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MARK B. CALLAHAN
TODD C. RHEA
LAURA S. EVICK
MATTHEW C. SUNDERLIN

U.S. DEPT. OF LABOR
PROHIBIT PUBLIC DISCLOSURE
01 MAY -7 AM 10:10
V. STEPHEN BRADSHAW
RETIRED

ELLEN H. BRODERSEN, C. P. A.
(NOT AN ATTORNEY)

April 30, 2001

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

2520042393262

Top-Hat Plan Exemption
Pension and Welfare Benefits Administration
US Department of Labor, Room N-5644
200 Constitution Avenue NW
Washington, DC 20210

Re: MacLease, Inc. Deferred Compensation Top-Hat Plans

To Whom It May Concern:

In lieu of filing Form 5500, the above referenced plans satisfy ERISA's reporting and disclosure provisions by filing this statement in accordance with DOL Reg. 2520.104-23(b). The employer maintains the plans primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. A copy of the plan documents are enclosed.

Employer information	MacLease, Inc. (a Virginia corporation) Post Office Box 898 Harrisonburg, VA 22803-0898
EIN	54-1378217
Number of plans	4 (one employee per plan)
Employee in each plan	Thomas L. Cline, plan #505 Joseph Avery, plan #506 Sonny G. Lasam, plan #507 Charles M. Hess, Jr., plan #508

Top-Hat Exemption
Pension and Welfare Benefits Admin.
US Department of Labor
April 30, 2001
Page Two

Would you please sign a copy of this letter and return it to me in the return envelope provided. If you require anything further, please contact me.

Sincerely,



Ellen H. Brodersen, CPA

EHB/jsm
Enclosures
cc: Thomas L. Cline
Sonny G. Lasam
Mark B. Callahan
Wayne A. Pankey

RECEIVED:

Signature

Date

Printed Name and Title

DEFERRED COMPENSATION AGREEMENT

This Deferred Compensation Agreement, made and entered into this 31st day of January, 2001, by and between **MACLEASE, INC.**, a Virginia Corporation (hereinafter the "Company") and **THOMAS L. CLINE** (hereinafter "Employee").

WHEREAS, in furtherance of the success of the Company and the Employee Stock Ownership Plan (hereinafter the "ESOP") sponsored by the Company for the exclusive benefit of the ESOP participants, the Company recognizes that the risk of key executive loss for any reason should be mitigated; and

WHEREAS, the Board of Directors recommends to Management that a Deferred Compensation Agreement be adopted for:

- A. The protection of the Company's ESOP participants;
- B. Risk abatement for the former Shareholders who are providing the collateral for the ESOP loan; and
- C. To encourage the retention of rising management in supporting a large leveraged ESOP; and

WHEREAS, this risk management effort is being undertaken in a manner that is consistent with the overall objectives of maintaining the Company's financial strength. This non-qualified key executive agreement for a few select few managers will be funded over time as performance merits. However, nothing in this discriminatory program will bring it under the purview of the Employee Retirement Security Act of 1972 (ERISA).

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein set forth and intending to be legally bound hereby, the parties hereto agree as follows:

1. Designation of Participants and Allocation of Total Fund. The Board shall meet at least once in each fiscal year and irrevocably specify, before the end of such fiscal year:
 - a. The name of each employee who shall be entitled to participate in the Agreement for such year (hereinafter the "Participants"); and
 - b. The method by which the amount to be allocated for the benefit of each Participant from the fund available for allocation shall be determined.
 - c. In specifying the names of the eligible employees, the Committee may divide them into groups, and specify different formulae for each group.
2. Deferred Compensation. The Company shall pay to Employee in addition to his salary and any other compensation received from the Company, his allocated share of the total

deferred compensation to be paid all Participants which shall equal twenty-five percent (25%) of the Company's net income before taxes and extraordinary expenses at the end of each fiscal year. The amount of said deferred compensation shall be calculated by the Chief Financial Officer of the Company within ninety (90) days of the end of the Company's fiscal year.

3. Balance Sheet. The deferred compensation shall be represented on the balance sheet of the Company and shall remain therein until the Employee is eligible to receive the deferred compensation in accordance with the terms herein. The deferred compensation shall accrue interest at the rate of six percent (6%) per annum.

