

2520040182376



Federal Management Systems, Inc.

DATE: January 15, 1994

TO: Office Of Pension and Welfare Programs
Labor Management - Services Administration
U.S. Department Of Labor
Washington, D.C. 20216

FROM: Federal Management Systems, Inc.
EIN - 52-1708090
6401 Golden Triangle Drive
Suite 450
Greenbelt, Maryland 20770

This statement is with respect to Non-Qualified Deferred Compensation Plans maintained by Employers under the requirements of 29 CFR Section 2520.104-23(a).

Employer currently maintains one non-qualified salary continuation plan for Executives who are members of a "select group of management" or who are "highly compensated".

The number of participants are: 2

Plan Administrator: Aubrey A. Stephenson

Title: President

Employer: Federal Management Systems, Inc.

SALARY CONTINUATION CORPORATE

RESOLUTION

WHEREAS, Federal Management Systems, Inc., by and through its Board Of Directors has reviewed the merits of establishing a Salary Continuation Plan for certain of its upper management Employees and by unanimous agreement has determined that such a plan would avoid substantial financial loss to the Corporation Should such Executives leave the employment of the Corporation and would further relieve the Executives of any anxieties concerning financial security for themselves and their families at their retirement, disability or early death;

RESOLVED THEREFORE, that in consideration of services rendered in the past and those to be performed in the future, the Corporation hereby adopts an Executive Salary Continuation Plan for the following Employees:

<u>NAME</u>	<u>POSITION</u>
Aubrey A. Stephenson	President
Frank I. Luncheon	Vice President for Finance

The details of such Plan are to be set forth in a separate Agreement between the Corporation and each selected Executive.

IN WITNESS WHEREOF, the Corporate Secretary's name has been affixed hereto this 15th day of January, 1994.

M E Booker
(SECRETARY)

Federal Management Systems, Inc.
MULTI-LIFE EXECUTIVE BENEFIT PLAN
SALARY CONTINUATION

JOINDER AGREEMENT TO MASTER PLAN

Aubrey A. Stephenson, at the invitation of
(KEY EXECUTIVE)

Federal Management Systems, Inc., hereby applies for participation
(CORPORATION)

in the EXECUTIVE BENEFIT MASTER PLAN established for its Key Executives on January 15, 1994, as such Agreement may now exist or hereafter be modified; and does further agrees to the terms and conditions thereof.

Aubrey A. Stephenson, understands and acknowledges that no provision of the aforementioned Master Plan shall be deemed to limit or restrict any employment agreement now existent or hereafter entered into, nor shall any of its conditions create any specific employment term or rights thereunder.

Benefits provided Aubrey A. Stephenson, shall include:

SALARY CONTINUATION
FOR
RETIREMENT BENEFITS
EARLY RETIREMENT BENEFITS
DEATH BENEFITS AND
DISABILITY BENEFITS

Pre-Retirement Death Benefits; Retirement Benefits; or Early Retirement Benefits shall be those based upon Corporation's periodic contributions declared by the Board of Directors and compounded at interest rate assumptions selected by the Corporation for each respective benefit, and paid-out under the terms expressed in the Master Plan.

Monthly Disability Benefits shall be based upon 60 per cent of Key Executive's monthly base salary, subject to the Corporation's disability income insurance carrier's minimum issue limits, and further subject to all the terms and conditions expressed in the Master Plan.

The details of the Salary Continuation Benefit Plan elected above are set forth in an Executive Benefits Master Plan, dated January 15, 1994, the terms of which are hereby incorporated by reference.

Should you die prior to normal retirement (exclusive of Early Retirement, Voluntary Resignation or Total and Permanent Disability, as defined in the Master Plan) Corporation agrees to pay a death benefit to your named beneficiary. Such benefit shall be equal to Corporation's contributed sums accumulated at interest rates determined periodically by the Corporation, but in no event shall the amount be less than \$250,000. Then in such event and until further notice, Key Executive requests that such death benefits be payable to: Maureen Booker, Aubreana Stephenson and Abigail Stephenson.

of Maryland, Wife and children,
(RELATIONSHIP)

if living or, if not, to Bruce Stephenson

of 1302 MONROE SE, N-W, WASHINGTON, D.C. 20002 Brother,
(RELATIONSHIP)

This Joinder Agreement shall become effective as of the date executed below by the Key Executive and a duly authorized officer of Corporation.

