

CASEY CITY CYCLE CORP.
634 J. Clyde Morris Boulevard
Newport News, Virginia 23601

U.S. DEPT. OF LABOR
FMLA/PUBLIC DISCLOSURE
01 MAY 22 AM 9:14

Date: 5-9-01

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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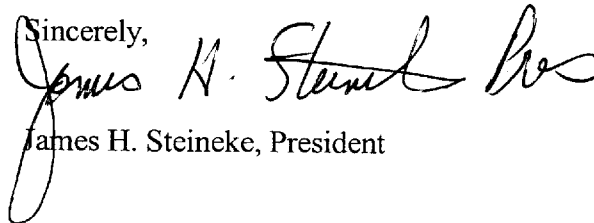
Secretary of Labor
Pension & Welfare Benefit Programs
U. S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20216

Re: Deferred Compensation Agreement

Dear Sir:

Casey Cycle City Corp., Employer Identification Number 54-0951657, maintains a plan primarily for the purpose of providing salary continuation for a select group of management or highly compensated employees. Casey Cycle City Corp. maintains one plan and one employee is covered by the plan.

If you have any questions or need any additional information, please contact me.

Sincerely,

James H. Steineke, President

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CONSENT IN WRITING
OF
THE SOLE DIRECTOR
OF
CASEY CYCLE CITY CORP.

Pursuant to §13.1-685 of the Code of Virginia of 1950, as amended, the Sole Director of Casey Cycle City Corp. (the "Company") hereby authorizes, approves, and consents to the following resolutions:

RESOLVED: That the Amended and Restated Salary Continuation Agreement in the form presented to the Sole Director, be and hereby is, approved and is adopted this date to be effective as set forth in such agreement.

RESOLVED: That the officers of the Company are authorized and directed to execute any and all documents necessary to carry out the terms and conditions of the Amended and Restated Salary Continuation Agreement.



JAMES H. STEINEKE, Sole Director

Date Signed: 5-9-01

AMENDED AND RESTATED
SALARY CONTINUATION AGREEMENT

THIS AMENDED AND RESTATED SALARY CONTINUATION AGREEMENT ("Agreement"), is made this 9th day of MAY, 2001, by and between CASEY CYCLE CITY CORP., a Virginia corporation ("Company") and JAMES H. STEINEKE ("Employee").

RECITALS:

- A. Company and Employee previously entered into that certain Salary Continuation Agreement, which was subsequently amended (collectively, "Prior Agreement").
- B. The parties now desire to amend and restate the Prior Agreement as set forth in this Agreement.
- C. Employee has been employed by Company for a substantial period of time and is presently serving Company as an officer and as a member of Company's management team.
- D. Company considers Employee to be a select member of Company's management and wishes to provide a salary continuation benefit as set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements contained in this Agreement and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Policy. Company has purchased life insurance policy number 3005573 with Guardian Life Insurance Company on Employee's life ("Policy"). Employee has, and shall continue to have, no ownership interest in the Policy. Company will always have all ownership interests in the Policy and Employee shall make no claim thereto at any time. Company is not under any obligation to maintain the Policy and may terminate the Policy at any time.

2. Payment of Benefit. Employee shall be entitled to receive from Company an amount ("Benefit") equal to the cash surrender value of the Policy (if any), if Employee: (1) becomes "Disabled" while employed by Company; or (2) retires from the Company after he reaches fifty-eight (58) years of age. Employee shall not be entitled to receive the Benefit in any other event. Employee shall be deemed to be "Disabled" if Employee qualifies for Social Security disability benefits. The Benefit shall be paid to Employee in one hundred twenty (120) equal monthly installments, without interest, commencing on the date thirty (30) days after the earliest to occur of the foregoing events. Payment of the Benefit shall cease on Employee's death.