4. Conditions Precedent. Employee agrees to the following conditions precedent to the payment of any deferred compensation to the Employee:

a. Employee has been with the Company for ten (10) years and stays with the Company for three (3) years from the date of this Agreement or until any of the following events occur, whichever comes earlier:

- (1) Employee retirement at age 65;
- (2) The full curtailment of the ESOP note *and* the release of the former shareholders from any collateral requirement.

b. If required during the ESOP debt retirement, Employee will subordinate his deferred compensation actual balance to the needs of the Company to:

- (1) Curtail the ESOP debt;
- (2) Fund the ESOP repurchase obligation;
- (3) Release the former shareholders from the collateral requirement.

c. Employee will forfeit all Agreement benefits if the conditions of Subparagraphs (a) and (b) above are not met, and:

- (1) The ESOP repurchase obligation to departing ESOP participants during the Employee's tenure is not fulfilled during the Employee's time with the Company.
- (2) The Company is not in default with any of its loan covenants with SunTrust Bank.

d. Employee will receive the deferred compensation benefits after ten (10) years or early retirement at age 55, whichever comes later, if the conditions of Subparagraphs (a), (b) and (c) above are met. The payouts to Employee are to be made as follows:

(1) Ten (10) annual payments on the anniversary of the departure date of one-tenth of the deferred compensation account at the time this Subparagraph (d) becomes operative; or

(2) The Company may pay the benefits in a lump sum if benefits are less than or equal to \$15,000.

e. The Participant shall not enter into a business or employment which the Board of Directors determines to be:

(1) Detrimentially competitive with the business of the Company or a subsidiary; and

(2) Substantially injurious to the Company's financial interest.

5. Company Reservations. The Company reserves the following rights:

a. To subordinate any or all individual discriminatory agreement assets to any Company need, including possible requests from ESOP trustee(s) for ESOP funding or support.

b. To reassign benefits to other key executives in the event of forfeiture by a non-qualified agreement participant.

c. To include, from time to time, certain other employees, who, by virtue of their position with the ESOP Committee, their ESOP account balance, or other facts and circumstances which might arise, are deemed to be key to the success of the Company and the ESOP.

6. Employee's Heirs. If the Employee becomes deceased prior to the commencement of deferred compensation payments, payments shall be made to his estate in and upon the conditions set forth herein or each Participant shall have the right to designate beneficiaries who are to succeed to his contingent right to right to receive future payments hereunder in the event of his death. In case of a failure of designation or the death of a designated beneficiary without a designated successor, distribution shall be made to the Participant's estate. No designation of beneficiaries shall be valid unless in writing signed by the Participant, dated and filed with the Board. Beneficiaries may be changed without the consent of any prior beneficiaries.

7. Employee's Disability. If the Employee becomes disabled prior to the commencement of the deferred compensation payments, payment shall be made to the employee in and upon the conditions set forth herein. "Disability" means mental or physical disability of at least six months which prevents a Participant from engaging in the principal duties of his employment.

8. Administration.

a. The books and records to be maintained for the purpose of the Agreement shall be maintained by the officers and employees of the Company at its expense and subject to the supervision and control of the Board of Directors. All expenses of administering the Agreement shall be paid by the Company either from funds set aside or earmarked under the Agreement or from other funds.

b. To the extent permitted by law, the right of any Participant or beneficiary in any benefit or to any payment hereunder shall not be subject in any manner to attachment or other legal process for the debts of such Participant, or beneficiary, and any such benefit or payment shall not be subject to anticipation, alienation, sale, transfer, assignment, or encumbrance.

c. No member of the Board and no officer or employee of the Company shall be liable to any person for any action taken or omitted in connection with the administration of this Agreement unless attributable to his own fraud or willful misconduct; nor shall the Company be liable to any person for any such action unless attributable to fraud or willful misconduct on the part of a director, officer, or employee of the Company.

9. Amendment of Agreement.

a. The Agreement may be amended in whole or in part from time to time by the Board of Directors of the Company, subject to approval of the shareholders.

b. Notice of every such amendment shall be given in writing to each Participant and beneficiary of a deceased Participant.

