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U.S. DEPT. OF LABOR  
FOIA/PUBLIC DISCLOSURE  
98 AUG 31 PM 12:15

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August 10, 1998

Office of Pension and Welfare Benefit Programs  
Labor Management-Services Administration  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20216

RE: CONTRACTOR'S RESOURCES

Dear Sir/Madam:

Enclosed is information provided pursuant to 29 C.F.R. 2520.104-23  
in connection with the Contractor's Resources Nonqualified Deferred  
Compensation Plan.

Sincerely yours,

  
ROBIN S. LAZAROW

RSL:vaz  
Enclosure

LABOR DEPARTMENT STATEMENT

98 AUG 31 PM 12:15

To: Pension and Welfare Benefits Administration  
U.S. Department of Labor  
Room N - 5610  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

From: Employer: SOFTWARE RESOURCES OF NEW JERSEY, INC.  
Employer Identification Number: 22-2609042 22-2609042  
Address: 114 BROAD STREET  
FLEMINGTON, NJ  
08822

This document constitutes the statement required by 29 C.F.R. §2520.104.23(a)(1) to be filed with the Secretary of Labor in respect to the Contractor's Resources Nonqualified Deferred Compensation Plan maintained by the above employer.

The employer currently maintains 1 Contractor's Resources Nonqualified Deferred Compensation Plan for executives who are members of a select group of management or who are highly compensated.

The number of participants in the plan is as follows:

Plan 1: 2

1/2

SOFTWARE RESOURCES OF NEW JERSEY, INC.

Signed By:

  
STEVEN WASSERSTROM, PRESIDENT

**CONTRACTOR'S RESOURCES  
NONQUALIFIED DEFERRED COMPENSATION PLAN**

Effective September 1, 1998

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## ARTICLE I

### PURPOSE AND SCOPE

#### 1.1 Purpose.

Software Resources of New Jersey, Inc. (d/b/a Contractor's Resources), a New Jersey Corporation (hereinafter the "Employer" or "Contractor's Resources") is establishing a deferred compensation arrangement for a select group of its management or highly compensated employees to be known as the Contractor's Resources Nonqualified Deferred Compensation Plan. The purpose of the Plan is to provide Participants with the ability to defer any portion of their annual bonus and a portion of their annual compensation and to treat such deferred bonus and annual compensation as deferred compensation hereunder.

#### 1.2 Scope.

This Plan is designed to provide a select group of management or highly compensated employees of the Employer with certain tax deferred compensation benefits as elected hereunder. Nothing contained in this Plan, and no action taken pursuant to the provisions of this Plan, shall create or be construed to create a trust of any kind, except to the extent provided in the attached Trust, or a fiduciary relationship between the Employer and any Participant, his surviving spouse or dependents, his estate or his Beneficiary or any other person.

Any reserves or liabilities set up on the books of the Employer with respect to any benefits to be paid under this Plan shall continue for all purposes to be a part of the general funds or assets of the Employer. To the extent that any person acquires a right to receive payments from the Employer under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Employer.

## ARTICLE II

### DEFINITIONS

2.1 "Accounting Date" shall mean the last day of each calendar month and such other date or dates as the Committee may designate from time to time as the Accounting Date, pursuant to Article V.

2.2 "Beneficiary" shall mean the person or persons designated by a Participant, upon such forms to be provided by the Committee, to receive payments of the Participant's Account after the Participant's death. If the Participant shall fail to designate a beneficiary, or if for any reason, such designation shall be ineffective, or if such beneficiary shall predecease the Participant or die simultaneously with him, then the beneficiary shall be the Participant's surviving spouse or if there is no surviving spouse, the Participant's issue per stirpes, and if none, the Participant's estate.

2.3 "Board" shall mean the Board of Directors of the Employer.

2.4 "Committee" shall mean the Finance Committee of the Employer. The committee shall administer the Plan and shall have full power, discretion and authority to interpret, construe and administer the Plan and any part thereof, including all issues with respect to entitlement to and the amount of deferred compensation benefits provided hereunder. The committee's interpretation and construction hereof, and actions hereunder, shall be binding and conclusive on all persons for all purposes.

2.5 "Compensation" of any Participant for any Plan Year shall mean the total remuneration of all salary, wages, commissions, bonuses, and overtime pay, but excluding reimbursements or other expense allowances, fringe benefits (cash and noncash), paid by the Employer to such Participant during the Plan Year for services rendered by the Participant to the Employer as may be reflected on Form W-2 issued by the Employer to the Participant.

