

IBA Inc.

27 PROVIDENCE ROAD, MILLBURY, MA 01527



Mailing Address
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January 30, 2004
To Whom It May Concern

2520040763665

Please file this Top Hat Plan for IBA INC 04-2370545

If there are any questions please contact Irwin Thomashow, CFO
PO Box 31, Millbury Ma. 01527
508-865-6911

Irwin Thomashow, CFO

Irwin Thomashow, CFO, IBA INC

DEFERRED COMPENSATION AGREEMENT

THIS AGREEMENT is made as of the 31st day of December, 2003, by and between **IBA INC.**, a Massachusetts corporation, with a principal place of business in Millbury, Massachusetts (the "Corporation"), and **A. JAMES SPRING** of Sutton, Massachusetts (the "Employee").

WITNESSETH

WHEREAS, the Employee is employed by the Corporation as its General Manager; and

WHEREAS, the Employee has discharged the duties of said position in a very capable and skillful manner, resulting in substantial benefits to the Corporation; and

WHEREAS, the Corporation desires the Employee to remain in its service and to continue to use his knowledge and experience on behalf of the Corporation, and is willing to offer the Employee an incentive to do so in the form of deferred compensation; and

WHEREAS, the Employee is willing to continue his efforts on behalf of the Corporation in exchange for such an incentive.

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Corporation and the Employee hereby agree as follows:

1. Continuation of Employment. The Corporation shall continue to employ the Employee and the Employee shall continue his employment as General Manager of the Corporation for such period of time, upon such terms and conditions, and in exchange for such current compensation as may from time to time be agreed upon by the parties hereto.
2. Deferred Compensation. As an incentive to induce the Employee to continue in the employ of the Corporation, the Corporation shall credit deferred compensation to a

Deferred Compensation Account and any increase in value of any asset in the Deferred Compensation Account and shall debit to the Deferred Compensation Account any decrease in value of any asset in the Deferred Compensation Account.

5. Distribution Commencement Date. Distribution of the Deferred Compensation shall commence upon the occurrence of the earlier to occur of the following events (the “Distribution Commencement Date”): (i) sixty (60) days following the termination of the Employee’s employment with the Corporation for any reason, including but not limited to death, retirement or disability; or (ii) immediately upon consummation of the sale or transfer to a person or entity unrelated or unaffiliated with Daniel J. Belsito of (a) all or substantially all of the assets of the Corporation, or (b) fifty (50%) percent or more of the issued and outstanding common stock of the Corporation.

6. Distribution of Deferred Compensation.

a) Distribution Upon Severance of Employment. Distribution of the Deferred Compensation under Paragraph 5 (i) above, shall be in one of the following forms, at the election of the Employee:

1) Lump Sum. A single payment of the entire balance of Deferred Compensation Account.

2) Annual Installments. Over a period of time elected by the Employee not to exceed ten (10) years from the Distribution Commencement Date, the amount of each installment to be equal to the then balance of the Deferred Compensation Account immediately prior to such installment, divided by the number of installments remaining to be paid.

The election shall be made by the Employee, and any such election may be revoked or changed, at any time at least six (6) months before the Distribution Commencement Date by notifying the Corporation in writing of such election. If the Employee fails to elect a form of distribution at least six (6) months before the Distribution Commencement Date, the Deferred Compensation shall be distributed in a single payment. If the Deferred Compensation is distributed in the form of annual payments, the person receiving the annual payments may elect to terminate the annual payments at any time by written notice to the Corporation and the then balance of the Deferred Compensation shall be paid in one lump sum to such person within six (6) months of the Corporation's receipt of such written notice.

b) Distribution Upon Sale of Stock or Assets. Distribution of the Deferred Compensation under Paragraph 5 (ii) above, shall be paid in a single payment of the entire balance of Deferred Compensation Account within thirty (30) days of the Distribution Commencement Date.

7. Withholding. All payments of Deferred Compensation will be subject to any and all required withholding obligations imposed upon the Corporation by any federal or state laws.

8. Unfunded, Nonqualified Plan. This plan shall be unfunded. The Deferred Compensation shall be paid from the general funds of the Corporation, and such funds shall be subject to the claims of the creditors of the Corporation. The Corporation shall have no obligation to segregate any funds or to establish an account for the purpose of funding its obligations hereunder. The Deferred Compensation Account is established for bookkeeping purposes only.

