

TOP

NONQUALIFIED DEFERRED COMP. - DOL NOTICE

LABOR DEPARTMENT STATEMENT

To: Pension and Welfare Benefits Administration
U.S. Department of Labor
Room N - 5610
200 Constitution Avenue, N.W.
Washington, D.C. 20210

2520032032110

From: Employer: SKODA CONTRACTING CORPORATION, INC.
Employer Identification Number: 22-1961480
Address: 147 GOLDMINE ROAD
FLANDERS, NJ 07836

DECEMBER 28, 1996

This document constitutes the statement required by 29 C.F.R. §2520.104.23(a)(1) to be filed with the Secretary of Labor in respect to Nonqualified Deferred Compensation Plans maintained by the above employer.

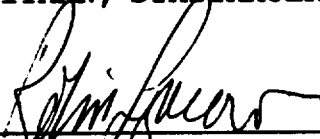
The employer currently maintains 1 Plan(s) for executives who are members of a select group of management or who are highly compensated.

The number of participants in each plan is as follows:

Plan 1 1
Plan 2 _____
Plan 3 _____

WITMAN, STADTMAUER, & MICHAELS P.A.

Signed By:


ROBIN B. LAZAROW

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DOL PERM

DEFERRED COMPENSATION AGREEMENT

THIS DEFERRED COMPENSATION AGREEMENT made as of the 28th day of December, 1996, between SKODA CONTRACTING CORPORATION, INC., a New Jersey corporation, having its principal office at 147 Goldmine Road, Flanders, New Jersey 07836 (hereinafter referred to as the "Company") and JAN MICHAEL SKODA, residing at 11 Ford Lane, Roseland, New Jersey 07068 (hereinafter referred to as the "Employee").

W I T N E S S E T H :

WHEREAS, the Employee has rendered valuable services to the Company in the past; and

WHEREAS, it is considered vital to the Company's continued success that it continue to have the services of the Employee until he retires; and

WHEREAS, the experience of the Employee, his knowledge of the affairs of the Company, his reputation and contacts in the industry in which the Company serves, are so valuable that assurance of his continued services are essential for the growth and profits of the Company; and

WHEREAS, the Employee is willing to continue in the employ of the Company until his retirement provided the Company agrees to pay him or his beneficiaries certain benefits in accordance with the terms of the Agreement and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of these premises and the covenants and agreements herein set forth, the parties hereto covenant and agree as follows:

I. DEFINITIONS

1.1 Definitions. For purposes of this Agreement, the following terms shall have the meaning ascribed to them below. Other terms are defined throughout this Agreement.

(a) "Effective Date" of this Agreement shall mean December 28, 1996.

(b) "Retirement Date" shall mean the date on which the Employee ceases to be employed by the Company and such cessation occurs (i) after December 31, 1996; (ii) as a result of his Total Disability at any time; (iii) as a result of his death at any time; or (iv) as a result of his employment being terminated by the Company for any reason at any time.

(c) "Totally Disabled" shall mean the Employee's inability by reason of illness or injury to participate in his normal full-time duties to the Company.

II. RETIREMENT BENEFIT

2.1 Entitlement to Retirement Benefit. If the Employee continues to be in the employ of the Company during each calendar year until the calendar year in which occurs his Retirement Date, then unless the Employee elects otherwise, the Company shall pay to the Employee a certain benefit upon his retirement (the "Retirement Benefit"). As of the date hereof, the Retirement Benefit shall be equal to Seventy-Five Thousand Dollars (\$75,000) per year until the death of the Employee or his wife, whichever occurs last.

2.2 Payment of Retirement Benefit. The Retirement Benefit shall be paid to the Employee by the Company for the Employee's lifetime in equal monthly payments as follows: The first payment shall be made on the first day of the calendar month following the Retirement Date, and each succeeding payment shall be made on the first day of each month thereafter. Upon the death of the Employee, the Retirement Benefit shall be paid to the Employee's wife, Margaret Skoda, in equal monthly payments for her lifetime. Upon the death of the survivor of the Employee and the Employee's wife, Margaret Skoda, the payment of the Retirement Benefit shall cease.