2.6 "Deferral Agreement" shall mean the agreement entered into by a Participant in accordance with Article III.

2.7 "Deferred Amount" shall mean the total portion of deferred compensation attributable to a Participant's deferred bonus Compensation or other Compensation from the Employer, which he elects to defer pursuant to Article IV.

2.8 "Disability" shall mean a physical or mental condition that causes the Participant to become eligible to receive and actually commence disability benefits under the Employer's Group Long Term Disability Insurance Policy then in effect for such Participant.

2.9 "Effective Date" The effective date of this Plan shall be September 1, 1998.

2.10 "Eligible Employee" means an employee of the Employer who is among a select group of management or highly compensated employees as determined by the President and Chief Executive Officer of the Employer.

2.11 "Employer" shall mean Contractor's Resources.

2.12 "Participant" means an Eligible Employee of the Employer who is selected by the Committee to participate in the Plan, and who elects to defer his or her Compensation hereunder.

2.13 "Participant's Account" shall mean the total amount credited to the account maintained in the Plan in accordance with the provisions of the Plan for each Participant as of any Accounting Date, and which consists of his Tax-Deferred Contributions Account.

2.14 "Plan" shall mean the CONTRACTOR'S RESOURCES NONQUALIFIED DEFERRED COMPENSATION PLAN as set forth herein and as it may be amended from time to time.

2.15 "Plan Year" shall mean a calendar year that ends on each December 31st. The initial Plan Year shall be a short Plan Year commencing September 1, 1998 and ending on December 31, 1998.

2.16 "Tax-Deferred Contributions" shall mean the Compensation reduction contributions credited to the Participant's Account under Article IV of the Plan.

2.17 "Tax-Deferred Contributions Account" shall mean the account maintained by the Employer under the Plan for a Participant that is credited with the Participant's Tax-Deferred Contributions.

2.18 "Year of Participation" shall mean each Plan Year in which the Participant elects to defer part or all of his Compensation under the Plan or for whom a Participant's Account is maintained under the Plan and Trust.

## ARTICLE III

### PARTICIPATION

#### 3.1 Eligible Participants.

The Committee shall from time to time designate which Eligible Employees are to become Participants under this Plan based upon such factors as the Committee deems relevant. Notice shall be given to each Eligible Employee who is selected and such employee shall become and remain a Participant in accordance with the terms hereof. The Committee shall give full consideration to recommendations submitted by the President of the Employer or the Board when designating Plan Participants.

#### 3.2 Elections.

Participation in the Plan shall be voluntary. Participants may commence participation in the Plan by making an election to make Tax-Deferred Contributions in accordance with subsections (a) or (b) of this Section 3.2 and Article IV. The Participant shall complete a Deferral Agreement to be provided by the Committee.

(a) Regular Elections. Elections to make Tax-Deferred Contributions must be filed with the Committee on or before December 31 of the Plan Year prior to the Plan Year in which services are rendered that give rise to the amounts to be deferred. The election applies only to amounts earned after the December 31 election deadline date. Subsequent elections must be made in accordance with the period specified in the preceding sentence. A subsequent timely election will only affect the deferral amounts earned in the Plan Year following the election. Once made, elections may not be revoked with respect to future deferrals during the Plan Year.

(b) Elections in First Year of Eligibility. In the first year in which a Participant becomes eligible to participate in the Plan, the Participant may enter into a Deferral Agreement to make Tax-Deferred Contributions for services to be performed subsequent to the Deferral Agreement within thirty (30) days after the Participant first becomes eligible.

#### 3.3 Notification of Eligibility to Participate.

The Committee shall notify each Participant when the Participant becomes eligible to participate in the Plan. The Committee shall also furnish a Deferral Agreement to each eligible Participant and shall take any other necessary or appropriate action to enroll in the Plan each eligible Participant electing to participate.

3.4 Change of Business Relationship.

During any period in which a Participant ceases to be an Eligible Employee, as determined by the Board, the Participant will not be eligible to make Tax-Deferred Contributions hereunder.