Dated this 15 day of JANUARY, 1994, at
GREEN BELT, MARYLAND.

Frank Larkin
(WITNESS)

Frank Larkin
(WITNESS)

Aubrey A. Stephenson
(KEY EXECUTIVE)

Aubrey A. Stephenson
(PRESIDENT)

Federal Management Systems, Inc.
MULTI-LIFE EXECUTIVE BENEFIT PLAN
SALARY CONTINUATION

JOINDER AGREEMENT TO MASTER PLAN

Frank I. Luncheon, at the invitation of
(KEY EXECUTIVE)

Federal Management Systems, Inc., hereby applies for participation
(CORPORATION)

in the EXECUTIVE BENEFIT MASTER PLAN established for its Key Executives on January 15, 1994, as such Agreement may now exist or hereafter be modified; and does further agree to the terms and conditions thereof.

Frank I. Luncheon, understands and acknowledges that no provision of the aforementioned Master Plan shall be deemed to limit or restrict any employment agreement now existent or hereafter entered into, nor shall any of its conditions create any specific employment term or rights thereunder.

Benefits provided Frank I. Luncheon, shall include:

SALARY CONTINUATION
FOR
RETIREMENT BENEFITS
EARLY RETIREMENT BENEFITS
DEATH BENEFITS AND
DISABILITY BENEFITS

Pre-Retirement Death Benefits; Retirement Benefits; or Early Retirement Benefits shall be those based upon Corporation's periodic contributions declared by the Board of Directors and compounded at interest rate assumptions selected by the Corporation for each respective benefit, and paid-out under the terms expressed in the Master Plan.

Monthly Disability Benefits shall be based upon 60 per cent of Key Executive's monthly base salary, subject to the Corporation's disability income insurance carrier's minimum issue limits, and further subject to all the terms and conditions expressed in the Master Plan.

The details of the Salary Continuation Benefit Plan elected above are set forth in an Executive Benefits Master Plan, dated January 15, 1994, the terms of which are hereby incorporated by reference.

Should you die prior to normal retirement (exclusive of Early Retirement, Voluntary Resignation or Total and Permanent Disability, as defined in the Master Plan) Corporation agrees to pay a death benefit to your named beneficiary. Such benefit shall be equal to Corporation's contributed sums accumulated at interest rates determined periodically by the Corporation, but in no event shall the amount be less than \$250,000. Then in such event and until further notice, Key Executive requests that such death benefits be payable to: Kim E. Luncheon.

of Olney, Maryland, Wife,
(RELATIONSHIP)

if living or, if not, to Shaun & Leeza Luncheon equally

of Olney, Maryland, Children,
(RELATIONSHIP)

This Joinder Agreement shall become effective as of the date executed below by the Key Executive and a duly authorized officer of Corporation.

Dated this 15 day of JANUARY, 1994, at
GREEN BELT, MARYLAND.

Dubrey A. Stephenson
(WITNESS)
Sherril Chandler
(WITNESS)

Frank Luncheon
(KEY EXECUTIVE)
Dubrey A. Stephenson
(PRESIDENT)

MULTI-LIFE EXECUTIVE BENEFIT PLAN
FOR SALARY CONTINUATION

This Executive Benefit Master Plan is established this 15th day of January, 1994, by Federal Management Systems, Inc. of Greenbelt, Maryland, a corporation organized and existing under the laws of the State of Maryland; hereinafter referred to as (Corporation), and certain select key employees; (hereinafter referred to as Key Executive), who shall elect to become a party to this Master Plan by execution of a Joinder Agreement in a form provided by Corporation.

Key Executives who have faithfully served for years past or are anticipated to serve the Corporation in the future, and the Board of Directors by Resolution has declared that their services have been of exceptional merit; in excess of compensation paid and an invaluable contribution to the profits and position of Corporation in its field of business activity.

