



**RESOLUTION CONCERNING
SEPARATION OF THE POSITIONS OF
CHAIRMAN OF THE BOARD OF DIRECTORS
AND THE CHIEF EXECUTIVE OFFICER**

WHEREAS: The Board of Directors of The Walt Disney Company has adopted corporate governance guidelines.

WHEREAS: The guidelines state that:

The Board of Directors shall designate one of its members to serve as Chairman of the Board. The powers and responsibilities of the Chairman of the Board shall be set forth in the Corporation's By-laws, as supplemented from time to time by resolution of the Board of Directors.

The Chairman of the Board shall serve for such term as the Board shall determine. The identity of the Chairman shall be set forth in the proxy statement for the Company's annual meeting, together with a method for interested parties to communicate directly with the Chairman or with the non-management Directors as a group.

WHEREAS: In March 2004 the Board of Directors determined that it was in the best interest of the company that the position of Chairman of the Board be held by a board member other than the Chief Executive Officer.

WHEREAS: We believe that it is the role of the Chief Executive Officer and management to run the business of the company and the role of the board of directors to oversee management. We believe given these different roles, and responsibilities, leadership of the board in all companies, should be different from leadership of management.

WHEREAS: We believe that it is in the best interest of the company that the Chairman of the Board be an outside independent director, and not serve as Chief Executive Officer, except in rare extraordinary circumstances.

WHEREAS: A growing number of investors also support separation of the Chair and CEO positions. For example, in September 2004, the Council of Institutional Investors, an association of more than 140 corporate, public and union pension funds with more than \$3 trillion in pension assets adopted as one of its Corporate Governance Policies, which they recommend for all corporations, that "the board should be chaired by an independent director."

NOW THEREFORE BE IT RESOLVED: That the shareholders of the company urge the Board of Directors to amend the Corporate Governance Guidelines, and take what ever other actions are necessary to set as a company policy that the Chairman of the Board of Directors will always be an independent member of the Board of Directors, except in rare and explicitly spelled out, extraordinary circumstances.

September 28, 2004