otherwise distributable to a particular Participant may be retained by the Trustees.

- 13.2 In any circumstances in which the Trustees receive new securities which are deemed to form part of a holding of Plan Shares the Trustees shall allocate the securities to the Participant by reference to the relevant dates of appropriation of the Plan Shares to which they relate.

14. INFORMATION AND ACCOUNTING FOR INCOME TAX

- 14.1 The Trustees and each Participating Company must maintain such records as may be necessary for the purposes of:

14.1.1 informing Participants of their PAYE and National Insurance liabilities under the Plan; and

14.1.2 enabling the Participating Company to make and account for a PAYE (and National Insurance Contributions) deduction in respect of any asset transferred to a Participant when a liability to employment income tax arises and the asset is a readily convertible asset within the meaning of Section 702 of the Act.

- 14.2 If the Trustees are obliged to operate PAYE in accordance with the provisions of sections 510 and 511 of the Act, they may dispose of the asset or part thereof on behalf of the Participating Company and account to HMRC for so much of the proceeds of disposal as would be required if there had in fact been a payment of assessable income, and to the Participant for the balance or they may allow the Participant to pay to the Trustee a sum equal to the amount required to discharge the obligation.

15. TRUSTEES' POWERS OF DELEGATION

- 15.1 In the exercise of their discretions and the performance of their duties hereunder the Trustees may employ and pay a registrar solicitor broker actuary accountant banker or other adviser and may appoint any such person as their agent to transact all or any business and may act on the advice or opinion of any such solicitor, broker, actuary, accountant, banker or other adviser and shall not be responsible for anything done or omitted to be done or suffered in good faith in reliance on such advice or opinion.

- 15.2 Except as otherwise provided by Part 9 of the Schedule the Trustees may delegate any of their powers and duties hereunder or any business including the exercise of any discretion to any person or company including the Company or any Subsidiary.

- 15.3 The Trustees may at any time and shall if so directed by the Company revoke any delegation or arrangement made under this Clause and require any trust property held by another person to be returned to the Trustees.

- 15.4 The Trustees may execute or sign and (if and so long as there is more than one Trustee) may authorise the execution or signature by any one of their number as their agent (and any corporate trustee may similarly authorise any of its directors officers or employees on its behalf) to effect the execution or signature of any deeds documents cheques or other instruments by the impression of any signature on behalf of or as witness of any sealing by the Trustees in writing printing lithography photocopying or any other mode of representing or reproducing words in a visible form. Any such signature or sealing shall be as valid as if given by all the Trustees.
- 15.5 The Trustees may at any time cause any part of the trust property to be deposited for safekeeping with any Trustee or any other person on behalf of the Trustees and may pay any expenses in connection therewith.

16. **ADMINISTRATION**

- 16.1 Subject to and in accordance with the provisions of this Deed including Schedule One the Trustees may make such regulations as they consider appropriate relating to the administration of the Plan.
- 16.2 If and so long as there is more than one Trustee the Trustees shall meet together as may be necessary for the administration of the trusts hereof and all decisions taken by a majority (or as a result of the casting vote of any chairman appointed by the Trustees present at the meeting) of the Trustees present at any meeting of the Trustees of which notice has been given to all of them present in the United Kingdom (provided at least two Trustees shall be present) shall be as effective for all purposes as if such decisions had been unanimous decisions of all the Trustees. A written resolution signed by all the Trustees arrived at without any meeting shall be effective for all purposes. Nothing herein shall preclude a sole corporate trustee from acting on its own.
- 16.3 The Trustees shall arrange for the relevant Participating Companies to account to HMRC or other authority concerned for any amounts deducted from payments made pursuant to the Plan in respect of PAYE or any other deductions required in accordance with paragraph 79 of the Schedule.

17. **PROVISIONS RELATING TO THE TRUSTEES**

- 17.1 The Company shall pay to or reimburse the Trustees upon demand for all charges and expenses reasonably incurred by them in the course of the administration and determination of the trusts of this Deed and of the Plan and shall keep their estates and effects fully indemnified and saved harmless against all actions, claims, losses, demands, proceedings, charges, expenses, costs, damages, taxes, duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and discretions vested in them by this Deed and the Plan or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of the Plan but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful default or in the case of Trustees engaged in the business of providing a trustee service for a fee negligence on his part and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925.

- 17.2 A person shall not be disqualified from acting as a Trustee hereof or exercising any power vested in the Trustees by reason of the fact that he is or has been a director or employee of any Participating Company or any Subsidiary or is participating in or has participated in the Plan or for any remuneration or other benefit received thereby or in connection therewith.
- 17.3 Any bank which is banker to the Company or any Subsidiary may act as Trustee without being required to account for any profit resulting therefrom.
- 17.4 Any person acting as a Trustee in the course of any profession or business carried on by him may charge and be paid such reasonable remuneration charges or disbursements whether in connection with the Plan or otherwise as shall from time to time be agreed between him and the Company.
- 17.5 No Trustee (and no director or officer of a body corporate or a trust corporation acting as a Trustee) shall on his own account be precluded from acquiring, holding or dealing with any debentures, debenture stock shares or securities whatsoever of the Company or any Subsidiary or any other company in the shares of which the Company or any Subsidiary may be interested or from entering into any contract or other transaction with the Company or any Subsidiary or any such other company or from being interested in any such contract or transaction and nor shall he be in any way liable to account to the Company or any Subsidiary or any Participant in the Plan for any profits made, fees, commissions, shares of brokerage discounts allowed or advantages obtained by him from or in connection with such acquisition, holding, dealing contract or transaction whether or not in connection with his duties hereunder.
- 17.6 The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information supplied to them by the Company for the purposes of the Plan and shall also be entitled to rely in the absence of manifest error on any direction notice or document purporting to be given or executed by or with the authority of the Company or by any Participant in the Plan as having been so given or executed.

18. **APPOINTMENT REMOVAL AND RETIREMENT OF TRUSTEES**

- 18.1 The Company may at any time by writing under the hand of a person duly authorised by a resolution of the Directors:
- 18.1.1 appoint a new Trustee including a corporate Trustee; and
- 18.1.2 remove a Trustee from office (but not so as to leave in office less than two Trustees unless a corporate Trustee) without assigning any reason therefore and shall give one month's notice after which such removal shall (in the absence of any other date specified in the notice) take place forthwith.
- 18.2 All powers of appointment and removal shall be vested in the Trustees in the event that the Company ceases to exist otherwise than in consequence of a reconstruction or amalgamation.
- 18.3 A Trustee may retire by giving to the Company written notice of his desire to retire and such notice shall take effect at the expiry of three months (or such other period as may be agreed with the Company) from the date of such notice. The Trustee shall not

be obliged to pay and shall not be responsible for any costs occasioned by such retirement but shall execute all such documents and do all such things as may be necessary to give proper effect to such retirement.

- 18.4 Forthwith upon his removal or retirement a Trustee shall transfer all trust property held by him and deliver all documents in his possession relating to the Plan to the remaining Trustees (if any) or otherwise as the Company may direct.
- 18.5 The provisions of Sections 37 and 39 of the Trustee Act 1925 shall apply hereto as if any references therein to a trust corporation were references to any corporation.

19. **RESIDENCE AND NUMBER OF TRUSTEES**

The number of Trustees should be not less than two persons unless a company is appointed as sole Trustee. The Trustees shall at all times be resident in the United Kingdom for United Kingdom tax purposes. If there is only one Trustee it shall be a body corporate (which in accordance with Clause 18.5 above need not be a trust corporation) at all times resident in the United Kingdom for United Kingdom tax purposes.

20. **ALTERATIONS**

The Company may at any time (with the concurrence of the Trustees) by deed supplemental hereto alter any of the provisions of this Deed (including the Schedules hereto) subject to the provisions of Rule 22.

21. **TERMINATION**

The trusts established by this Trust Deed shall (subject to the power of the Directors to terminate the Plan under Rule 23.1) continue for a period of eighty years commencing on the date of this Trust Deed and shall thereupon be wound up in accordance with Rule 23.3.

22. **GENERAL**

- 22.1 This Deed shall be governed by and construed in accordance with the laws of England.
- 22.2 Schedule One shall have effect as part of this Deed.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written:

THE COMMON SEAL OF)
KIMBERLY-CLARK HOLDING LIMITED)
was hereunto affixed)
in the presence of)

Director

RODNEY S. OLSEN

Secretary

MARK MAURICE-JONES

SIGNED AS A DEED)
MOURANT ECS TRUSTEES LIMITED)
was hereunto affixed)
in the presence of)

Director

DOMINIC JONES

Authorised Signatory

ADRIAN GIBBS

SCHEDULE 1

Rules of Kimberly-Clark Shareplus UK

1. Definitions

In these Rules the following words and expressions shall, where the context so permits, have the meanings set forth below:

"Accumulation Period"	such period as the Directors shall determine under Rule 5.1.4 which shall begin no later than the date on which the first deduction of Partnership Share Money is made from a Participant's salary and end no later than twelve months after it began and which shall be the same for all Participants in the Plan;
"the Act"	the Income Tax (Earnings and Pensions) Act 2003;
"Acquisition Date"	the date on which Partnership Shares are acquired on behalf of Participants in accordance with Rule 6 of the Plan;
"Appropriation Date"	<ol style="list-style-type: none">(1) in relation to Free Shares, a date determined by the Directors (and agreed in advance with the Trustees) as the date on which Free Shares are to be appropriated to Participants in accordance with Rule 2 of the Plan; and(2) in relation to Matching Shares, the date on which Matching Shares are to be appropriated to Participants in accordance with Rule 9 of the Plan; and(3) in relation to Dividend Shares, the date on which the Dividend Shares are appropriated to Participants in accordance with Rule 12 of the Plan;
"Associated Company"	has the meaning in paragraph 94 of the Schedule;
"the Auditors"	the auditors for the time being of the Company acting as experts and not as arbitrators;

"Capital Receipt"	in relation to Plan Shares held on behalf of a Participant, any money or money's worth which the Trustees or the Participant become entitled to receive, save to the extent that it is disregarded pursuant to the provisions of section 502(4) of the Act;
"the Company"	KIMBERLY-CLARK HOLDING LIMITED registered in England under number 1961889;
"Connected Company"	has the same meaning as in paragraph 18 (3) of the Schedule;
"Continuous Employment"	the meaning ascribed by Chapter I of Part XIV of the Employment Rights Act 1996;
"Control"	the meaning ascribed by Section 719 of the Act;
"Dealing Day"	a day on which the New York Stock Exchange is open for the transaction of business;
"the Deed"	the Trust Deed constituting, inter alia, the Plan as amended from time to time;
"the Directors"	the Shareplus Management Committee including the European HR Policy Council;
"Dividend Shares"	Shares which satisfy the requirements of paragraph 62 of the Schedule and are appropriated to Participants under Rule 12 and held by the Trustees upon the terms of the Plan;
"Eligible Employee"	<p>any person who on the applicable Appropriation Date or the date of the deduction of Partnership Share Money relating to the award or where an Accumulation Period applies the date of the first deduction of Partnership Share Money relating to the award is an employee of the Company (or any Participating Company); and</p> <ol style="list-style-type: none"> (1) is chargeable to tax in respect of his employment as employment income; and (2) any other employee who the Directors in their absolute discretion may

permit to participate in the Plan

PROVIDED THAT

- (1) a person who is ineligible to participate by virtue of paragraph 19 of the Schedule shall not be treated as an Eligible Employee; and
- (2) a person shall not be eligible to receive an appropriation of Free Shares in a Year of Assessment if in that Year of Assessment:
 - (a) shares have been appropriated to him under a profit sharing scheme established by the Company or a Connected Company and which meets the requirements of Schedule 9 of the Income and Corporation Taxes Act 1988; or
 - (b) he has participated or is to participate or would have participated but for his failure to obtain an appropriation based on a performance related formula in another share incentive plan established by the Company or a Connected Company and which meets the requirements of the Schedule;

and

- (3) a person shall not be eligible to participate in an award of Partnership Shares or Matching Shares in a Year of Assessment if in that Year of Assessment he has participated or is to participate in an award of shares under another employee share incentive plan established by the Company or a Connected Company and which meets the requirements of the Schedule;

"Forfeiture Period"

in relation to Free Shares and Matching Shares the period beginning on the applicable

	Appropriation Date and ending on such date as the Directors shall determine being no later than the third anniversary of such Appropriation Date which shall apply to all Free Shares and Matching Shares in the same appropriation;
"Free Shares"	Shares which are appropriated to an Eligible Employee under Rule 2 and held by the Trustees upon the terms of the Plan;
"Free Share Agreement"	An agreement in the form (or substantially in the form) of Schedule Three, adapted as appropriate;
"Free Share Limit"	a US dollar equivalent of £3,600 or such other amount as may be specified in paragraph 35 of the Schedule from time to time;
"Group"	the Company, any Subsidiary and any Associated Company of the Company from time to time;
"Holding Period"	<p>in relation to Free Shares, Matching Shares and Dividend Shares the period beginning on the applicable Appropriation Date and ending on:</p> <ol style="list-style-type: none"> (1) in the case of Free Shares and Matching Shares such date as the Directors shall determine being no earlier than the third anniversary nor later than the fifth anniversary of such date; and (2) in the case of Dividend Shares the third anniversary of such date; <p>and which period shall not be increased in respect of Free Shares, Matching Shares and Dividend Shares already awarded under the Plan;</p>
"HMRC"	H.M. Revenue & Customs;
"Initial Market Value"	<p>in relation to a Share on any date:</p> <ol style="list-style-type: none"> (1) save as mentioned in (2) below, its Market Value on the Appropriation

Date, Acquisition Date or where the Directors have determined that an Accumulation Period applies the first day of the Accumulation Period or the Acquisition Date in accordance with Rule 6.2 (as appropriate); or

- (2) if and so long as the Shares are listed on the New York Stock Exchange, its Market Value on the Appropriation Date, Acquisition Date or where the Directors have determined that an Accumulation Period applies the first day of the Accumulation Period or the Acquisition Date in accordance with Rule 6.2;

"Key Feature"

a feature of the Plan which is a provision which is necessary in order to meet the requirements of the Schedule;

"Jointly Owned Company"

a company which satisfies the provisions of paragraph 91 of the Schedule;

"Letter of Offer"

a letter in the form (or substantially in the form) of Schedule Two, adapted as appropriate;

"Market Value"

in relation to a Share on any date:

- (1) save as mentioned in (2) below, its market value as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance with HMRC; or
- (2) if and so long as the Shares are listed on the New York Stock Exchange;
 - (a) if, and only if, all the Shares acquired for allocation to Participants on an Acquisition Date or an Appropriation Date are purchased and allocated to all Participants on the same day, the average of the prices paid by the Trustees for those shares;

or

(b) if all the Shares acquired for Participants are not purchased and awarded to all Participants on the same day, its average quoted price on the New York Stock Exchange on the immediately preceding Dealing Day; and

(3) is to be determined as if any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject does not apply.

"Matching Shares"

Shares which satisfy the requirements of paragraph 59 of the Schedule and are appropriated to an Eligible Employee under Rule 9 and held by the Trustees upon the terms of the Plan;

"Parent"

Kimberly-Clark Corporation, a corporation registered in the State of Delaware U.S.A.;

"Participant"

an Eligible Employee who has entered into a Free Share Agreement or Partnership Share Agreement to participate in the Plan;

"Participating Company"

the Company and any Jointly Owned Company, and any Subsidiary which is under the Control of the Company, designated by the Directors as a Participating Company which has executed a suitable deed of adherence;

"Partnership Shares"

Shares which are acquired by or on behalf of Eligible Employees under Rule 6 and held by the Trustees upon the terms of the Plan;

"Partnership Share Agreement"

An agreement in the form (or substantially in the form) of Schedule Four, adapted as appropriate;

"Partnership Share Limit"

the lower of £125 per month and 4% of an Eligible Employee's Salary (or such other amounts as may be determined by the Directors from time to time which do not exceed the amounts specified in paragraph 46 of the Schedule);

"Partnership Share Money"

if the Directors determine that an Accumulation Period will apply the aggregate amount of all deductions, otherwise the deduction made from a Participant's Salary in accordance with the Partnership Share Agreement before it is used to acquire Partnership Shares on his behalf;

"Plan"

Kimberly-Clark Shareplus UK in its present form, or as from time to time altered in accordance with its Rules;

"Plan Shares"

Shares held by the Trustees upon the terms of the Plan on behalf of the Participants comprising Free, Partnership, Matching and Dividend Shares and shares in relation to which paragraph 87 of the Schedule applies;

"Reconstruction or Take-over"

a transaction affecting any Plan Shares which:

- (1) is an offer for those Plan Shares which, if accepted, would result in a new holding of shares being equated with such Plan Shares for the purposes of capital gains tax; or
- (2) is a transaction mentioned in Chapter II of Part V of the Taxation of Chargeable Gains Act 1992 which would result in a new holding being equated with such Plan Shares for the purposes of capital gains tax were it not for the fact that what would be the new holding consists of or includes a qualifying corporate bond (within the meaning of Section 117 of the Taxation of Chargeable Gains Act 1992); or
- (3) is entered into pursuant to a scheme of arrangement or a compromise applicable to or affecting:
 - (a) all the issued ordinary share capital of the Relevant Company or, as the case may be, all of it that is of the class in question; or

- (b) all the shares, or shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in an employee share incentive plan which meets the requirements of the Schedule;

or

- (4) is an offer of cash (with or without other assets) where the offer forms part of a general offer which is made to the holders of shares of the same class in the Relevant Company and which is made in the first instance on a condition such that if it is satisfied the offeror will have Control of the Relevant Company;

"the Release Date"

- (1) in relation to Free Shares, Matching Shares and Dividend Shares, the day following the last day of the applicable Holding Period;
- (2) in relation to Partnership Shares, the period beginning on the applicable Acquisition Date and ending on the third anniversary of such date;

"Relevant Company"

the Parent or any other company whose shares are, as a result of a Reconstruction or Take-over, Plan Shares;

"Relevant Employment"

employment by the Company, a Participating Company or any Associated Company of the Company;

"Rules"

the rules of the Plan (and "Rule" shall be construed accordingly);

"Salary"

the meaning ascribed by paragraph 43(4) of the Schedule;

"the Schedule"

Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003;

"Share"

a share (including for the avoidance of doubt a fraction of a share) of common stock in the

	Parent satisfying paragraphs 60 to 67 inclusive of the Schedule;
"Subsidiary"	the meaning ascribed by Section 1159 of the Companies Act 2006;
"Tax Free Date"	(1) In relation to Free Shares, Partnership Shares and Matching Shares, the fifth anniversary of their Appropriation Date or Acquisition Date (as appropriate); and (2) in relation to Dividend Shares, the third anniversary of their Appropriation Date;
"Termination Period"	the period of three months commencing on the day on which a plan termination notice is sent out under Rule 23.2;
"Trustees"	the Trustees referred to in the Deed, or such other person or persons who is or are the trustee or trustees from time to time of the Plan;
"T.U.P.E transfer"	a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 applies;
"US dollar equivalent of"	means in relation to a pounds sterling amount on any date the equivalent of that amount expressed in US dollars calculated by reference to the selling rate for UK sterling against US dollars as quoted by HSBC Bank or such other bank as may be selected by the Board at the relevant date; and
"Year of Assessment"	a year beginning on any 6 April and ending on the following 5 April.