The Corporation further concludes that the continued services of such select Key Executives is so essential to the Corporation's future growth and continued profits that it would suffer severe financial loss should any Key Executive leave the Corporation and prematurely terminate his/her services.

Accordingly, it is to the mutual benefit of both the Corporation and the Key Executives that the employment relationship continue; and based upon the Key Executives' services performed in the past and those to be performed in the future, Corporation agrees to provide the following Executive Benefits:

I. ARTICLE ONE - DEFINITIONS

A. Normal Retirement Date:

The Normal Retirement Date shall mean retirement from service with the Corporation which becomes effective on the first day of the calendar month following the month in which the Executive reaches his 60th birthday.

B. Early Retirement Date:

Early Retirement Date shall mean a retirement from service which is effective prior to the Normal Retirement Date, stated above, provided the Executive has attained age 50 and shall have completed 2 years of service from date of plan entry.

C. Termination Of Service

Termination of Service shall mean voluntary resignation of

service by the Executive (exclusive of early retirement, death or disability) or the Corporation's discharge of the Executive at the will of authorized corporate personnel.

II. ARTICLE TWO - EMPLOYMENT

A. Employment:

Corporation agrees to employ Executive in such capacity as the Corporation may from time to time determine with such duties, responsibilities and compensation as determined by the Board Of Directors.

Executive agrees to remain in the Corporation's employment; to devote his full time and attention exclusively to the business of the Corporation and to use his best efforts to provide faithful and satisfactory service to Corporation.

Employment services shall include temporary disability not to exceed 13 weeks "leave of absences" specifically granted Executive by the Board of Directors and periods of "military reserve duty".

B. No Employment Agreement Created:

No provision of this agreement shall be deemed to restrict or limit any existing employment agreement by and between the Corporation and the Executive nor shall any conditions herein create specific employment rights to the Executive nor limit the right of the Employer to discharge the Executive with or without cause. In a similar fashion, no provision shall limit the Executive's rights to voluntarily sever his employment at any time.

III. ARTICLE THREE - BENEFITS

The following benefits provided by the Corporation to the Executive are in the nature of a Fringe Benefit and shall in no event be construed to effect nor limit the Executive's current or prospective salary increases, cash bonuses or profit-sharing distributions or credits.

A. Retirement Benefits:

If Key Executive shall remain in the employment of the Corporation until the "Normal Retirement Date" defined at Article I. A, then, in such event, he shall be entitled to receive those monthly retirement benefits from the Corporation based upon Corporation's contributions accumulated at an assumed pre-retirement interest rate determined annually by the Corporation. Corporation's contribution sums shall be those amounts determined periodically by the Corporation and presented in a Joinder Agreement to be executed hereafter, or

as amended in a form provided by the corporation.

Such retirement benefits shall commence on the first day of the month following such "Normal Retirement Date" and shall continue for a period of 120 months or paid in a lump sum. In the event the Executive should die following "Normal Retirement" but before the expiration of 120 months, the unpaid balance of such monthly payments shall be paid in lump sum to the beneficiary selected by Executive in the Joinder Agreement to be executed hereafter.

In the absence of or failure of the Executive to designate a beneficiary, the unpaid balance shall be paid in a lump sum to the personal representative of Executive's estate.

B. Early Retirement Benefit:

Key Executive shall have the additional elective right to receive "Early Retirement", as those terms were earlier-defined, provided he/she shall have attained the age of 50 and has completed 2 years of service from date of plan entry. Monthly or lump sum benefits shall be those based upon the Corporation's contributed sums, accumulated at interest rates determined by the Corporation.

Such benefits, as determined above, shall be payable for a continuous period of 120 months provided, however, that should the Key Executive die prior to expiration of 120 months, the unpaid balance shall be paid in a lump sum to the beneficiary selected by the Key Executive in the Joinder Agreement to be executed hereafter.

In the absence of or a failure to designate a beneficiary, the unpaid balance shall be paid in a lump sum to the personal representative of Key Executive's estate.