## ARTICLE IV

### CONTRIBUTIONS

#### 4.1 Tax-Deferred Contributions.

Each Participant, so long as he remains an Eligible Employee, may elect (pursuant to a Deferral Agreement furnished by the Committee prior to the beginning of the Plan Year and in accordance with Committee rules) to reduce and defer receipt pursuant to this Plan of (a) an amount not to exceed twenty-five percent (25%) (in whole percentages) of his Compensation earned during the Plan Year, and/or (b) an amount up to one hundred percent (100%) (in whole percentages) of any bonus earned during the Plan Year. The Employer shall withhold, by payroll deduction, the eligible Compensation deferred pursuant to this Article IV from the current eligible Compensation payments of a Participant and credit such withheld amounts to a Participant's Tax-Deferred Contributions Account under the Plan. Notwithstanding the foregoing, Tax Deferred Contributions shall cease for Plan Years after December 31, 2000.

#### 4.2 Vesting.

A Participant's interest in his Tax-Deferred Contributions Account and shall be fully vested and nonforfeitable at all times.

## ARTICLE V

### DISTRIBUTIONS

#### 5.1 Timing of Distributions.

The vested and nonforfeited benefits accumulated hereunder in the Participant's Account as of the latest Accounting Date, less any applicable tax withholding, shall be distributed to the Participant or his Beneficiary, as the case may be on or after September 30, 2001.

The distribution shall commence as soon as administratively practicable after the above date. The Committee may, in its discretion, permit the Participant to defer his distribution under the Plan. If the Committee defers the Participant's distribution, the Participant may continue to direct the manner in which his Participant's Account is deemed to be invested until actual distribution.

#### 5.2 Change of Control.

In the event of a Change of Control as defined herein, prior to the occurrence of the date designated in Section 6.1, the vested amount of the Participant's Account shall be distributed to the Participant as soon as administratively practicable following the Change of Control, unless the Board as constituted immediately prior to the Change of Control shall otherwise provide. For purposes of the Plan, "Change of Control" shall mean the purchase or other acquisition by any person, entity or group of persons, within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934 (the "Act"), or any comparable successor provisions, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Act) of thirty percent (30%) or more of either the outstanding shares of common stock or the combined voting power of the Employer's then outstanding voting securities entitled to vote generally, or the approval by the stockholders of the Employer of a reorganization, merger, or consolidation, in each case, with respect to which persons who were stockholders of the Employer immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than fifty percent (50%) of the combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated the Employer's then outstanding securities, or a liquidation or dissolution of the Employer or of the sale of all or substantially all of the Employer's assets.

#### 5.3 Forms of Distribution.

A distribution to the Participant shall be made in cash either:

(a) in a lump sum distribution of the Participant's Account; or

(b) in substantially equal periodic payments of the Participant's Account for no more than a 10-year period.

A Participant may elect, on a form provided by the Committee, the form in which his Participant's Account is to be distributed under this Section 6.3; provided, however, that no such election, or change in any election shall be given effect unless it is made at least 12 months prior to the date on which distribution of the Participant's Account commences.

#### 5.4 Hardship Distributions.

Notwithstanding any provision hereof to the contrary, if a Participant believes he or she is suffering from an unforeseen emergency, an application may be made to the Committee for an acceleration of payments from such Participant's Account. "Unforeseen emergency" for this purpose shall mean a severe financial hardship to the Participant or a dependent of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Such other circumstances may also include the following:

1. Payment of medical fees incurred by the Participant, his spouse or dependents;
2. Purchase of the Participant's principal residence (excluding mortgage payments);
3. Payment of tuition and related educational fees; or
4. Payment of amounts necessary to prevent the eviction of the Participant from his principal residence or foreclosure on the mortgage of the Participant's principal residence.

If the Committee determines, in its sole discretion, that the Participant is suffering from an unforeseen emergency, the Committee may accelerate payment to the Participant of only such vested and nonforfeitable portion of such Participant's Account as the Committee may determine is required to alleviate such unforeseen emergency, and such account shall be charged with the amount paid therefrom as of the date of payment.

#### 5.5 Distribution to Beneficiary.

If a Participant dies before distribution of the entire portion of his Participant's Account has been made to him, the remaining portion of his Participant's Account, less applicable tax withholding, shall be distributed to the Participant's Beneficiary in a lump sum distribution in cash.