References to any statutory provision are to that provision as amended or re-enacted from time to time and, unless the context otherwise requires, words in the singular include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

PART ONE - FREE SHARES

2. Appropriation of Free Shares

2.1 When the Directors have determined to operate the Plan by offering Free Shares on the same terms to Eligible Employees, a Letter of Offer shall be issued to each Eligible Employee asking him to consent to the appropriation of Free Shares on the

proposed Appropriation Date by signing and returning as directed the accompanying Free Share Agreement duly completed and signed . The Letter of Offer shall specify the Holding Period which the Directors have determined will apply to the Free Shares appropriated on the Appropriation Date and any Forfeiture Period that will apply to the Free Shares.

2.2 A Free Share Agreement entered into in accordance with this Rule 2 shall bind the relevant Eligible Employee in contract with the Company:

2.2.1 to permit the Free Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and

2.2.2 not to assign, charge or otherwise dispose of his beneficial interest in those Free Shares during the applicable Holding Period; and

2.2.3 if the Company in accordance with Rule 4.2 directs the Trustees to transfer the legal ownership of any Free Shares to the Eligible Employee at any time before the applicable Release Date, to pay to the Trustees before such transfer takes place, or to allow the Trustees to sell some or all of his Free Shares in order to raise, a sum equal to income tax at the appropriate rate on the Market Value of such Free Shares at the time of such transfer together with any Primary Class I National Insurance liability which may arise; and

2.2.4 if he or the Company in accordance with Rule 4.2 directs the Trustees to transfer the legal ownership of any Free Shares to the Eligible Employee at any time after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Free Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of the Free Shares; and

(b) the Market Value of the Free Shares at the time of such transfer

together with any Primary Class I National Insurance liability which may arise.

2.3 Free Shares shall be appropriated on an Appropriation Date amongst Eligible Employees who have entered into a Free Share Agreement in accordance with such one or more of the methods set out in Rules 2.3.1, 2.3.2, 2.3.3, 2.3.4 or 2.3.5 as the Directors shall determine. Every Eligible Employee who does participate must do so on the same terms.

2.3.1 Eligible Employees shall receive Free Shares having an Initial Market Value equal to such percentage of their annual Salary as the Directors shall determine; and/or

2.3.2 Eligible Employees shall receive a number of Free Shares per year of Continuous Employment with one or more Participating Companies and/or Subsidiaries; and/or

- 2.3.3 Eligible Employees shall receive a number of Free Shares according to the number of hours worked per week with their employing company; and/or
- 2.3.4 Eligible Employees shall receive a fixed number of Shares or a number of Shares with a Market Value equal to a fixed sum; and/or
- 2.3.5 such other formula relating to the performance of the Eligible Employee, the Company or the Eligible Employee's business unit to be determined by the Directors (the "Performance Related Formula") PROVIDED THAT if a Performance Related Formula is selected, either 2.3.5.1 or 2.3.5.2 will apply;

2.3.5.1

- (a) at least 20% of the Free Shares appropriated on the Appropriation Date must be appropriated in accordance with Rules 2.3.1, 2.3.2, 2.3.3 and/or 2.3.4 without reference to the Performance Related Formula; and
- (b) the appropriation of Free Shares with the highest Initial Market Value to any Eligible Employee on any Appropriation Date under the Performance Related Formula may not exceed four times the highest Initial Market Value of Free Shares appropriated to any Eligible Employee under any of the formulae set out under Rules 2.3.1, 2.3.2, 2.3.3 and 2.3.4; or

2.3.5.2

- (a) some or all of the Free Shares must be appropriated according to a Performance Related Formula which must be comparable in terms of the likelihood of being met by each of the performance units to which it applies; and
- (b) Free Shares appropriated to members of the same performance unit must satisfy Rules 2.3.1, 2.3.2, 2.3.3 or 2.3.4.

2.4 Where a Performance Related Formula is selected:

- 2.4.1 the same method as set out in either Rule 2.3.5.1 or Rule 2.3.5.2 shall be used for all Eligible Employees who take part in an appropriation;
- 2.4.2 the Letter of Offer issued to Eligible Employees under Rule 2.1 shall include notification of the Performance Related Formula as it applies to each Eligible Employee; and
- 2.4.3 a notice describing the Performance Related Formula in general terms must be [put on display for all employees of the Group] [sent to all employees in the Group] before the beginning of the period to which the Performance Related Formula will relate.

2.5 Where Free Shares have been appropriated under this Rule 2 the Trustees will send a Notice of Appropriation to each Participant to whom such Shares have been appropriated in accordance with Clause 2.7 of the Deed.

2.6 The aggregate of the Market Value of all Free Shares which may be appropriated to any Participant in any Year of Assessment shall not exceed the Free Share Limit.

3. **Transfer of Free Shares**

3.1 In accordance with the Free Share Agreement entered into between a Participant and the Company under Rule 2, a Participant may direct the Trustees to transfer the legal ownership of his Free Shares to him at any time on or after the Release Date that applies to them.

3.2 Any direction given by a Participant under Rule 3.1 must be in the form (or substantially in the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Free Shares as soon as practicable after receipt of the direction.

4. **Cessation of Employment and withdrawal of Free Shares from the Plan**

4.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:

4.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or

4.1.2 a T.U.P.E transfer; or

4.1.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or

4.1.4 retirement; or

4.1.5 death,

the Directors shall procure that his Free Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

4.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 4.1 or otherwise instructs the Trustees to transfer his Free Shares to him:

4.2.1 on or after the applicable Release Date but before the applicable Tax Free Date, the Directors shall procure that his Free Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of such Free Shares; and

(b) the Market Value of such Free Shares on the date of his cessation of employment;

together with any Primary Class I National Insurance liability that may arise in accordance with the Free Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation; or

4.2.2 in relation to cessation of employment only, after the Forfeiture Period and before the applicable Release Date, the Directors shall procure that his Free Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the Market Value of such Free Shares together with any Primary Class I National Insurance liability that may arise, in accordance with the Free Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation.

4.3 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 4.1 before the end of the applicable Forfeiture Period he will forfeit his Free Shares and thereafter have no further entitlement to them.

4.4 **Takeovers**

4.4.1 A Participant may during the Holding Period direct the Trustees:

4.4.1.1 to accept an offer for any of his Free Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or

4.4.1.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Free Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or

4.4.1.3 to accept an offer of cash, with or without other assets, for his Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or

4.4.1.4 to agree to a transaction affecting his Free Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:

(a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or

(b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to

their employment or their participation in a plan which meets the requirements of the Schedule.

PART TWO - PARTNERSHIP SHARES

5. Invitations to acquire Partnership Shares

5.1 When the Directors have determined to operate the Plan by inviting Eligible Employees to acquire Partnership Shares on the same terms, a Letter of Offer shall be issued to each Eligible Employee inviting him to enter into an agreement with the Company by signing and returning as directed the accompanying Partnership Share Agreement duly completed and signed by such date at least 14 days after the date of the Letter of Offer as shall be specified in the Letter of Offer. The Letter of Offer shall specify:

5.1.1 whether the Directors have determined to offer Matching Shares to Eligible Employees who enter into a Partnership Share Agreement; and

5.1.2 the basis on which such Matching Shares will be appropriated; and

5.1.3 any Forfeiture Period that will apply to the Matching Shares; and

5.1.4 the starting date and length of the Accumulation Period (as determined by the Directors).

5.2 The Company may specify the maximum number of Shares to be included in an offer of Partnership Shares.

5.2.1 The Partnership Share Agreement shall contain an undertaking by the Company to notify each Eligible Employee of any restriction on the number of Shares to be included in an offer.

5.2.2 The notification in Rule 5.2.1 shall be given:

(a) If there is no Accumulation Period, before the deduction of the Partnership Share Money relating to the offer; and

(b) If there is an Accumulation Period, before the beginning of the Accumulation Period relating to the offer.

5.3 A Partnership Share Agreement entered into in accordance with this Rule 5 shall bind the relevant Eligible Employee in contract with the Company:

5.3.1 to permit the Company to deduct from his Salary each month an amount neither less than £10 nor exceeding the Partnership Share Limit; and

5.3.2 to permit the Company to use the amount deducted under Rule 5.3.1 above to acquire (or to arrange the acquisition of) Partnership Shares on behalf of the Eligible Employee and to hold them in accordance with the Rules of the Plan; and

- 5.3.3 if he directs the Trustees to transfer the legal ownership of any Partnership Shares to him at any time before the applicable Release Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Partnership Shares in order to raise a sum equal to income tax at the appropriate rate on the Market Value of such Partnership Shares at the time of such transfer together with any Primary Class I National Insurance liability that may arise; and
- 5.3.4 if he directs the Trustees to transfer the legal ownership of any Partnership Shares to him at any time on or after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Partnership Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:
- (a) the Partnership Share Money used to acquire the Partnership Shares; and
 - (b) the Market Value of the relevant Partnership Shares at the time of such transfer,
- together with any Primary Class I National Insurance liability that may arise.

5.4 A Partnership Share Agreement entered into under Rule 5.1 above will not be valid unless it contains a notice as prescribed by paragraph 48 of the Schedule.

5.5 Where Partnership Shares have been acquired on behalf of Participants the Trustees will send a Notice of Acquisition to each Participant on whose behalf such Shares have been acquired in accordance with the provisions of Clause 2.7 of the Deed.

5.6 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to stop the deductions from his Salary with effect from a date specified in the notice. Following such a notice, the Participant may, by further notice in writing, direct the Company to re-start the deductions from his Salary, provided that the deductions that have been missed in the interim period may not be made up.

5.7 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to elect to change the level of deductions from Salary on two occasions in each calendar year.

5.8 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to withdraw from the Partnership Share Agreement at any time.

6. **Acquisition of Partnership Shares**

The Directors shall determine whether an Accumulation Period shall apply.

6.1 Where the Directors have determined that an Accumulation Period shall not apply to an offer of Partnership Shares:

- 6.1.1 All Partnership Share Money deducted by the Company in accordance with the Partnership Share Agreement entered into under Rule 5.1 shall be transferred directly to the Trustees. Within 30 days after the Partnership Share Money was deducted from Participants' Salaries the Trustees shall use it in the acquisition of Partnership Shares on behalf of Participants. For the purpose of this Rule 6.1 'acquisition' shall mean subscription for, purchase of or allocation of Shares already held by the Trustees which are not Free Shares, Partnership Shares, Matching Shares or Dividend Shares.
- 6.1.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined in accordance with the Market Value of the Partnership Shares on the Acquisition Date.
- 6.2 Where the Directors have determined that an Accumulation Period shall apply:
- 6.2.1 All Partnership Share Money deducted by the Company during the Accumulation Period shall be transferred to the Trustees within 30 days of its deduction from Participants' Salaries. The Trustees will then hold the Partnership Share Money until the end of the Accumulation Period. Within 30 days after the end of the Accumulation Period the Trustees shall use the Partnership Share Money in the acquisition of Partnership Shares on behalf of Participants.
- 6.2.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined by reference to:
- (a) the Market Value of Shares on the first day of the Accumulation Period; or
 - (b) the Market Value of Shares on the Acquisition Date; or
 - (c) the lower of the two Market Values referred to in Rules 6.2.2(a) and 6.2.2(b) above.
- 6.3 The Partnership Share Agreement shall state whether the number of Shares to be acquired will be determined in accordance with Rule 6.2.2(a), 6.2.2(b) or 6.2.2(c).
- 6.4 Any amount deducted in excess of that allowed by rule 6.1.1 or 6.2.1 shall be paid over to the employee subject to the deduction of income tax under PAYE and in addition any liability to Primary National Insurance Contributions which may arise.
- 6.5 If the account opened under Clause 2.3 of the Deed earns interest, the Trustees must pay any interest earned to the Participant.
- 6.6 If the Company receives applications for Partnership Shares exceeding the maximum determined by the Directors on that occasion then the following steps shall be taken in sequence until the excess is eliminated:
- 6.6.1 the excess of the monthly deduction chosen by each application over £10 shall be reduced pro rata;
 - 6.6.2 all monthly deductions shall be reduced to £10;

6.6.3 applications shall be selected by lot, each based on a monthly deduction of £10.

Each application shall be deemed to have been modified or withdrawn in accordance with the foregoing provisions, and each Eligible Employee who has applied for Partnership Shares shall be notified of the change.

7. Transfer of Partnership Shares

7.1 In accordance with a Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may withdraw from the Partnership Share Agreement at any time by notice in writing to the Company, which notice shall take effect 30 days after its receipt, or on such later date as may be specified in the notice. The Participant may then:

- (a) direct the Trustees to transfer to him any Partnership Share Money held on his behalf at any time; and/or
- (b) direct the Trustees to transfer the legal ownership of his Partnership Shares at any time.

7.2 A Participant may withdraw any or all of his Partnership Shares from the Plan at any time.

7.3 The transfer of any Partnership Share Money and/or Partnership Shares shall be subject to the withholding of the amount necessary to pay income tax at the appropriate rate together with any Primary Class I National Insurance liability that may arise in accordance with the Partnership Share Agreement relating to them. The Trustees will transfer the relevant Partnership Share Money and/or Partnership Shares to the Participant as soon as practicable after receipt of the direction and in any event within 30 days thereof.

7.4 If Matching Shares have been appropriated to a Participant in relation to Partnership Shares that have been acquired on his behalf in accordance with a Partnership Share Agreement, any request to the Trustees to transfer those Partnership Shares to him under Rule 7.1 or any transfer of those Partnership Shares to him under Rule 8 before the end of the Forfeiture Period for the Matching Shares will cause him to forfeit the corresponding Matching Shares and he will thereafter have no further entitlement to them.

7.5 Where an Accumulation Period applies, in accordance with a Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may by notice in writing to the Company (which notice shall take effect 30 days after its receipt unless a later date is specified in the notice) direct the Company to stop making deductions from his Salary under the terms of the Partnership Share Agreement. Where such notice is given by a Participant he may at a later date during the Accumulation Period by notice in writing to the Company, which notice shall take effect within 30 days after its receipt (unless a later date is specified in the notice) direct the Company to resume making deductions from his Salary under the terms of the Partnership Share Agreement until the end of the Accumulation Period.

8. Cessation of Employment

- 8.1 In the event of a Participant ceasing to be employed by the Group in any circumstances the Directors shall, subject to Rule 8.2, procure that his Partnership Shares and any Partnership Share Money held by the Trustees on his behalf are transferred to him by the Trustees as soon as practicable after such cessation.
- 8.2 Unless Rule 8.3 applies, if the cessation of the Participant's employment occurs before the Tax Free Date applicable to his Partnership Shares or while Partnership Share Money is held on his behalf, the transfer of those Partnership Shares and that Partnership Share Money to him by the Trustees shall be subject both to the withholding of the amount necessary to pay income tax at the appropriate rate in accordance with the provisions of Rules 5.3.3 and/or 5.3.4 and to the withholding of the amount necessary to pay income tax at the appropriate rate on such Partnership Share Money, in each case in accordance with the Partnership Share Agreement that relates to them and together with any Primary Class I National Insurance liability that may arise.
- 8.3 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
- 8.3.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or
 - 8.3.2 a T.U.P.E transfer; or
 - 8.3.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or
 - 8.3.4 retirement; or
 - 8.3.5 death,

the Directors shall procure that his Partnership Shares and Partnership Share Money are transferred to him or his personal representatives as soon as practicable after such cessation.

PART THREE - MATCHING SHARES

9. Appropriation of Matching Shares

- 9.1 When the Directors have determined to operate the Plan by appropriating Matching Shares on the same terms to Eligible Employees who enter into a Partnership Share Agreement under Rule 5, the Letter of Offer issued to each Eligible Employee under Rule 5 shall contain information about such determination, including the number of Matching Shares that will be appropriated for each Partnership Share (being not more than two for one).
- 9.2 Where the Directors have determined to appropriate Matching Shares to Eligible Employees who enter into a Partnership Share Agreement under Rule 5, the Partnership Share Agreement will bind the relevant Eligible Employee in contract with the Company:

- 9.2.1 to permit the Matching Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and
- 9.2.2 not to assign, charge or otherwise dispose of his beneficial interest in those Matching Shares during the applicable Holding Period; and
- 9.2.3 if the Company in accordance with Rule 11.2 directs the Trustees to transfer the legal ownership of any Matching Shares to the Participant before the applicable Release Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Matching Shares in order to raise a sum equal to income tax at the appropriate rate on the Market Value of such Matching Shares at the time of such transfer together with any Primary Class I National Insurance liability that may arise; and
- 9.2.4 if he or the Company in accordance with Rule 11.2 directs the Trustees to transfer the legal ownership of any Matching Shares to him at any time on or after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Matching Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:
 - (a) the Initial Market Value of the Matching Shares; and
 - (b) the Market Value of the Matching Shares at the time of such transfer,
 together with any Primary Class I National Insurance liability that may arise.
- 9.3 Where Matching Shares are appropriated under this Rule 9 the Trustees will send a Notice of Acquisition/Appropriation to each Participant to whom such Shares have been appropriated in accordance with the provisions of Clause 2.7 of the Deed.

