

2520040182223

Top Hat Plan Exemption
Pension and Welfare Benefits Administration
N-5644, U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Name of Employer: Keystone Carbon Company
Address of Employer: 1935 State Street
 St. Mary's, PA 15857-0313

Employer Identification Number: 25-0590780

Declaration: The employer named above maintains one plan primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

Number of Employees
in Plan: Nine employees participate in the plan at this time.

Filing Authority: §2520.104-23.

Dated Filed: October 10, 1994

**Deferred Compensation Plan
for Key Employees of
Keystone Carbon Company**

This instrument made October 10, 1994 by Keystone Carbon Company (hereinafter "Employer"), a Pennsylvania corporation, establishes a nonqualified deferred compensation plan for key management employees, effective as of August 1, 1994. The purpose of this deferred compensation plan shall be to provide benefits upon retirement to motivate selected key employees and to attract and encourage such key employees to continue in the employment of the Employer.



ARTICLE I - DEFINITIONS

§1.1 "Beneficiary" means the person or persons designated by a Participant in writing who are to receive any benefits available under the Plan after the Participant's death. In the event that a Participant does not designate a Beneficiary, or his Beneficiary does not survive him, his Beneficiary shall be his surviving legal spouse and, upon such spouse's death prior to the payment of all authorized payments, the personal representative of her estate, or, if there is no such spouse, the personal representative of the Participant's estate.

§1.2 "Employee" means an individual who is employed by the Employer as a key management employee.

§1.3 "Employer" means Keystone Carbon Company, a Pennsylvania corporation.

§1.4 "Participant" for any Plan Year means (a) an Employee who has been admitted or re-admitted to the Plan pursuant to Article III or (b) an Employee or former Employee who has not yet received a distribution of a benefit to which he is entitled under the Plan.

§1.5 "Plan" means the Deferred Compensation Plan for Key Employees of Keystone Carbon Company.

§1.6 "Plan Year" means the period beginning January 1 and ending December 31.

ARTICLE II - PLAN ADMINISTRATION

§2.1 The Employer. The Employer shall have complete discretion regarding the terms of the Plan, including responsibility:

(a) To determine all questions relating to the eligibility of Employees to participate or to continue participation;

(b) To maintain all records and books of account necessary for the administration of the Plan;

(c) To interpret the provisions of the Plan and to make and publish such interpretive or procedural rules as are not inconsistent with the Plan and applicable law;

(d) To compute, certify and arrange for the payment of benefits to which any Participant or Beneficiary is entitled;

(e) To dispose of claims for benefits under the Plan by Participants or Beneficiaries;

(f) To delegate to agents and professionals the authority to assist the Employer in carrying out its functions under this Plan.

ARTICLE III - ELIGIBILITY FOR PARTICIPATION

§3.1 Eligibility. An Employee shall become a Participant upon being designated by the Employer to participate in this Plan. The Employees who shall participate in the Plan upon its inception are listed in Appendix A.

ARTICLE IV - BENEFITS

§4.1 Amount and Payment of Benefits. Benefits shall be paid to a Participant or his Beneficiary following the Participant's termination of employment with the Employer in accordance with the terms of employment and deferred compensation agreements entered into from time to time by each Participant and the Employer.

ARTICLE V - MISCELLANEOUS PROVISIONS

§5.1 Cost of Benefits. The entire cost of benefits and administrative expenses for this Plan shall be paid by the Employer and no contributions by any Employee shall be required or permitted.

§5.2 Amendment. The Employer reserves the right to amend this Plan at any time without assigning any reason therefor. No person shall have a vested interest in having this Plan or any provision thereof remain free from amendment or revocation. All Participants and anyone else claiming any interest under this Plan shall be bound by any amendments.

§5.3 Termination. The Employer reserves the right at any time to terminate the Plan in whole or in part without assigning any reason therefor.

§5.4 Employment Rights. No person's employment rights shall be enlarged, diminished or otherwise affected by reason of this Plan. Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Participant, and the Plan shall not afford any Participant a right of continued service with the Employer.

§5.5 Construction and Enforcement. This Plan shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania. In this Plan, the use of any word in the singular includes the plural and vice-versa. The use of any gender includes all genders.