10. Prohibition Against Assignment. Except as otherwise expressly provided in this Agreement, Employee agrees on behalf of himself and of his executors and administrators, heirs, legatees, distributees, and any other person or persons claiming any benefits under him under this Agreement, that this Agreement and its rights, interests, and benefits shall not be assigned, transferred, pledged, or hypothecated in any way by Employee or any executor, administrator, heir, legatee, distributee, or other person claiming under Employee by virtue of this Agreement, and shall not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, or hypothecation, or other disposition of this Agreement or of such rights, interests, and benefits contrary to the above provisions, or the levy of any attachment or similar process thereupon, shall be null and void and without effect.

11. Miscellaneous. Nothing contained herein shall be deemed to create a trust of any kind or create any fiduciary relationship. Funds invested hereunder shall continue for all purposes to be a part of the general funds of the Company, and no person other than the Company shall, by virtue of the provision of this Agreement, have any interest in such funds. To the extent that any person

acquires a right to receive payments from the Company under this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

12. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successor of the Company, and any such successor shall be deemed substituted for the Company under the terms of this Agreement. As used in this Agreement, the term "successor" shall include any person, firm, corporation, or other business entity which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the Company's assets or business.

13. Entire Agreement. This Agreement, together with any and all exhibits attached hereto which are incorporated by reference, supersedes any and all other agreements, either oral or written, and contains the entire agreement between and among the parties with respect to the subject matter hereof, and any and all agreements subsequent hereto shall be ineffective to change, modify, alter, extend or otherwise affect this Agreement unless made in writing and signed by all parties hereto.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties agree that jurisdiction and venue for all claims and disputes regarding this Contract shall be Harrisonburg Rockingham County, Virginia.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

COMPANY:
MACLEASE, INC.

By Thomas L. Cline

Title: Pres.

EMPLOYEE:

Thomas L. Cline
THOMAS L. CLINE

DEFERRED COMPENSATION AGREEMENT

This Deferred Compensation Agreement, made and entered into this 31st day of January, 2001, by and between **MACLEASE, INC.**, a Virginia Corporation (hereinafter the "Company") and **JOSEPH AVERY** (hereinafter "Employee").

WHEREAS, in furtherance of the success of the Company and the Employee Stock Ownership Plan (hereinafter the "ESOP") sponsored by the Company for the exclusive benefit of the ESOP participants, the Company recognizes that the risk of key executive loss for any reason should be mitigated; and

WHEREAS, the Board of Directors recommends to Management that a Deferred Compensation Agreement be adopted for:

- A. The protection of the Company's ESOP participants;
- B. Risk abatement for the former Shareholders who are providing the collateral for the ESOP loan; and
- C. To encourage the retention of rising management in supporting a large leveraged ESOP; and

WHEREAS, this risk management effort is being undertaken in a manner that is consistent with the overall objectives of maintaining the Company's financial strength. This non-qualified key executive agreement for a few select few managers will be funded over time as performance merits. However, nothing in this discriminatory program will bring it under the purview of the Employee Retirement Security Act of 1972 (ERISA).

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein set forth and intending to be legally bound hereby, the parties hereto agree as follows:

1. Designation of Participants and Allocation of Total Fund. The Board shall meet at least once in each fiscal year and irrevocably specify, before the end of such fiscal year:
 - a. The name of each employee who shall be entitled to participate in the Agreement for such year (hereinafter the "Participants"); and
 - b. The method by which the amount to be allocated for the benefit of each Participant from the fund available for allocation shall be determined.
 - c. In specifying the names of the eligible employees, the Committee may divide them into groups, and specify different formulae for each group.
2. Deferred Compensation. The Company shall pay to Employee in addition to his salary and any other compensation received from the Company, his allocated share of the total

deferred compensation to be paid all Participants which shall equal twenty-five percent (25%) of the Company's net income before taxes and extraordinary expenses at the end of each fiscal year. The amount of said deferred compensation shall be calculated by the Chief Financial Officer of the Company within ninety (90) days of the end of the Company's fiscal year.