10. **Transfer of Matching Shares**

- 10.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may direct the Trustees to transfer the legal ownership of his Matching Shares to him at any date on or after the Release Date that applies to them.
- 10.2 Any direction given by a Participant under Rule 10.1 must be in the form (or substantially the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Matching Shares as soon as practicable after the receipt of the direction.

11. **Cessation of Employment and withdrawal of Matching Shares from the Plan**

- 11.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
 - 11.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or
 - 11.1.2 a T.U.P.E. transfer or;

11.1.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or

11.1.4 retirement; or

11.1.5 death,

the Directors shall procure that his Matching Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

11.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 11.1 or otherwise instructing the Trustees to transfer his Matching Shares to him:

11.2.1 on or after the applicable Release Date but before the applicable Tax Free Date the Directors shall procure that his Matching Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Matching Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of such Matching Shares; and

(b) the Market Value of such Matching Shares on the date of his cessation of employment,

together with any Primary Class I National Insurance liability that may arise in accordance with the Partnership Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation; or

11.2.2 In relation to cessation of employment only, after the Forfeiture Period and before the applicable Release Date the Directors shall procure that his Matching Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Matching Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the Market Value of such Matching Shares together with any Primary Class I National Insurance liability that may arise, in accordance with the Partnership Share Agreement that relates to them.

11.2.3 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 11.1 before the end of the Forfeiture Period he will forfeit his Matching Shares and thereafter have no further entitlement to them.

11.3 Takeovers:

11.3.1 A Participant may during the Holding Period direct the Trustees:

11.3.1.1 to accept an offer for any of his Matching Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or

- 11.3.1.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Matching Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or
- 11.3.1.3 to accept an offer of cash, with or without other assets, for his Matching Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or
- 11.3.1.4 to agree to a transaction affecting his Matching Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
- (a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or
 - (b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a plan which meets the requirements of the Schedule.

PART FOUR – DIVIDEND SHARES

12. Reinvestment of Dividends

- 12.1 The Directors may direct that some or all of any cash dividend in respect of Plan Shares held on behalf of Participants may be applied in acquiring further Plan Shares on their behalf.
- 12.2 The Directors may decide to:
- 12.2.1 apply all Participants' dividends (either in whole or in part) to acquire dividend Shares;
 - 12.2.2 to pay all or some dividends in cash to all Participants; or
 - 12.2.3 to offer Participants the choice of either 12.2.1 or 12.2.2.
- 12.3 The Trustees shall, within 30 days of their receipt of such dividends, use them to acquire further Shares for appropriation to Participants as Dividend Shares. In exercising their powers to acquire Dividend Shares the Trustees must treat Participants fairly and equally.
- 12.4 For the purposes of Rule 12.1 'acquire' shall mean subscribe for purchase or allocate Shares already held by the Trustees which are not Free Shares, Partnership Shares, Matching Shares or Dividend Shares.

- 12.5 The number of Dividend Shares to be appropriated to each Participant shall be determined in accordance with the Market Value of the Shares on the Appropriation Date.
- 12.6 Any direction given by the Directors to the Trustees regarding the reinvestment of cash dividends in respect of Plan Shares held on behalf of the Participants shall set out the amount of the cash dividends to be so reinvested or how that amount is to be determined.
- 12.7 The Free Share Agreement and/or Partnership Share Agreement entered into by each Participant in accordance with Rules 2 and/or 5 shall bind the relevant Participant in contract with the Company:
- 12.7.1 to permit the Dividend Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and
 - 12.7.2 not to assign, charge or otherwise dispose of his beneficial interest in the Dividend Shares during the applicable Holding Period; and
 - 12.7.3 if the Company in accordance with Rule 14.2 directs the Trustees to transfer the legal ownership of any Dividend Shares to the Eligible Employee at any time before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Dividend shares in order to raise a sum equal to income tax at the appropriate rate on the cash amount of the dividend used to acquire those Dividend Shares less the aggregate amount of tax paid on any Capital Receipt in respect of those Dividend Shares that has already been subject to income tax.
- 12.8 Where Dividend Shares have been appropriated under Rule 12.1 the Trustees will send a Notice of Appropriation to each Participant to whom such Dividend Shares have been appropriated as soon as practicable after the Appropriation Date (and in any event within 30 days of the applicable Appropriation Date).

13. Transfer of Dividend Shares

- 13.1 In accordance with the Free Share Agreement and/or Partnership Share Agreement entered into between a Participant and the Company under Rules 2 and/or 5 a Participant may direct the Trustees to transfer the legal ownership of his Dividend Shares to him at any time on or after the Release Date that applies to them.
- 13.2 Any direction given by a Participant under Rule 13.1 must be in the form (or substantially in the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Dividend Shares as soon as practicable after receipt of the direction.

14. Cessation of Employment

- 14.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
- 14.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or

- 14.1.2 a T.U.P.E transfer; or
- 14.1.3 a change of control or other circumstances ending the Associated Company status of the company by which he is employed; or
- 14.1.4 retirement; or
- 14.1.5 death,

the Directors shall procure that his Dividend Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

- 14.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 14.1 before the applicable Tax Free Date the Directors shall procure that his Dividend Shares are transferred to him by the Trustees, subject to the disposal by the trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the cash amount of the dividends used to acquire those Dividend Shares less the aggregate amount of any tax paid on any Capital Receipt in respect of those Dividend Shares that has already been subject to income tax, in accordance with the Free Share Agreement and/or Partnership Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation.

14.3 **Takeovers**

A Participant may during the Holding Period direct the Trustees:

- 14.3.1 to accept an offer for any of his Dividend Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or
- 14.3.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Dividend Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or
- 14.3.3 to accept an offer of cash, with or without other assets, for his Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or
- 14.3.4 to agree to a transaction affecting their Dividend Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - (a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or
 - (b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to

their employment or their participation in a plan which meets the requirements of the Schedule.

PART FIVE – GENERAL

15. Acquisition of Shares for appropriation

- 15.1 The Trustees may upon the direction of the Directors, purchase Shares from time to time until the Dealing Day preceding the relevant Appropriation Date/Acquisition Date. Such Shares may be purchased on the New York Stock Exchange or privately (provided that any such private purchase made at the time when the Shares are listed is made at a price which is equivalent to the middle market quotation for such Shares on the New York Stock Exchange for the Dealing Day preceding the day in question).
- 15.2 The Trustees, at the direction of the Directors, may subscribe for Shares for appropriation/acquisition on behalf of Eligible Employees under the Plan on the relevant Appropriation Date or Acquisition Date as appropriate, and the price per Share at which the Trustees subscribe for such Shares shall be the greater of:
- 15.2.1 the nominal value of a Share on the date of subscription; and
 - 15.2.2 the Market Value of a Share.
- 15.3 Contributions to be made by the Company and each Participating Company to the Trustees to support any purchase of or subscription for Shares to be made by the Trustees for appropriation on any Appropriation Date shall be paid not later than the Dealing Day immediately prior to the relevant Appropriation Date.
- 15.4 Where the Trustees on an Appropriation Date/Acquisition Date appropriate/acquire on behalf of Eligible Employees Shares a proportion of which rank for any dividend or other rights by reference to a record date preceding the relevant Appropriation Date/Acquisition Date and a proportion of which do not, then the Shares to be appropriated to each Eligible Employee/acquired on behalf of each Eligible Employee shall as far as practicable be in the same proportions thereto.

16. Issue of Shares and Dividends

- 16.1 All Shares issued under the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank pari passu in all respects with the Shares then in issue.
- 16.2 If and so long as the Shares are listed on the New York Stock Exchange the Company shall use its best endeavours to procure that as soon as practicable after the allotment or any Shares pursuant to the Plan application shall be made to the New York Stock Exchange for admission to the Exchange.
- 16.3 Any cash dividends which are not directed by the Directors to be reinvested under the Plan in respect of Plan Shares held on behalf of a Participant in accordance with Rule 12.1 shall be paid in cash by the Company to the Trustees who will then distribute such dividends to each Participant as soon as practicable, according to the number of Plan Shares held by the Trustees on his behalf.

16.4 If the Trustees receive any foreign cash dividend in respect of Plan Shares, they shall give the Participant notice of the amount of any foreign tax already deducted.

17. Disposals and payment

17.1 The Trustees shall not dispose of any Plan Shares which have been appropriated to a Participant (whether to the Participant concerned or otherwise) except in accordance with Clause 7 of the Deed.

17.2 Upon receipt of a sum of money being (or being part of) the proceeds of any disposal or Capital Receipt in respect of any Plan Shares, the Trustees shall (subject to compliance with the provisions of the Act) account to the Participant for any balance remaining in their hands and relating to such Plan Shares, provided that any Capital Receipt of less than £3 distributable to a particular Participant may be retained by the Trustees.

17.3 Upon receipt of any money or money's worth in respect of or by reference to any Plan Shares, the Trustees shall pay it over to the Participant as soon as possible.

18. Stamp Duty

18.1 No stamp duty on any transfer of Shares by the Trustees shall be payable in the case of a transfer into the name of the Participant.

18.2 In the case of any other transfer, stamp duty shall be payable by the Participant or the purchaser from the Participant.

19. Disputes

The decision of the Directors in any dispute or question affecting any Eligible Employee or Participant under the Plan shall be final and conclusive subject to the concurrence of the Auditors whenever required under the provisions hereof.

20. Rights on termination of employment

In no circumstances shall any person who has ceased to be an employee of the Company or any Subsidiary by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim as against any Participating Company or Subsidiary or the Trustees any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan or of the provisions of the Act, including in respect of any liability to Income Tax or National Insurance Contributions.

21. Duty to account for PAYE etc

21.1 Where the Trustees receive a sum of money which constitutes (or forms part of):

21.1.1 the proceeds of a disposal of Shares; or

21.1.2 a Capital Receipt;

then, if required by and in accordance with the provisions of sections 510, 511, 512, 513 and 514 of the Act they shall pay to the relevant Participating Company out of that sum of money an amount equal to that on which income tax is payable and the relevant Participating Company shall then pay over that amount to the Participant in question but in so doing shall make a PAYE deduction unless such Participant shall have ceased to be employed by the Participating Company when the Trustees receive such sum as referred to in Rule 18.2, in which case the Trustees shall pay over the amount to the Participant but in so doing shall deduct United Kingdom income tax at the appropriate rate for the time being in force on an amount equal to that on which income tax is payable together with a deduction of any Primary Class I National Insurance liability which may arise.

- 21.2 Where the Trustees receive from a Participant who has directed them to transfer the ownership of his Plan Shares to him at any time before the Tax Free Date the sum calculated in accordance with either Rule 2.2 or Rule 6.2 or Rule 9.2 that sum shall be treated as a PAYE deduction by the Trustees as well as a deduction of any Primary Class I National Insurance liability required.
- 21.3 The Trustees shall maintain such records as may be necessary to enable them to carry out their obligations under sections 510, 511, 512, 513 and 514 of the Act, including records of all payments to the Company and all sums deducted by the Trustees falling within Rule 21.1 and all sums received from Participants falling within Rule 21.2.
- 21.4 The Trustees shall inform each Participant in writing of any facts relevant to determining the liability (if any) of that Participant to income tax under Schedule E or F or Case V of Schedule D or to Primary Class I National Insurance by reason of an occurrence of an event under the Plan in relation to his Plan Shares.

22. **Alterations**

Subject to the concurrence of the Trustees evidenced in a deed supplemental hereto, the Rules of the Plan may be altered in accordance with the following provisions of this Rule PROVIDED that no purported alteration shall be effective if, as a result, the Plan would cease to be an employees' share scheme. Any such alterations shall be binding on all Participating Companies.

- 22.1 The Directors may, prior to the approval of the Plan under the provisions of the Schedule by HMRC, alter the Rules of the Plan as may be necessary in order to obtain such approval.
- 22.2 Following approval of the Plan by HMRC, the Directors may at any time alter the Rules of the Plan.
- 22.3 Where any alteration under Rule 22.2 is to the advantage of Participants (present or future), it will not be effective unless either:
 - 22.3.1 it is made with the prior sanction of an ordinary resolution of the Company in general meeting; or
 - 22.3.2 it is a minor amendment which the Directors consider necessary or desirable in order to benefit the administration of the Plan; or

- 22.3.3 it is an amendment which the Directors consider necessary or desirable to take account or advantage of a change in the Act, the Schedule or any other legislation or to obtain or maintain favourable tax, exchange control, or regulatory treatment for Participants (present or future) or any Participating Company.
- 22.4 No alteration which purports to enlarge the obligations or restrict the rights of any Participant in respect of Plan Shares already appropriated to him or acquired on his behalf shall be effective.
23. **General**
- 23.1 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply.
- 23.2 In the event of the termination of the Plan by resolution of the Directors in accordance with Rule 23.1 the Directors shall ensure that a plan termination notice is sent without delay to:
- 23.2.1 the Trustees; and
- 23.2.2 each Participant,
- and the date on which such plan termination notice is sent shall be the first day of the Termination Period.
- 23.3 If the circumstances set out in paragraph 56 of the Schedule apply, any Partnership Share Money held on behalf of Eligible Employees shall be repaid to them as soon as practicable after the relevant day subject to deduction of income tax under PAYE and National Insurance Contributions.
- 23.4 Once the Termination Period has begun;
- 23.4.1 no further shares may be awarded to Eligible Employees;
- 23.4.2 the Trustees must (as soon as is practicable after the later of the end of the Termination Period or the first date on which the shares may be removed from the Plan without giving rise to a charge to Income Tax on the Participant on whose behalf they are held) either transfer all Plan Shares held by them to the Participant on whose behalf they are held (or, at his direction, to another person or, if appropriate to his personal representatives) or dispose of such Plan Shares and account to each such Participant (or, at his direction, to another person or, if appropriate to his personal representatives) for the proceeds;
- 23.4.3 the Trustees must, as soon as practicable, ensure that any Partnership Share Money (or other money) held on behalf of a Participant is paid to him; and
- 23.4.4 the Trustees must ensure that any cash dividend that has not been reinvested pursuant to Clause 2.4 of the Trust Deed is paid over to each Participant.

24. **Governing Law**

The Plan is governed by and shall be construed in accordance with the laws of England.

SCHEDULE 2

KIMBERLY-CLARK shareplus UK

Letter of Offer

[Date]

Dear []

KIMBERLY-CLARK shareplus UK

("the Plan")

The Directors of the Company would like to offer you the opportunity to participate in the Plan. The basis of your participation on this occasion is as follows:

- [1] You are entitled to be appropriated Free Shares in the Parent with a value of [£] in accordance with the terms set out in Part A of the appendix to this letter[; and]
- [1] You are entitled to be appropriated Free Shares in the Parent in accordance with the terms set out in Part A of the appendix to this letter. The value of the Free Shares that will be appropriated to you depends on the satisfaction of the Performance Related Formula. This formula applies to you as part of the [] division/team] and is as follows [*insert formula applicable to participant*].
- [2] You are also entitled to acquire Partnership Shares in the Parent up to the value of [£125 per month] but not more than 4% of your salary [which will be matched by the Company on a [] basis as described in Part C of the appendix to this letter] in accordance with Part B of the appendix to this letter.]

In order to consent to being included in this appropriation you must complete the Agreement which is enclosed and return it to [] no later than [*date: dependent on type of shares being offered. See Rules 2.1 and 5.1*].

Yours faithfully

Appendix to Letter of Offer

PART A

This offer is the offer of Free Shares to Eligible Employees in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of []];
2. An Eligible Employee must have returned the completed Free Share Agreement as directed by [];
3. The terms upon which the Free Shares are held will be as follows:
 - (a) Free Shares will be registered in the name of the Trustees;
 - (b) the Trustees shall not dispose of any Free Shares (except in accordance with the terms of the Plan);
 - (c) the Holding Period applicable to the Free Shares is [] years from [Appropriation Date]. After being held by the Trustees until the Release Date, [], the Trustees shall, if the Participant so requests, transfer the Free Shares to him or any other person of whom they have received notice in writing that the beneficial ownership of the Free Shares is vested. If no such request is made the Free Shares shall remain held by the Trustees until the Participant ceases to be employed [by the Company];
 - (d) if the Participant ceases to be employed by [the Group] the Free Shares will be dealt with according to Rule [4] of the Plan.

[PART B

This offer is the offer to Eligible Employees to purchase Partnership Shares in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of [];
2. An Eligible Employee may apply to purchase Partnership Shares by returning the completed Agreement as directed by []:
3. Eligible Employees may purchase Partnership Shares up to a maximum of [£] [but not more than 4% of their salary] and a minimum value of [£] by authorising the Company to make deductions from their salary each [week/month];
4. The terms upon which the Partnership Shares are held will be as follows:
 - (a) Partnership Shares will be purchased using the deductions from Eligible Employees' salaries; [*timing of purchase; accumulation period*]
 - (b) Partnership Shares will be registered in the name of the Trustees;
 - (c) the Trustees shall not dispose of any Partnership Shares (except in accordance with the terms of the Plan);
 - (d) the Trustees shall, if the Participant so requests at any time transfer the Partnership Shares to him or any other person of whom they have received notice in writing that the beneficial ownership of the Partnership Shares is vested;
 - (e) [if the Participant requests the Trustees to transfer his Partnership Shares to him or any other person before the Release Date, [], the Matching Shares appropriated to the Participant that relate to those Partnership Shares shall be forfeited in accordance with the Rules of the Plan.]