C. Termination Of Service Or Voluntary Resignation:

Should Key Executive voluntarily resign from his employment or should he be discharged, all Key Executives' benefits under this Agreement shall be forfeited and this Agreement shall become null and void with respect to that particular Key Executive.

If a dispute arises as to discharge, such dispute shall be resolved by arbitration as set forth in Article VI.B.

D. Death Benefit Prior To Retirement:

Should the Executive die prior to Normal Retirement, (exclusive of Early Retirement, Voluntary Resignation or Total and Permanent Disability as defined elsewhere herein), Corporation agrees to pay a death benefit to the Executive's

beneficiary designated in the Joinder Agreement, an amount based upon the Corporation's contribution sums, accumulated at interest rates determined periodically by the Corporation, plus any other amounts set forth in the Joinder Agreement.

In the absence of or a failure to designate a beneficiary, or in the event the designated beneficiary shall have predeceased the Executive, the unpaid balance shall be paid in a lump sum to the personal representative of the Executive's estate.

In the event the Executive's death shall be the result of suicide within a 24 month period following the issuance of a life insurance policy insuring Key Executive's life, or, should Key Executive be found to have committed fraud in completion of the insurance application, then no death benefits shall be payable to the Executive or his/her designated beneficiary.

E. Total And Permanent Disability:

In the event the Key Executive shall become totally and permanently disabled (either physically or mentally) prior to his/her Normal Retirement Date, all as defined in a certain individual disability policy issued by the Corporation's disability income insurance carrier, Key Executive, his Attorney In Fact or whomever is appointed his personal guardian shall upon written request, be entitled to receive each month that percentage of monthly compensation established in a Joinder Agreement to be executed hereafter, (or, as amended in a form provided by Corporation), payable on the first day of the month following the period during which the Key Executive's continuous disability shall have met the "waiting period" as defined in such policy.

Such payments shall be made in accordance with the terms of Corporation's existing disability income insurance policy(s), but if the Key Executive should die prior to the end of the payment period, the remaining installments shall be paid in a lump sum to the beneficiary designated by Key Executive to receive any death benefits hereunder, as earlier-defined in Article III, D, above.

IV. ARTICLE FOUR - RESTRICTIONS UPON FUNDING

Corporation shall have no obligation to set aside, earmark or entrust any fund or money with which to pay its obligations under this Agreement. The Key Executive, his beneficiaries or any successor in interest to him shall be and remain simply a general creditor of the Corporation in the same manner as any other creditor having a general claim for matured and unpaid compensation.

The Corporation reserves the absolute right at its sole

discretion to either fund the obligations undertaken by this Agreement or to refrain from funding the same and to determine the extent nature, and method of such funding. Should Corporation elect to fund this Agreement, in whole or in part, through the purchase of life insurance, mutual funds, disability policies or annuities, the Corporation reserves the absolute right, in its sole discretion, to terminate such funding at any time, in whole or in part. At no time shall Key Executive be deemed to have any lien nor right, title or interest in or to any specific funding investment or to any assets of the Corporation.

If Corporation elects to invest in a life insurance, disability or annuity policy upon the life of Key Executive, then Key Executive shall assist the Corporation by freely submitting to a physical exam and supplying such additional information necessary to obtain such insurance or annuities.

V. ARTICLE FIVE - MISCELLANEOUS

A. Alienability And Assignment Prohibition:

Neither Key Executive, his widow nor any other beneficiary under this Agreement shall have any power or right to transfer, assign, anticipate, hypothecate, mortgage, commute, modify or otherwise encumber in advance any of the benefits payable hereunder nor shall any of said benefits be subject to seizure for the payment of any debts, judgments, alimony or separate maintenance owed by the Key Executive or his beneficiary, nor be transferable by operation of law in the event of bankruptcy, insolvency or otherwise. In the event Key Executive or any beneficiary attempts assignment, commutation, hypothecation, transfer or disposal of the benefits hereunder, the Corporation's liabilities shall forthwith cease and terminate.