## ARTICLE VI

### ADMINISTRATION

#### 6.1 Administrative Committee.

Any Committee member may, but need not, be an officer or employee of the Employer and each shall serve until his successor shall be appointed in like manner. Any member of the Committee may resign by delivering his written resignation to the Employer. The Employer may remove any member of the Committee at any time.

#### 6.2 Powers and Duties.

The Committee generally shall be responsible for the management, operation and administration of the Plan. The Committee shall:

- (a) Establish procedures for allocation of responsibilities of the Plan which are not allocated herein;
- (b) Determine the names of those officers and other executives who are eligible to participate and such other matters as may be necessary to enable payment under the Plan;
- (c) Construe all terms, provisions, conditions and limitations of the Plan and make all factual determinations relating to the Plan;
- (d) Correct any defect, supply any omission or reconcile any inconsistency that may appear in the Plan and made all factual determinations relating to the Plan;
- (e) Determine the amount, manner and time of payment of any benefits hereunder and prescribe procedures to be followed by Participants to obtain benefits; and
- (f) Perform such other functions and take such other actions as may be required by the Plan or as may be necessary or advisable to accomplish the purposes of the Plan.

The Employer shall furnish the Committee with all data and information available which the Committee may reasonably require in order to perform its functions hereunder. The Committee may rely without question upon any such data or information furnished by the Employer. Any interpretation or other decision made by the Committee shall be final, binding and conclusive upon all persons in the absence of clear and convincing evidence that the Committee acted arbitrarily and capriciously.

### 6.3 Agents.

The Committee may appoint a Secretary who may, but need not, be a member of the Committee, and may employ such agents for clerical and other services, and such counsel, accountants and other professional advisors as may be required for the purpose of administering the Plan. The Committee may rely on all tables, valuations, reports, certificates and opinions furnished by its agents.

### 6.4 Procedures.

A majority of the Committee members shall constitute a quorum for the transaction of business. No action shall be taken except upon a majority vote of the Committee. An individual shall not vote or decide upon any matter relating solely to himself or vote in any case in which his individual right or claim to any benefit under the Plan is particularly involved. In any case in which a Committee member is so disqualified to act, and the remaining members cannot agree on an issue, the Employer shall appoint a temporary substitute member to exercise all of the powers of the disqualified member concerning the matter in which he is disqualified.

### 6.5 Claims Procedure.

In the event that any Participant or Beneficiary claims to be entitled to benefits under the Plan and the Committee determines that such claim should be denied in whole or in part, the Committee shall, in writing, notify such claimant within ninety (90) days of receipt of such claim that his claim has been denied, setting forth the specific reason for such denial. Such notification shall be written in a manner reasonably expected to be understood by such Participant or Beneficiary and shall set forth the pertinent sections of the Plan relied on, and where appropriate, an explanation of how the claimant can obtain review of such denial.

Within sixty (60) days after the mailing or delivery by the Committee of such notice, such claimant may request, by mailing or delivery of written notice to the Committee, a review and/or hearing by the Committee of the decision denying the claim. If the claimant fails to request such a review and/or hearing within such sixty (60) day period, it shall be conclusively determined for all purposes of this Plan that the denial of such claim by the Committee is correct. If such claimant requests a hearing within such sixty (60) day period, the Committee shall designate a time (which time shall not be less than seven (7) nor more than sixty (60) days from the date of such claimant's notice to the Committee) and a place for such hearing, and shall promptly notify such claimant of such time and place. A claimant or his authorized representative shall be entitled to inspect all pertinent Plan documents and to submit issues and comments in writing. If only a review is requested, the claimant shall have sixty (60) days after

filing a request for review to submit additional written material in support of the claim. After such review and/or hearing, the Committee shall promptly determine whether such denial of the claim was correct and shall notify such claimant in writing of its determination within sixty (60) days after such review and/or hearing or after receipt of any additional information submitted.

#### 6.6 Indemnification.

The Employer shall indemnify each Committee member against any liability or loss sustained by reason of any act or failure to act made in good faith, including, but not limited to, those in reliance on certificates, reports, tables, opinions or other communications or any company or agents chosen by the Committee in good faith. Such indemnification shall include attorneys' fees and other costs and expenses reasonably incurred in defense of any action brought by reason of any such act or failure to act.

#### 6.7 Participants Bound.

Any action with respect to the Plan taken by the Committee, the Employer or any action authorized by or taken at the direction of the Committee or the Employer shall be conclusive upon all Participants and Beneficiaries entitled to benefits under the Plan.