[PART C

This offer is the offer of Matching Shares to Eligible Employees in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of []];
2. Eligible Employees must have applied to purchase Partnership Shares by returning the completed Partnership Share Agreement as directed by [];
3. The Trustees will appropriate to each such Eligible Employee/Participant [two] Matching Shares for each Partnership Share purchased by the Eligible Employee;
4. The terms upon which the Matching Shares are held will be as follows:
 - (a) Matching Shares will be registered in the name of the Trustees;
 - (b) the Trustees shall not dispose of any Matching Shares (except in accordance with the terms of the Plan);
 - (c) the Holding Period applicable to the Matching Shares is [] years from [Appropriation Date]. After being held by the Trustees until the Release Date, [], the Trustees shall, if the Participant so requests, transfer the Matching Shares to him or any other person of which they have received notice in writing that the beneficial ownership of the Matching Shares is vested. If no such request is made the Matching Shares shall remain held by the Trustees until the Participant ceases to be employed by [the Company];
 - (d) if the Participant ceases to be employed by [the Group] the Matching Shares will be dealt with according to the Rule [10] of the Plan;
 - (e) [if the Participant requests the Trustees to transfer his Partnership Shares to him or to any other person before [] he will forfeit his Matching Shares in accordance with the Rules of the Plan:]]

NOTE: Defined Terms have the same meanings as in the Trust Deed and Rules relating to the Plan.

SCHEDULE 3

KIMBERLY-CLARK *shareplus* UK

Free Share Agreement

PLEASE USE BLOCK CAPITALS AND READ THE WHOLE OF THE AGREEMENT
BEFORE SIGNING BELOW

This Free Share Agreement is between:

Participant ("the Participant")	Company ("the Company")
Name:	Name:
Home Address:	Registered Address:
Payroll Number:	Registered Number:

This Free Share Agreement sets out the terms on which the Participant agrees to take part in Kimberly-Clark *shareplus* UK (the "Plan") and is subject to the Rules of the Plan. The definitions in the Plan Rules apply to this Free Share Agreement:

PARTICIPANT

1. I confirm that I am eligible to participate in the Plan.
2. I agree to accept the Free Shares in Kimberly-Clark Corporation appropriated to me under the Plan.
3. I agree to leave the Free Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period, which will end on [*insert date*].
4. I have read this Free Share Agreement and agree to be bound by it and by the Rules of the Plan
5. [I agree that all dividends paid on my Free Shares will be used by the Trustees to buy more shares in Kimberly-Clark Corporation ("Dividend Shares") for me in accordance with the Rules of the Plan.]

6. I agree to leave the Dividend Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the Dividend Shares for the whole of the Holding Period of 3 years.

COMPANY

7. The Company agrees to arrange for shares in Kimberly-Clark Corporation to be appropriated to me, according to the Rules of the Plan.
8. The Company has decided that the value of Free Shares appropriated to each Eligible Employee will be based on [*Insert the method chosen from Rule 2.3 for determining the value of Free Shares to be appropriated and, if applicable, either an explanation of the Performance Related Formula or a cross reference to it*].

Rights and Obligations

1. I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
2. I can at any time withdraw from this agreement, by writing to my employer.
3. I agree that withdrawal from this agreement will not affect the terms on which I agreed to accept any shares that have already been appropriated to me under the Rules of the Plan.
4. I may ask the Trustees for my Free Shares [and Dividend Shares] at any time after the end of the Holding Period, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
5. I agree to allow the Trustees to sell some or all of my Free Shares [and Dividend Shares] to pay any income tax and National Insurance Contributions in respect of my Free Shares [and Dividend Shares] ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
6. [I understand that I will lose my Free Shares if I cease to be in Relevant Employment before the end of the Forfeiture Period of [] years unless the employment ceased for one of the following reasons:
 - (a) injury or disability
 - (b) redundancy
 - (c) transfer of employment to which the Transfer of Undertaking Protection of Employment) Regulations 2006 apply
 - (d) retirement
 - (e) death
 - (f) change of control or other circumstances ending the Associated Company status of my employing company.]

7. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attached to my shares in the Plan, in order to fund the exercise of the rights attached to other shares held by me in the Plan.

[Dividend Reinvestment

8. Cash dividends will be used to buy more shares ("Dividend Shares") for me.]

Signature: _____ Date ____/____/____

SCHEDULE 4

KIMBERLY-CLARK *shareplus* UK

Partnership Share Agreement

PLEASE USE BLOCK CAPITALS AND READ THE WHOLE OF THE AGREEMENT
BEFORE SIGNING BELOW

This Partnership Share Agreement is between:

Participant ("the Participant")	Company ("the Company")	Trustees ("the Trustees")
Name:	Name:	Name:
Home Address:	Registered Address:	Registered Address [if any]
Payroll Number	Registered Number:	

This Partnership Share Agreement sets out the terms on which the Participant agrees to buy shares under the Kimberly-Clark *shareplus* UK (the "Plan") and is subject to the Rules of the Plan. The definitions in the Plan Rules apply to this Partnership Share Agreement.

NOTICE TO PARTICIPANT ABOUT POSSIBLE EFFECT ON BENEFITS

Deductions from your pay to buy Partnership Shares under this agreement may affect your entitlement to, or the level of, some contributory social security benefits, statutory maternity pay and statutory sick pay. They may also have a similar effect in respect of some contributory social security benefits paid to your wife or husband. With this agreement you should have been given information on the effect of deductions from your pay to buy Partnership Shares on entitlement to social security benefits, statutory sick pay and statutory maternity pay. The effect is particularly significant if your earnings are brought below the lower earnings limit for National Insurance purposes, and is explained in the information: it is therefore important that you read it. If you have not been given a copy, ask your employer for it. Otherwise a copy may be obtained from any office of HMRC, the Department of

Social Security, or, in Northern Ireland, the Department for Social Development. You should take the information you have been given into account in deciding whether to buy Partnership Shares.

PARTICIPANT

1. I confirm that I am eligible to participate in the Plan.
2. I agree to allow my employer to deduct the following amount per [week/month] from my Salary:

£	insert amount between [£10] and £125 [per month] and not more than 4% of Salary
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3. [I agree that these deductions will be used to buy Partnership Shares in Kimberly-Clark Corporation for me] *OR*

[I agree that the Trustees will accumulate my deductions from [*Company to specify beginning and end of Accumulation Period*] and buy Partnership Shares in Kimberly-Clark Corporation for me after the end of the Accumulation Period.]
4. I understand that shares may fall in value as well as rise.
5. I have read this Partnership Share Agreement and agree to be bound by it and by the Rules of the Plan.
6. [I agree that all dividends paid on my shares will be used by the Trustees to buy more shares in Kimberly-Clark Corporation ("Dividend Shares") for me in accordance with the Rules of the Plan. I agree to accept the Dividend Shares bought for me and leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the whole of the Holding Period of 3 years.
7. [I agree to accept Matching Shares in Kimberly-Clark Corporation appropriated to me under the Plan and leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period applicable to them.]

COMPANY

8. The Company agrees to arrange for shares in Kimberly-Clark Corporation to be bought for me, according to the Rules of the Plan.
9. The Company agrees to provide [*insert number*] Matching Share(s) for every [*insert number*] Partnership Share(s) bought for me.
10. The Company undertakes to notify me of any restriction on the number of Partnership Shares available.

TRUSTEES

11. The Trustees agree to keep my Salary deductions in [*insert name of bank/building society*] until they are used to buy shares in Kimberly-Clark Corporation for me.

Signature_____

Date:___/___/_____

Rights and Obligations

1. I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
2. I may stop the deductions at any time, or begin them again, by writing to my employer, but I may not make up any amounts missed when deductions were stopped.
3. I agree that the deductions from my salary, or the number of shares that I receive may be scaled down if the limit on the number of shares set by the Company available is exceeded.
4. I can at any time withdraw from this agreement by writing to my employer. Any unused deductions will be returned to me after the deduction of any necessary income tax or National Insurance Contributions.
5. I agree that withdrawal from this agreement will not affect the terms on which I agreed to buy shares already held for me under the Plan.
6. I may ask the Trustees for my Partnership Shares at any time, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
7. I agree to allow the Trustees to sell some or all of my shares to pay any income tax and National Insurance Contributions in respect of my shares ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
8. I agree that any deductions not used to buy shares will at the discretion of the Trustees be repaid to me after the deduction of any necessary income tax or National Insurance Contributions, or will be carried forward and added to the next deduction or Accumulation Period.
9. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attaching to my shares in the Plan, in order to fund the exercise of the rights attached to other shares held by me in the Plan.

[Accumulation Period

10. The Accumulation Period shall come to an end when [*specify nature of event(s)*], but this agreement shall continue until terminated by any party giving notice to the others.
11. I may only restart deductions once in every [*insert number*] months.]

[Matching Shares[and Dividend Shares]]

12. The ratio of Matching Shares to Partnership Shares is [*insert ratio – not more than 2:1*] and may be varied by the Company. The circumstances and manner in which the ratio may be varied are [*company to specify details here*].
13. If the ratio varies, the Company will notify me before the Partnership Shares are bought for me.

14. I agree to leave the Matching Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the Matching Shares for the whole of the Holding Period applicable to them.
15. I may ask the Trustees for my Matching Shares [and Dividend Shares] at any time after the end of the Holding Period, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
16. I agree to allow the Trustees to sell some or all of my Matching Shares [and Dividend Shares] to pay any income tax and National Insurance Contributions in respect of my Matching Shares [and Dividend Shares] ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
17. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attached to my shares in the Plan to exercise the rights attached to other shares held by me in the Plan.

[I will lose my Matching Shares if I withdraw the Partnership Shares in respect of which the Matching Shares were appropriated before the end of the Forfeiture Period of [] years applicable to the Matching Shares.]

[I will lose my Matching Shares if I cease to be in Relevant Employment before the end of the Forfeiture Period of [] years, unless the employment ceased for one of the following reasons:

- (a) injury or disability
- (b) redundancy
- (c) transfer of employment to which the Transfer of Undertaking (Protection of Employment) Regulations 2006 apply
- (d) retirement
- (e) death
- (f) change of control or other circumstances ending the Associated Company status of my employing company.]

Partnership Share Money held by Trustees

18. The Trustees are under no obligation to keep the deductions in an interest-bearing account, but if they do, they will pay the interest to me.

[Dividend Reinvestment

19. Cash dividends will be used to buy more shares ("Dividend Shares") for me.]

SCHEDULE 6

KIMBERLY-CLARK *shareplus* UK

Direction to transfer Shares

To: The Trustees of Kimberly-Clark *shareplus* UK

A **Free Shares**

This notice applies to the Free Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Free Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on my behalf on the appropriate value of the Free Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

B **Partnership Shares**

This notice applies to the Partnership Shares that were acquired by you on my behalf on [Acquisition Date]. The Release Date applicable to them is [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Partnership Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the appropriate value of the Partnership Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

[I understand that if the Release Date has not yet been reached the Matching Shares that were appropriated to me on [Appropriation Date] will be forfeited by this direction and that I shall have no further entitlement to them.]

C **Matching Shares**

This notice applies to the Matching Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Matching Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the appropriate value of the Matching Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

D Dividend Shares

This notice applies to the Dividend Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Dividend Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the Market Value of the Dividend Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the agreement that relates to them.

Signed:

Date:

.....

.....

SCHEDULE 7

KIMBERLY-CLARK *shareplus* UK

Notice of Acquisition[/Appropriation]

To: [Name] Acquisition[/Appropriation] Date:
[Address]

From: The Trustees of Kimberly-Clark *shareplus* UK

The Trustees of the Plan have today acquired on your behalf [] [ordinary] shares of []p each in Kimberly-Clark Corporation under the Plan (Partnership Shares). In their acquisition of the above shares the Trustees used [] of your Partnership Share Money, leaving [] .

The Market Value of the Partnership Shares on the Acquisition Date is [] per share. There is no Holding Period in respect of these shares.

[In addition, the Trustees have today made an appropriation to you of [] [ordinary] shares of []p each in Kimberly-Clark Corporation under the Plan (Matching Shares). Their Market Value on the Appropriation Date is [] per share.] The Holding Period in respect of these shares is [] years.

Yours faithfully

for and on behalf of

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

THE COMMON SEAL OF)
KIMBERLY-CLARK HOLDING LTD)
was hereunto affixed in)
the presence of:)

Director

Secretary

SIGNED as a DEED)
by [])
Limited)
ACTING by)

Director

Secretary

THE COMMON SEAL OF)
[the New Participating)
Company] was)
hereunto affixed in the)
presence of:)

Director

Secretary

SCHEDULE 9

KIMBERLY-CLARK *shareplus* UK

Notice of Performance Related Formula

For the attention of ALL employees of Kimberly-Clark

SCHEDULE 10

KIMBERLY-CLARK *shareplus* UK

Notice of Appropriation – Dividend Shares

To: [Name] Appropriation Date:

[Address]

From: The Trustees of the Kimberly-Clark Share Incentive Plan

The Trustees of the Plan have today acquired on your behalf [] [ordinary] shares of []p in Kimberly-Clark Corporation under the Plan (Dividend Shares). Their Market Value on the Appropriation Date is [] per share. The Holding Period in respect of these shares is [] years.

The amount of the cash dividend which is insufficient to acquire a share is £..... This sum is held by the Trustees and carried forward to your account.

Yours faithfully

For and on behalf of

[]

EXHIBIT VII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST
(JERSEY), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.3
OF FORM S-8

11 June 2002

DATED

Kimberly-Clark Corporation
-and-
Mourant & Co Trustees Limited

TRUST DEED
of the
KIMBERLY-CLARK
EMPLOYEE SHARE TRUST (JERSEY)

BACON & WOODROW
Actuaries & Consultants
St Olaf House
London Bridge City
London SE1 2PE

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THIS DEED of TRUST is made the day of 2002.

BETWEEN

- (1) Kimberly-Clark Corporation registered in the State of Delaware U.S.A. whose registered office is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A. ("the Company") and
- (2) Mourant Trustees Ltd whose registered office is situated at 22 Grenville Street, St. Helier, Jersey JE4 8PX, Channel Islands ("the Trustees" which expression shall where the context so permits include the trustee or trustees for the time being of this Trust)

RECITALS

- (A) THE Company and the Relevant Subsidiaries (as hereinafter defined) have established or intend to establish certain employees' share schemes (within the meaning of Section 743 of the Companies Act 1985) for encouraging or facilitating the holding of shares in the capital of the Company by or for the benefit of the Beneficiaries.
- (B) THE Company has paid or is about to pay the Trustees the sum of Five Hundred Pounds (by way of gift) and it is envisaged that further monies may hereafter be provided to the Trustees (whether by way of gift or otherwise) by the Company and the Relevant Subsidiaries to be held on trust under the terms of this Deed.
- (C) The Trust is established as a trust for the benefit of employees within the meaning of section 86 of the Inheritance Tax Act 1984

THIS DEED WITNESSES as follows:

1. DEFINITIONS

1.1. Specific Terms

In this Deed the following expressions shall where the context permits have the following meanings:

“Beneficiaries”	the <i>bona fide</i> Employees and Former Employees from time to time of the Company or any Relevant Subsidiary and the wives husbands widows widowers and children and stepchildren under the age of eighteen of such Employees or Former Employees save that any person resident in Jersey shall not be a Beneficiary
“Employee”	any person employed by the Company or any Relevant Subsidiary and “Former Employee” shall be construed accordingly
“Relevant Subsidiary”	any Subsidiary which has any employees or former employees participating in any of the Share Schemes
“Shares”	shares of common stock in the capital of the Company or such other shares as may be appropriate for the purposes of the Share Schemes from time to time as the result of any take-over reconstruction amalgamation or other event affecting the Company and its shares

“Share Schemes”	the employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) which have been or will be established and operated by the Company and/or any of the Relevant Subsidiaries as altered by the Company and/or any of the Relevant Subsidiaries from time to time
“Subsidiary”	any subsidiary from time to time of the Company within the meaning of Section 736 of the Companies Act 1985 (as amended)
“Trust”	the Kimberley-Clark Employee Share Trust (Jersey), as constituted by this Deed (as amended from time to time)
“Trust Fund”	the said sum of Five Hundred Pounds and all property at any time added to it by way of further settlement accumulation capital accretion or otherwise by the Company or any Relevant Subsidiary or otherwise and all property from time to time representing the same held by or on behalf of the Trustees on trust under the terms of this Deed
“Trust Period”	the period of eighty years beginning with the date of this Deed (which period shall be the perpetuity period applicable) or such shorter period commencing on the date of this Deed

and ending on such date as the Trustees may by deed determine

1.2. General

In this Deed

- (a) references to any statutory provision are to that provision or any part of it as amended and re-enacted from time to time and
- (b) references to any deed agreement document or instrument (including this Deed) shall be construed as a reference to such deed agreement document or instrument as from time to time amended supplemented or varied and
- (c) where the context permits words of the masculine gender shall include the feminine and *vice versa* and words in the singular shall include the plural and *vice versa* and
- (d) Clause headings in this Deed are included for reference purposes only and do not affect its interpretation

2. TRUST FOR SALE

Subject to Clause 7 the Trustees shall during the Trust Period hold the Trust Fund upon trust as to investments or property other than money in their absolute discretion to sell call in and convert the same into money with power to postpone such sale calling in and conversion and to permit the same to remain as invested and upon trust as to money in their absolute discretion to invest the same in their names or under their control in any of the investments authorized by this Deed or by law in their absolute discretion from time to time to vary or transpose any such investments for others so authorised