3. Balance Sheet. The deferred compensation shall be represented on the balance sheet of the Company and shall remain therein until the Employee is eligible to receive the deferred compensation in accordance with the terms herein. The deferred compensation shall accrue interest at the rate of six percent (6%) per annum.

4. Conditions Precedent. Employee agrees to the following conditions precedent to the payment of any deferred compensation to the Employee:

a. Employee has been with the Company for ten (10) years and stays with the Company for three (3) years from the date of this Agreement or until any of the following events occur, whichever comes earlier:

- (1) Employee retirement at age 65;
- (2) The full curtailment of the ESOP note *and* the release of the former shareholders from any collateral requirement.

b. If required during the ESOP debt retirement, Employee will subordinate his deferred compensation actual balance to the needs of the Company to:

- (1) Curtail the ESOP debt;
- (2) Fund the ESOP repurchase obligation;
- (3) Release the former shareholders from the collateral requirement.

c. Employee will forfeit all Agreement benefits if the conditions of Subparagraphs (a) and (b) above are not met, and:

- (1) The ESOP repurchase obligation to departing ESOP participants during the Employee's tenure is not fulfilled during the Employee's time with the Company.
- (2) The Company is not in default with any of its loan covenants with SunTrust Bank.

d. Employee will receive the deferred compensation benefits after ten (10) years or early retirement at age 55, whichever comes later, if the conditions of Subparagraphs (a), (b) and (c) above are met. The payouts to Employee are to be made as follows:

(1) Ten (10) annual payments on the anniversary of the departure date of one-tenth of the deferred compensation account at the time this Subparagraph (d) becomes operative; or

(2) The Company may pay the benefits in a lump sum if benefits are less than or equal to \$15,000.

e. The Participant shall not enter into a business or employment which the Board of Directors determines to be:

(1) Detrimentially competitive with the business of the Company or a subsidiary; and

(2) Substantially injurious to the Company's financial interest.

5. Company Reservations. The Company reserves the following rights:

a. To subordinate any or all individual discriminatory agreement assets to any Company need, including possible requests from ESOP trustee(s) for ESOP funding or support.

b. To reassign benefits to other key executives in the event of forfeiture by a non-qualified agreement participant.

c. To include, from time to time, certain other employees, who, by virtue of their position with the ESOP Committee, their ESOP account balance, or other facts and circumstances which might arise, are deemed to be key to the success of the Company and the ESOP.

6. Employee's Heirs. If the Employee becomes deceased prior to the commencement of deferred compensation payments, payments shall be made to his estate in and upon the conditions set forth herein or each Participant shall have the right to designate beneficiaries who are to succeed to his contingent right to right to receive future payments hereunder in the event of his death. In case of a failure of designation or the death of a designated beneficiary without a designated successor, distribution shall be made to the Participant's estate. No designation of beneficiaries shall be valid unless in writing signed by the Participant, dated and filed with the Board. Beneficiaries may be changed without the consent of any prior beneficiaries.

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9. Amendment of Agreement.

a. The Agreement may be amended in whole or in part from time to time by the Board of Directors of the Company, subject to approval of the shareholders.

b. Notice of every such amendment shall be given in writing to each Participant and beneficiary of a deceased Participant.

10. Prohibition Against Assignment. Except as otherwise expressly provided in this Agreement, Employee agrees on behalf of himself and of his executors and administrators, heirs, legatees, distributees, and any other person or persons claiming any benefits under him under this Agreement, that this Agreement and its rights, interests, and benefits shall not be assigned, transferred, pledged, or hypothecated in any way by Employee or any executor, administrator, heir, legatee, distributee, or other person claiming under Employee by virtue of this Agreement, and shall not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, or hypothecation, or other disposition of this Agreement or of such rights, interests, and benefits contrary to the above provisions, or the levy of any attachment or similar process thereupon, shall be null and void and without effect.

11. Miscellaneous. Nothing contained herein shall be deemed to create a trust of any kind or create any fiduciary relationship. Funds invested hereunder shall continue for all purposes to be a part of the general funds of the Company, and no person other than the Company shall, by virtue of the provision of this Agreement, have any interest in such funds. To the extent that any person

acquires a right to receive payments from the Company under this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.