#### 6.8 Receipts and Release.

Any payment to any Participant or Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Employer and the Committee under the Plan, and the Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect. If any Participant or Beneficiary is determined by the Committee to be incompetent by reason of physical or mental disability to give a valid receipt and release, the Committee may cause the payment or payments becoming due to such person to be made to another person for his or her benefit without responsibility on the part of the Committee or the Employer to follow the application of such funds.

## ARTICLE VII

### GENERAL PROVISIONS

#### 7.1 Unfunded Plan.

All benefits hereunder shall be an obligation of the Employer, payable in cash from the general funds of the Employer, and no special or separate fund shall be established or other segregation of assets made with respect to which the Committee or Participants have any rights greater than any unsecured general creditor of the Employer. To the extent that any person becomes entitled to receive payments from the Employer under the Plan, such person shall have recourse only against the Employer. For purposes of the Internal Revenue Code and Title I of the Employee Retirement Income Security Act of 1974, as amended (ERISA), this Plan shall be considered unfunded.

#### 7.2 Amendment or Termination of Plan.

The Employer may amend or terminate the Plan at any time; however, no such amendment or termination shall, without the prior written consent of the Participant, retroactively impair or otherwise adversely affect the rights of any person to benefits under the Plan which have accrued prior to the date (or as the result) of such action.

#### 7.3 Assignability.

The Participant, his spouse or any other Beneficiary shall not have any power or right to transfer, assign, hypothecate, mortgage or otherwise encumber, or advance any benefits payable hereunder, nor shall the benefits payable hereunder be subject to seizure or payment of any debt or judgment or be transferable under operation of law in the event of bankruptcy, insolvency or otherwise. In the event that the Participant or his Beneficiary hereunder attempts to assign such right, the Employer at its own discretion may suspend, reduce or terminate any or all rights created by this Plan as to the Participant or to the person attempting such assignment.

#### 7.4 Governing Law.

This Plan is established under and will be construed within the laws of the State of New Jersey. If any provision of this Plan shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Plan shall continue to be fully effective.

#### 7.5 Right of Offset.

The Employer shall have the right to offset against any benefits payable to any Participant or the Beneficiary of any

Participant under the Plan, any amounts payable by the Participant to the Employer.

7.6 Miscellaneous.

(a) Withholding. The Committee shall withhold from any contribution to, amounts accumulated under, or distributions from the Plan such amounts as the Committee shall determine to be appropriate for federal, state or local taxes attributable thereto.

(b) No Contract of Employment. Nothing contained in this Plan shall be construed as a contract of employment between the Participant and the Employer or to suggest or create a right in the Participant to be continued as an employee of the Employer.

(c) Impact on Other Participant Benefits. This Plan shall not be construed to impact or cause the denial of any benefits to which any Participant may be entitled under any other welfare or benefit plan of the Employer unless so specified under the terms of such other plans.

(d) Severability. If any provision of this Plan is found, held or deemed to be void, unlawful or unenforceable under any applicable statute or other controlling law, the remainder of the Plan shall continue in full force and effect.

(e) Headings and Subheadings. Headings and subheadings in this Plan are for reference only. In the event of a conflict between a heading or subheading and the content of an article or paragraph, the content shall control.

(f) Gender. The masculine, as used herein, shall be deemed to include the feminine and the singular to include plural, except where the context requires a different construction.

IN WITNESS WHEREOF, the President of the Company has hereunto affixed his signature signifying the adoption of this Plan by the Board of Directors of the Company.

ATTEST:

CONTRACTOR'S RESOURCES

\_\_\_\_\_  
, Secretary

By:   
STEVEN WASSERSTROM, President

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# FIRST CLASS MAIL

WITMAN, STADTMAUER & MICHAELS, P.A.

COUNSELLORS AT LAW

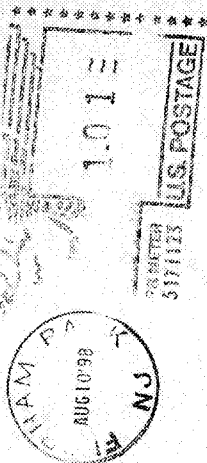
26 COLUMBIA TURNPIKE

FLORHAM PARK, N.J. 07932-2246

**TO:**

Office of Pension and Welfare  
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U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20216

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