3. ADDITIONS TO THE TRUST FUND

The Trustees may at any time receive any money or other property from any person or company to be held by them as an addition to the Trust Fund and any such additions which shall be accepted and received by the Trustees shall (in the absence of any contradictory direction) be held by the Trustees upon trust on the terms of this Deed

4. DUTY OF CARE

In the exercise of their powers under clauses 9.1, 9.4, 9.5, 9.8 and 9.13, the Trustees much show such skill and care as is reasonable in the circumstances making allowance for his or her special knowledge, experience or professional status

5. DISCRETIONARY TRUST

5.1. Power of Appointment

During the Trust Period (and subject to the rule against perpetuities) the Trustees shall hold the Trust Fund and its income upon such trusts in favour or for the benefit of any one or more of the Beneficiaries at such ages or times in such shares and manner as the Trustees shall during the Trust Period appoint

5.2. Requirement to Notify the Company

Notification of any proposed appointment made by the Trustees under Clause 5.1 shall be given by the Trustees to the Company in writing not less than seven days before that appointment, unless the Company agrees in any particular case to a shorter period or waives its right to notice under this Clause

5.3. Power to Accumulate Income

Pending the exercise of their power of appointment under Clause 5.1 the Trustees may accumulate all or any of the income of the Trust Fund and add it to the Trust Fund

6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD

Subject to the provisions of Clause 5 the Trustees shall hold the capital and income of the Trust Fund at the expiry of the Trust Period UPON TRUST for such of the Beneficiaries as shall then be living and if more than one Beneficiary is still living in equal shares absolutely or if there are no such Beneficiaries then living then UPON TRUST for such Charity or Charities as the Trustees shall in their absolute discretion determine

7. PURCHASE OF SHARES AND FUNDING

7.1. Provisions of Funds by the Company and Relevant Subsidiaries

The Company hereby covenants with the Trustees

- 7.1.1.** to pay or procure to be paid to the Trustees and the Trustees hereby covenant to accept from the Company and from Relevant Subsidiaries such amounts (whether by way of loan or gift or loan procured (and guaranteed if appropriate) by the Company or any Relevant Subsidiary) as the Company or a Relevant Subsidiary (as the case may be) so provides and
- 7.1.2.** to grant options to the Trustees and the Trustees hereby covenant to accept any options that may be granted from time to time ((subject to Clause 7.4 for the purpose (in particular but without limitation) of the subscription for or purchase of Shares by the Trustees to be held on trust under the terms of this Deed together with any costs charges and expenses incurred, including the payment of interest on loans made to the Trustees

7.2. Loans to Trustee

Any loan made by the Company or any Relevant Subsidiary to the Trustees shall be on such terms as the Company or such Relevant Subsidiary and the Trustees may agree

7.3. Notification of Amendments

The Company shall ensure that the Trustees are notified as soon as any changes are made to the terms of any of the Share Schemes pursuant to which any Shares are or may be held by the Trustees including the

adoption by the Company or any Relevant Subsidiary (as the case may be) of any new Share Schemes

7.4. Constitution as Employees' Share Scheme

If and so long as the Trust Fund includes Shares or any portion to acquire Shares this Trust and the Share Schemes shall together constitute an employees' share scheme of the Company within the meaning of Section 743 of the Companies Act 1985 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust together with the Share Schemes to cease to be such an employees' share scheme

7.5. Constitution as a Trust for the Benefit of Employees

This Trust shall constitute a trust for the benefit of employees within the meaning of Section 86 of the Inheritance Tax Act of 1984 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust to cease to be such a trust for the benefit of employees

8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING

- 8.1.** The maximum number of Shares which may be held in the name of the Trustees subject to the trusts hereof at any time (excluding Shares which have been appointed to a Beneficiary or which are subject to any option granted under any of the Share Schemes) may not exceed five per cent of the issued Shares of the Company
- 8.2.** The Trustees shall subscribe for Shares pursuant to this Trust only if the terms of such subscription have received prior approval of the shareholders of the Company in general meeting

9. POWERS OF TRUSTEES

9.1. Power to invest

The Trustees shall have power:

- 9.1.1.** With the consent in writing of the Company to invest the whole or any part of the Trust fund in the acquisition (either by the Trustees alone or jointly with any other person) of any property whether or not involving liability or producing an income or upon such personal credit (with or without security) as the Trustees in their absolute discretion think fit
- 9.1.2.** To invest the whole or any part of the Trust Fund in Shares or rights to acquire Shares or securities convertible into Shares without being required to diversify or consider the diversification of investments

9.2. To enter into agreements

The Trustees shall have power to enter into any agreement with the Company or any associated company or any third party

9.3. To take up and grant options

The Trustees shall have power to take up any option on any real or personal property on such terms and conditions as they shall in their absolute discretion think fit and to grant any option for the purchase of any real or personal property for the time being subject to the terms of this Deed or the acquisition of any such property on such terms and conditions as they shall in their absolute discretion think fit provided this does not cause the Trust to constitute a collective investment scheme within the meaning of Section 75(i) of the Financial Services Act 1986

9.4. To borrow

The Trustees shall have power at any time to borrow or raise money on the security of the Trust Fund or any part of it or on personal security only for any purpose for which moneys may be applied under this Deed including the purpose of investment only and to mortgage charge or pledge any part of the Trust Fund as security for any moneys so raised and on such terms as to the payment of interest (if any) and as to repayment as the Trustees shall in their absolute discretion think fit PROVIDED THAT where the Trustees propose to borrow moneys they shall have regard to the terms of any loan offered by the Company or any Subsidiary to enable the Trustees to acquire Shares in the Company but shall not be bound to accept any such loan

9.5. To lend and give guarantees

The Trustees shall have power

- 9.5.1.** To lend money or property to any one or more of the Beneficiaries either free of interest or on such terms as to payment of interest and generally as the Trustees shall in their absolute discretion think fit PROVIDED THAT it shall be a condition of this power being exercised in favour of a Beneficiary on anything other than terms under which the Trustees receive full consideration in money or money's worth in return for any such loan that such Beneficiary is entitled to a beneficial interest in possession in the part of the Trust Fund from which the loan derives
- 9.5.2.** To guarantee the payment of money and the performance of obligations in respect of any existing or future borrowings by any one or more of the Beneficiaries from third parties or guarantees indemnities or other commitments of like nature given to third parties by any one or more of the Beneficiaries including (but without limitation) the power to pledge the whole or any part of the assets of the Trust Fund in support of any such guarantee PROVIDED THAT this power may only be exercised in favour of a Beneficiary who is entitled to a beneficial interest in possession in the part of the Trust Fund set aside to support such guarantee or indemnity

9.6. To Distribute or Accumulate Income

- 9.6.1.** During the Trust Period the Trustees may accumulate the whole or any part of the income of the Trust Fund either as an addition to the capital of the Trust Fund or as a separate fund

9.6.2. Alternatively the Trustees may pay or apply the income of the Trust Fund to or for the benefit of all or any one or more of the Beneficiaries in such manner and in such shares as the Trustees think fit

9.7. To Make Rules for the Administration of the Trust

Except as otherwise provided the Trustees may in their discretion make rules for the constitution and regulation of their meetings and the keeping of minutes and otherwise conduct their affairs in such a manner as they may deem appropriate and make such arrangements in relation to the administration of the Trust and of the Trust Fund as they may consider advisable in the interests of the Trust

9.8. To Vote and Employ Nominees and Custodians

In respect of any property comprised in the Trust Fund the Trustees shall have power

- 9.8.1.** To vote or not to vote at their discretion upon or in respect of any shares securities bonds notes or other evidence of interest in or obligation of any company trust association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase sale or lease of the assets of any such company trust association or concern
- 9.8.2.** To deposit any such shares securities or property in any voting trust or with any depository designated under such a voting trust
- 9.8.3.** To give proxies or powers of attorney with or without power of substitution for voting or acting on behalf of the Trustees as the owners of any such property

9.8.4. To hold any or all securities or other property in bearer form or in the names of the Trustees or any one or more of them or in the name of some other person or partnership or in the name or names of nominees without disclosing the fiduciary relationship created by this Deed and to deposit the said securities or any title deeds or other documents belonging or relating to the Trust Fund in any part of the world with any bank firm trust company or other company that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank firm trust company or other company or for any consequent loss

9.9. To appropriate

The Trustees shall have power (exercisable either expressly or by implication) to allot appropriate partition or apportion any property whatsoever which (or the future proceeds of sale of which) is for the time being subject to the terms of this Deed in or towards the satisfaction of any share or interest in the Trust Fund or in the income of it in such manner as the Trustees shall in their absolute discretion consider just according to the prospective rights of the Beneficiaries concerned and in the exercise of such power to register Shares in their own name or the name of the Beneficiaries concerned as they shall determine

9.10. Transfers

The Trustees shall with the consent of the Company have power

9.10.1. To transfer (without transgressing the rules against perpetuities) the Trust Fund or any part of it to the trustees of a new trust or settlement constituted under the law of any state or country which is for the benefit of some or all of the Beneficiaries to be held freed and discharged from this Trust but so that the powers of such new

trust or settlement shall not differ (unless acceptable under Clause 9.10.2 below) from the trusts and powers declared in this Deed previously applicable to the Trust Fund or part transferred

9.10.2. To transfer cash or other assets of the Trust Fund to Beneficiaries in any part of the world at the sole discretion of the Trustees subject to not breaching any relevant requirements of the Companies Act 1985 and Income and Corporation Taxes Act 1988 or any equivalent legislation in the relevant jurisdiction in any part of the world outside the United Kingdom

9.11. To pay tax

The Trustees shall have power to pay any duties or taxes or fiscal impositions (together with any related interest or penalties or other surcharges) in connection with this Trust for which the Trustees may become liable in any part of the world notwithstanding that such liability may not be enforceable through the courts of the place where this Trust is for the time being administered and to have complete discretion as to the time and manner in which such duties taxes and fiscal impositions shall be paid and no person interested under this Trust shall be entitled to make any claim whatsoever against the Trustees by reason of making such payment

9.12. To deduct tax

The Trustees shall have power to deduct or withhold from the Trust Fund or from or in respect of amounts paid or property transferred by the Trustees to any of the Beneficiaries any amounts for which the Trustees may as trustees be accountable to any third party or any amounts for which any Beneficiary the Company or any Relevant Subsidiary may be accountable in connection any transfer of property

9.13. To delegate

The Trustees shall have power:

- 9.13.1.** To delegate in the exercise of their discretion and the performance of their duties under this Deed the administrative and management functions and powers (excluding investment powers) to any professional adviser and appoint any such person as their agent to transact all or any business and to act on the advice or opinion (including advice in relation to investments) of any professional adviser so that the Trustees shall not be responsible for anything done or omitted to be done or suffered to be done in good faith in reliance on such advice or opinion
- 9.13.2.** To delegate any of their powers (including fiduciary powers) and duties under this Deed including the exercise of any discretion to any person or company
- 9.13.3.** To revoke any delegation made under this Clause 9.13

9.14. Payments to Beneficiaries

The Trustees shall have power to make any payment to any Beneficiary in such manner as they shall determine including payment into such Beneficiary's bank account and the Trustees shall be discharged from obtaining a receipt or seeing to the application of such payment

9.15. Exclusion of apportionment rules

The statutory and equitable rules of apportionment shall not apply to this Trust and the Trustees shall be permitted to treat all dividends and other

payments in the nature of income received by them as income at the date of receipt irrespective of the period for which the dividend or other income is payable

10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES

10.1. Statutory Power to Appoint Trustees Vested in Company

The statutory power of appointing new and additional trustees shall be vested in the Company

10.2. Trustee Resident Outside United Kingdom

A person or trust corporation may be appointed as a trustee hereof notwithstanding that such person or trust corporation is not resident in the United Kingdom and remaining out of the United Kingdom for more than twelve months shall not be a ground for the removal of the trustee

10.3. Removal and Retirement of Trustees

The Company may at any time by deed remove any trustee and any trustee may at any time by giving not less than thirty days notice in writing to the Company retire as trustee and so that after such removal or retirement a sole trustee (whether or not a trust corporation) may continue to act as a trustee in all respects but so that if after such removal or retirement there shall be no continuing trustee the Company shall forthwith appoint a new trustee in place of such removed or retired trustee

10.4. Trust Corporation

The provisions of Section 37 and 39 of the Trustee Act 1925 shall apply to this Deed as if all references to a trust corporation were references to any corporation

11. TRUSTEE CHARGING CLAUSE

11.1. Corporate Trustee

Any trustee which is a trust corporation or company authorised to undertake trust business shall be entitled in addition to reimbursement of its proper expenses to remuneration for its services in accordance with such terms and conditions as may from time to time be agreed between such trustee and Company and in the absence of an agreement in accordance with its published terms and conditions for trust business in force from time to time

11.2. Professional Trustee

Any trustee who is a solicitor or other person engaged in a profession or business shall be entitled to charge and be paid all normal professional or other charges for business transacted services rendered or time spent personally or by such trustee's firm in the administration of these trusts including acts which a trustee not engaged in any profession or business could have done personally

11.3. Trustee Expenses

Any expenses incurred by a trustee custodian nominee or other person to whom administration has been properly delegated by the Trustees in the execution of their duties shall be reimbursed and may be charged to the Trust Fund

12. GOVERNING LAW

The proper law of this Deed shall be that of England and Wales and all rights under it and the construction and effect of this Deed shall be subject to the jurisdiction of and construed according to the laws of England and Wales provided that the Trustees may at any time during the Trust Period declare by deed that the trusts powers and provisions of this Deed shall from the date of such declaration take effect (with such modifications as shall be specified in such deed) in accordance with the law of such other territory as shall be specified in this Deed

13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD

13.1. No rights against trustees

No Beneficiary shall have

- 13.1.1. any claim right or entitlement whatever to any part of the Trust Fund or the income of it except as expressly provided or as the same may arise by virtue of the exercise of any power of appointment contained in this Deed or
- 13.1.2. any claim right or entitlement during the Trust Period to call for accounts (whether audited or otherwise) from the Trustees in relation to the Trust Fund and the income of it or to obtain any information of any nature from the Trustees in relation to the Trust Fund and the income of it and in relation to the trusts and powers of this Deed

13.2. No contractual rights

The benefits which may from time to time be provided under this Trust shall not form part of any contract of employment between the Company or any Relevant Subsidiary and any of their respective employees and shall not confer on any employee any legal or equitable rights against his employer either directly or indirectly nor give rise to any cause of action in law against the Company or any Relevant Subsidiary

13.3. No right to compensation

Any employee whose employment with the Company or with any Relevant Subsidiary terminates shall not be entitled to any compensation for or by reference to any loss or curtailment of any right or benefit or prospective right or benefit under this Trust which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for unfair dismissal or for loss of office or otherwise

14. PROTECTION OF THE TRUSTEES

14.1. Loss or damage

No individual or corporate trustee shall be liable for any loss or damage which may occur to the Trust Fund or the income of it arising from any purchase of Shares or waiver of dividends attributable to such Shares or from any proper investment waiver or purchase made by him in good faith and without negligence or for the negligence or fraud of any agent employed by him or by any other trustee even if his employment was not strictly necessary or expedient or by reason of any mistake or omission made in good faith by any trustee

14.2. Payment of Expenses

The Company and where appropriate the Relevant Subsidiaries shall pay to or reimburse the Trustees upon demand all charges and expenses reasonably incurred by them in the course of the administration operation and termination of this Trust and shall keep the Trustees fully indemnified and saved harmless against all actions claims losses expenses costs damages taxes duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and trusts vested in them by this Deed or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of this Trust but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful misconduct or negligence on his part or (in the case of a corporate Trustee) negligence and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925

15. PERSONAL INTERESTS OF THE TRUSTEES

15.1. Personal interests ignored

Subject to Clause 15.2 no decision of or exercise of a power by the Trustees shall be invalidated or questioned on the grounds that the Trustees or any director or other officer of a corporate Trustee had a direct or personal interest in the result of any decision or in the exercising of any power and any such person may vote and be taken into account for the purposes of a quorum notwithstanding his interest

15.2. Requirement to declare interest

If the interest of the Trustee or other person concerned for the purposes of Clause 15.1 is such that

15.2.1. it arises otherwise than solely because the Trustee or other person concerned is a Beneficiary or a director or other officer or shareholder of the Company or any Subsidiaries and

15.2.2. it is material and

15.2.3. the other Trustees (or if a corporation is the sole Trustee the other directors of the sole Trustee) are not aware of the interest

then the nature of the interest must (unless the other Trustees agree otherwise) be declared at the meeting of the Trustees (or if a corporation is the sole Trustee at the meeting of the board of directors of the sole Trustee) at which the item of business to which the interest relates is discussed or if the Trustee or other person concerned is not present at such meeting at the next meeting of the Trustees (or next meeting of the

board of directors of the corporation being the sole Trustee as appropriate) at which he is present

15.3. No requirement to account for benefits

A Trustee (or director or other officer of a corporate Trustee) who is or becomes a Beneficiary may retain all benefits to which he becomes entitled under this Trust or any of the Share Schemes and shall not be liable to account for any such benefit

16. ALTERATIONS TO THIS DEED

The Company and the Trustees may at any time by deed alter or add to all or any of the provisions of this Deed in any respect provided that no such alteration or addition to any of the provisions of this Deed shall be effective if as a result:

- 16.1.** This Trust would cease to be a trust which satisfies the conditions set out in Section 86 of the Inheritance Tax Act 1984 (trusts for the benefit of employees) or if and so long as any of the Trust Fund includes Shares or options over Shares would cease to be an employees' share scheme within the meaning of Section 743 of the Companies Act 1985 or breach any requirement of the Companies Act 1985 or would constitute a collective investment scheme within the meaning of Section 75(1) of the Financial Services Act 1986
- 16.2.** The Trust Period would extend beyond the perpetuity period specified in this Deed
- 16.3.** The rights of any Beneficiary accrued before the date of such alteration or addition would be adversely altered or affected (unless the Beneficiary has previously consented in writing)

