

**SCS DEVELOPMENT CO.**

December 2, 1998

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

Re: Alternative Method of Compliance under DOL Reg. Section 2520.104-23

The purpose of this letter is to (i) notify the Department of Labor that S.C.S. Development Inc., a California Corporation, established a deferred compensation plan, and (ii) comply with the "Alternative Method of Compliance" for reporting and disclosure (as set forth in DOL Reg. Section 2520.104-23) with respect to those plans.

In accordance with that Section, we provide you with the following:

1. S.C.S Development Inc.
404 Saratoga Ave. Ste. 100
Santa Clara, Ca 95050-0762
2. 94-2394368
3. Declaration:
S.C.S. Development Inc. established on September 1, 1998, the Deferred Compensation plan. S.C.S Development Inc. now maintains one non-qualified deferral plan which is maintained primarily for the purpose of providing deferred compensation for a select group of management and highly compensated employees or Directors. The number of executive and Directors that currently participate in the plan is 16.

SCS Development Co.

404 Saratoga Avenue, Suite 100
Santa Clara, CA 95050-7062
(408) 985-6000 Telefax: (408) 985-6050

Mailing Address:

P.O. Box 58171
Santa Clara, CA 95052-8171

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4. Documents:
With respect to the Plan described above, S.C.S Development Inc., will provide the Secretary of Labor, upon request, copies of the plan document(s), if any, that are required by Section 104 (a) (1) of the Employee Retirement Income Security Act of 1974 to be filed with the Secretary of Labor.

Enclosed is a copy of this letter, which we ask that you date-stamp and return to us in the enclosed self-addressed and stamped envelope.

If you should have any question about this letter, please do not hesitate to contact me at the above address.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel M Ikeda".

Daniel M Ikeda
S.C.S. Development Inc.

Enclosures

cc: Keith Tobias

Fold at line over top of envelope to
the right of the return address

CERTIFIED

Z 156 523 437

MAIL



404 Saratoga Avenue, Santa Clara, CA 95050-7062
P.O. Box 58171, Santa Clara, CA 95052-8171

SECRETARY OF LABOR
TOP HAT PLAN EXEMPTION
PENSION AND WELFARE BENEFITS ADMIN.
U.S. DEPT. OF LABOR RM N-5644
200 CONSTITUTION AVE N.W.
WASHINGTON, D.C. 20210

RETURN REQUESTED