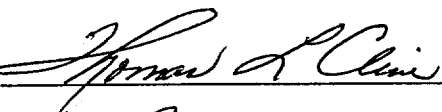
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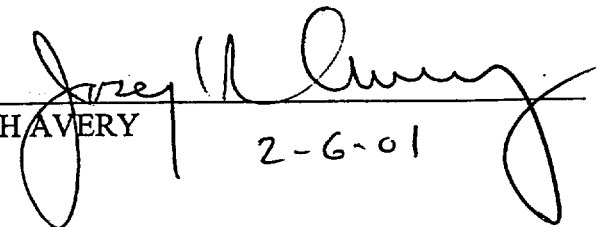
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IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

COMPANY:
MACLEASE, INC.

By: 
Title: Pres.

EMPLOYEE:


JOSEPH AVERY 2-6-01

DEFERRED COMPENSATION AGREEMENT

This Deferred Compensation Agreement, made and entered into this 31st day of January, 2001, by and between **MACLEASE, INC.**, a Virginia Corporation (hereinafter the "Company") and **SONNY G. LASAM** (hereinafter "Employee").

WHEREAS, in furtherance of the success of the Company and the Employee Stock Ownership Plan (hereinafter the "ESOP") sponsored by the Company for the exclusive benefit of the ESOP participants, the Company recognizes that the risk of key executive loss for any reason should be mitigated; and

WHEREAS, the Board of Directors recommends to Management that a Deferred Compensation Agreement be adopted for:

- A. The protection of the Company's ESOP participants;
- B. Risk abatement for the former Shareholders who are providing the collateral for the ESOP loan; and
- C. To encourage the retention of rising management in supporting a large leveraged ESOP; and

WHEREAS, this risk management effort is being undertaken in a manner that is consistent with the overall objectives of maintaining the Company's financial strength. This non-qualified key executive agreement for a few select few managers will be funded over time as performance merits. However, nothing in this discriminatory program will bring it under the purview of the Employee Retirement Security Act of 1972 (ERISA).

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b. Notice of every such amendment shall be given in writing to each Participant and beneficiary of a deceased Participant.

10. Prohibition Against Assignment. Except as otherwise expressly provided in this Agreement, Employee agrees on behalf of himself and of his executors and administrators, heirs, legatees, distributees, and any other person or persons claiming any benefits under him under this Agreement, that this Agreement and its rights, interests, and benefits shall not be assigned, transferred, pledged, or hypothecated in any way by Employee or any executor, administrator, heir, legatee, distributee, or other person claiming under Employee by virtue of this Agreement, and shall not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, or hypothecation, or other disposition of this Agreement or of such rights, interests, and benefits contrary to the above provisions, or the levy of any attachment or similar process thereupon, shall be null and void and without effect.

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14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties agree that jurisdiction and venue for all claims and disputes regarding this Contract shall be Harrisonburg Rockingham County, Virginia.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

COMPANY:
MACLEASE, INC.

By: 

Title: Pres.

EMPLOYEE:



SONNY G. LASAM

DEFERRED COMPENSATION AGREEMENT

This Deferred Compensation Agreement, made and entered into this 31st day of January, 2001, by and between **MACLEASE, INC.**, a Virginia Corporation (hereinafter the "Company") and **CHARLES M. HESS, JR.** (hereinafter "Employee").

WHEREAS, in furtherance of the success of the Company and the Employee Stock Ownership Plan (hereinafter the "ESOP") sponsored by the Company for the exclusive benefit of the ESOP participants, the Company recognizes that the risk of key executive loss for any reason should be mitigated; and

WHEREAS, the Board of Directors recommends to Management that a Deferred Compensation Agreement be adopted for:

- A. The protection of the Company's ESOP participants;
- B. Risk abatement for the former Shareholders who are providing the collateral for the ESOP loan; and
- C. To encourage the retention of rising management in supporting a large leveraged ESOP; and

WHEREAS, this risk management effort is being undertaken in a manner that is consistent with the overall objectives of maintaining the Company's financial strength. This non-qualified key executive agreement for a few select few managers will be funded over time as performance merits. However, nothing in this discriminatory program will bring it under the purview of the Employee Retirement Security Act of 1972 (ERISA).