16.4. Any prior payment or application of either the capital or income of the Trust Fund shall be invalidated or any part of the Trust Fund to which any person has previously become absolutely and indefeasibly entitled would be affected

16.5. Any of the restrictions contained in this Clause would thereby be removed or amended

17. NOTICE

17.1. Recommendations by the Company

In the exercise of the powers and discretions conferred by this Deed or by law on them the Trustees may consider any written recommendations made to them by the Company but the Company shall have no power to direct the Trustees to comply with such recommendations

17.2. Notices to the Trustees and the Company

Any notice required to be given hereunder may be served at the registered office of the Company or Trustees (as appropriate) or at such other address as may from time to time be notified in writing to the Trustees by the Company (or vice versa)

17.3. Information Provided by the Company

The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information and advice necessary to enable them to fulfil their duties and obligations under this Deed and to exercise their rights in connection with the implementation and operation of the Trust supplied to them by the Company or any of the Relevant Subsidiaries for the purposes of this Deed including (but without

limitation) information as to whether any individual is or is not a Beneficiary and the Trustees shall also be entitled to rely in the absence of manifest error on any direction notice consent or document purporting to be given or executed by or with the authority of the Company or any Relevant Subsidiary or Beneficiary as having been so given or executed

18. CONTRIBUTIONS BY PARTICIPATING COMPANIES

18.1. Notwithstanding any other provision of this Trust express or implied

18.1.1. the capital and income of any part of the Trust Fund representing or deriving from a contribution or contributions made by the Company or a particular Subsidiary shall be applicable only for the benefit of any Beneficiary who derives his interest in the Trust Fund from the Company or such Subsidiary in relation to a part of the Trust Fund and

18.1.2. any part of the Trust Fund which is contributed otherwise than by the Company or a Subsidiary shall be deemed for the purposes of this Trust to have been contributed by the Company and the Subsidiaries which shall previously have made a contribution or contributions and if more than one in equal shares

18.2. Notwithstanding any other provision of this Trust express or implied no part of the Trust Fund shall be paid or applied to or for the benefit of the Company or any Subsidiary in any circumstances

19. DEED TO BE EXECUTED IN COUNTERPARTS

This Deed may be executed in counterparts.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

SIGNED AS A DEED BY)
KIMBERLY-CLARK)
CORPORATION)
)

acting by

Authorised signatory

/s/ Rob van der Merwe

Authorised signatory

/s/ Rodney G. Olsen

SIGNED AS A DEED BY)
MOURANT TRUSTEES LTD)
)

acting by

Director

/s/ Heidi Wilson

Authorised signatory

/s/ Julie Harris

EXHIBIT VIII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (UK),
FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.4 OF FORM S-
8

11 June 2002

DATED

Kimberly-Clark Corporation
-and-
Mourant ECS Trustees Limited

TRUST DEED
of the
KIMBERLY-CLARK
EMPLOYEE SHARE TRUST (UK)

BACON & WOODROW
Actuaries & Consultants
St Olaf House
London Bridge City
London SE1 2PE

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THIS DEED of TRUST is made the day of 2002.

BETWEEN

- (1) Kimberly-Clark Corporation registered in the State of Delaware U.S.A. whose registered office is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A. (“the Company”) and
- (2) Mourant ECS Trustees Limited whose registered office is situated at 4th Floor, 35 New Bridge Street, London EC2V 6BW (“the Trustees” which expression shall where the context so permits include the trustee or trustees for the time being of this Trust)

RECITALS

- (A) THE Company and the Relevant Subsidiaries (as hereinafter defined) have established or intend to establish certain employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) for encouraging or facilitating the holding of shares in the capital of the Company by or for the benefit of the Beneficiaries.
- (B) THE Company has paid or is about to pay the Trustees the sum of Five Hundred Pounds (by way of gift) and it is envisaged that further monies may hereafter be provided to the Trustees (whether by way of gift or otherwise) by the Company and the Relevant Subsidiaries to be held on trust under the terms of this Deed.
- (C) The Trust is established as a trust for the benefit of employees within the meaning of section 86 of the Inheritance Tax Act 1984

THIS DEED WITNESSES as follows:

1. **DEFINITIONS**

1.1. **Specific Terms**

In this Deed the following expressions shall where the context permits have the following meanings:

“Beneficiaries”	the <i>bona fide</i> Employees and Former Employees from time to time of the Company or any Relevant Subsidiary and the wives husbands widows widowers and children and stepchildren under the age of eighteen of such Employees or Former Employees
“Employee”	any person employed by the Company or any Relevant Subsidiary and “Former Employee” shall be construed accordingly
“Relevant Subsidiary”	any Subsidiary which has any employees or former employees participating in any of the Share Schemes
“Shares”	fully-paid ordinary shares in the capital of the Company or such other shares as may be appropriate for the purposes of the Share Schemes from time to time as the result of any take-over reconstruction amalgamation or other event affecting the Company and its shares

“Share Schemes”	the employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) which have been or will be established and operated by the Company and/or any of the Relevant Subsidiaries as altered by the Company and/or any of the Relevant Subsidiaries from time to time
“Subsidiary”	any subsidiary from time to time of the Company within the meaning of Section 736 of the Companies Act 1985 (as amended)
“Trust”	the Kimberly-Clark Employee Share Trust (UK), as constituted by this Deed (as amended from time to time)
“Trust Fund”	the said sum of Five Hundred Pounds and all property at any time added to it by way of further settlement accumulation capital accretion or otherwise by the Company or any Relevant Subsidiary or otherwise and all property from time to time representing the same held by or on behalf of the Trustees on trust under the terms of this Deed

“Trust Period”

the period of eighty years beginning with the date of this Deed (which period shall be the perpetuity period applicable) or such shorter period commencing on the date of this Deed and ending on such date as the Trustees may by deed determine

1.2. General

In this Deed

- (a) references to any statutory provision are to that provision or any part of it as amended and re-enacted from time to time and
- (b) references to any deed agreement document or instrument (including this Deed) shall be construed as a reference to such deed agreement document or instrument as from time to time amended supplemented or varied and
- (c) where the context permits words of the masculine gender shall include the feminine and *vice versa* and words in the singular shall include the plural and *vice versa* and
- (d) Clause headings in this Deed are included for reference purposes only and do not affect its interpretation

2. TRUST FOR SALE

Subject to Clause 7 the Trustees shall during the Trust Period hold the Trust Fund upon trust as to investments or property other than money in their absolute discretion to sell call in and convert the same into money with power to postpone such sale calling in and conversion and to permit the same to remain as invested and upon trust as to money in their absolute discretion to invest the same in their names or under their control in any of the investments authorized by this Deed or by law in their absolute discretion from time to time to vary or transpose any such investments for others so authorised

3. ADDITIONS TO THE TRUST FUND

The Trustees may at any time receive any money or other property from any person or company to be held by them as an addition to the Trust Fund and any such additions which shall be accepted and received by the Trustees shall (in the absence of any contradictory direction) be held by the Trustees upon trust on the terms of this Deed

4. DUTY OF CARE

In the exercise of their powers under clauses 9.1, 9.4, 9.5, 9.8 and 9.13, the Trustees must show such skill and care as is reasonable in the circumstances making allowance for his or her special knowledge, experience or professional status

5. DISCRETIONARY TRUST

5.1. Power of Appointment

During the Trust Period (and subject to the rule against perpetuities) the Trustees shall hold the Trust Fund and its income upon such trusts in favour or for the benefit of any one or more of the Beneficiaries at such ages or times in such shares and manner as the Trustees shall during the Trust Period appoint

5.2. Requirement to Notify the Company

Notification of any proposed appointment made by the Trustees under Clause 5.1 shall be given by the Trustees to the Company in writing not less than seven days before that appointment, unless the Company agrees in any particular case to a shorter period or waives its right to notice under this Clause

5.3. Power to Accumulate Income

Pending the exercise of their power of appointment under Clause 5.1 the Trustees may accumulate all or any of the income of the Trust Fund and add it to the Trust Fund

6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD

Subject to the provisions of Clause 5 (**Discretionary Trust**) the Trustees shall hold the capital and income of the Trust Fund at the expiry of the Trust Period UPON TRUST for such of the Beneficiaries as shall then be living and if more than one Beneficiary is still living in equal shares absolutely or if there are no such Beneficiaries then living then UPON TRUST for such Charity or Charities as the Trustees shall in their absolute discretion determine

7. PURCHASE OF SHARES AND FUNDING

7.1. Provisions of Funds by the Company and Relevant Subsidiaries

The Company hereby covenants with the Trustees

- 7.1.1.** to pay or procure to be paid to the Trustees and the Trustees hereby covenant to accept from the Company and from Relevant Subsidiaries such amounts (whether by way of loan or gift or loan procured (and guaranteed if appropriate) by the Company or any Relevant Subsidiary) as the Company or a Relevant Subsidiary (as the case may be) so provides and
- 7.1.2.** to grant options to the Trustees and the Trustees hereby covenant to accept any options that may be granted from time to time ((subject to Clause 7.4 for the purpose (in particular but without limitation) of the subscription for or purchase of Shares by the Trustees to be held on trust under the terms of this Deed together with any costs charges and expenses incurred, including the payment of interest on loans made to the Trustees

7.2. Loans to Trustee

Any loan made by the Company or any Relevant Subsidiary to the Trustees shall be on such terms as the Company or such Relevant Subsidiary and the Trustees may agree

7.3. Notification of Amendments

The Company shall ensure that the Trustees are notified as soon as any changes are made to the terms of any of the Share Schemes pursuant to which any Shares are or may be held by the Trustees including the

adoption by the Company or any Relevant Subsidiary (as the case may be) of any new Share Schemes

7.4. Constitution as Employees' Share Scheme

If and so long as the Trust Fund includes Shares or any portion to acquire Shares this Trust and the Share Schemes shall together constitute an employees' share scheme of the Company within the meaning of Section 743 of the Companies Act 1985 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust together with the Share Schemes to cease to be such an employees' share scheme

7.5. Constitution as a Trust for the Benefit of Employees

This Trust shall constitute a trust for the benefit of employees within the meaning of Section 86 of the Inheritance Tax Act of 1984 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust to cease to be such a trust for the benefit of employees

8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING

- 8.1.** The maximum number of Shares which may be held in the name of the Trustees subject to the trusts hereof at any time (excluding Shares which have been appointed to a Beneficiary or which are subject to any option granted under any of the Share Schemes) may not exceed five per cent of the issued Shares of the Company
- 8.2.** The Trustees shall subscribe for Shares pursuant to this Trust only if the terms of such subscription have received prior approval of the shareholders of the Company in general meeting

9. POWERS OF TRUSTEES

9.1. Power to invest

The Trustees shall have power:

- 9.1.1.** With the consent in writing of the Company to invest the whole or any part of the Trust fund in the acquisition (either by the Trustees alone or jointly with any other person) of any property whether or not involving liability or producing an income or upon such personal credit (with or without security) as the Trustees in their absolute discretion think fit
- 9.1.2.** To invest the whole or any part of the Trust Fund in Shares or rights to acquire Shares or securities convertible into Shares without being required to diversify or consider the diversification of investments

9.2. To enter into agreements

The Trustees shall have power to enter into any agreement with the Company or any associated company or any third party

9.3. To take up and grant options

The Trustees shall have power to take up any option on any real or personal property on such terms and conditions as they shall in their absolute discretion think fit and to grant any option for the purchase of any real or personal property for the time being subject to the terms of this Deed or the acquisition of any such property on such terms and conditions as they shall in their absolute discretion think fit provided this does not cause the Trust to constitute a collective investment scheme within the meaning of Section 75(i) of the Financial Services Act 1986

9.4. To borrow

The Trustees shall have power at any time to borrow or raise money on the security of the Trust Fund or any part of it or on personal security only for any purpose for which moneys may be applied under this Deed including the purpose of investment only and to mortgage charge or pledge any part of the Trust Fund as security for any moneys so raised and on such terms as to the payment of interest (if any) and as to repayment as the Trustees shall in their absolute discretion think fit PROVIDED THAT where the Trustees propose to borrow moneys they shall have regard to the terms of any loan offered by the Company or any Subsidiary to enable the Trustees to acquire Shares in the Company but shall not be bound to accept any such loan

9.5. To lend and give guarantees

The Trustees shall have power

- 9.5.1.** To lend money or property to any one or more of the Beneficiaries either free of interest or on such terms as to payment of interest and generally as the Trustees shall in their absolute discretion think fit PROVIDED THAT it shall be a condition of this power being exercised in favour of a Beneficiary on anything other than terms under which the Trustees receive full consideration in money or money's worth in return for any such loan that such Beneficiary is entitled to a beneficial interest in possession in the part of the Trust Fund from which the loan derives
- 9.5.2.** To guarantee the payment of money and the performance of obligations in respect of any existing or future borrowings by any one or more of the Beneficiaries from third parties or guarantees indemnities or other commitments of like nature given to third parties by any one or more of the Beneficiaries including (but without limitation) the power to pledge the whole or any part of the assets of the Trust Fund in support of any such guarantee PROVIDED THAT this power may only be exercised in favour of a Beneficiary who is entitled to a beneficial interest in possession in the part of the Trust Fund set aside to support such guarantee or indemnity

9.6. To Distribute or Accumulate Income

- 9.6.1.** During the Trust Period the Trustees may accumulate the whole or any part of the income of the Trust Fund either as an addition to the capital of the Trust Fund or as a separate fund

9.6.2. Alternatively the Trustees may pay or apply the income of the Trust Fund to or for the benefit of all or any one or more of the Beneficiaries in such manner and in such shares as the Trustees think fit

9.7. To Make Rules for the Administration of the Trust

Except as otherwise provided the Trustees may in their discretion make rules for the constitution and regulation of their meetings and the keeping of minutes and otherwise conduct their affairs in such a manner as they may deem appropriate and make such arrangements in relation to the administration of the Trust and of the Trust Fund as they may consider advisable in the interests of the Trust

9.8. To Vote and Employ Nominees and Custodians

In respect of any property comprised in the Trust Fund the Trustees shall have power

- 9.8.1.** To vote or not to vote at their discretion upon or in respect of any shares securities bonds notes or other evidence of interest in or obligation of any company trust association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase sale or lease of the assets of any such company trust association or concern
- 9.8.2.** To deposit any such shares securities or property in any voting trust or with any depository designated under such a voting trust
- 9.8.3.** To give proxies or powers of attorney with or without power of substitution for voting or acting on behalf of the Trustees as the owners of any such property

9.8.4. To hold any or all securities or other property in bearer form or in the names of the Trustees or any one or more of them or in the name of some other person or partnership or in the name or names of nominees without disclosing the fiduciary relationship created by this Deed and to deposit the said securities or any title deeds or other documents belonging or relating to the Trust Fund in any part of the world with any bank firm trust company or other company that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank firm trust company or other company or for any consequent loss

9.9. To appropriate

The Trustees shall have power (exercisable either expressly or by implication) to allot appropriate partition or apportion any property whatsoever which (or the future proceeds of sale of which) is for the time being subject to the terms of this Deed in or towards the satisfaction of any share or interest in the Trust Fund or in the income of it in such manner as the Trustees shall in their absolute discretion consider just according to the prospective rights of the Beneficiaries concerned and in the exercise of such power to register Shares in their own name or the name of the Beneficiaries concerned as they shall determine

9.10. Transfers

The Trustees shall with the consent of the Company have power

9.10.1. To transfer (without transgressing the rules against perpetuities) the Trust Fund or any part of it to the trustees of a new trust or settlement constituted under the law of any state or country which is for the benefit of some or all of the Beneficiaries to be held freed and discharged from this Trust but so that the powers of such new

trust or settlement shall not differ (unless acceptable under Clause 9.10.2 below) from the trusts and powers declared in this Deed previously applicable to the Trust Fund or part transferred

9.10.2. To transfer cash or other assets of the Trust Fund to Beneficiaries in any part of the world at the sole discretion of the Trustees subject to not breaching any relevant requirements of the Companies Act 1985 and Income and Corporation Taxes Act 1988 or any equivalent legislation in the relevant jurisdiction in any part of the world outside the United Kingdom

9.11. To pay tax

The Trustees shall have power to pay any duties or taxes or fiscal impositions (together with any related interest or penalties or other surcharges) in connection with this Trust for which the Trustees may become liable in any part of the world notwithstanding that such liability may not be enforceable through the courts of the place where this Trust is for the time being administered and to have complete discretion as to the time and manner in which such duties taxes and fiscal impositions shall be paid and no person interested under this Trust shall be entitled to make any claim whatsoever against the Trustees by reason of making such payment

9.12. To deduct tax

The Trustees shall have power to deduct or withhold from the Trust Fund or from or in respect of amounts paid or property transferred by the Trustees to any of the Beneficiaries any amounts for which the Trustees may as trustees be accountable to any third party or any amounts for which any Beneficiary the Company or any Relevant Subsidiary may be accountable in connection any transfer of property

9.13. To delegate

The Trustees shall have power:

- 9.13.1.** To delegate in the exercise of their discretion and the performance of their duties under this Deed the administrative and management functions and powers (excluding investment powers) to any professional adviser and appoint any such person as their agent to transact all or any business and to act on the advice or opinion (including advice in relation to investments) of any professional adviser so that the Trustees shall not be responsible for anything done or omitted to be done or suffered to be done in good faith in reliance on such advice or opinion
- 9.13.2.** To delegate any of their powers (including fiduciary powers) and duties under this Deed including the exercise of any discretion to any person or company
- 9.13.3.** To revoke any delegation made under this Clause 9.13

9.14. Payments to Beneficiaries

The Trustees shall have power to make any payment to any Beneficiary in such manner as they shall determine including payment into such Beneficiary's bank account and the Trustees shall be discharged from obtaining a receipt or seeing to the application of such payment