B. Binding Obligation Of Corporation And Any Successor In Interest:

Corporation expressly agrees that it shall not merge or consolidate into or with another Corporation or sell substantially all of its assets to another Corporation, firm or person until such Corporation, firm or person expressly agrees, in writing, to assume and discharge the duties and obligations of the Corporation under this Agreement. This Agreement shall be binding upon the parties hereto, their successors, beneficiaries, heirs and personal representatives.

C. Revocation:

It is agreed by and between the parties hereto that, during

the lifetime of the Key Executive, this Agreement may be amended or revoked at any time or times, in whole or in part, by the Corporation.

D. Gender:

Whenever in this Agreement words are used in the masculine or neuter gender, they shall be read and construed as in the masculine, feminine or neuter gender, whenever they should so apply.

E. Effect On Other Corporation Benefit Plans:

Nothing contained in this Agreement shall affect the right of the Key Executive to participate in or be covered by any qualified or non-qualified pension, profit-sharing, group, bonus or other supplemental compensation or fringe benefit plan constituting a part of Corporation's existing or future compensation structure.

F. Headings:

Headings and Subheadings in this Agreement are inserted for reference and convenience only and shall not be deemed a part of this Agreement.

G. Applicable Law:

The validity and interpretation of this Agreement shall be governed by the laws of the State of Maryland.

VI. ERISA PROVISIONS

A. Named Fiduciary And Plan Administrator:

The "Named Fiduciary And Plan Administrator" of this plan shall be Aubrey A. Stephenson until his resignation or removal by the Board of Directors. As Named Fiduciary and Administrator, Aubrey A. Stephenson shall be responsible for the management, control and administration of the Salary Continuation Agreement as established herein.

He may delegate to others certain aspects of the management and operation responsibilities of the plan including the employment of advisors and the delegation of ministerial duties to qualified individuals.

B. Claims Procedure And Arbitration:

In the event that benefits under this Plan Agreement are not paid to the Key Executive (or to his beneficiary in the

case of the Key Executive's death) and such claimants feel they are entitled to receive such benefits, then a written claim must be made to the Named Fiduciary and Administrator named above within sixty (60) days from the date payments are refused. The Plan Fiduciary and Administrator and the Corporation shall review the written claim and if the claim is denied, in whole or in part, they shall provide in writing within ninety (90) days of receipt of such claim their specific reasons for such denial, reference to the provisions of this Agreement upon which the denial is based and any additional material or information necessary to perfect the claim. Such written notice shall further indicate the additional steps to be taken by claimants if a further review of the claim denial is desired. A claim shall be deemed denied if the Plan Fiduciary and Administrator fails to take any action within the aforesaid ninety-day period.

If claimants desire a second review, they shall notify the Plan Fiduciary and Administrator in writing within sixty (60) days of the first claim denial. Claimants may review the Plan Agreement or any documents relating thereto and submit any written issues and comments they may feel appropriate. In its sole discretion, the Plan Fiduciary and Administrator shall then review the second claim and provide a written decision within sixty (60) days of receipt of such claim. This decision shall likewise state the specific reasons for the decision and shall include reference to specific provisions of the Plan Agreement upon which the decision is based.

If claimants continue to dispute the benefit denial based upon completed performance of the Agreement or the meaning and effect of the terms and conditions thereof, then claimants may submit the dispute to a Board of Arbitration for final arbitration. Said Board shall consist of one member selected by the claimant, one member selected by the Corporation and the third member selected by the first two members. The Board shall operate under any generally recognized set of arbitration rules. The parties hereto agree that they and their heirs, personal representatives, successors and assigns shall be bound by the decision of such Board with respect to any controversy properly submitted to it for determination.

Where a dispute arises as to the Corporation's discharge of Key Executive, such dispute shall likewise be submitted to arbitration as above described and the parties hereto agree to be bound by the decision thereunder.

IN WITNESS WHEREOF, Federal Management Systems, Inc., has executed this Executive Benefits Master Agreement on the 15th day of January, 1994.

Herra Cavender
(WITNESS)

Federal Management Systems, Inc
(CORPORATION)

Frank Larkin
(WITNESS)

BY: *Maureen E Booker*
(Secretary)