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein set forth and intending to be legally bound hereby, the parties hereto agree as follows:

1. Designation of Participants and Allocation of Total Fund. The Board shall meet at least once in each fiscal year and irrevocably specify, before the end of such fiscal year:
 - a. The name of each employee who shall be entitled to participate in the Agreement for such year (hereinafter the "Participants"); and
 - b. The method by which the amount to be allocated for the benefit of each Participant from the fund available for allocation shall be determined.
 - c. In specifying the names of the eligible employees, the Committee may divide them into groups, and specify different formulae for each group.
2. Deferred Compensation. The Company shall pay to Employee in addition to his salary and any other compensation received from the Company, his allocated share of the total

deferred compensation to be paid all Participants which shall equal twenty-five percent (25%) of the Company's net income before taxes and extraordinary expenses at the end of each fiscal year. The amount of said deferred compensation shall be calculated by the Chief Financial Officer of the Company within ninety (90) days of the end of the Company's fiscal year.

3. Balance Sheet. The deferred compensation shall be represented on the balance sheet of the Company and shall remain therein until the Employee is eligible to receive the deferred compensation in accordance with the terms herein. The deferred compensation shall accrue interest at the rate of six percent (6%) per annum.

4. Conditions Precedent. Employee agrees to the following conditions precedent to the payment of any deferred compensation to the Employee:

a. Employee has been with the Company for ten (10) years and stays with the Company for three (3) years from the date of this Agreement or until any of the following events occur, whichever comes earlier:

- (1) Employee retirement at age 65;
- (2) The full curtailment of the ESOP note *and* the release of the former shareholders from any collateral requirement.

b. If required during the ESOP debt retirement, Employee will subordinate his deferred compensation actual balance to the needs of the Company to:

- (1) Curtail the ESOP debt;
- (2) Fund the ESOP repurchase obligation;
- (3) Release the former shareholders from the collateral requirement.

c. Employee will forfeit all Agreement benefits if the conditions of Subparagraphs (a) and (b) above are not met, and:

- (1) The ESOP repurchase obligation to departing ESOP participants during the Employee's tenure is not fulfilled during the Employee's time with the Company.
- (2) The Company is not in default with any of its loan covenants with SunTrust Bank.

d. Employee will receive the deferred compensation benefits after ten (10) years or early retirement at age 55, whichever comes later, if the conditions of Subparagraphs (a), (b) and (c) above are met. The payouts to Employee are to be made as follows:

(1) Ten (10) annual payments on the anniversary of the departure date of one-tenth of the deferred compensation account at the time this Subparagraph (d) becomes operative; or

(2) The Company may pay the benefits in a lump sum if benefits are less than or equal to \$15,000.

e. The Participant shall not enter into a business or employment which the Board of Directors determines to be:

(1) Detrimentially competitive with the business of the Company or a subsidiary; and

(2) Substantially injurious to the Company's financial interest.

5. Company Reservations. The Company reserves the following rights:

a. To subordinate any or all individual discriminatory agreement assets to any Company need, including possible requests from ESOP trustee(s) for ESOP funding or support.

b. To reassign benefits to other key executives in the event of forfeiture by a non-qualified agreement participant.

c. To include, from time to time, certain other employees, who, by virtue of their position with the ESOP Committee, their ESOP account balance, or other facts and circumstances which might arise, are deemed to be key to the success of the Company and the ESOP.

6. Employee's Heirs. If the Employee becomes deceased prior to the commencement of deferred compensation payments, payments shall be made to his estate in and upon the conditions set forth herein or each Participant shall have the right to designate beneficiaries who are to succeed to his contingent right to right to receive future payments hereunder in the event of his death. In case of a failure of designation or the death of a designated beneficiary without a designated successor, distribution shall be made to the Participant's estate. No designation of beneficiaries shall be valid unless in writing signed by the Participant, dated and filed with the Board. Beneficiaries may be changed without the consent of any prior beneficiaries.