9. No Trust Relationship. Nothing contained in this Agreement and no action taken pursuant to the provisions of this Agreement shall create or be construed to create a trust of any

kind, or a fiduciary relationship between the Corporation and the Employee or any other person. To the extent that any person acquires a right to receive payments from the Corporation under this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Corporation.

10. Designation of Beneficiary. The Employee may at any time designate in writing a beneficiary (and change such beneficiary from time to time thereafter) to receive any payments due or unpaid at the time of the Employee's death. If no such beneficiary shall have been designated, or if no designated beneficiary shall survive the Employee, any payments then due or unpaid at the time of the Employee's death shall be paid to the Employee's estate.

11. Assignment. The right of the Employee to the payment of the Deferred Compensation under this Agreement may not be assigned, transferred, pledged or encumbered.

12. Deferred Compensation Not Salary. Any Deferred Compensation payable under this Agreement shall not be deemed salary or other compensation to the Employee for the purpose of computing benefits to which he may be entitled under any pension plan or other arrangement of the Corporation for the benefit of its employees.

13. Agreement Binding. This Agreement shall be binding upon and inure to the benefit of the Corporation, its successors and assigns, and the employee and his heirs, executors, administrators, and legal representatives.

14. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof.

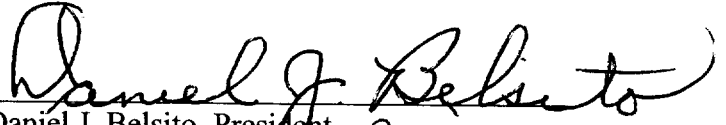
15. Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the Corporation and the Employee.

16. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts.

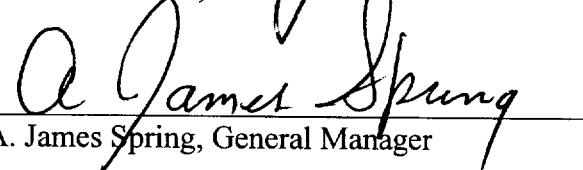
IN WITNESS WHEREOF, the Corporation has caused this Agreement to be executed by its duly authorized officer and the Employee has hereunto set his hand and seal as of the date first above written.

IBA INC.


Witness

By: 
Daniel J. Belsito, President


Witness

By: 
A. James Spring, General Manager

bookkeeping reserve (the "Deferred Compensation Account") established for that purpose . The Corporation shall, commencing with calendar year 2003 and for each calendar year thereafter that the Employee is employed by the Corporation, credit to the Deferred Compensation Account an amount of money to be determined pursuant to paragraph 3 hereof and to be paid pursuant to paragraph 5 hereof (such amount, together with interest thereon and any increases or decreases thereto all as provided in paragraph 4 hereof, is hereinafter referred to as the "Deferred Compensation"). Any Deferred Compensation so credited to the Deferred Compensation Account may be kept in cash or invested and reinvested in mutual funds, stocks, bonds, securities or any other assets as may be selected by the Board of Directors of the Corporation (the "Board") in its discretion. In the exercise of the foregoing discretionary investment power, the Board may engage investment advisors and, if it so desires, may delegate to such advisors full or limited authority to select the assets in which the funds are to be invested. The Employee on behalf of himself and his designated beneficiary assumes all risk in connection with any decrease in value of the funds which are invested or which continue to be invested in accordance with the provisions of this Agreement. Title to and beneficial ownership of any assets, whether cash or investments which the Corporation may earmark to pay the Deferred Compensation, shall at all times remain in the Corporation and the Employee shall not have any property interest whatsoever in any specific assets of the Corporation.

3. Amount of Deferred Compensation. Prior to the end of each calendar year, commencing with calendar year 2003, the Board shall determine the amount of Deferred Compensation to be credited to the Deferred Compensation Account for such calendar year.

4. Interest on Deferred Compensation. The Corporation shall, during each calendar year, credit to the Deferred Compensation Account any interest earned on any assets in the

CERTIFIED MAIL

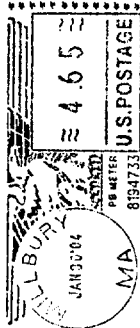


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IBA II

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27 Providenc
Millbury, MA



Top Hat Plan Exemption
Pension and Welfare Benefits Admin.
Room N-5644
US Department of Labor
200 Constitution Ave NW
Washington, D.C. 20210