III. FORFEITABILITY

The provisions of Article II of this Agreement are subject to the condition that the Employee is in the employ of the Company until his Retirement Date. In the event the Employee has

not been in the employ of the Company through his Retirement Date, the Company shall be under no obligation to the Employee regarding the benefits provided by Article II.

IV. UNFUNDED AGREEMENT

Benefits to be provided under this Agreement are unfunded obligations of the Company, but shall constitute liabilities by the Company payable when due. Nothing contained in this Agreement shall require the Company to segregate any monies from its general funds, to create any trust, to make any special deposits or purchase the policies of insurance with respect to such obligations. The individual policies of insurance which may be acquired by the Company on the Employee to help finance its obligations under this Agreement and the proceeds therefrom shall, at all times, remain the sole property of the Company, and neither the Employee nor his beneficiaries shall have any ownership rights in such policies of insurance. Such insurance policies shall be subject to the claims of the Company's general creditors. Any reference in this Agreement to amounts payable with references to said policies, which are to be purchased solely for the purpose of aiding the Company in meeting its obligation under this Agreement and assisting the Company in determining the amount of payments the Company is required to make to the Employee, shall not be deemed to constitute an assignment, conveyance or other transfer of any interest in said policies to the Employee. Notwithstanding the above, the Company shall accumulate the dividends on any such policies and shall be forbidden to incur any indebtedness against such policies.

V. ARBITRATION

The parties hereby agree in the event of a dispute under this Agreement which cannot be resolved then, upon the written request of either party, the parties shall submit their disagreements to binding arbitration, as provided in this Article V. Each of the parties to the dispute shall appoint a person as arbitrator

which shall have at least two years experience in the arbitration connected with the subject matter in dispute. Such appointment shall be signified in writing by each party to the other, and the arbitrators so appointed, in the event of their failure to agree upon the matter(s) so submitted, shall appoint a third arbitrator. In case of the failure of such arbitrators to agree upon a third arbitrator, the same shall be appointed by the American Arbitration Association from its qualified panel of arbitrators, and shall be having at least ten years recent experience as to the subject matter in question. The cost of the arbitration shall be shared equally by the parties.

VI. MISCELLANEOUS

6.1 Amendment or Termination of Agreement. This Agreement may be amended or terminated only by a writing executed by the Employee and the Company.

6.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon and enforceable against the beneficiaries, heirs, executors, administrators and legal representatives of the Employee, and the successors and assigns of the Company.

6.3 Severability. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement and all other provisions shall remain in full force and effect.

6.4 Assignability. Neither party shall not have any power or right to transfer, assign, hypothecate, mortgage or otherwise encumber, or advance any benefits payable hereunder nor shall the benefits hereunder be subject to seizure or payment of any debt or judgment or be transferable by operation of law in the event of bankruptcy, insolvency or otherwise. In the event that the Employee or Designated Beneficiary hereunder attempts to assign such right, the Company, at its own discretion, may suspend, reduce

or terminate any or all rights created by this Agreement as to the Employee or to the person attempting such assignment.

6.5 Headings. The headings herein are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

6.6 Governing Law. This Agreement is made under and shall be subject to and governed by the laws of the State of New Jersey.

6.7 Withholding. The Company shall withhold from benefits paid under this Agreement any taxes or other amounts required to be withheld by law.

6.8 Not an Employment Agreement. Nothing contained in this Agreement shall be construed as a contract of employment between the Employee and the Company or to suggest or create a right in the Employee to be continued as an employee of the Company.

6.9 Counterparts. This Agreement may be executed in any number of identical counterparts, which may be executed via facsimile, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date and year first above written.

ATTEST:

, Secretary

SKODA CONTRACTING CORPORATION, INC.

By: 
Frank Evans

By: _____
Marc Skoda

EMPLOYEE:

Jan Michael Skoda

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SKODA CONTRACTING CORPORATION, INC.

, Secretary

By: _____
Frank Evans

By: 

Marc Skoda

EMPLOYEE:

Jan Michael Skoda

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ATTEST:

Margaret Skoda
Secretary

SKODA CONTRACTING CORPORATION, INC.

By: _____
Frank Evans

By: _____
Marc Skoda

EMPLOYEE:

Jan Michael Skoda 12-28-96
Jan Michael Skoda

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