7. Employee's Disability. If the Employee becomes disabled prior to the commencement of the deferred compensation payments, payment shall be made to the employee in and upon the conditions set forth herein. "Disability" means mental or physical disability of at least six months which prevents a Participant from engaging in the principal duties of his employment.

8. Administration.

a. The books and records to be maintained for the purpose of the Agreement shall be maintained by the officers and employees of the Company at its expense and subject to the supervision and control of the Board of Directors. All expenses of administering the Agreement shall be paid by the Company either from funds set aside or earmarked under the Agreement or from other funds.

b. To the extent permitted by law, the right of any Participant or beneficiary in any benefit or to any payment hereunder shall not be subject in any manner to attachment or other legal process for the debts of such Participant, or beneficiary, and any such benefit or payment shall not be subject to anticipation, alienation, sale, transfer, assignment, or encumbrance.

c. No member of the Board and no officer or employee of the Company shall be liable to any person for any action taken or omitted in connection with the administration of this Agreement unless attributable to his own fraud or willful misconduct; nor shall the Company be liable to any person for any such action unless attributable to fraud or willful misconduct on the part of a director, officer, or employee of the Company.

9. Amendment of Agreement.

a. The Agreement may be amended in whole or in part from time to time by the Board of Directors of the Company, subject to approval of the shareholders.

b. Notice of every such amendment shall be given in writing to each Participant and beneficiary of a deceased Participant.

10. Prohibition Against Assignment. Except as otherwise expressly provided in this Agreement, Employee agrees on behalf of himself and of his executors and administrators, heirs, legatees, distributees, and any other person or persons claiming any benefits under him under this Agreement, that this Agreement and its rights, interests, and benefits shall not be assigned, transferred, pledged, or hypothecated in any way by Employee or any executor, administrator, heir, legatee, distributee, or other person claiming under Employee by virtue of this Agreement, and shall not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, or hypothecation, or other disposition of this Agreement or of such rights, interests, and benefits contrary to the above provisions, or the levy of any attachment or similar process thereupon, shall be null and void and without effect.

11. Miscellaneous. Nothing contained herein shall be deemed to create a trust of any kind or create any fiduciary relationship. Funds invested hereunder shall continue for all purposes to be a part of the general funds of the Company, and no person other than the Company shall, by virtue of the provision of this Agreement, have any interest in such funds. To the extent that any person

acquires a right to receive payments from the Company under this Agreement, such right shall be no greater than the right of any unsecured general creditor of the Company.


12. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successor of the Company, and any such successor shall be deemed substituted for the Company under the terms of this Agreement. As used in this Agreement, the term "successor" shall include any person, firm, corporation, or other business entity which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the Company's assets or business.

13. Entire Agreement. This Agreement, together with any and all exhibits attached hereto which are incorporated by reference, supersedes any and all other agreements, either oral or written, and contains the entire agreement between and among the parties with respect to the subject matter hereof, and any and all agreements subsequent hereto shall be ineffective to change, modify, alter, extend or otherwise affect this Agreement unless made in writing and signed by all parties hereto.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties agree that jurisdiction and venue for all claims and disputes regarding this Contract shall be Harrisonburg Rockingham County, Virginia.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

COMPANY:
MACLEASE, INC.

By: 

Title: Pres.

EMPLOYEE:

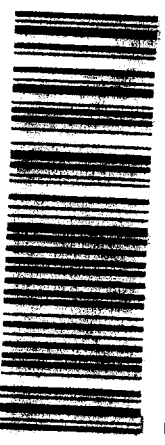

CHARLES M. HESS, JR.

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FIRST-CLASS

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FIRST CLASS MAIL

FROM

CLARK & BRADSHAW, P.C.
ATTORNEYS AT LAW

P.O. BOX 71

HARRISONBURG, VIRGINIA 22803-0071

TO

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Top-Hat Plan Exemption
Pension and Welfare Benefits Administration
US Department of Labor, Room N-5644
200 Constitution Avenue NW
Washington, DC 20210

RETURN RECEIPT REQUESTED

FIRST-CLASS

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