



**Stephen B. Marvin Agency, Inc.
Insurance**

44517 No. Sierra Highway
P.O. Box 2868
Lancaster, California 93539
(805) 942-1101

2520032032800



TO: Office of Pension Welfare Benefit Programs
Labor Management Services Administration
U.S. Department of Labor

FROM: Employer: Stephen B. Marvin Agency, Inc.
Employer Identification Number: 95-2959354
Address: 44517 N. Sierra Highway
Lancaster, California 93534
Date: May 25, 1993

This document constitutes the statement required by 29 C.F.R. section 2520.104-23 (a) (1) to be filed with the Secretary of Labor in respect to non-qualified deferred compensation plan maintained by the above employer.

The employer maintains a non-qualified deferred compensation plan for the following employee who is a member of a select group of management or who are highly compensated:

Henry B. Marvin

Signed:


DANIELLE LEWIS, Secretary/Treasurer

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DEFERRED COMPENSATION AGREEMENT

This Agreement entered into this 24th day of March, 1993, between **Stephen B. Marvin Agency, Inc.**, a corporation having its principal place of business at 44517 N. Sierra Highway, Lancaster, California, (hereinafter called the "Company"); and **Henry B. Marvin**, (hereinafter called "Executive").

WITNESSETH:

WHEREAS, Executive has been employed by the Company since July 11, 1975, in the capacity of President and by reason thereof has acquired experience and knowledge of considerable value to the Company; and

WHEREAS, the Company wishes to offer an inducement to Executive to remain in its employ by compensating him beyond his regular salary for services which he has rendered or will hereafter render; and

WHEREAS, Executive, is willing to continue in the employ of the Company until his retirement;

NOW THEREFORE, it is mutually agreed as follows:

(1) The Company hereby employs Executive in the capacity of President, commencing with the date of this Agreement, and Executive hereby accepts such employment, the conditions of which are hereinafter set forth in this Agreement.

(2) As compensation for his services the Company hereby agrees to pay Executive, and Executive hereby agrees to accept from the Company, a yearly salary to be determined by the Board of Directors of the Company.

(3) If Executive remains in the continuous employ of the Company, he shall retire from active employment with the Company on the first day of the calendar month following the month in which he reaches age sixty-five (65), unless by action of the Board of Directors his period of active employment shall be shortened or extended.

(4) Upon said retirement the Company, commencing with the first day of the month following the date of such retirement, shall pay Executive a sum determined in accordance with paragraph (5) of this Agreement, hereinafter referred to as "the sum", such sum to be paid to Executive annually in accordance with paragraph (5); provided, no payments shall be made to Executive during his lifetime until the first day of the calendar month following the

month in which Executive reaches age sixty-five (65).

Payments of the sum specified shall be made in 12 equal monthly payments.

(5) For each fiscal year (ending June 30) commencing 1991, the amount of Executive's salary paid by the Company which is less than \$240,000.00 (hereinafter referred to as the "Base Amount") shall be allocated to a suspense account designated "HBM Def'd Comp." No actual transfer of funds to this suspense account shall be made. The Base Amount shall be adjusted annually for any increase in the Consumer Price Index for the Los Angeles County Index.

At the time of Executive's retirement, the total dollars allocated to the HBM Def'd Comp. account shall constitute Executive's Deferred Compensation.

Executive shall have right at his sole election, to take his Deferred Compensation as a life annuity or an amount for years. Executive shall notify Company of his election in writing prior to his date of retirement. Executive's election, once made, is irrevocable.

Life Annuity - The total amount of the HBM Def'd Comp. account shall be divided by the number of years of Executive's remaining life expectancy, determined in accordance with insurance industry mortality tables, and the quotient so arrived at shall be "the sum" referred to in paragraph (4) of this Agreement and shall be paid to Executive for his life.

Amount for Years - The total amount of the HBM Def'd Comp. account shall be divided by a number of years as designated by Executive, but not less than 5, and the quotient so arrived at shall be "the sum" referred to in paragraph (4) of this Agreement, and shall be paid to Executive for the number of years so designated only.

(6) In the event the Executive should die prior to attaining age sixty-five (65), this Agreement shall terminate and company shall have no further liability hereunder.

(7) The Company agrees that if Executive, prior to attaining age sixty-five (65) becomes totally disabled as the result of bodily injury or disease so that he is prevented, thereby from engaging in any business or occupation and performing any work for compensation, the Company will pay to the Executive the sum determined in accordance with paragraph (5) of the Agreement. Said payments shall commence on the first day of the month following notification that such disability has continued uninterrupted for a period of six (6) months.

(8) In the event Executive should die while receiving

payments under paragraphs four (4) or seven (7) above, this Agreement shall terminate and Company shall have no further liability hereunder.

(9) The benefits provided hereunder shall be in addition to Executive's annual salary as determined by the Board of Directors of the Company and shall not affect the right of Executive to participate in any current or future Company Retirement Plan or in any supplemental compensation arrangement which constitutes a part of the Company's regular compensation structure:

(10) Except to a Trust of which Executive is both Settlor and beneficiary, it is agreed that Executive, shall have no right to commute, sell, assign, transfer or otherwise convey the right to receive any payments hereunder which payments and the right thereto are expressly declared to be nonassignable and nontransferable; and, in the event of any attempted assignment or transfer, the Company shall have no further liability hereunder.

(11) If the Company shall acquire an insurance policy or annuity contract or any other assets in connection with the liabilities assumed by it hereunder it is expressly understood and agreed that neither Executive nor any beneficiary of Executive shall have any right with respect to, or claim against, such policy or other assets except as expressly provided by the terms of such policy or in the title to such other asset. Such policy or asset shall not be deemed to be held under any trust for the benefit of Executive or his beneficiaries or to be held in any way as collateral security for the fulfillment of the obligations of the Company under this Agreement except as may be expressly provided by the terms of such policy or title to such other asset. It shall be and remain, a general, unpledged, unrestricted asset of the Company.

(12) The Company agrees that it will not merge or consolidate with any other company or organization, or permit its business activities to be taken over by any other organization unless and until the succeeding or continuing company or other organization shall expressly assume all obligations and liabilities herein set forth.

(13) This Agreement may be revoked or amended in whole or in part only by a writing signed by both of the parties hereto.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed in its Corporate Name by its duly authorized officer, and impressed with its corporate seal, attested by its Secretary and Directors, and Executive has hereunto set his hand, all on the day and year first above written.

EXECUTIVE

STEPHEN B. MARVIN, AGENCY, INC.

By: _____
KAREN HOLT, First Vice President

ATTEST:

DANIELLE LEWIS,
Secretary/Director

ELEANOR H. MARVIN,
Director