9.15. Exclusion of apportionment rules

The statutory and equitable rules of apportionment shall not apply to this Trust and the Trustees shall be permitted to treat all dividends and other payments in the nature of income received by them as income at the date of receipt irrespective of the period for which the dividend or other income is payable

10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES

10.1. Statutory Power to Appoint Trustees Vested in Company

The statutory power of appointing new and additional trustees shall be vested in the Company

10.2. Trustee Resident Outside United Kingdom

A person or trust corporation may be appointed as a trustee hereof notwithstanding that such person or trust corporation is not resident in the United Kingdom and remaining out of the United Kingdom for more than twelve months shall not be a ground for the removal of the trustee

10.3. Removal and Retirement of Trustees

The Company may at any time by deed remove any trustee and any trustee may at any time by giving not less than thirty days notice in writing to the Company retire as trustee and so that after such removal or retirement a sole trustee (whether or not a trust corporation) may continue to act as a trustee in all respects but so that if after such removal or retirement there shall be no continuing trustee the Company shall forthwith appoint a new trustee in place of such removed or retired trustee

10.4. Trust Corporation

The provisions of Section 37 and 39 of the Trustee Act 1925 shall apply to this Deed as if all references to a trust corporation were references to any corporation

11. TRUSTEE CHARGING CLAUSE

11.1. Corporate Trustee

Any trustee which is a trust corporation or company authorised to undertake trust business shall be entitled in addition to reimbursement of its proper expenses to remuneration for its services in accordance with such terms and conditions as may from time to time be agreed between such trustee and Company and in the absence of an agreement in accordance with its published terms and conditions for trust business in force from time to time

11.2. Professional Trustee

Any trustee who is a solicitor or other person engaged in a profession or business shall be entitled to charge and be paid all normal professional or other charges for business transacted services rendered or time spent personally or by such trustee's firm in the administration of these trusts including acts which a trustee not engaged in any profession or business could have done personally

11.3. Trustee Expenses

Any expenses incurred by a trustee custodian nominee or other person to whom administration has been properly delegated by the Trustees in the execution of their duties shall be reimbursed and may be charged to the Trust Fund

12. GOVERNING LAW

The proper law of this Deed shall be that of England and Wales and all rights under it and the construction and effect of this Deed shall be subject to the jurisdiction of and construed according to the laws of England and Wales provided that the Trustees may at any time during the Trust Period declare by deed that the trusts powers and provisions of this Deed shall from the date of such declaration take effect (with such modifications as shall be specified in such deed) in accordance with the law of such other territory as shall be specified in this Deed

13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD

13.1. No rights against trustees

No Beneficiary shall have

- 13.1.1. any claim right or entitlement whatever to any part of the Trust Fund or the income of it except as expressly provided or as the same may arise by virtue of the exercise of any power of appointment contained in this Deed or
- 13.1.2. any claim right or entitlement during the Trust Period to call for accounts (whether audited or otherwise) from the Trustees in relation to the Trust Fund and the income of it or to obtain any information of any nature from the Trustees in relation to the Trust Fund and the income of it and in relation to the trusts and powers of this Deed

13.2. No contractual rights

The benefits which may from time to time be provided under this Trust shall not form part of any contract of employment between the Company or any Relevant Subsidiary and any of their respective employees and shall not confer on any employee any legal or equitable rights against his employer either directly or indirectly nor give rise to any cause of action in law against the Company or any Relevant Subsidiary

13.3. No right to compensation

Any employee whose employment with the Company or with any Relevant Subsidiary terminates shall not be entitled to any compensation

for or by reference to any loss or curtailment of any right or benefit or prospective right or benefit under this Trust which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for unfair dismissal or for loss of office or otherwise

14. PROTECTION OF THE TRUSTEES

14.1. Loss or damage

No individual or corporate trustee shall be liable for any loss or damage which may occur to the Trust Fund or the income of it arising from any purchase of Shares or waiver of dividends attributable to such Shares or from any proper investment waiver or purchase made by him in good faith and without negligence or for the negligence or fraud of any agent employed by him or by any other trustee even if his employment was not strictly necessary or expedient or by reason of any mistake or omission made in good faith by any trustee

14.2. Payment of Expenses

The Company and where appropriate the Relevant Subsidiaries shall pay to or reimburse the Trustees upon demand all charges and expenses reasonably incurred by them in the course of the administration operation and termination of this Trust and shall keep the Trustees fully indemnified and saved harmless against all actions claims losses expenses costs damages taxes duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and trusts vested in them by this Deed or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of this Trust

but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful misconduct or negligence on his part or (in the case of a corporate Trustee) negligence and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925

15. PERSONAL INTERESTS OF THE TRUSTEES

15.1. Personal interests ignored

Subject to Clause 15.2 no decision of or exercise of a power by the Trustees shall be invalidated or questioned on the grounds that the Trustees or any director or other officer of a corporate Trustee had a direct or personal interest in the result of any decision or in the exercising of any power and any such person may vote and be taken into account for the purposes of a quorum notwithstanding his interest

15.2. Requirement to declare interest

If the interest of the Trustee or other person concerned for the purposes of Clause 15.1 is such that

15.2.1. it arises otherwise than solely because the Trustee or other person concerned is a Beneficiary or a director or other officer or shareholder of the Company or any Subsidiaries and

15.2.2. it is material and

15.2.3. the other Trustees (or if a corporation is the sole Trustee the other directors of the sole Trustee) are not aware of the interest

then the nature of the interest must (unless the other Trustees agree otherwise) be declared at the meeting of the Trustees (or if a corporation is the sole Trustee at the meeting of the board of directors of the sole Trustee) at which the item of business to which the interest relates is discussed or if the Trustee or other person concerned is not present at such meeting at the next meeting of the Trustees (or next meeting of the board of directors of the corporation being the sole Trustee as appropriate) at which he is present

15.3. No requirement to account for benefits

A Trustee (or director or other officer of a corporate Trustee) who is or becomes a Beneficiary may retain all benefits to which he becomes entitled under this Trust or any of the Share Schemes and shall not be liable to account for any such benefit

16. ALTERATIONS TO THIS DEED

The Company and the Trustees may at any time by deed alter or add to all or any of the provisions of this Deed in any respect provided that no such alteration or addition to any of the provisions of this Deed shall be effective if as a result:

- 16.1.** This Trust would cease to be a trust which satisfies the conditions set out in Section 86 of the Inheritance Tax Act 1984 (trusts for the benefit of employees) or if and so long as any of the Trust Fund includes Shares or options over Shares would cease to be an employees' share scheme within the meaning of Section 743 of the Companies Act 1985 or breach any requirement of the Companies Act 1985 or would constitute a collective investment scheme within the meaning of Section 75(1) of the Financial Services Act 1986

- 16.2. The Trust Period would extend beyond the perpetuity period specified in this Deed
- 16.3. The rights of any Beneficiary accrued before the date of such alteration or addition would be adversely altered or affected (unless the Beneficiary has previously consented in writing)
- 16.4. Any prior payment or application of either the capital or income of the Trust Fund shall be invalidated or any part of the Trust Fund to which any person has previously become absolutely and indefeasibly entitled would be affected
- 16.5. Any of the restrictions contained in this Clause would thereby be removed or amended

17. **NOTICE**

17.1. Recommendations by the Company

In the exercise of the powers and discretions conferred by this Deed or by law on them the Trustees may consider any written recommendations made to them by the Company but the Company shall have no power to direct the Trustees to comply with such recommendations

17.2. Notices to the Trustees and the Company

Any notice required to be given hereunder may be served at the registered office of the Company or Trustees (as appropriate) or at such other address as may from time to time be notified in writing to the Trustees by the Company (or vice versa)

17.3. Information Provided by the Company

The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information and advice necessary to enable them to fulfil their duties and obligations under this Deed and to exercise their rights in connection with the implementation and operation of the Trust supplied to them by the Company or any of the Relevant Subsidiaries for the purposes of this Deed including (but without limitation) information as to whether any individual is or is not a Beneficiary and the Trustees shall also be entitled to rely in the absence of manifest error on any direction notice consent or document purporting to be given or executed by or with the authority of the Company or any Relevant Subsidiary or Beneficiary as having been so given or executed

18. CONTRIBUTIONS BY PARTICIPATING COMPANIES

18.1. Notwithstanding any other provision of this Trust express or implied

18.1.1. the capital and income of any part of the Trust Fund representing or deriving from a contribution or contributions made by the Company or a particular Subsidiary shall be applicable only for the benefit of any Beneficiary who derives his interest in the Trust Fund from the Company or such Subsidiary in relation to a part of the Trust Fund and

18.1.2. any part of the Trust Fund which is contributed otherwise than by the Company or a Subsidiary shall be deemed for the purposes of this Trust to have been contributed by the Company and the Subsidiaries which shall previously have made a contribution or contributions and if more than one in equal shares

18.2. Notwithstanding any other provision of this Trust express or implied no part of the Trust Fund shall be paid or applied to or for the benefit of the Company or any Subsidiary in any circumstances

19. **DEED TO BE EXECUTED IN COUNTERPARTS**

This Deed may be executed in counterparts.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

SIGNED AS A DEED BY)
KIMBERLY-CLARK)
CORPORATION)
)

acting by

Authorised signatory */s/ Rob van der Merwe*

Authorised signatory */s/ Rodney G. Olsen*

SIGNED AS A DEED BY)
MOURANT ECS TRUSTEES)
LIMITED)
)

acting by

Director */s/ Dominic Jones*

Authorised signatory */s/ Adrian Gibbs*

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated February 26, 2009, relating to the consolidated financial statements and financial statement schedule of Kimberly-Clark Corporation and subsidiaries (the "Corporation") (which report expresses an unqualified opinion on those consolidated financial statements and the related financial statement schedule and includes an explanatory paragraph regarding the adoption of Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, on January 1, 2008, and the adoption of Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109*, on January 1, 2007) and the effectiveness of the Corporation's internal control over financial reporting, appearing in the Annual Report on Form 10-K of the Corporation for the year ended December 31, 2008.

/s/ Deloitte & Touche LLP

Dallas, Texas

September 18, 2009

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, a Director and/or Officer of Kimberly-Clark Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Mark A. Buthman, Steve E. Voskuil, Thomas J. Mielke and Randy J. Vest, and each of them, with full power to act alone, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign on behalf of the undersigned a Registration Statement on Form S-8 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the registration under the Securities Act of shares of the Corporation's common stock, \$1.25 par value, to be granted under and in accordance with the Kimberly-Clark Shareplus, including the Kimberly-Clark Shareplus UK Plan, and to execute any and all amendments to such Registration Statement, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ John R. Alm

John R. Alm

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Dennis R. Beresford
Dennis R. Beresford

POWER OF ATTORNEY

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/s/ John F. Bergstrom
John F. Bergstrom

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Abelardo E. Bru
Abelardo E. Bru

POWER OF ATTORNEY

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/s/ Robert W. Dechard
Robert W. Dechard

POWER OF ATTORNEY

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/s/ Thomas J. Falk
Thomas J. Falk

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Mae C. Jemison
Mae C. Jemison

POWER OF ATTORNEY

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/s/ James M. Jenness
James M. Jenness

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Ian C. Read
Ian C. Read

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Linda Johnson Rice
Linda Johnson Rice

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Marc J. Shapiro
Marc J. Shapiro

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ G. Craig Sullivan
G. Craig Sullivan

EXHIBIT IX RESOLUTION APPROVING AMENDMENTS TO THE RULES OF THE
KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK PLANS

KIMBERLY-CLARK CORPORATION
SHAREPLUS MANAGEMENT
COMMITTEE
OF
THE KIMBERLY-CLARK SHAREPLUS PLAN AND
THE KIMBERLY-CLARK SHAREPLUS UK PLAN

JULY 20, 2012

AGENDA ITEM

SUBJECT: APPROVE AMENDMENTS TO THE RULES OF THE
KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK
PLANS

Summary

1. Approve the extension of the term of the Kimberly-Clark Shareplus Plan and the Kimberly-Clark Shareplus UK Plan

Proposed Resolutions

NOW, THEREFORE, BE IT

RESOLVED, that Rule 21.2 of the Rules of Kimberly-Clark Shareplus ("Shareplus") be, and it hereby is, amended and restated such that words and phrases in the Shareplus shall bear the same meaning except that in Rule 21.2, delete the wording and replace with:

"21.2 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors."

RESOLVED, that Rule 23.1 of the Rules of Kimberly-Clark Shareplus UK ("Shareplus UK") be, and it hereby is, amended and restated such that words and phrases in the Shareplus UK shall bear the same meaning except that in Rule 23.1, delete the wording and replace with:

"23.1 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply."

RESOLVED, that the amendments to the Rules of Shareplus and Shareplus UK (collectively "the Plans") set forth above shall be deemed to be effective as of May 1, 2012.

RESOLVED, that the Committee hereby recommends that the Management Development and Compensation Committee of the Board of Directors of Kimberly-Clark ratify and approve the amendments to the Rules of the Plans.

RESOLVED FURTHER, that each of the Vice President-Compensation, Benefits and Health Services and the European Rewards Director, and any officer or employee authorized in writing by the European Rewards Director, be, and each of them hereby is, authorized and empowered to execute, deliver and cause to be filed such contracts, deeds, instruments, documents, agreements, notes, certificates and notices, and to take all such other actions, which any of them may deem necessary or desirable in connection with the amendments to the Rules of the Plans or to effect the intent and purposes of the foregoing resolutions.

Attachment

- Redlined draft of amendments

Exhibit A

REDLINED: Rule 21.2 of the Rules of Kimberly-Clark Shareplus:

21.2 The Plan shall continue for a period of ~~ten~~eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors.

REDLINED: Rule 23.1 of the Rules of Kimberly-Clark Shareplus UK:

23.1 The Plan shall continue for a period of ~~eighty~~ten -years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply.

EXHIBIT X TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN

1. Belgium

The following summary is based on the income tax and social security laws in effect in Belgium as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Belgian tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased at their market value at the date of their acquisition, no income tax or social security contributions will be due.

(b) Taxation on the grant of Matching Shares

The award of the Matching Shares qualifies at the Vesting Date as a grant of a benefit in kind which is to be regarded as taxable income. The employee will be taxed on the market value of the Matching Shares at the date that he effectively owns them (i.e. the Vesting Date). The tax rate applicable depends on the aggregate level of income of each employee, and varies between 25 and 50% plus local surcharges.

The award of the Matching Shares is also considered as a benefit in kind for social security purposes and social security contributions will be due. The employee's social security contributions amount to 13.07% of the market value of the Matching Shares at the Vesting Date.

However, a part of the benefit, equal to 16.67% of the market value of the Matching Shares at the Vesting Date, can be exempted from income tax and social security contributions as: (i) the Matching Shares are listed on the New York Stock Exchange, (ii) the Matching Shares are provided to employees of a sub-subsidiary and (iii) the Matching Shares are made unavailable (which means that they cannot be transferred nor pledged) for a period of two years as of the Vesting Date. The employee shall thus only be subject to income tax and social security contributions on an amount equal to 83.33% of the market value of the Matching Shares at the Vesting Date.

(c) Taxation on the dividends

The employee will be taxed on any dividends relating to the Partnership Shares, Dividend Shares and Matching Shares as soon as these Shares are actually owned by the employee (i.e. as of the Vesting Date). This will hold true even if the dividends are reinvested in additional Shares. The employee will not be taxed on the dividends arising from the Matching Shares during the Holding Period (i.e. before the Vesting Date).

Since dividends relating to the Shares will be paid abroad, no Belgian withholding tax will be due. The employee will have to mention the dividends in his annual tax return and will have to pay income tax - calculated on the amount of the dividends after deduction of the US withholding tax - at the rate of 25%.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased at their market value at the date of their acquisition, no income tax nor social security contributions will be due.

(e) Taxation on capital gains in case of further sale of the Shares

In principle, the employee will not be taxed on the capital gains realised on the sale of the Shares. However, the employee will be taxed on the capital gain at a rate of 33% if the tax authorities consider that the employee is acting outside the scope of the normal management of his private assets. In practice, this risk is remote. In both cases, no social security contributions will be due.

2. Czech Republic

The following summary is based on the income tax and social security laws in effect in the Czech Republic as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Czech tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(f) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary at full market value, there is no Czech income tax liability and there are no Czech social security and health insurance contributions due.

(g) Taxation on the grant of Matching Shares

The Matching Shares will be a benefit in kind and will be subject to income tax in the same way as ordinary salary. The taxable amount will be the market value of the shares at the date the shares are awarded. The tax rate is 15% of the total of the value of the benefit and the employer social security and health insurance contributions calculated from this benefit.

As the costs of the Matching Shares are recharged to the Czech employer by the Company, such recharged costs will be subject to the Czech social security and health insurance contributions as a benefit in kind. The rate of employee social security and health insurance contributions is 11%; the rate of employer social security and health insurance contributions is 34%. The total base of social security contributions for calendar year 2015 is capped at CZK 1,277,328. The total base of health insurance contributions for calendar year 2015 is not capped.

As the costs of the Matching Shares are recharged to the Czech employer by the Company, the Czech employer will be liable to withhold Czech personal income tax and employee social security and health insurance contributions on behalf of the employees.

(h) Taxation on the dividends

Employees will be taxed on dividends paid as well as on dividends reinvested by the Administrator in order to purchase additional shares on behalf of the employees.

Since dividends relating to the Shares acquired under the Plan will be paid from abroad, no Czech withholding tax will be due, but the Czech employees will have to state the dividends in their annual income tax return and to pay Czech income tax at the rate of 15 %, unless the total taxable income of the employee (excluding tax exempt income or income subject to Czech withholding tax) is not higher than CZK 15,000 per calendar year. The US withholding tax paid on the dividends may be credited against the employee's Czech income tax.