3. Death Benefit.

a. If Employee dies before the Benefit is fully paid to Employee, Company shall pay to a beneficiary designated by the Employee the life insurance benefit received by Company under the Policy, after reduction for any state and federal income taxes paid by Company which are attributable to Company's receipt of such proceeds. Such amount to be paid shall sometimes be referred to as the "Death Benefit". The Death Benefit shall be paid in a lump sum payment within sixty (60) days after the date Company receives the life insurance benefit

under the Policy. Company shall pay the Death Benefit as directed in writing by Employee, or if no direction has been made, the Company shall pay the Death Benefit to the Employee's spouse or if there is no such spouse then living, to Employee's estate.

b. If Employee has received a distribution of a portion of the Benefit, the Death Benefit shall be reduced (but not below zero) by the amount of all such distributions of the Benefit.

4. Assignment. Neither Employee nor Employee's beneficiary shall have any right to commute, sell, assign, transfer, encumber, or otherwise dispose of the right to receive payments under this Agreement, which payments and the right to those payments are expressly declared to be nonassignable and nontransferable. Company may assign or transfer its obligations under this Agreement only with the prior written consent of Employee (or Employee's beneficiary after the death of Employee), which consent shall not be unreasonably withheld.

5. Revocation. This Agreement may be amended or revoked, in whole or in part, at any time during the lifetime of Employee, as the parties to this Agreement may mutually agree in writing. Upon the death of Employee, this Agreement shall become irrevocable.

6. Notice. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by certified mail, return receipt requested, to the party at the address as shown by the records of Company, or to Company in the event of notices to Company.

7. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding on, the parties to this Agreement and their respective successors, assigns, heirs, and personal representatives.

8. Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Virginia.

9. Withholding Taxes. Company shall deduct from all payments any taxes required by law to be withheld with respect to such payments.

10. Plan Administrator. Company shall serve as the Administrator of this Agreement. The Administrator shall have the authority and responsibility to construe and interpret this Agreement, to make all administrative determinations under this Agreement, and otherwise to manage this Agreement in accordance with its provisions.

11. Named Fiduciary. The Administrator shall be the named fiduciary responsible for operation of this Agreement.

12. Benefit Claims Procedure. Employee, his spouse, or his duly authorized representative, may make a claim for benefits by filing a claim with the Administrator on the form made available for that purpose. The Administrator shall make the initial determination as to the claim and give the claimant notice thereof within thirty (30) days after receipt of the claim, unless special circumstances require further time for processing the claim, not to exceed ninety (90) additional days, as determined by the Administrator. If the Administrator wholly or partially denies the claim, the notice of denial shall include the following:

- a. The specific reason for the denial;
- b. Specific reference to pertinent provisions of this Agreement on which the denial is based;
- c. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why the information or material is necessary; and
- d. Information as to the steps to be taken if the claimant wishes to resubmit the claim for review, including the time limits therefor.

Within sixty (60) days after notification that the claim is wholly or partially denied, the claimant may file with the Administrator a written request for review of the decision. The Administrator shall provide the claimant the opportunity to review pertinent documents relating to the claim and to submit issues and comments in writing. The claimant shall be entitled to have a representative participate in all review proceedings. Within sixty (60) days after receipt of a request for review (unless special circumstances require further time for processing the review, not to exceed sixty (60) additional days, as determined by the Administrator), the Administrator shall make a final determination and give notice to the claimant of its decision, which shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and specific references to the pertinent provisions of this Agreement on which the decision is based.

13. Service of Process. The Administrator shall be the authorized agent for receipt on behalf of Company of service of legal process directed to Company.

14. Not an Employment Contract. Neither this Agreement, nor any action taken hereunder, shall be construed as giving Employee any right to be retained in the employ of Company or to limit or interfere with Company's right to change or alter Employee's duties or job or to discharge Employee, and this Agreement shall not be deemed or construed as an employment contract or as a guarantee of employment.

15. Plan of Deferred Compensation. This Agreement constitutes a part of a plan of Company, the primary purpose of which is to provide deferred compensation for a select member of management.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CASEY CYCLE CITY CORP., a Virginia corporation

By: 

Title: Pres


JAMES H. STEINEKE

**CASEY
CYCLE CITY**
634 J. CLYDE MORRIS BLVD.
NEWPORT NEWS, VA. 23601

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