§5.6 Savings Clause. If any provision of this Plan or its application in any instance is held invalid, the remainder of the Plan or the application of such provision in other circumstances, shall not be affected thereby.

§5.7 Status of Participant as Creditor. Nothing in this Plan shall be construed or interpreted as requiring the Employer to maintain or set aside any specific funds or requiring the Employer to make any specific investment of amounts to be paid hereunder. The Plan shall be wholly unfunded. The Participant shall rely solely on the unsecured promise of the Employer set forth herein and nothing in this Plan shall be construed to give the Participant any right, title, interest or claim in or to any specific asset, fund, reserve, account or property of any kind whatsoever owned by the Employer or in which the Employer may have any right, title or interest now or in the future, including (without limitation) any investments which the Employer may make to aid him in meeting its obligations hereunder, but the Participant shall have the right to enforce his claim against the Employer in the same manner as any other general unsecured creditor of the Employer.

§5.8 Claims Procedure.

(a) All claims for benefits shall be in writing and shall be filed with the Employer.

(b) If the Employer wholly or partially denies a Participant's or Beneficiary's claim for benefits, the Employer shall within 90 days after the Plan's receipt of the claim, give the claimant written notice setting forth in understandable language:

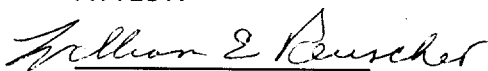
- (1) the specific reason(s) for the denial;
- (2) specific reference to pertinent Plan provisions on which the denial is based;
- (3) a description of any additional material or information which must be submitted to perfect the claim, and an explanation of why such material or information is necessary; and
- (4) an explanation of the Plan's review procedure.

The claimant shall have 60 days after the day on which such written notice of denial is handed or mailed to him in which to apply (in person or by authorized representative) to the Employer in writing for a full and fair review of the denial of his claim. In connection with such review, the claimant (or his representative) shall be afforded reasonable opportunity to review pertinent documents, and may submit issues and comments in writing. The Employer or his representative shall arrange to meet personally with the claimant and/or representative within 30 days of the Plan's receipt of such written request for review, for the purpose of hearing the claimant's contentions and such relevant evidence as the claimant may wish to offer.

The Employer shall issue his decision on review promptly and within 60 days after the Plan's receipt of the request for review, unless special circumstances require an extension to not later than 120 days after receipt of the request for review. (Written notice of any such extension shall be furnished to the claimant before the commencement of such extension.) The decision shall be in writing and shall in understandable language set forth specific reasons for the decision and specific references to pertinent Plan provisions on which the decision is based.

IN WITNESS WHEREOF, the Employer has caused this Plan to be duly executed the day and year first above written.

ATTEST:


William E. Reischer

KEYSTONE CARBON COMPANY

By: 
President

[WP51.TAX.SHK1453]KEYSTONE.PLN

APPENDIX A

Initial Participants

Name

Richard J. Reuscher

Robert B. Reuscher

William E. Reuscher

Eugene H. Gleixner

Everett D. Shen, Jr.

Conrad J. Kogovsck, III

Gary L. Anderson

Theodore J. Krellner

Robert T. Makutka

CONSENT OF DIRECTORS

The undersigned, all of the directors of Keystone Carbon Company, a Pennsylvania business corporation, by consent in writing pursuant to the authority contained in Section 1727(b) of the Business Corporation Law of Pennsylvania, as amended, without the formality of convening a meeting, do hereby consent to the following action of this Corporation:

RESOLVED, that the Corporation shall adopt the Deferred Compensation Plan for Key Employees of Keystone Carbon Company, in the form presented herewith, effective as of August 1, 1994;

FURTHER RESOLVED, that the proper officers of the Corporation are authorized and directed to executed such documents and to perform such acts as they, in their sole discretion, deem necessary or advisable to accomplish the intent of the foregoing resolution.

Date: 10-10-94

Signature of Directors

Robert Mahler

William S. Kurcher

Ray L. ...

Freeda J. ...

George H. ...

Conrad J. ...

Robert ...

Richard ...

Walter D. ...

RECEIVED
OCT 10 1994