(i) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their market value at the date of their acquisition, there is no liability for income tax or social security.

(j) Taxation on capital gains in case of further sale of the Shares

If the employees sell their Shares, they will have to state the capital gain in their annual income tax return and pay Czech income tax at the rate of 15 %. The taxable basis will be the sales price of the Shares decreased by the acquisition price (in the case of the Partnership Shares and the Dividend Shares) or by the value of the benefit in kind which has already been taxed upon the grant (in the case of the Matching Shares). However, the capital gain will be exempt from the Czech income tax if:

- (i) the employee has owned the Shares for more than 3 years prior to the sale; or
- (ii) his/her annual aggregate capital gain from sale of securities does not exceed CZK 100,000. If this threshold is exceeded, the whole capital gain will constitute taxable income (i.e. not just the amount exceeding this threshold).

3. **Germany**

The following summary is based on the income tax and social security laws in effect in Germany as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are German tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) **Taxation on the purchase of Partnership Shares**

As the Partnership Shares are purchased at their market value from the employee's net salary and are not acquired for a discount there is no income tax charge and there are no social security contributions to pay.

(b) **Taxation on the grant of Matching Shares**

The employees should be liable to income tax on the date upon which they receive the Matching Shares, i.e. at the end of the one-year holding period relating to their Partnership Shares (the Vesting Date).

Income tax will be calculated on the market value of the Matching Shares at the Vesting Date and the relevant employer will withhold any tax due under the wage tax system in the month in which the Vesting Date occurs.

There is a limited tax exemption available, which amounts to EUR 360 p.a., provided (i) the Shares have been granted voluntarily, (ii) the Shares are provided in addition to the cash salary and do not lower other employment income and (iii) the Shares are granted to all employees, who are employed for at least one year at the date of the offer to participate in the program.

Subject to statutory thresholds, social security contributions are payable on the vesting of Matching Shares. The amount subject to such contributions will be the market value of the Matching Shares on the Vesting Date and the employees' employer will withhold their contributions through the wage tax system together with any income tax due.

(c) **Taxation on the dividends**

The dividends received from the Company on an employee's Shares are subject to German withholding tax at a rate of 25% plus 5.5% solidarity surcharge thereon (resulting in a rate of 26.375%) plus church tax, if applicable, provided the Shares are held by the Administrator in a custodial account maintained with a German branch of a credit or financial services institution or with a German securities trading bank or a German securities trading business. This includes any dividends reinvested on the employee's behalf by the Administrator.

If no withholding tax has been levied (eg because the Shares are not held in a custodial account as described above) or if the employee is subject to church tax and no church tax has been levied, the employee is obliged to declare dividends and capital gains in its annual tax return. The income will then, as a rule, also be taxed at a rate of 26.375% plus church tax, if applicable. Even if withholding tax has been levied, the employee may

nevertheless declare the income in its tax return in certain circumstance, eg in order to deduct lump-sum expenses (see next paragraph).

Dividends qualify as income from capital investments (*Einkünfte aus Kapitalvermögen*). With respect to such income, the deduction of actually accrued expenses is not possible. However, the employee is entitled to deduct from its total income from capital investments per annum, including dividends and capital gains, a lump-sum amount (so-called *Sparer-Pauschbetrag*) of EUR 801 for single persons and EUR 1,602 for married couples filing their tax return jointly.

The employee should receive a credit for any tax paid in the US, but only up to 25%. However, if the dividends are not taxed in Germany due to the abovementioned exemption, the employee will not receive a credit for tax paid in the US.

Dividends that accrue to the Matching Shares during the one-year holding period (i.e. before the Vesting Date) are not subject to tax as long as the employee does not own the Matching Shares respectively since such dividends will not be paid out to the employee.

(d) Taxation on the purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received, provided that the dividends have already been subject to taxation.

(e) Taxation on capital gains in case of further sale of the Shares

Capital gains realised upon sale of an employee's Shares are subject to German withholding tax at a rate of 25% plus 5.5% solidarity surcharge thereon (resulting in a rate of 26.375%) plus church tax, if applicable, provided the Shares are held by the Administrator in a custodial account maintained with a German branch of a credit or financial services institution or with a German securities trading bank or a German securities trading business. This includes any dividends reinvested on the employee's behalf by the Administrator.

If no withholding tax has been levied (eg because the Shares are not held in a custodial account as described above) or if the employee is subject to church tax and no church tax has been levied, the employee is obliged to declare dividends and capital gains in its annual tax return. The income will then, as a rule, also be taxed at a rate of 26.375% plus church tax, if applicable. Even if withholding tax has been levied, the employee may nevertheless declare the income in its tax return in certain circumstance, eg in order to deduct lump-sum expenses (see next paragraph).

Capital gains qualify as income from capital investments (*Einkünfte aus Kapitalvermögen*). With respect to such income, the deduction of actually accrued expenses is not possible. However, the employee is entitled to deduct from its total income from capital investments per annum, including capital gains and dividends, a lump-sum amount (so-called *Sparer-Pauschbetrag*) of EUR 801 for single persons and EUR 1,602 for married couples filing their tax return jointly.

4. Italy

The following summary is based on the income tax and social security laws in effect in Italy as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Italian tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary there is no income tax charge and there are no social security contributions to pay.

(b) Taxation on the grant of Matching Shares

Subject to the Matching Shares not being disposed of by the employee for three years after the Vesting Date or, in any case, repurchased by the issuer or the employer, income taxes and social security contributions shall be due only on the value of the shares that exceeds EUR 2,065.83 every year.

Above such value (or on the entire value if the three-year holding period is not satisfied) the value of the Matching Shares shall be subject to tax in the hands of the relevant employee as employment income. Income tax (IRPEF) would be applicable at progressive rates between 23% up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for the fiscal years 2015 and 2016). In addition, personal income taxes must be increased by (i) regional surtax (generally at a rate between 1.23% and 3.33%) depending on the region of domicile of the employees, but with authority for each region to fix higher rates, possibly progressive), (ii) municipal surtax (where applicable at a rate of up to 0.8% depending on the municipality of domicile of the employees).

Such taxes are withheld at source by the Italian employer from the remuneration in cash due to the employee. However, if the remuneration in cash is not sufficient to pay income taxes due, the employee shall be required to provide the employer with the funds necessary to pay such taxes.

(c) Taxation on the dividends

Dividends would normally not be included in the aggregate taxable income of the relevant employee but rather be subject to a 26% substitute tax. The taxable basis would be the amount of the dividends net of any foreign withholding taxes, where the dividends are cashed through an Italian resident intermediary. No foreign tax credit will be granted.

However, should the Shares on which dividends are paid represent more than 2% of the voting rights or 5% of the capital of the Company, dividends would not be subject to substitute tax. Instead, 49.72% of the gross amount of the dividends would be included in the employee's income subject to income tax at progressive rates (up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for the fiscal years 2015 and 2016)), although 49.72% of foreign withholding taxes (if any) applied to the dividends would be creditable under the foreign tax credit mechanism.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their market value at the date of their acquisition, there is no income tax liability. The amount of dividends used to purchase the Dividend Shares will be taxable, as set out above under (c).

(e) Taxation on capital gains in case of further sale of the Shares

Capital gains shall be equal to the consideration received for the Shares less the employee's tax basis in the Shares. The tax basis is represented by any expenses related to the acquisition of the Shares (other than interest expenses) increased by any amount that has been subject to tax as income from employment in the hands of the employee. Such capital gain will be subject to a 26% substitute tax and shall not be included in the employee's taxable income. If, however, the Shares disposed of in any 12-month period represent more than 2% of the voting rights or 5% of the capital of the Company, and provided that the amount of Shares that are being held has exceeded the above thresholds at least once in the 12-month period, the capital gain shall not be subject to the substitute tax. Instead 49.72% of the capital gain will be included in the employee's income subject to income tax at progressive rates (between 23% up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for fiscal years 2015 and 2016)), although 49.72% of foreign taxes (if any) applied on the capital gain would be creditable under the foreign tax credit mechanism. In addition, the previously mentioned regional surtax and municipal surtax apply.

5. Netherlands

The following summary is based on the income tax and social security laws in effect in the Netherlands as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Dutch tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(f) Taxation on the purchase of Partnership Shares

As the Partnership Shares are bought at full market value, there is no income tax liability. There are no social security contributions due on the Partnership Shares either.

(g) Taxation on the grant of Matching Shares

The Matching Shares are taxable as of the date that the employee effectively owns them (i.e. on the Vesting Date). The taxable amount is the market value of the employee's Matching Shares on the Vesting Date. The employer shall deduct it from the employee's pay. The employee and his employer also have to pay social security contributions on the Matching Shares (to the extent that the employee's annual salary is less than EUR 51,976 for 2015). The employee's employer will deduct the contributions accordingly.

(h) Taxation on the dividends

Taxation is not dependent on the actual dividend received. Instead, the value of the Shares (including the Matching Shares owned by the employee) will be included in the employee's total net-worth ("Box III") and the employee will be subject to tax at a fixed rate of 30% on an amount equal to a deemed return of 4% of his total net-worth (valued on 1 January of each year) in each given year.

There is a general exemption for net-worth assets up to (in 2015) EUR 21,330 (for singles) and EUR 42,660 (for couples), which applies to the market value of the employee's total net-worth prior to the calculation of the 4% deemed return.

Some tax is automatically withheld in the US and this may be set off against income tax payable in Box III.

(i) Taxation on purchase of Dividend Shares

The Dividend Shares are bought at full market value, so there is no further tax to pay. The employee does not have to pay any social security contributions on them either.

(j) Taxation on capital gains in case of further sale of the Shares

The capital gain generated by such sale is in principle not taxable. Exceptions include gains made through insider trading and holding a substantial interest in a company (generally, 5% or more).

6. Spain

The following summary is based on the income tax and social security laws in effect in Spain as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Spanish tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(k) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary at full market value, there is no income tax liability and there are no social security contributions due.

(l) Taxation on the grant of Matching Shares

The Matching Shares would be considered as remuneration in kind subject to Personal Income Tax and social contributions of the employee, which would be taxable as of the date that the employee effectively receives them. Therefore no taxation is due on the day of the grant, but instead taxation is due on the Vesting Date. The taxable amount will be the market value of the Shares on the Vesting Date. The Spanish Personal Income Tax rates applicable in year 2015 range from 19.5% to 46%¹².

However, there is an exemption for up to EUR 12,000 per year on the above taxable income, subject to the fulfilment of the following requirements:

- (i) The offer is made to active employees.
- (ii) The Shares offered are issued by the employing company or a company belonging to the same group of companies within the meaning of article 42 of the Spanish Commercial Code (i.e. the issuing company holds directly or indirectly the majority of the Participating Company's voting rights, or has the power to appoint or dismiss the majority of the members of the board, or holds, by virtue of agreements with other shareholder partners, the majority of the voting rights, or has appointed, exclusively through its voting rights, the majority of the members of the board, or has the same directors for at least 50%).
- (iii) The offer must be made to all the Kimberly-Clark employees³.
- (iv) The employee, together with his/her spouse or immediate relatives, does not hold a beneficial interest of more than 5% in any company of the group.

¹ The applicable tax rates from 2016 onwards will range from 19% to 45%.

² Please note that the specific tax rates may vary depending on the región where the taxpayer is resident.

³ As of 2015, an offer made to a specific category of employees is not eligible to apply the exemption. In order to benefit from such exemption, the offer has to be made to all the employees of the entity which is granting the shares.

- (v) The employee must hold the Shares for at least three years as from the Vesting Date.

If the Matching Shares are transferred within 3 years, the exempt amount must be declared by the employee as taxable income by submitting the relevant Personal Income Tax return corresponding to the tax year in which the Shares were received being taxed at the relevant standard rates, plus interest for late payment.

- (m) Taxation on the dividends

The gross amount of the dividends arising from both Partnership Shares and Matching Shares will be fully taxable and subject to the Personal Income Tax of the employee at a flat rate⁴ of 19.5% for the first EUR 6,000, at 21.5% for the income obtained between EUR 6,000 and EUR 50,000 and at 23.5% for any excess. It should be noted that the increased rates of 21.5% and 23.5% would be applicable to any amount exceeding EUR 6,000 and EUR 50,000, respectively, considering the whole savings income (dividends, capital gains, etc.) obtained by the employee within the same year.

The employee may be entitled to apply a tax credit for the withholding tax levied in the U.S.

- (n) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their market value at the date of their acquisition, there is no income tax liability.

- (o) Taxation on capital gains in case of further sale of the Shares

The sale of the Shares would give rise to a capital gain or loss depending on the sale price.

The amount of the capital gain would be determined as the difference between the sale price and the tax value of the Shares:

- In the case of a sale of Partnership Shares, the tax value will be the acquisition price of the Shares paid plus any related costs borne by the employee.
- In the case of a sale of Matching Shares, the tax value would be equal to the market value of the Shares on the Vesting Date. This applies even if the value of the Shares has not been subject to Personal Income Tax upon acquisition due to the abovementioned EUR 12,000 exemption.

Following the above, the capital gain will be taxable at a flat rate⁵ of 19.5% for the first EUR 6,000, at 21.5% for the income obtained between EUR 6,000 and EUR 50,000 and at 23.5% for any excess. It should be noted that the increased rates of 21.5% and 23.5% would be applicable to any amount exceeding EUR 6,000 and EUR 50,000, respectively, considering the whole savings income (dividends, capital gains, etc.) obtained by the employee within the same year.

⁴ Please note that, from year 2016 onwards the applicable tax rates will be 19% for the first EUR 6,000, 21% for the income obtained between EUR 6,000 and EUR 50,000 and 23% for any excess.

⁵ Please note that, from year 2016 onwards the applicable tax rates will be 19% for the first EUR 6,000, 21% for the income obtained between EUR 6,000 and EUR 50,000 and 23% for any excess.

7. **United Kingdom**

The following summary is based on the income tax and social security laws in effect in the United Kingdom as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are resident for tax purposes in the United Kingdom. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

Shareplus-UK (SIP)

(a) Taxation on the purchase of Partnership Shares

The employee will not be subject to income tax or employee national insurance contributions when Partnership Shares are acquired on his/her behalf.

(b) Taxation on the grant of Matching Shares

The employee will not be subject to income tax or employee national insurance contributions when Matching Shares are granted to him/her.

(c) Taxation on the dividends

Any dividends will be subject to U.S. withholding tax. No further tax is due if the dividends are fully reinvested in the Plan.

(d) Taxation on purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received.

(e) Taxation on withdrawal of Shares from the SIP

The tax treatment relating to Shares withdrawn from the SIP depends on the type of Shares withdrawn and the length of time the Shares were held in the SIP. The table below summarizes the various scenarios.

Partnership Shares	Matching Shares	Dividend Shares
<i>1. Withdrawal of Shares from Shareplus-UK after 5 years</i>		
No tax or national insurance is due on the value of the Shares.	No tax is due on the value of the Shares.	
<i>2. Termination of employment within 5 years of buying Shares for certain reasons (retirement, injury or disability, redundancy, transfer of business, change of control of the (Participating) Company, death)</i>		
No tax or national insurance is due on the value of the Shares.	No tax is due on the value of the Shares.	

3. Termination of employment within 3 years of buying Shares on a voluntary basis or for other reasons than those given above		
Income tax and national insurance contributions are due on the market value of the Shares at the time that they are taken out of Shareplus-UK.		The original dividends received are taxable in the U.S. The employee must declare those dividends on his tax return (although employees who pay tax at the basic rate should not have any further tax to pay).
4. Termination of employment between 3 and 5 years of buying Shares on a voluntary basis or for other reasons than those given above		
Income tax and national insurance contributions are due on the lower of (i) the pay that the employee used to buy the Shares and (ii) the market value of the Shares at the time that they are taken out of Shareplus-UK.	Income tax and national insurance contributions are due on the lower of (i) the market value of the Shares when the employee received them and (ii) their market value at the time that they are taken out of Shareplus-UK.	No tax is due on the value of the Shares.

(f) Taxation of capital gains on a sale of the Shares

If the Shares are sold immediately after they have been withdrawn from Shareplus-UK, the employee does not have to pay any capital gains tax.

However, if the employee sells the Shares after they have been transferred from Shareplus-UK, the employee may also have to pay capital gains tax.

The "gain" is (i) the proceeds of sale of the Shares, less (ii) the market value of the Shares when they are taken out of Shareplus-UK and less (iii) the cost of selling the Shares. The gain is added to other gains of the employee during the year. Each employee has a yearly allowance (the annual exemption limit) which for the tax year 2015/2016 is GBP 11,100. Gains up to this limit are not taxed. Any gains over this limit are taxed at 18% for employees who pay income tax at the basic rate and at 28% for employees who pay income tax at above the basic rate.

Shareplus-UK top-up

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary there is no income tax charge and there are no national insurance contributions on them either.

(b) Taxation on the grant of Matching Shares

The employees will be liable to income tax on their Matching Shares on the Vesting Date. The taxable amount is the market value of their shares on Vesting Date.

The employees will also pay national insurance contributions on the Matching Shares.

(c) Taxation on the dividends

Employees will be taxed on dividends from Shares, including Matching Shares that they own. Some tax is automatically withheld in the US and this will be taken into account if

the employee pays income tax at above the basic rate. Employees who pay income tax at the basic rate should not have any further tax to pay.

(d) Taxation on purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received.

(e) Taxation on capital gains in case of further sale of the Shares

Employees will be subject to capital gains tax if gains from all sales of investments are more than their yearly allowance (GBP 11,100 for the tax year 2015/2016). Any gains over this limit are taxed at 18% for employees who pay income tax at the basic rate and at 28% for employees who pay income tax at above the basic rate.

The "gain" in this case is (i) the proceeds of the sale of the Shares, less (ii) the market value of the Shares when they were acquired by a Participating Employee and less (iii) the cost of selling the Shares. The gain is added to other gains of the employee during the year.